

PATRICK COUNTY PUBLIC SERVICE AUTHORITY
Quarterly Organizational Meeting
Tuesday, July 25, 2023

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

Directors Absent: Darrell Cockerham; Scott Eutsler

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

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

Organization of the Board for FY 2023-2024

On motion by Mr. Tilley to nominate Mr. Mangrum as Chairperson, seconded by Mr. Lanham and carried unanimously.

Voting Aye: All
Voting Nay: None

The meeting was then turned over to Mr. Mangrum, *Chairperson*.

On motion by Mr. Tilley to nominate Mr. Eutsler as Vice-Chairperson, seconded by Mr. Kendrick and carried unanimously.

Voting Aye: All
Voting Nay: None

On motion by Mr. Tilley to nominate Ms. Russell as Secretary/Treasurer, seconded by Mr. Lanham and carried unanimously.

Voting Aye: All
Voting Nay: None

Regular Session:

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

Voting Aye: All
Voting Nay: None

On motion by Mr. Lanham to approve May 10, 2023 minutes, seconded by Mr. Kendrick and carried unanimously.

Voting Aye: All
Voting Nay: None

Mr. Mangrum presented the Proposed Meeting Schedule for FY 2023-2024 with meetings being scheduled for
October 24, 2023
January 23, 2024
April 24, 2024
July 24, 2024

On motion by Mr. Lanham to accept the resolution for meeting schedule, seconded by Mr. Tilley and carried unanimously.

Public Comments:

Mr. Mangrum opened the floor for public comments. No one spoke.
Public Comment period was closed.

New Business

Financial Reports – Mark Vernon

Usage & Revenue Highlights:

- Usage:
 - Water - Billed usage at master meter by Town – 9,267,200 gallons. Billed usage by PCPSA at individual customer meters – 7,532,830 gallons. Water loss between master meter and customer meters – 1,734,370 gallons (app. 3.30gpm, 18.7% loss). Revenue loss based at billed rate by Town - \$8,568.00.
 - i. Monthly water losses through 22-23 are inconsistent. Reasons for inconsistency need to be investigated and monitored (fire department usage is unknown). Water loss through FY 21-22 decreased by 1,183,411 gallons as compared to FY 22-23 (41% decrease in loss).
 - ii. Water consumption from Town was up 8.5% (724,600 gallons) over last year. Increase is due largely to an industrial user’s consumption increase in the 1st quarter of this year.
 - iii. Water consumption by PCPSA customers is up 34% (1,908,011 gallons) over 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.
 - Sewer – Billed usage by Town – 2,828,606 gallons. Billed usage by PCPSA based on customer water usage at individual meters – 2,812,516 gallons. Loss between Town usage and PCPSA metered usage – 16,090 gallons. Revenue loss based upon billed rate by Town - \$80.00
 - i. Sewer sent to Town is up 13% (324,346 gallons) over 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.
 - ii. Sewer billed to PCPSA customers is up 15% (360,637 gallons) over 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.

1. Revenues:

- Added 1 water bill.
- Added 0 sewer bill
- Water customer usage revenue is up 49% (\$22,226) over 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.
- Sewer customer usage revenue is up 46% (\$5,757) over 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.
- Total (Water & Sewer) customer usage revenue is up 48% (\$27,983) over last year.

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
154,716.81	\$135,653.49	\$122,257.31	\$103,193.99	+\$19,063.32

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

Ending Balance	Beginning Balance	Revenue	Expenditures	Revenue over Expenses
\$37,506.99	\$35,560.31	\$32,156.13	\$30,209.45	+\$1,946.68

Note: Revenues and Expenditures represent treasurer transactions made through 6/30/23. There may be outstanding encumbrances up to 6/30/23 shown in other financial documents that are not yet reflected within the Account Detail Report

Corrected Minutes, MAV

Expenditure Budget Highlights:

PCPSA budgets for Fiscal Year 2022-23 (July 1, 2022 through March 31, 2023)

1. Period – 100%
2. Water Expenditures – 87.75%
3. Sewer Budget Spent – 139.45%
4. Total Budget Spent – 99.70%

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

1. Period – 100%
2. Water Revenue YTD – 113.70%, \$122,257.31
3. Sewer Revenue YTD – 99.43%, \$ 32,156.13
4. Total Revenue YTD – 110.40%, \$154,413.44

Summary:

1. New approved County PCPSA budget for Fiscal Year 2023-24

a. *Expenditure Budget Highlights:*

- I. New Water Permits/Sampling/Monitoring line item has been added to cover costs associated with Permit Application. Majority of costs will be one time for plans development. Annual VDH permit fee, sampling and monitoring costs are reflected. Total Item budgeted amount is \$21,160.
- II. Budget reflects an increase of \$21,010 to Sewer Line Items Repair/Maintenance and Pump Station Maintenance. Budgeted amount will cover small maintenance needs, stock material purchases, auto-dialer maintenance, and F.O.G. treatment.
- III. Budget reflects an overall water and sewer increase to the budget of \$54,220. The budget increase is focused on maintenance needs and VDH Operation Permit.

b. *Revenue Budget Highlights:*

- i. A new line item for Use of Reserve Funds has been added. \$0.00 is projected for use of Water Reserve Funds. \$27,655 is projected use of Sewer Reserve Funds, the use will aid in pump replacement at Pump Station #1. Reserves Funds are used in cases where large unbudgeted expenses are necessary and which exceed budgeted revenues.
- ii. Overall revenues have been budgeted to increase by \$26,565 over FY 22-23.

