MINUTES

CALL TO ORDER/ROLL CALL

The Wise County Public Service Authority held its regular monthly Board Meeting on Tuesday, July 20, 2021 at 5:00 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 via telephone
Robby Robbins
Ruthie Rainey

Absent:
Fred Luntsford, Vice-Chairman

Also Present:

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

PRAYER/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Ruthie Rainey, and seconded by JH Rivers, to approve the agenda 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.

PUBLIC EXPRESSION

APPROVAL OF MINUTES

A motion was made by Bob Adkins, and seconded by Ruthie Rainey, to approve the minutes of the June 8, 2021 meeting 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.

PROJECT UPDATES

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

Airport Hollow Pump Station Replacement

Waiting on DEQ and then will be advertised for Bids.

Hamilton Town Sewer Extension

Waiting on the Army Corp permit to come back and then we will make final application to Block Grant for funding. Once all the funding has been received, we will advertise as construction ready project.

Lower Bold Camp Sewer Replacement

It has been designed and we are having some final changeovers to make it look like a PSA project. It is 1,400 foot of sewer line replacement at the confluence of Bold Camp Creek backup from Pound River. Hopefully will be ready to go to DEQ next month and advertised late Summer or early Fall.

Pound WWTP Upgrades

We have gone through the plans and working on the specs and made comments and changes. There will be a deletion of some things and changing things to be PSA related. Expecting to be bid by the end of the year or beginning of next year.

John Broskey submitted project updates on behalf of Lane Group

Banner Sewer

MOU is signed by all parties. A letter will need to be sent from the Town of Coeburn saying they accept sanitary sewer so that DEQ can issue a Certificate to Construct. Once the Certificate is received, the final plans will be submitted to DEQ.

Glamorgan Sewer

Right of Way easements have been completed and ready for Gordon to get those started.

Upper Guest River Sewer Phase 1

Working on the Environmental Reports and have received some comments from some of the agencies. This will be a 30 to 45 day process.

Director Cody McElroy submitted project updates for PSA projects.

High Knob Rec Area Water

Completed the Camp Ground section installation. Have approval on the well site and Funk Drilling will be there next week to start the drilling. Once the well is on line, we will complete the rest of the construction.

BOARD ACTION ITEMS

The PSA has been awarded the $75,000 max grant for the purchase of three (3) service trucks. The other component to the funding is a loan for the remaining amount which is around $85,000. The Board needs to adopt the attached resolution to proceed with the loan components of the award with the grant.

A motion was made by JH Rivers, and seconded by Robby Robbins, that the Board adopt the attached RD loan resolution for the service truck purchases. 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.

Sealed bids were received and opened on July 8th for the purchase of up to three (3) service trucks for the Line crew. We received two bids. One bid from Friendship Auto and one bid from Morgan-McClure Chevrolet. Morgan-McClure was the low bidder at a price of $55,077.50 per truck.

A motion was made by Robby Robbins, and seconded by Ruthie Rainey, that the Board award the service truck bid to Morgan-McClure Chevrolet in Coeburn and authorize staff to purchase three 1-ton service trucks. 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.

As we work to assume the Town of Pound's utility debt for water and sewer, the Board needs to adopt a RD loan resolution to allow for the assumption of the Middle Fork Water Project from Pound to the PSA. We are working with VDH on getting this loan moved over to a VRA loan. In the event we have to move it from Pound to the PSA, prior to the VDH/VRA funds being available, we will need to adopt a RD loan resolution.

A motion was made by Hibert Tackett, and seconded by Robby Robbins, that the Board adopt the attached loan resolution from RD for the assumption of the Middle Fork Water Project debt from the Town of Pound to the PSA. 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.

PSA has completed a garbage collection feasibility study and has been in the process of working to add solid waste collection as a service to the PSA. Solid waste collection is a chartered service of the PSA in the original PSA charter from 1969. With the Town of Pound no longer providing solid waste collection to the residents of Pound, the need for collection has increased even further. Pound's Town Council did authorize the PSA to collect solid waste within the town limits at their last meeting. In order to begin providing the service, our best practice would be to create a Solid Waste Fund for proper accounting.

A motion was made by Ralph Gilley, and seconded by Ruthie Rainey, that the Board approve the creation of the Solid Waste Fund at the PSA and allow staff to transfer up to $100,000 of unrestricted funds to the account for startup of the solid waste collection service. 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.

Bids from private contractors were solicited in June for solid waste collection and exceeded our expectations. Therefore, we are working towards purchasing a new garbage truck for waste collection in the County. The Town of Coeburn has a 2000 model Chevy 7500 with a Cat diesel engine and Allison transmission. The Town of Coeburn has offered the PSA to purchase this truck for $5,000. Not only is this a good deal for the PSA, it will give us a spare in our fleet once a new truck arrives.

