

## **MINUTES**

### **CALL TO ORDER/ROLL CALL**

The Wise County Public Service Authority held its regular monthly Board Meeting on Tuesday, May 14, 2024, at 6:00 p.m. Vice-Chairman, Fred Luntsford, called the regular monthly meeting to order and the Director, Cody McElroy, called roll.

#### ***Members Present:***

Fred Luntsford, Vice-Chairman  
JH Rivers, Treasurer (via phone)  
Hibert Tackett, Jr.  
Bob Adkins  
Worley Smith  
Robby Robbins  
Rusty Peters

#### ***Absent:***

Ralph Gilley, Chairman

#### ***Also Present:***

Cody McElroy, Executive Director  
Elaine Minor, Recording Secretary  
Will Sturgill, Wise County PSA Attorney

### **PRAYER/PLEDGE OF ALLEGIANCE**

### **APPROVAL OF AGENDA**

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

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

The motion was passed.

## **PUBLIC EXPRESSION**

Opened Public Hearing at 6:07 p.m. for the FY25 Budget and was closed at 6:07 p.m. Opened Public Hearing for the FY25 Rates and Fees at 6:07 p.m. and closed at 6:08 p.m. Walter Crouse, living at 6855 Hurricane Road, Wise spoke. The Public Hearing was closed at 6:08 p.m.

## **APPROVAL OF MINUTES**

A motion was made by Robby Robbins, and seconded by Hibert Tackett, to approve the minutes of the April 9, 2024, meeting as presented. The vote was as follows.

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

The motion was passed.

## **PROJECT UPDATES**

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

### **Pound I/I**

Revising the construction plans per PSA comments and working through the Environmental process.

### **Lower Bold Camp**

Project is substantially complete and doing final clean up in yards and driveways.

### **Pound WWTP Upgrades**

Slowly making progress.

Director Cody McElroy submitted project updates on behalf of Lane Group

**Banner Sewer**

Close to having the Environmental complete from DEQ. Was advertised in the paper last week for public comment.

**Pound Water Treatment Plant Improvements**

Last month we had no bidders on the first contract and Division 2 had a bidder, but it was high. We have been working with the contractor to get some of the major components of the project done with the amount of funding we have.

**Pound System-Wide Improvements 2023**

We have 12-15 Easements to get done. Working through the Environmental on some of the funding. Hoping to Bid this summer.

**Appalachia Elementary School Sewer**

We are continuing with design. Scheduling meetings with the Health Department to go through some flow rates requirements as we look to make it as feasible as possible given the low water flows.

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Director Cody McElroy submitted project updates for Mattern & Craig

**Pound River Interceptor**

We are working through the Environmental at the Federal level with the U.S. Fish and Wildlife Service.

**St. Paul Interconnect Study**

PER is complete. The Environmental Report is progressing.

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Director Cody McElroy submitted project updates for PSA

**Bear Creek Community Water**

Project is complete and we are closing out the documentation with the funding agency.

**Pound - Pilkenton Peak & Highland Avenue**

Project is progressing well.

## **CLOSED SESSION**

A motion was made by Worley Smith, and seconded by Rusty Peters, to go into closed session at 6:15 p.m. under Virginia Code 2.2-3711(A) (7). The vote was as follows.

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

The motion was passed.

A motion was made by Bob Adkins, and seconded by Robby Robbins, to return to open session at 6:21 p.m. The vote was as follows.

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

The motion was passed.

A closed session resolution, attached, was read aloud by Director Cody McElroy and a motion was made by Worley Smith, and seconded by Robby Robbins, to adopt the resolution. The vote was as follows.

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

The motion was passed.

## **BOARD ACTION ITEMS**

A motion was made by Bob Adkins and seconded by Rusty Peters, to (1) approve the presented FY25 Budget, and (2) approve the proposed FY25 Water Rates, Sewer Rates, and Solid Waste Rates and Fees as presented. The vote was as follows.

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

The motion was passed.

As we applied for last year, and were successful in receiving funds from VDH's Equitable Access to Drinking Water Fund, we are yet again able to apply for the final year of funding available. The funding is available for those systems that have consolidated or are about to consolidate to help O&M costs incurred by the receiving utility. Therefore, the Board needs to grant authorization to make the application for the Equitable Access Drinking Water Fund.

A motion was made by Robby Robbins, and seconded by Hibert Tackett, that the Board grant authorization to the Director to make application for the Equitable Access Drinking Water Fund for O&M costs related to the consolidation of the Pound water system. The vote was as follows.

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

The motion was passed.