Operational/Maintenance Updates

Water Lines

1. Large monthly water losses have been accounted for and corrected via accurate meter readings; however, inconsistent monthly water losses between the Town's master meter and the PCPSA's customer meters are persistent.
 - a. Line locations are routinely being monitored and visual leak examinations are being performed.
 - b. Low usage meters are being monitored for accuracy and replaced as needed.
 - c. On 9/22/22, a letter to local fire departments that regularly use PSPSA 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 use by the departments.
 - i. 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.
2. A section of waterline right-of-way within the Rich Creek Corporate Park had become heavily wooded. The section of waterline was installed in 1997 and the right-of-way sections laying outside of developed areas have not been maintained since waterline installation. The overgrown section of waterline is located within property owned by the Patrick County Economic Development Authority and VDOT.
 - a. R.O.W. clearing by County Maintenance has been completed and this section of R.O.W. will be routinely maintained to prevent tree growth. (item complete)
3. 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 and 13 having been removed and placed into stock. (item complete)
4. Routine and Regular Maintenance of gate valves and fire hydrants has not occurred 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 schedule to perform routine maintenance is currently being coordinated with County maintenance personnel.

Sewer Lines:

1. 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.
2. Sections of sewer line right-of-ways laying within undeveloped areas need to be moved, heavy and woody vegetation is becoming present in these sections. County maintenance personnel has performed some mowing but not all, additional mowing is being scheduled with County maintenance and is anticipated to be complete in late fall.

Sewer Pump Stations

1. The Town of Stuart is continuing to perform pump station maintenance checks once weekly. The following items have been reported:
 - a. Town has alerted PCPSA of possible telephone auto-dialer maintenance needs for the pump stations.
 - i. Costs for dialer repairs has been included in the FY 23-24 budget.
 - b. Town alerted the PCPSA of a pump issued at Pump Station #1. The Town reported that during weekly station checks, pump #2 was routinely found tripped off at the motor starter.
 - i. PCPSA contacted TEC Industrial to perform testing and they found that the motor was overloading shortly after starting, their diagnosis was that the pump motor was bad.
 - ii. PCPSA ordered a new pump on 6/5/23 and the pump was received on 7/14/23 and installed by County maintenance on 7/21/23.
 - iii. The old pump will be shipped to the manufacturer for rebuild/repair, the rebuilt pump will be placed in stock as a back-up pump.
2. Routine visual inspections of wet-wells reveal heavy grease build-up at Pump Station #3, #4, and #5.
 - a. PCPSA has consulted with a local Chemsearch FE representative as to products available to dissolve fats, oils, and greases (FOG) within sewer systems. Chemsearch FE has product available to dissolve heavy grease 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 dissolve FOG. PCPSA received a quotation for the necessary solvent product, the first treatment costs \$1,950. Costs are included in the FY2023-24 budget and PCPSA will order the required amount of solvent product to be applied at pump stations #3, #4, and #5. Product application will be scheduled with County Maintenance. Routine treatment product will be applied at intervals recommended by the manufacturer.

3. County Maintenance is routinely mowing, spraying, and maintaining Pump Station lots.
4. Painting of valve vault piping at Pump Stations #1, #3, and #4, as well as painting the control building exterior at Pump Station #1, will be scheduled with County Maintenance for completion late this summer/early fall.

New Service Updates

1. 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.
2. 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 coordinating and 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.

- i. PCPSA met Property Owner onsite and performed survey grade work to confirm sewer connection which will not require a bore of Providence Road was accessible. The alternate sewer connection point is acceptable to the PCPSA and the Property Owner will pursue the alternate hook-up route for connections. Property Owner, rather than PCPSA is currently soliciting prices for hook-up.

Waterworks Operating Permit Update:

1. PCPSA received (via email) on 4/28/23 a letter from the Virginia Department of Health, Office a Drinking Water (VDH-ODW), penned by Mr. Matthew Haun PE, Asst. 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 Cross Connection Control Program
 - 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 of higher classification.

