

PATRICK COUNTY PUBLIC SERVICE AUTHORITY
Quarterly Business Meeting Minutes
Wednesday, May 10, 2023

Directors Present: Bobby Mangrum, Chairman; Scott Eutsler, Vice-Chairman; C. Clayton Kendrick; Joe Lanham; Terry Tilley; Barbara Jo Newton

Directors Absent: Darrell Cockerham

Others Present: Mark Vernon, PSA Executive Director; Ruth Russell; Chris Corbett, Town Attorney

At 6:00 p.m., with a quorum present, the meeting was called to order by Mr. Mangrum.

Regular Session:

On motion by Mr. Eutsler to approve the agenda seconded by Mr. Tilley and carried unanimously.

Voting Aye: All
Voting Nay: None

On motion by Mr. Eutsler to approve the minutes from January 24 meeting seconded by Mr. Kendrick and carried unanimously.

Voting Aye: All
Voting Nay: None

Public Comment: None

New Business:

Waterworks Operating Permit Update:

PCPSA received (via email) on 4/28/23 a letter from the Virginia Department of Health, Office of Drinking Water (VDH-ODW), penned by Mr. Matthew Haun PE, Acting District Engineer. By action of the letter, VDH-ODW has classified the PCPSA as a community waterworks system and is therefore now subject to the *Virginia Waterworks Regulations*. Enclosed with the letter were various sampling and monitoring plans as well as programs of which the PCPSA is compelled to comply with, those various plans and programs are:

- Submitting a *Comprehensive Business Plan*
- Submitting a *Bacteriological Sample Siting Plan (BSSP)*
- Submitting a *Material Survey & Sample Site Justification Form*, applying to lead and copper distribution monitoring
- Submitting a *Disinfection Byproducts (DBP) Monitoring Plan*
- Submitting a *Cross Connection Control Program*
- Submitting an *Emergency Management Plan*
- Submitting an *Operation Permit Application*

Along with submitting the various plans and programs to VDH-ODW are the requirements for sampling and monitoring required by the plans and programs.

The letter further states that VDH-ODW has classified the PCPSA as a Class 5 waterworks and that the waterworks must be operated under the supervision of a waterworks operator licensed in Virginia of either the same or higher classification.

Board Action:

Board members asked that a meeting be set up with Virginia Department of Health, the Town of Stuart, and Mark Vernon to work through the details of obtaining the permit and to bring back findings at the next meeting.

Usage & Revenue Highlights:

1. Usage:

Water - Billed usage at master meter by Town – 7,016,400 gallons. Billed usage by PCPSA at individual customer meters – 5,518,067 gallons. Water loss between master meter and customer meters – 1,498,333 gallons (app. 3.80 gpm, 21.3% loss). Revenue loss based at billed rate by Town - \$7,402.00.

- i. Water loss for January and February was up. Water loss for March was down significantly. Water losses need to be continually monitored and investigated. Water loss through 3rd quarter of FY 21-22 has decreased by 676,487 gallons as compared to 3rd quarter losses FY 22-23 (31% decrease in loss).
- ii. Water consumption from Town is up 13.4% (831,300 gallons) over and through the 3rd quarter of last year. Increase is due largely to an industrial user's consumption increase in the first quarter of this year. Note: Industrial user's consumption decreased to more normal levels in the 2nd and 3rd quarters of this year.
- iii. Water consumption by PCPSA customers is up 37.6% (1,507,787 gallons) over and through the 3rd quarter of last year. This is largely due to correcting previous errors in reading larger water meters and an industrial user's consumption increase in the 1st quarter of this year. Note: Industrial user's consumption decreased to more normal levels in the 2nd and 3rd quarters of this year.

Sewer – Billed usage by Town – 2,258,046 gallons. Billed usage by PCPSA based on customer water usage at individual meters – 2,241,956 gallons. Loss between Town usage and PCPSA metered usage – 16,090 gallons. Revenue loss based upon billed rate by Town - \$79.00

- i. Sewer sent to Town is up 43% (676,986 gallons) over and through the 3rd quarter of last year. Increase due to correcting errors in reading larger water meters and an industrial user's water consumption increase; and subsequently, an increase in sewer usage. Note: Industrial user's consumption has decreased to more normal levels in the 2nd and 3rd quarters of this year.
- ii. Sewer billed to PCPSA customers is up 45% (692,786 gallons) over and through the 3rd quarter of last year. Increase due to correcting errors in reading larger water meters and an industrial user's water consumption increase: and subsequently, an increase in sewer usage. Note: Industrial user's consumption decreased to more normal levels in the 2nd and 3rd quarter of this year.