A motion was made by Robby Robbins, and seconded by Ruthie Rainey, that the Board approve the purchase of the used garbage truck from the Town of Coeburn at the price of $5,000. 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

Pound Consolidation Update

All customer accounts for the Town of Pound customers have been integrated with balances to the PSA customer database. Pound customers have been opening new accounts at the PSA for a couple of weeks and customers started making payments at the PSA on July 6th. The land transfer from Pound to the PSA for all facilities including plants, pump stations, and lines still needs to be completed. We have hired around 10 new employees since the last meeting for the operation of plants, line crew, and technical staff.

The line crew continues to fix leaks in Pound's water system as they are continually found. Our crew has made a direct impact in the water loss, resulting in better operation of the water plant itself. The process of reading Pound's meters is complete. We are also working on a funding application for the replacement of the Pound River Interceptor, which is likely the main cause of increased flows to the sewer plant

The water plant startup and shutdown procedures are much more consistent. Maintenance at the plant is being completed now to allow for better operation. We have submitted a $1.8M funding application to VDH for water plant upgrades which mainly include a large tank for storage at the plant, chemical feed building, site fencing, and a new pump station at the plant. The new belt press has been delivered. We are working to finalize the permit transfer for the water systems from Pound to the PSA.

The Pound sewer plant started being operated by our staff officially on July 8th. The permit is now in the PSA's name for the WWTP as well. We are working with T&L on revising the plant upgrades design to prepare for bidding on that project.

Coeburn Update

The Coeburn Sewer MOU with the County BOS, the PSA, and the Town has been approved by Coeburn's council and signed by all parties. We are now waiting to bid the Banner project once contractor prices level off and come back closer to what we would consider normal market conditions. The PSA-Coeburn intermunicipal agreement was approved and has been executed by both entities for the consolidation study and needs to be completed by June 30, 2022 per VRA conditions.

COVID Update

The state of emergency has been lifted and we will begin disconnects in September along with the other utilities in the County. The office will also resume normal business hours from 8:00 – 4:30.

FINANCIALS

None

BOARD COMMENTS

The Board wanted Directory Cody McElroy and the entire staff to know that they appreciate all the hard work that has taken place with the consolidation of Pound.

ADJOURNMENT

A motion was made by Robby Robbins, and seconded by Ruthie Rainey, to adjourn the meeting at 5:55 p.m. 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.

ATTEST:

Director

Wise County Public Service Authority

Chairman

Position 5

USDA
Form RD 1942-47
(Rev. 12-97)

LOAN RESOLUTION
(Public Bodies)

FORM APPROVED
OMB NO. 0575-0015

A RESOLUTION OF THE Board of Directors

OF THE Wise County Public Service Authority
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

2021 DCI Service Trucks
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Wise County Public Service Authority
(Public Body)
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

85,000.00

pursuant to the provisions of Code of Virginia, Letter of Conditions and Closing Instructions ; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of $ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:

    (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
    (b) Repairing or replacing short-lived assets.
    (c) Making extensions or improvements to the facility.

    Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. To accept a grant in an amount not to exceed $ ~~50,000~~ 75,000

    under the terms offered by the Government; that the BOARD CHAIR

    and EXECUTIVE DIRECTOR of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

    The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee

The vote was: Yeas 7 Nays 0 Absent 1.

IN WITNESS WHEREOF, the Board of Directors of the Wise County Public Service Authority has duly adopted this resolution and caused it to be executed by the officers below in duplicate on this 8th day of July, 2021.

(SEAL)

By [signature]

Title Chairman

Attest:

[signature]

EXECUTIVE DIRECTOR

Title

RESOLUTION OF GOVERNING BODY OF

THE WISE COUNTY PUBLIC SERVICE AUTHORITY

The governing body of the Wise County PSA, consisting of 8 members, in a duly called meeting held on the 20th day of July 2021 at which a quorum was present RESOLVED as follows:

BE IT HEREBY RESOLVED that, in order to facilitate obtaining financial assistance from the United States of America, United States Department of Agriculture, Rural Development, (the Government) for the transfer and assumption of Rural Development indebtedness for the Town of Pound Middle Fork Water Project (Bold Camp), the governing body does hereby adopt and abide by the covenants contained in the agreements, documents, and forms required by the Government to be executed.

BE IT FURTHER RESOLVED that the Chairperson, Vice Chairperson, or Executive Director be authorized to execute on behalf of the Wise County Public Service Authority, the above-referenced agreements and to execute such other documents including, but not limited to, debt instruments and security instruments as may be required in obtaining the said financial assistance.

This Resolution, along with a copy of the above-referenced documents, is hereby entered into the permanent minutes of the meetings of this Board of Directors.

Attest: _____
Secretary

By _____
Chairperson

CERTIFICATION

I hereby certify that the above resolution was duly adopted by the Board of Directors of the Wise County Public Service Authority in a duly assembled meeting on the 20th day of July, 2021.

_____
Secretary