

MINUTES

CALL TO ORDER/ROLL CALL

The Wise County Public Service Authority held its regular monthly Board Meeting on Tuesday, April 8, 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

Absent:

Worley Smith

Also Present:

Cody McElroy, Executive Director
Alexis Fleming, Recording Secretary

PRAYER/PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

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

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

The motion was passed.

PUBLIC EXPRESSION

None

APPROVAL OF MINUTES

A motion was made by Rusty Peters, and seconded by Ralph Gilley, to approve the minutes of the March 11, 2025, meeting as presented. The vote was as follows.

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

The motion was passed.

PROJECT UPDATES

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

Pound I/I

The design is completed and we should have the permit from DEQ anytime. The environmental is working forward. We will adjust this project accordingly after the larger interceptor project has been bid.

Pound WWTP Upgrades

We are 91% complete at this point. The substantial completion at this time after some delays is May 27th.

Carfax

The design is complete and should be a quick project. We will send this to the health department for review and hope to bid by late spring/ early summer.

Director Cody McElroy submitted project updates on behalf of Lane Group

Banner Sewer

We are still waiting on Rural Development for parity review. This will also impact the Carfax plant upgrades at some point. They will have to give their seal of approval.

Pound System-Wide Improvements 2023

We have sent out notice of award and contracts for the contractor to sign and bond documents we will have a pre-construction conference soon. We are working with the health department and VRA for the closing of this. This is grant only project. We hope to break ground around the end of May

Pound WTP & Tank Projects

We bid the tank portion of this project last week and had one bidder. We will ask for an award of the bid at this meeting

Appalachia Elementary School Sewer

Design has taken off. We are working with ARC to get the contract signed and that should be any day. Everything has been submitted to ARC and DHCD and we are waiting to hear back from them.

Director Cody McElroy submitted project updates for Mattern & Craig

Pound River Interceptor

The total environmental document is about to be completed, and it was advertised for the last comment period Which should end in a couple weeks. The three year environmental document will then be submitted and approved by DHCD. They will then get us the contract for the county to sign and then we can get underway with the construction. We hope to advertise for bidding in May. We are also finishing up the around 160 easements for this project

St. Paul Interconnect Study

No movement as of right now. We are still waiting to hear from Rural Development.

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 will 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 Ralph Gilley and seconded by JH Rivers, to 1) authorize advertisement of a public hearing for the proposed FY26 budget to take place on May 13, 2025 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
Ralph Gilley			Worley Smith
JH Rivers			
Hibert Tackett, Jr.			
Bob Adkins			
Rusty Peters			
Robby Robbins			
Fred Luntsford			

The motion was passed.

The staff has been working with FEMA and VDEM since October on preparing and submitting projects for reimbursement of costs due to events from Hurricane Helene in late September, early October. As such, FEMA has obligated funds to reimburse the PSA for emergency generator use during the power outages. The total reimbursement is \$184,432.80

A motion was made by Rusty Peters and seconded by Robby Robbins, to authorize the Executive Director to execute the VDEM agreement for funds reimbursing costs from Hurricane Helen approved by FEMA. 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.

From time to time, the PSA declares property as surplus to allow us to auction and/or sale any items no longer in our use or past the properties useful life to the PSA.

It is requested that the following list of equipment be declared as surplus property:

2013 F250 Diesel Truck
1998 International 4000 series Garbage truck
2000 Chevrolet C7500 Garbage Truck
2001 Ford F750 Garbage Truck
2003 GMC C7500 Garbage Truck
Eager Beaver tandem equipment trailer
Pipehunter Sewer Jetter
JCB Backhoe

A motion was made by Rusty Peters and seconded by Robby Robbins, to authorize the surplus equipment be declared surplus property for auction and/or sale. 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 PSA received bids for the Pound WTP Improvements Project – Tanks Contract on Thursday, April 3rd at 2pm. We received a single bid for the project from Mid-Atlantic Storage Solutions, Inc. in the amount of \$1,690,985

A motion was made by JH Rivers and seconded by Rusty Peters, to award the Pound WTP Improvements Project – Tanks Contract to Mid-Atlantic Storage Solutions, Inc. in the amount of \$1,690,985 pending attorney and funding agency concurrence.

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			

DIRECTOR'S ITEMS

Water System Leak 3/14-3/16 Update

Crews were out the entire weekend working on a leak that was previously fixed in February around the Bean Gap area of Pound. We put a boil water notice out as quick as possible. We plan to put new PRVs in that area and hope to get them in place by May. We have three "fail safes" on the mountain. We plan on putting a pressure sustaining feature at the top of the mountain to keep any leaks from getting out of hand and will put a relief function on the second PRV to hopefully keep any leaks between those two to prevent a loss of water to the large stretch between PRV two and three.

FINANCIALS

None

BOARD COMMENTS

ADJOURNMENT

A motion was made by Robby Robbins and seconded by Fred Luntsford, to adjourn the meeting at 6:40 p.m. 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.

ATTEST:

Wise County Public Service Authority



Director



Chairman