Revenues:

- a. Added 5 water bills
- b. Added 1 sewer bill
- c. Water customer usage revenue is up 46% (\$15,266) over and through the 3rd quarter of last year. This is largely due to new rate structure, correcting large meter reading errors, and industrial customer consumption increase in the 1st quarter of this year. Note: Industrial user's consumption decreased to more normal levels in the 2nd and 3rd quarters of this year.
- d. Sewer customer usage revenue is up 53% (\$4,662) over and through the 3rd quarter of last year. This is largely due to new rate structure, correcting large water meter reading errors and an industrial customer water consumption increase in the 1st quarter of this year. Note: Industrial user's consumption decreased to more normal levels in the 2nd and 3rd quarters of this year.
- e. Overall customer usage revenue is up 47% (\$19,928) over and through the 3rd quarter of last year.

The Board has approved going through with needed maintenance due to the revenues being above what was anticipated

FY 2022-23 – Water Fund and Sewer Funds:

FY 2022-23 Country Treasurer Account Detail Report (PSA Water Fund .47)

Ending Balance	Beginning Balance	Revenue	Expenditures	Revenue over Expenses
223,783.38	\$135,653.49	\$88,129.89	\$58,953.35	+\$29,176.54

FY 2022-23 County Treasurer Account Detail Report (PSA Sewer Fund .49)

Ending Balance	Beginning Balance	Revenue	Expenditures	Revenue over Expenses
\$59,499.38	\$35,560.31	\$23,939.07	\$23,454.90	+\$484.17

Note: Revenues and Expenditures represent treasurer transactions made through 3/31/23. There may be outstanding encumbrances up to 3/31/23 shown in other financial documents that are not yet reflected within the Account Detail Report

FY 2022-2023 Budget:

- 1. PCPSA budgets for Fiscal Year 2022-23 (July 1, 2022 through March 31, 2023)
 - a. Expenditure Budget Highlights:
 - i. Period – 75%
 - ii. Water Expenditures – 46.87%
 - iii. Sewer Budget Spent – 77.57%
 - i. Item 5136 (Town Supplied Usage) – 86.50% Usage from Town is up due to correction of larger meter read errors by the Town; additionally, usage is up significantly from an industrial customer. Note: Industrial user's usage has returned to normal levels for the year's 2nd quarter.
 - iv. Total Budget Spent – 54.00%

b. Revenue Budget Highlights: (Amounts are received, not billed)

- i. Period – 75%
- ii. Water Revenue YTD – 82.42%, \$88,129.89
- iii. Sewer Revenue YTD – 74.02%, \$23,939.07
- iv. Total Revenue YTD – 80.47%, \$112,068.96

Operational/Maintenance Updates

Water lines

Town Master Meter testing was performed on 4/28/22, results of testing revealed that the master meter was within allowable accuracy. Due to master meter accuracy, water loss is likely due to a combination of waterline leaks, customer meter inaccuracy, and fire department use.

1. Line locations are routinely being monitored and visual leak examinations are being performed. A few service line leaks have been discovered and repaired.
2. Low usage meters are being monitored for accuracy and replaced as needed. Several zero usage residential meters have been replaced.
 - a. During review of low usage amounts from large commercial meters, it was discovered that inaccurate readings were being used by the Town on billing reports. The inaccurate meter readings have accounted for approximately 130,000 gallons/month shortage on customer billing reports. These inaccurate readings were corrected in August and are now reflected on customer bills.
3. On 9/22/22, a letter to local fire departments that regularly use PCPSA facilities was drafted, the letter requests that each department make an effort to track water usage as closely as possible and send a monthly report to the PCPSA detailing estimated usage. A Monthly Fire Hydrant Usage Report was included with the letter for departments use.
 - a. Mr. Terry Tilley distributed letters with Monthly Fire Hydrant Usage Reports to Stuart VFD, Patrick Springs VFD, and Moorefield Store VFD. Mr. Tilley made a verbal request to the departments to track usage and return reports to the PCPSA. **To date no reports have been returned.**

A section of waterline right-of-way within the Rich Creek Corporate Park has become heavily wooded. This section of waterline was installed in 1997 and it appears that the right-of-way sections laying outside of developed areas has not been maintained since the installation. The overgrown sections of right-of-way should be cleared of trees and grass should be established and yearly mowing of the right-of-way should be performed. In order to complete this task, the existing waterline will need to be accurately located. The overgrown section of waterline is located within property owned by the Patrick County Economic Development Authority and VDOT. Work is planned to be completed within budget year 2022-2023. **(Work has been completed)**

The Town of Stuart has completed repairs to the damaged fire hydrant that had been taken out of service due to VDPT mowing operations. The hydrant is located along Rt. 58 just east of Hazelwood Trucking.

