

MINUTES

CALL TO ORDER/ROLL CALL

The Wise County Public Service Authority held its regular monthly Board Meeting on Tuesday, May 13, 2025, at 6:00 p.m. Ralph Gilley, Chairman, called the regular monthly meeting to order and the Director, Cody McElroy, called roll.

Members Present:

Ralph Gilley, Chairman
Fred Luntsford, Vice-Chairman
JH Rivers, Treasurer
Hibert Tackett, Jr.
Bob Adkins
Rusty Peters
Robby Robbins
Worley Smith

Absent:

Also Present:

Cody McElroy, Executive Director
Will Sturgill, Wise County PSA Attorney
Alexis Fleming, Recording Secretary

PRAYER/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

A motion was made by Worley Smith, and seconded by Robby Robbins, to approve the agenda as amended. The vote was as follows.

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

The motion was passed.

PUBLIC EXPRESSION

During Public Expression , Ari Fey, living at 11736 Essex Rd, Coeburn, spoke.

Opened Public Hearing at 6:03 p.m. for the FY26 Budget and was closed at 6:04 p.m. Opened Public Hearing for the FY26 Rates and Fees at 6:04 p.m. and closed at 6:04 p.m. The Public Hearing was closed at 6:04 p.m.

APPROVAL OF MINUTES

A motion was made by Robby Robbins, and seconded by Rusty Peters, to approve the minutes of the April 8, 2025, meeting as presented. The vote was as follows.

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

The motion was passed.

PROJECT UPDATES

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

Pound I/I

Everything is submitted to fish and wildlife. We have asked for a status update, and we hope for a quick response. Once we have the permit, this project will be ready to bid. This project will bid after the interceptor project because the interceptor is the bulk of the project and we want to make sure the budget is intact before bidding this.

Pound WWTP Upgrades

We are continuing to progress, slowly but surely. We are around 96% budget/time. We are working on closing up things and working towards substantial completion. The walkthrough is on the 21st of this month. We hope to have things squared away within 90 days.

Carfax

We are waiting on approval and a biddability review from the Health Department to bid this project. We are also waiting on a parity consent from Rural Development to close a loan with Virginia Resource Authority.

Director Cody McElroy submitted project updates on behalf of Lane Group

Banner Sewer

We are still waiting on Rural Development for parity review so we can bid this project and close the loan.

Pound System-Wide Improvements 2023

We have the preconstruction conference with the next week for this project and we hope to get construction going with the next month. This project has the same funding as the Carfax electrical upgrades and we can't close the rest of the funding and add more until we get consent to the parity from Rural Development.

Pound WTP & Tank Projects

We expect contracts back from the tank we authorized award on with last month's bid. The water plant will be revisiting for a rebid on this and a redesign as we take the tanks on separately. We hope to advertise the next tank by the end of summer

Appalachia Elementary School Sewer

Design has taken off. We have consulted The Lane Groups on-site system engineering, they are beginning the process and we hope for a quick turnaround.

Director Cody McElroy submitted project updates for Mattern & Craig

Pound River Interceptor

The final environmental notice for DHCD will wrap up on the 20th of this month and they will give us the "ok" to bid. We will monitor that closely and we hope to advertise by the end of this month or the first weekend of June

St. Paul Interconnect Study

No movement as of right now. We are still waiting to hear from the town of St. Paul for some numbers.

CLOSED SESSION

BOARD ACTION ITEMS

Director Cody McElroy presented the FY26 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 FY26. Compared to the FY25 budget, the FY26 budget will see a 1.64% increase in revenues and expenses.

The expenses increased 1.64% or approximately \$100,934 due to the following:

Salaries include a 3.0% COLA adjustment. There is no merit raise proposed. Also, as in the FY25 budget, a single bonus is included for the staff. Health insurance rates increased by 12% for FY26. The budget proposed keeps the employer/employee percentage split the same. Employees will see a monthly increase in insurance premiums anywhere from \$12 to \$21 based upon their plan election. The expenses are planned for continuing increases in categories such as fuel, treatment chemicals, maintenance supplies (pipe, valves, etc.), and debt service for new projects.

Coal Severance funds continue to be budgeted as equal revenue received and capital offset expensed. For the last few budget cycles, there has been no planned operating or debt expenses planned for using coal severance funds given the volatility of this revenue.

Proposed Rates:

VRA has dictated that we adopt rates showing parity of 1.15 is achieved for three (3) budget years. Therefore, as in the past few years, proposed rates for FY26, FY27, and FY28 are shown to satisfy this requirement.

We are looking to increase our water minimum rate by \$1.50 going from \$37.50 to \$39.00 base rate and an increase in incremental rate from \$13.25 to \$13.50. The industrial base rate will increase from \$37.50 to \$39.00 with the incremental rate increasing by \$.25 from \$13.25 to \$13.50. The sewer will also see a \$1.00 rate increase from \$48.00 to \$49.00 on the base rate and the increment rate will stay at \$14.00. The sewer flat fee – well water will increase \$1.00 from \$69.00 to \$70.00.

The FY25 solid waste monthly rates for residential and commercial waste collection will stay the same, as well as Private Drive rates.

There is a recommendation for a change in customer deposits due to recent legislation which has impacted our ability to disconnect for nonpayment in a timely manner. As such, we are seeing a greater increase in outstanding bills after accounts are ended for nonpayment in which the existing deposit is unable to cover the total amount.

A motion was made by Rusty Peters and seconded by Fred Luntsford, to 1) approve the presented FY26 budget.

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

The motion was passed.

and a motion was made by Ralph Gilley and seconded by Worley Smith to 2) approve the proposed FY26 water rates, sewer rates, and solid waste rates and fees

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

The motion was passed.

There are two (2) separate resolutions to accompany funding applications for two projects. Those projects are the IDA Tank DBP Reduction Project which entails replacing the existing IDA tank, while adding a second tank, and mixing/ventilation to reduce DBPs in the system. The other project is a special funding allocation for Hurricane Helene impacts. We are applying for small generator installation at a radio repeater site, a control valve, and to permanently mount a trailer generator at the Bean Gap Pump Station.

A motion was made by Fred Luntsford and seconded by Robby Robbins, to approve both resolutions as presented.

The vote was as follows.

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

DIRECTOR'S ITEMS

Charter Revision Update

Attorney Will Sturgill gave us an update on where we stand with Charter Revision. He stated that he met with county officials to go over what is required for a charter revision. This was presented to the county board of supervisors because it must occur at a county level. He stated that all required paperwork, etc. must be submitted by July to have the charter revision put on the November ballot for voting.

J.H. Rivers stated that he wanted to make sure there was proper advertisement done before the November ballot, stating he'd like to see multiple newspaper advertisements.

FINANCIALS

None

BOARD COMMENTS

Fred Luntsford confirmed with director Cody McElroy that the customers problem presented during public expression will be resolved

ADJOURNMENT

A motion was made by Worley Smith and seconded by Robby Robbins, to adjourn the meeting at 6:18 p.m. The vote was as follows.

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


The motion was passed.

ATTEST:

Wise County Public Service Authority



Director



Chairman