

MINUTES

CALL TO ORDER/ROLL CALL

The Wise County Public Service Authority held its regular monthly Board Meeting on Tuesday, April 14, 2025, at 6:02 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.
Rusty Peters
Bob Adkins
Worley Smith
Robby Robbins

Absent:

Also Present:

Cody McElroy, Executive Director
Jon Broskey, Lead Engineer
Will Sturgill, Wise County PSA Attorney
Alexis Fleming, Recording Secretary

PRAYER/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

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

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

The motion was passed.

PUBLIC EXPRESSION

APPROVAL OF MINUTES

A motion was made by Hibert Tackett, Jr., and seconded by Rusty Peters, to approve the minutes of the February 10, 2026, meeting as presented. The vote was as follows.

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

The motion was passed.

PROJECT UPDATES

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

Carfax

This project is underway. They replaced the first panel yesterday successfully, they are having to shut the plant down and work in between, so it is an interesting operation. They are expecting, maybe this week or next week, to have all that done.

Director Cody McElroy submitted project updates on behalf of Lane Group/RDA

Banner Sewer

This project is under construction and moving along, we ran into an unmarked telephone line, which can be expected, but got that rectified.

Pound System-Wide Improvements 2023

They are still in rock but making progress the best they can.

Pound WTP & Tank Projects

We are still working through trying to get this advertised and making sure we have everything in order, making sure our contractors have the ability to do it as needed. The tanks are progressing. The roof was completed at the tank at the water plant today. They will move to the next tank afterwards.

Pole Bridge Waterline Replacement

We are working through finalizing things for Rural Development with some Board Action items tonight as we work towards construction.

Appalachia Elementary School Sewer

We are waiting on final plans and specifications, and we hope to advertise in the next couple of weeks.

Director Cody McElroy submitted project updates for Mattern & Craig

Pound River Interceptor

They started today in the river, they have been working on fabrication for the manholes, so we have been helping them locate some of those.

Director Cody McElroy submitted project updates for PSA

Upper Guest River Sewer

We have started design on this project and have been working on surveying. We should see it begin to take form and be able to survey as soon as we can. We are also finishing up contract with ARC for funding.

CLOSED SESSION

BOARD ACTION ITEMS

The proposed FY27 Budget is attached for your review.

Summary:

The first page of the budget document is the summary page showing the overall revenues/expenses, as well as water, sewer, and solid waste separated. As noted in the summary page, compared to the FY26 budget, the FY27 budget will see an increase in revenues and expenses of 4.34%. The PSA staff is presenting a balanced budget for the Board's consideration.

Expenses:

The second page of the attached, proposed FY27 Budget contains a line-item breakout of expenses. As stated above, expenses increased 4.34% or approximately \$267,847. Here is a breakdown of the significant changes in expenses:

- Salaries include a 3.0% COLA adjustment. There is no merit raise proposed. Also, as in the FY26 budget, a single bonus is included for the staff.
- Health insurance rates increased by 8.8% for FY27. The budget proposed keeps the employer/employee percentage split the same. Employees will see a monthly increase in insurance premiums anywhere from \$4 for a single plan to \$11 for a family 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:

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. The current and proposed rates for the next three (3) years are as follows:

Water Rates (Non-industrial)	Existing FY26	Proposed FY27	Proposed FY28	Proposed FY29
Base (1500 gal)	\$39.00	\$41.00	\$42.00	\$43.00
Each 1000 after	\$13.50	\$14.00	\$14.00	\$14.00
3000 gal/mth bill	\$59.25	\$62.00	\$62.00	\$64.00
Water Rates (Industrial)	Existing FY26	Proposed FY27	Proposed FY28	Proposed FY29
Base (1500 gal)	\$39.00	\$41.00	\$42.00	\$43.00
Each 1000 after	\$13.50	\$14.00	\$14.00	\$14.00

The current and proposed rates for sewer are as follows:

Sewer Rates	Existing FY26	Proposed FY27	Proposed FY28	Proposed FY29
Base (1500 gal)	\$49.00	\$51.50	\$53.00	\$54.00
Each 1000 after	\$14.00	\$14.00	\$14.50	\$14.50
3000 gal/mth bill	\$70.00	\$72.50	\$74.75	\$75.75

The current and proposed FY26 solid waste rates are as follows:

SERVICE TYPE	Existing FY26	Proposed FY27
Residential 96-gallon receptacle	\$16; additional can \$10	\$17; additional can \$10
Commercial/business 96-gallon receptacle	\$16; additional can \$10	\$17; additional can \$10
Private Drive Service	\$32; additional can \$15	\$14; additional can \$15
6-CY Dumpster:		
1-day per week	\$80	\$85
2-day per week	\$100	\$105
3-day per week	\$130	\$135
4-day per week	\$165	\$170
5-day per week	\$215	\$220
Additional dumpster collection	\$25	\$25

There are no recommendations to change the customer deposits or fees either.

Parity:

The parity calculations is included after the Revenue sheet. Per VRA, we are required to keep parity at 1.15 or greater. Parity is a fiscal indicator of our ability to borrow and overall fiscal health. The proposed budget for FY27 has a parity of 1.26.

Recommendation:

I recommend the Board: 1) authorize advertisement of a public hearing for the proposed FY27 budget to take place on May 12, 2026 at 6 pm with regular meeting to follow, and 2) authorize advertisement of a public hearing at the same time on the proposed water rates, sewer rates, solid waste rates and fees.

A motion was made by Ralph Gilley and seconded by Fred Luntsford to : 1) authorize advertisement of a public hearing for the proposed FY27 budget to take place on May 12, 2026 at 6 pm with regular meeting to follow, and 2) authorize advertisement of a public hearing at the same time on the proposed water rates, sewer rates, solid waste rates and fees.

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

The motion was passed.

Rural Development has authorized supplemental funding to cover the bid overrun on the Pole Bridge Waterline Project with a subsequent loan of \$236,000 and a subsequent grant of \$576,000 for a total of \$812,000.

As part of the typical RD process, the Board needs to adopt the attached RD Loan Resolution.

Therefore, I am making a recommendation the Board make a motion to adopt the attached RD Loan Resolution and authorize staff to execute for RD.

A motion was made by Ralph Gilley and seconded by Fred Luntsford to adopt the attached RD Loan Resolution and authorize staff to execute for RD.

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

The motion was passed.

DIRECTOR'S ITEMS

FINANCIALS

None

BOARD COMMENTS

Rusty Peters suggested the board look into the possibility of removing fluoride from the county's water.

ADJOURNMENT

A motion was made by Worley Smith and seconded by Robby Robbins, to adjourn the meeting at 6:20 p.m. The vote was as follows.


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

The motion was passed.

ATTEST:

Wise County Public Service Authority

Director



Chairman