Routine & Regular Maintenance of gate valves and fire hydrants has not been occurring since system installation. Spot checking has revealed a need for maintenance, particularly on fire hydrants, given that their use could be needed by fire departments at any time. A routine maintenance schedule to perform maintenance is being coordinated with the County for performance by County maintenance personnel.

Efforts are ongoing to identify water service meter assemblies which are not being used by property owners and to identify those unused assemblies that currently have meters installed. Any unused service meter assembly which is identified as currently having a meter installed will be scheduled for meter removal. Removed meters will be stored for later use as a replacement meter or for a new service connection.

- a. To date, 13 un-used meters have been identified with 9 having been removed and placed into stock.

Sewer lines

Campbell Farm Loop 6" sewer force main leak repair was completed on 7/28/22.

- a. Area of repair is routinely visually inspected, and to date no evidence of additional leaking has been observed. The repaired pipe section should be potholed for visual leak examination.

Sections of sewer line right-of-ways laying within undeveloped areas need to be mowed, heavy and woody vegetation is becoming present in these sections. County maintenance personnel has performed some mowing but not all, additional mowing will be performed this winter and spring.

Sewer Pump Stations

The Town of Stuart currently performs pump station maintenance checks once weekly. The following items have been reported:

Town has alerted PCPSA of possible telephone autodialer maintenance needs for the pump stations. Costs for dialer repairs are being planned for under the upcoming F23-24 budget year.

Pump Station #5 electrical usage has doubled. A visual inspection of wet well revealed some grease build-up. County maintenance pulled pumps to inspection and cleaned. Maintenance personnel replaced one faulty float switch. Pump cycles have been timed and a normal pump down takes approximately 20 minutes. A review of record drawing pump curves shows a design pump cycle of 10 minutes. Pump manufacturer representative should be contacted to check/service pumps.

- a. Electrical usage has returned to normal levels.
- b. Pump service costs are currently being planned for under the upcoming FY23-24 budget year.
- c. PCPSA has consulted with a local Chemsearch FE representative as to products available to dissolve fats, oil, and greases (FOG) within sewer systems. Chemsearch FE has product available to dissolve heavy build-up of FOG within sewer lines, pump stations, and tanks. Additionally, Chemsearch FE has product available which is designed to be routinely administered to continually treat FOG. PCPSA received a quotation for the necessary solvent product, first treatment costs \$1,810.00. The initial solvent product will be applied to pump stations #, #4, and #5, application is planned by the end of FY 2022-2023.

Onsite generators were serviced by a private vendor on 3/22/23. No issues were reported.

An inspection of all pump station sites was performed by PCPSA Director on 3/1/22. The inspection revealed some minor maintenance needs such as: spraying vegetation in driveways, site areas, and perimeter fencing; adding stone to site areas; painting piping in valve vaults at Pump Stations #1, #3, #4; and painting control building exterior Pump Station #1. Completion of maintenance items will be coordinated with and performed by County maintenance personnel.

- a. Spraying drives, site areas, and fencing has been performed.
- b. Stone has been added to site areas.
- c. Painting is being scheduled by County maintenance

New Service Updates

1. The PCPSA webpage on the County's website includes all required account application and hook-up forms. All new customer account sign-ups are being processed in the PCPSA office.
2. The water service separation work at 62 and 70 Spring Road has been completed. The sewer service will not require physical separation; however, legal separation will be necessary. Legal separation will require a PCPSA utility easement for those sections of the sewer service line that currently lay within the boundaries of private property which are separate from those properties served by the sewer service line. Legal separation work has not yet begun.
3. Property Owner at 775 Providence Drive has inquired about making connection to PCPSA sewer. Sewer availability was reviewed and it was discovered that a sewer tap for this property was not available; however, it appears that a tap to serve the property can be installed within a reasonable proximity to the property. The sewer tap will require a bore under Providence Drive and the sewer lateral will require access across an adjacent parcel of public property. PCPSA has advised the property owner that since a tap is not currently available and does not meet the definition of a "service accessible property" under the PCPSA's Mandatory Connection Policy, the property owner will be responsible for cost reimbursement to the PCPSA for installation of the sewer tap. PCPSA has advised the property owner that they will be responsible for obtaining a private utility easement across the adjacent public property. Water service is available at the property, and the owner has completed an application to connect. Connection has not yet been made.