2. On 5/17/23, PCPSA Executive Director, PCPSA Board Chairman and Stuart Town Manager met via web meeting with Matthew Haun of VDH as a kick-off-introductory meeting concerning the operation permit application processes. General questions concerning the process were made to VDH and general guidance was given. An in-person meeting with VDH was suggested as a follow-up to discuss in more detail application requirements.
3. On 6/15/23, PCPSA Executive Director met in-person at PCPSA offices with VDH Matthew Haun. More in depth information was discussed with VDH as it pertains to BSSP, DBP, EMP. VDH & PCPSA collaborated concerning the sampling locations required, and specific preliminary locations were determined for use in the BSSP and DBP. It was determined the BSSP, DBP, Cooper 7 Lead, CCCP, and EMP can be developed by PCPSA staff using sample VDH forms. PCPSA staff will be moving forward to develop the plans for submission to VDH as well as submitting an application.
4. In order to facilitate timely plan and permit application submittals, it will be necessary for the Executive Director to prepare, or have prepared under his direction, all paperwork as well as executing all required signature forms on behalf of the PCPSA. To accomplish this, the PCPSA Board is requested to pass the attached Resolution 2023-24-02 giving authorization to the Executive Director to prepare all necessary paperwork and execute any and all documents necessary to obtain the VDH Operation Permit.

Board Action

A motion by Mr. Tilley seconded by Mr. Lanham and approved unanimously to adopt the following Resolution:

The PCPSA Executive Director is hereby empowered and authorized to prepare all the necessary paperwork to obtain a waterworks operation permit from the Virginia Department of Health; and that the PCPSA Executive Director is hereby authorized to execute all documents necessary for the PCPSA to obtain a waterworks permit from the Virginia Department of Health.

Voting Aye: All
Voting Nay: None

Old Business:

PCPSA Delinquent Accounts & Liens Update

User Accounts:

April 12, 2023, mailed first notice letters, full payment requested by May 10, 2023.
(6 accounts, \$901.19) (2 UPPA, \$1,386.66) (Received Payment \$539.50) (0 cutoff)

May 12, 2023, mailed first notice letters, full payment requested by June 7, 2023.
(10 accounts, \$1,159.26) (2 UPPA, \$1,386.66) (Received Payment, \$891.45) (0 cutoff)

June 12, 2023, mailed first notice letters, full payment requested by July 6, 2023.
(9 accounts, \$978.59) (2 UPPA, \$1,409.75) (Received Payment, \$699.74) (3 cutoff)

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 effects found”. PCPSA will investigate other methods to collect on this debt.

5 Liens remain outstanding (\$14,094.03). Lien amounts were updated a their one-year anniversary in November 2022.

Delinquent Balances @ June 30, 2023:

1. Acct. 58 Delinquent Balance - \$1,688.60
2. Acct 60 Delinquent Balance - \$15,546.59

Requested Board Action:

Account 448-1, 894 Providence Drive, Patrick Springs, is a non-user account. The account has a current delinquent balance of \$470.95. Written notification of the delinquent balance was mailed to the property owner on April 12 and July 10, 2023. The property owner was notified that if the delinquent balance was not paid within 30 days a lien may be placed on the property. To date, payment has not been received.

Upon recommendation of the Executive Director, it is requested that the board approve a lien action against this property for unpaid utility bills. If approved, the lien will be placed at the time of expiration of the 30-day notice mailed to the property owner on July 10. The lien amount shall be that of the current delinquent amount at the time of the expiration of the 30-day notice given on July 10.

On motion by Mr. Tilley, seconded by Mr. Kendrick and approved unanimously to approve the recommendation to place the lien on property owner after 30-day notice.

Voting Aye: All
Voting Nay: None

Sewer Service Availability:

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

- a. 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.
- b. 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 of 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 (4 properties were previously notified subsequent to a property sale, 3 properties are abandoned, leaving 54 notifications to be made). Notifications will be made within the next 2 weeks of this meeting date, July 25, 2023.

2006 Town PCPSA Utility Agreement

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.

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.

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.

- c. PCPSA is now providing meter reading services.
- d. PCPSA is now performing all customer billings and collections.
- e. PCPSA sub-committee members have been selected, they are: Bobby Mangrum, Joe Lanham, Terry Tilley and the Executive Director.
- f. Due to recent requirements from VDH, sub-committee meetings have been delayed in order that the requirements concerning the VDH Operation Permit may be included in any amended utility Agreement with the Town.

GIS Update:

PCPSA staff has completed its review of GIS record drawings against actual field conditions and the GIS utility overlays have been made active and now accessible for public view on the County's GIS Webpage.

PCPSA staff will continue to make revisions to GIS as necessary to reflect as accurately as possible all as-built field conditions as well as any new installations.

In the future, all new PCPSA projects should include within its budget 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. Tilley seconded by Ms. Newton, the meeting was adjourned.

Next Meeting Date: Tuesday, October 24, 2023


Newly Appointed, Chairman