We received bids in March for work at the Pound Water Plant and to construct two (2) storage tanks. We received zero bids for the plant work and have worked to negotiate an acceptable project size with the tank contractor for Division 2. With the funding we have available and working with the contractor, they have offered to reduce the price of everything and honor their existing bid price to do the \$500,000 tank at the water plant and fencing. We must award the bid at the original amount with a subsequent change order to reduce the project award. We have



preliminary funding agency approval for our scope change and will make sure we get final approval and have legal counsel review before we do any contracts.

A motion was made by Rusty Peters, and seconded by Robby Robbins, that the Board award Division 2 of the Pound Water Plant Project to Mid-Atlantic Storage Solutions, Inc. in the amount of \$2,384,954 with a subsequent change order to reduce the project award to \$743,710 pending funding agency approval and legal counsel review. The vote was as follows.

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

The motion was passed.

**DIRECTOR’S ITEMS**

Natural Gas Study

The PSA commissioned a natural gas feasibility study in December 2020 to look at what it would take, and if it was feasible, for the PSA to begin a natural gas utility. The study was put on hold in the summer of 2021 due to the consolidation of Pound’s water and wastewater systems.

The consultant was asked to complete the study and share findings with the PSA. The study has been completed and the findings are as expected from conversations during the process. If the PSA were to become a viable natural gas utility, we would need to look at acquiring assets from the existing provider in the region to provide immediate revenue needed to fund the new utility.

In discussions with Appalachian Natural Gas during the study, they were adamant that they were not interested in selling any Wise County assets to the PSA.

Roll-off Service

Per the request of the Board, we have some preliminary numbers should the PSA start a roll-off dumpster service. We do have a truck currently which was purchased to haul sludge from the Pound WWTP to the County landfill. We also currently have two (2) 30-CY containers for hauling sludge.

The major items to be purchased to begin the service will of course be containers for rent/use, as well as another truck to have and leave one as a spare. A new employee to drive the truck would be required as well.

The following is a breakdown of some very preliminary fees which may be charged for the service:

Delivery/Haul Fee - \$135  
2-week Container Rental Fee (minimum) - \$75  
Monthly Container Rental Fee - \$150  
Re-spot Fee (same site only) - \$100  
Tipping Fees - County price per ton

### PSA New Branding

Over the last few years, the PSA has grown exponentially in coverage area and by providing new services. As such, our existing branding was specifically focused on drinking water only. We are no longer a drinking water-only provider, our branding or logo should be updated to reflect our newer, broader scope of services. We want to honor where we began and at the same time not limit where we can go.

We have been working with Arnett-Muldrow to re-brand the PSA. The basis for the design is an infinity symbol that pays homage to the mountains (green) and the mountain streams (blue) which provide our water resources. The sun idea is borrowed from the County Tourism logo. This logo and branding set up a boundless future of growth and services to be offered by the PSA to meet the needs of our citizens.

### FINANCIALS

None

### BOARD COMMENTS

Robby Robbins wants the PSA to keep an eye on natural gas for any opportunity to move forward with this for community development.

JH Rivers agrees with Robby concerning researching natural gas that is produced in this area being used for Wise County development. He also stated there is continued interest in providing sewer to Powell Valley from the foot of the mountain all the way back to Big Stone Gap.

## ADJOURNMENT

A motion was made by Worley Smith, and seconded by Bob Adkins, to adjourn the meeting at 6:46 p.m. The vote was as follows.

Ayes

Nays

Abstain

Absent

Ralph Gilley

Fred Luntsford

JH Rivers

Hibert Tackett, Jr.

Bob Adkins

Worley Smith


Robby Robbins

Rusty Peters

The motion was passed.

ATTEST:

Wise County Public Service Authority

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chairman



### CERTIFICATION OF A CLOSED SESSION

WHEREAS, The Wise County Public Service Authority has convened a Closed Session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act, and;

WHEREAS, Section 2.2.-3711(A)(7) of the Code of Virginia requires a certification by the Wise County Public Service Authority that such Closed Session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Wise County Public Service Authority hereby certifies that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Session to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the Closed Session were heard, discussed, or considered by the Wise County Public Service Authority.

VOTE:


AYES: 7

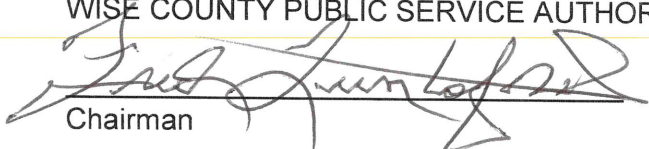
NAYS: 0

ABSENT DURING VOTE:

ABSENT DURING MEETING: G. Hoey

ATTEST:

  
Executive Director, Clerk

WISE COUNTY PUBLIC SERVICE AUTHORITY  
  
Chairman

Date: 5-14-24