PCPSA staff has advised the property owner that sewer connection and sewer tap fees in the combined amount of \$3,000 was waived by Board action on 1/24/23. PCPSA staff will be working to obtain pricing on new sewer lateral installation from Mh 200-11 to VDOT R.O.W. Once pricing has been obtained, PCPSA staff will present pricing to property owner for their further consideration.

4. Four new water and one new sewer hook-ups have been applied for and are currently awaiting physical connections to be made by the property owners' private contractors.
5. One new water and one new sewer hook-up have been completed.

Old Business:

PCPSA Delinquent Accounts & Liens Update

User Accounts:

January 17, 2023, mailed first notice letters, full payment requested by February 14, 2023. (12 accounts, \$1,279.33) (2 UPPA, \$1,336.53) (Received Payment, \$969.59) (3 cutoffs)

February 10, 2023, mailed first notice letters, full payment requested by March 13, 2023 (8 accounts, \$1,072.15) (2 UPPA, \$1,336.53) (Received Payment, \$968.57) (4 cutoffs)

March 15, 2023, mailed first notice letters, full payment requested by April 11, 2023 (9 accounts, \$1,403.78) (1 UPPA, \$1,155.80) (Received Payment, \$899.75) (1 cutoffs)

The PCPSA Board approved processing a “warrant in debt” action at its regular business meeting held on 4/26/22 against Account #45533 in the amount of \$1,155.80. The “warrant in debt” was filed with the General District Court and the Court issued a judgement against the account holder on 5/17/22 ordering debt payment, a deadline of 6/27/22 was given by the Court for payment. Payment was not received by the specified deadline and the County attorney was consulted and upon the attorney’s recommendation, a “writ of fieri facias” was filed against the account holder. A “writ of fieri facias” is a court order directing the sheriff to seize assets of the account holder to be used for debt payment. The sheriff executed the “writ of fieri facias” on 9/12/22 by personal service and it was marked “no effect found”. PCPSA will investigate other methods to collect on this debt.

Non-User Availability Fee Accounts:

Five liens remain outstanding (\$14,094.03). Lien amounts were updated at their one-year anniversary in November 2022.

One lien has been released due to property owner paying ½ current delinquent amount and water connection fee. Property owner has made connection and is now an active user.

Delinquent Balances @ December 31:

User Account Delinquent Balance -	\$1,659.83
Non-User Availability Account Delinquent Balance -	\$14,967.80

Sewer Service Availability

A review of record drawings revealed a total of 118 sewer service stubouts within the PCPSA’s collection systems. The recorded stubouts have not been confirmed as having actually been installed and the PCPSA is currently verifying sewer stubouts in the field as staff has time.

PCPSA staff has completed field verification of 120 sewer stubouts within system service areas.

PCPSA is currently billing 56 sewer connections, leaving a total of 64 sewer service connections unbilled. Of the 64 unbilled services, 3 are located at abandoned properties, leaving a total of 61 unbilled service accessible properties. The PCPSA is not currently charging Availability Fees for unconnected sewer services. The PCPSA is currently only charging Availability Fees for water services.

The PCPSA’ current monthly minimum sewer fee for residential sewer customers is \$21.39. Under the PCPSA’s Mandatory Connection Policy and the Virginia Water & Waste Authorities Act, unconnected sewer services can be charged an Availability Fee (nonuser charge), which such charge not being more than that portion of the minimum monthly user charge. PCPSA is currently experiencing \$15,657 per year in unrealized revenue.

At its regular business meeting held on 4/26/22, the PCPSA Board of Directors reviewed the potential for charging sewer Availability Fees for unconnected properties; and subsequently, voted to approve starting the process of notifying property owners of the PCPSA’s Mandatory Connection Policy as applied to sewer services, availability fee charges for non-connection, and grace periods for making connections prior to being charged an availability fee.

- a) PCPSA staff has completed the process if identifying sewer service accessible properties.
 - i. PCPSA staff has identified and verified installed stubouts for the 61 unconnected sewer service accessible properties

- b) PCPSA staff will begin written Mandatory Connection Policy notifications to all owners of sewer serviceable properties identified as unconnected and having not been previously notified (four properties were previously notified subsequent to a property sale, leaving 57 notifications to be made).

