

MINUTES

CALL TO ORDER/ROLL CALL

The Wise County Public Service Authority held its regular monthly Board Meeting on Tuesday, April 13, 2021 at 6:00 p.m. in the PSA Board Room in Norton. Chairman, Ralph Gilley, called the regular monthly meeting to order and the Director, Cody McElroy, called roll.

Members Present:

Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey via telephone

Absent:

Fred Luntsford, Vice-Chairman

Also Present:

Cody McElroy, Executive Director
Elaine Minor, Recording Secretary
Will Sturgill, Wise County PSA Attorney
Jon Broskey, Lane Group

PRAYER/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Worley Smith, and seconded by Bob Adkins, to approve the agenda with the exception of Town of Coeburn – PSA Intermunicipal Agreement for Consolidation Study being moved to Board Action Items instead of Director Items. The vote was as follows.

Ayes	Nays	Abstain	Absent Fred Luntsford
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Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

PUBLIC EXPRESSION

APPROVAL OF MINUTES

A motion was made by Robby Robbins, and seconded by Hibert Tackett, to approve the minutes of the March 9, 2021 meeting as presented. The vote was as follows.

Ayes	Nays	Abstain	Absent Fred Luntsford
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Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

PROJECT UPDATES

Director Cody McElroy submitted project updates on behalf of T&L.

Airport Hollow Pump Station Replacement

We are waiting on DEQ for the go ahead to advertise for bids.

Hamilton Town Sewer Extension

Finishing up design and will have a meeting to go over the final plans. All of the public hearings have been done for the Block Grant Application which will go in once the plans and specs and permits are on hand. This project is really close to making the final application for construction ready funding. The PSA will only be out \$6,800 once the funding has been received.

Jon Broskey submitted project updates on behalf of Lane Group

Banner Sewer

Still waiting on the Electrical Engineer to finish up design by next month. Also waiting on the Town of Coeburn to get everything settled to be able to advertise and move forward.

Glamorgan Sewer

Have received Topo survey. The preliminary design is 90% complete. Have met with property owners to come up with a solution to cross the old four-lane.

Upper Guest River Sewer Phase I

PER is complete. Lenowisco has submitted ARC application. The DHCD Application is not going to work out so other funding is going to be looked at. Going to submit the PER to Rural Development.

Director Cody McElroy submitted project updates for Mattern & Craig

Natural Gas Study

Most of the data acquisition is complete.

Garbage Collection Study

Hoping to have the study complete in the next couple of months.

Director Cody McElroy submitted project updates for PSA projects

High Knob Rec Area Water

Forest Service has received a verbal confirmation of additional in-house funding. We will now be able to essentially complete the entire water system at the Rec Area. Still some environmental testing to be done around the well site to make sure no habitats would be affected.

BOARD ACTION ITEMS

Director Cody McElroy presented the FY22 budget to the Board, requesting authorization to advertise for the public hearing for rates and budget in May, with budget approval afterward. He highlighted some key points on the budget:

The PSA staff is presenting a balanced budget for the FY22. Our revenues are still down due to varying factors. Compared to the FY21 budget, the FY22 budget will see an increase in revenues of 3.58% and expenses of 3.59%.

The expenses increased 3.59% or just under \$142,00 due to the following:

Salaries include a 2.0% COLA adjustment. As we look to prepare for the future of our current WTP operation needs and potential consolidations, adding additional staff will ease any future transitions. The budget includes the addition of a full-time WTP operator and WTP trainee. Health insurance rates decreased by 1% for FY22 but we absorbed the increase from FY21 so our employees will see no change in employee contribution again this year. Our staff continues to look for ways to simplify line items in the budget and has made a few more consolidations to simplify our accounting procedures. The coal severance funds were trending back up in FY20, but with the pandemic we expect them to begin a downward trend going forward. These funds are not used for debt service, but are used for capital investments. VRA has dictated that we adopt rates showing a parity of 1.15 is achieved for three budget years. We are looking to increase our water minimum rate by \$2.00 going from \$27.00 to \$29.00 base rate and no increase in incremental rate. For the industrial the same thing. On the sewer there

will also be a \$2.00 rate increase from \$38.00 to \$40.00 on the base rate and a \$.50 increase on the increment rate. Wise County has a large transient population of tenants where customers are only active for a few months before they move to another service area and leave behind a bill that the deposit does not cover. Therefore, we are proposing an increase in the deposit for tenants from \$150.00 to \$200.00 to assist in covering bills left unpaid. We also want to decrease the deposit from \$150.00 to \$100.00 for homeowners because they typically stay there for a long period of time. There would not be any other changes in fees. The proposed budget for FY22 has a parity of 1.41 as the PSA positions itself to take on future debt from water replacements and potential consolidations. The strategy implemented last year remains in place, and where possible (budget surplus) we will pay off additional debt as possible. We are looking at adding a Tank Maintenance Item in the Expense Budget at less than \$28,000 this year that involves a trial run on three tanks. We have had some initial meetings and discussions with Davenport & Company regarding our financial goals.

A motion was made by Ralph Gilley and seconded by Worley Smith, to authorize the advertisement of the public hearing for FY22 budget at 6:00 PM on May 11th, 2021 at the PSA offices. The vote was as follows.

