

Patrick County Public Service Authority

Meeting of June 6, 2006

Present: Bob Pendleton, Chairman; Garland Cockram, Vice-Chairman; Rodney Kendrick, Secretary; Darrell Worley; Arthur Boyd; Jonathan Large

Absent: None

Also Present: Michael Burnette, Assistant County Administrator; Lisa Sheppard, Administrative Assistant

A meeting of the Patrick County Public Service Authority was held on June 6, 2006 at 6:00 PM in the Second Floor Conference Room of the Patrick County Veterans' Memorial Building.

Mr. Bob Pendleton, Chairman, called the meeting to order. The agenda for this meeting was presented to the members. Upon motion of Mr. Rodney Kendrick and seconded by Mr. Garland Cockram, the agenda was approved. The minutes of the April 11, 2006 meeting were presented for approval. Motioned by Mr. Kendrick and seconded by Mr. Darrell Worley, the minutes were approved.

Voting Aye: All
Voting Nay: None

PATRICK SPRINGS WATER/SEWER PROJECT:

A copy of the Preliminary Engineering Report prepared by Adams Heath Engineering, Inc. was presented to the members of the Public Service Authority for their review prior to the meeting. Mr. Michael Burnette directed the members to review page 8 of the PER for an explanation of the special rate arrangement concerning the expected operating shortfall. In lieu of the originally proposed annual subsidy from the Patrick County Board of Supervisors, it is now proposed to develop an Economic Development Capacity Fee which would be paid by the Patrick County Economic Development Authority. This fee would reserve a portion of the system's capacity for future economic development projects within the service area, thereby replacing the direct County subsidy. The water user rate for Economic Development Capacity Fee would reserve a 70,000 GPD capacity at the rate of \$4.15 per thousand gallons, and the sewer user rate would reserve a 70,000 GPD capacity at the rate of \$4.45 per thousand gallons. With this proposed rate change, the annual water and sewer bill for Patrick County Economic Development Authority would generate approximately \$216,720 in revenue annually.

Mr. Burnette further stated that the Board of Supervisors and Town Council have reached an agreement in principle with regards to the Annexation Agreement which should expedite the development of the Patrick Springs Water/Sewer Project.

Mr. Burnette reviewed the number of prospective users of the system, and he estimated that there are approximately 80 – 85 water users and approximately 30 sewer users that would like connection to the service. He further stated that the signed user agreements and the preliminary engineering report would be mailed to United States Department of Agriculture-Rural Development.

WATER/SEWER STUDY UPDATE:

Mr. Burnette presented a copy of an email that he received from Dennis Amos, Project Engineer with Anderson & Associates in which a cost estimate of \$25,000 - \$35,000 was given in order to update the county water/sewer plan. He stated that the Board of Supervisors have tentatively approved this payment. Mr. Bob Pendleton made a motion, which was seconded by Mr. Kendrick, that the members should wait for a response from Rural Development with regards to the Patrick Springs Water/Sewer Project before proceeding with the water/sewer study update.

Voting Aye: All
Voting Nay: None

With no further business to discuss, Mr. Kendrick made the motion and was seconded by Mr. Cockram to adjourn.

Chairman

Date