PCPSA New In-House Customer Billing System

Customer Billing Update:

The Patrick County Board of Supervisors approved funding for Budget FY 2022-23 for PCPSA billing software, equipment, and personnel needed to bring customer billings in-house in lieu of the Town of Stuart providing this service. Funding was provided through ARPA funds.

Billing Software, Meter Reading Software, and Meter Reading has been received, meter reading and billing software has been activated. Equipment training, software training, and testing has been completed. PCPSA staff successfully read all meters for the March and April billing cycles and in coordination with the County Treasurer, March and April bills were produced in-house.

All customer payments are being taken in-person at the County Treasurer's Office. A secure outdoor payment drop box has been installed at the Administration Building's main entrance and a PCPSA post office box has been opened for mail-in payments.

Close technical support is still being administered by the billing and meter reading software providers and will continue to be offered for several more billing cycles.

Customers are transitioning well to new payment requirements.

2006 Town and County Utility Agreement

1. In response to the PCPSA performing in-house customer billing and collections, a new Utility Agreement Amendment should be considered in order to amend the Utility Agreement, to the mutual agreement of the Town and the PCPSA, for the PCPSA performing these duties.
2. Additionally, in response to the PCPSA taking a more active role in maintenance and repair of its facilities using County maintenance personnel and equipment, further amendments should be considered, to the mutual agreement of the Town and PCPSA, to more clearly define the responsibilities of each party.
3. At a Regular PCPSA Board Meeting held on October 25, 2022, the Directors approved a motion to authorize the Executive Director to engage in discussions with the Town of Stuart and to issue recommended amendments in respect the duties and responsibilities of each party as they relate to: PCPSA customer billings; facilities maintenance; and facility repairs. Furthermore, the Directors recommended forming a sub-committee consisting of the Executive Director and 3 PCPSA directors which shall review recommended amendments to the Utility Agreement and to facilitate a subsequent amended Utility Agreement with the Town, The Executive Director is to reach out to 3 Directors to sit on the sub-committee.
4. Action to date: The Town Manager has verbally agreed to continue providing meter reading services for the PCPSA as needed. No other action has been taken.
 - i. PCPSA is now providing meter reading services.
 - ii. PCPSA is now performing all customer billing and collections

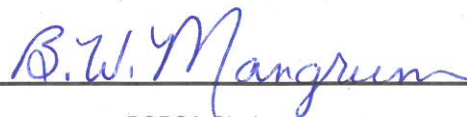
GIS Update

1. PCPSA Executive Director requested a proposal price from InteractiveGIS for completing the digitizing of PCPSA systems. It appears that all systems have been digitized with the exception of 3 projects: 1) Rich Creek Corporate Park; 2) Powell Site Water & Sewer; 3) Patrick Springs Phase 2 Sewer. A price of \$2,205 was received from InteractiveGIS for digitizing the remaining projects and a price of \$1,395.00 was received for adding data attributes to the remaining projects. An hourly price of \$90 was also received for additional work not priced but requested by PCPSA.
 - a. PCPSA Executive Director coordinated with the County Tax Mapping Director, County Administrator, and County Finance Director and a request was made to include a total \$6,000 in the County Tax Mapping budget for FY 2022-23 to cover costs for completing PCPSA system digitizing and data attributes. The FY 2022-23 Tax Mapping budget has been approved and funds for completing PCPSA system digitizing and attributes were included in the approval. The County Tax Mapping Director authorized InteractiveGIS complete this work.
 - i. InteractiveGIS has completed all digitizing work on the 3 remaining projects.
 - ii. PCPSA staff is currently reviewing newly digitized projects for accuracy against record drawings and edits are being made as needed.
 - iii. Once PCPSA review has been completed, GIS utility layers will be made active.
2. PCPSA staff is currently reviewing accuracy of GIS record drawings against actual field conditions, PCPSA staff will make revisions to GIS as necessary to reflect as accurately as possible as-built field conditions. All Water and Sewer Customer connection points have been field verified and location updates have been made on the GIS.
3. In the future, all new PCPSA projects should include within its budget the costs for digitizing the project into the County's GIS. Furnishing location specific system data such as horizontal and vertical survey datum should be provided by the design engineer or contractor as part of record drawings and documents submittals.

Adjourn:

On motion by Mr. Eutsler seconded by Mr. Tiller, the meeting was adjourned.

Next Meeting Date: Tuesday, July 25, 2023



PCPSA Chairperson