Ayes	Nays	Abstain	Absent Fred Luntsford
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Ralph Gilley, Chairman
 JH Rivers
 Hibert Tackett, Jr.
 Bob Adkins
 Worley Smith
 Robby Robbins
 Ruthie Rainey

The motion was passed.

A motion was made by Worley Smith and seconded by JH Rivers, to authorize the advertisement of the public hearing for proposed FY22, FY23, and FY24 Rates/Fees immediately following the FY22 Budget public hearing at 6:00 PM on May 11th, 2021 at the PSA offices. The vote was as follows.

Ayes	Nays	Abstain	Absent Fred Luntsford
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Ralph Gilley, Chairman
 JH Rivers
 Hibert Tackett, Jr.
 Bob Adkins
 Worley Smith
 Robby Robbins
 Ruthie Rainey

The motion was passed.

The PSA currently owns and provides cell phones to several staff as deemed necessary for business operations. As an alternative to the PSA owning, maintaining, and replacing cell phones, the PSA would exit the cell phone business and provide a \$50 monthly reimbursement to these employees. During the initial switch over, employees can either keep the PSA phone and number they have by moving it to their personal account, or provide their personal number for the company directory. Employees will be required to follow the policy for cell phone coverage and sign the Agreement for Cell Phone Reimbursement.

A motion was made by JH Rivers, and seconded by Robby Robbins, that the Board approve the attached Cell Phone Reimbursement Policy as presented. The vote was as follows.

Ayes	Nays	Abstain	Absent
			Fred Luntsford

Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

With the changing of department heads to salary, as opposed to hourly, we are looking at the addition of flex time to our leave policy for department heads. These positions will routinely work more than 40 hours per week in our operations and the flex time will be available for these positions only. They can receive the benefit of 40 hours flex time per year and must be used in the fiscal year, meaning this time cannot be carried over to another year.

A motion was made by JH Rivers, and seconded by Worley Smith, to table the vote for Department Head Flex Time Policy approval to the next meeting on May 11, 2021. The vote was as follows.

Ayes	Nays	Abstain	Absent
			Fred Luntsford

Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

The PSA organizational chart has been out of date for a little while. The job of Director of Projects has been removed, the addition of an Assistant WTP Superintendent, and changing lobby personnel to Account Clerk 1 and 2. JH Rivers asked what the Foreman position job was. Director Cody McElroy informed the Board it was the Line Crew Foreman position and he would revise the Organizational Chart to reflect that.

A motion was made by JH Rivers, and seconded by Worley Smith, that the Board approve the Revised PSA Organizational Chart as presented with the addition of Line Crew added to Foreman. The vote was as follows.

Ayes	Nays	Abstain	Absent
			Fred Luntsford

Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

There was a conference call with VRA, DEQ, VDH, the Town of Coeburn, and PSA on April 1st in regards to the VRA required consolidation study for the Town with the PSA. The study is to be completed by June 30,2022. We will need to execute an intermunicipal agreement with the Town of Coeburn to allow for the PSA to utilize our term contracts for the study and in turn for the money to flow between the entities properly. Once the agreement is executed and the agencies have approved our procurement, a task order for this study with be issued.

A motion was made by Robby Robbins, and seconded by Worley Smith, that the Board approve the Chairman, Executive Director, and PSA attorney to work with the Town of Coeburn and execute an Intermunicipal Agreement for Consolidation study on time. The vote was as follows.

Ayes	Nays	Abstain	Absent
			Fred Luntsford

Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

DIRECTOR'S ITEMS

Director Cody McElroy provided a monthly update regarding PSA operations during the COVID-19 pandemic. We are continuing to monitor cases.

Our kiosk has been live since March 8, 2021. As of date, we have 109 non-check customers that would not have been able to pay previously. We anticipate our usage will continue to increase as customers acclimate to the new system. Instructions for using the kiosk will be placed on the machine and will be handed out to customers by the front office.

Paystar, our other on-line system, is doing well. We have moved around \$185,000 to that since January 2021.

The disconnect moratorium for utility disconnects is still in effect. We have \$24,000 in arrears and the magic number for us is over \$38,000.

All of the staff that had wanted to be vaccinated for COVID-19 has done that.

Director Cody McElroy provided an update on the Town of Pound. The Town has to respond to DEQ by March 21st of their plan of action to address their Consent Order.

FINANCIALS

None

BOARD COMMENTS

Hibert Tackett asked if we have any updates on selling water to our neighboring Kentucky. Director Cody McElroy advised the Board that we would be able to sale them water and will discuss that with Kentucky to see if it is feasible for them.

ADJOURNMENT

A motion was made by Robby Robbins, and seconded by Worley Smith, to adjourn the meeting at 7:06 p.m. The vote was as follows.

Ayes	Nays	Abstain	Absent Fred Luntsford
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Ralph Gilley, Chairman
JH Rivers
Hibert Tackett, Jr.
Bob Adkins
Worley Smith
Robby Robbins
Ruthie Rainey

The motion was passed.

ATTEST:

Wise County Public Service Authority



Director



Chairman