

**Washington County Service Authority Board of Commissioners**  
**August 27, 2018 Regular Meeting Minutes**

**1. Call the Meeting to Order - *Chairman***

The Regular Meeting of the Washington County Service Authority Board of Commissioners, held in the E. W. Potts, Jr. Board Room located at 25122 Regal Drive, Abingdon, Virginia, was called to order by the Chairman at 6:00 pm.

**2. Roll Call - *Chairman***

Commissioners Present:

Mr. Dwain Miller, Chairman  
Mr. Kenneth Taylor, Vice Chairman  
Mr. Wayne Campbell  
Mr. Jim McCall  
Mr. Tim Orfield  
Mr. Vernon Smith

Commissioners Absent:

Mr. Mike White

WCSA Officers Present:

Robbie Cornett; Secretary, General Manager  
Melinda Jett; Treasurer, Controller  
Carol Ann Shaffer; Assistant Secretary,  
Administrative Assistant

General Counsel Present:

Thomas Dene, Esq.; Dene & Dene, P.C.

Consultants Present:

Dennis Amos, PE; Hurt & Proffitt, Inc.  
Bobby Lane, PE; The Lane Group, Inc.  
Kevin Heath, PE; The Lane Group, Inc.

WCSA Staff Present:

Dave Cheek PE; Operations Manager  
Holly Edwards; Customer Service  
Ryan Kiser, PE; Engineering Manager  
Karen Miller – Senior Customer Service  
Representative  
Ken Perrigan; Meter Manager

**3. Prayer and Pledge of Allegiance – *Tim Orfield***

Mr. Orfield opened the meeting in prayer and led the Pledge of Allegiance.

**4. Approval of the Agenda - *Chairman***

Mr. Cornett recommended striking Agenda Item 13.

Mr. Campbell motioned to approve the Agenda striking item 13 recommended. Mr. McCall seconded and the Board approved voting 6-0-0-1.

**5. Public Query and Comment - *Chairman***

There was no public query or comment.

**6. Approval of the Consent Agenda with Exceptions - *Vice Chairman***

A. Approval of Minutes:

- none

B. Routine Reports: July 2018

- Water Production
- Water Distribution
- Meter Department
- Wastewater Operations
- Customer Service
- Maintenance
- Engineering
- Accounting
- Health & Safety Report

C. Financial Reports: July 2018

- Balance Sheet (*Not Included*)
- Income Statement (*Not Included*)
- Check Register / General Manager Financial Report  
*Except for Checks 041211, 041238, 041276, 041319 and 041352*

D. Consideration of Change Order No. 1 for the Chip Ridge Road Water Line Extension Project - *Ryan Kiser*

Mr. Taylor asked for a review of 6D.

Mr. Kiser discussed details of the change order.

Mr. Taylor motioned to approve the Consent Agenda. Mr. Campbell seconded and the motion carried with a vote of 6-0-0-1.

**Washington County Service Authority Board of Commissioners  
August 27, 2018 Regular Meeting Minutes**

**7. Consideration of Check Numbers 041276 to Food City – Chairman**

Mr. Orfield abstained from voting or discussions on this item as he is an employee of Food City.

Mr. McCall made a motion to approve the checks as listed, Mr. Campbell seconded and the Board approved voting 5-0-1-1 with Mr. Orfield abstaining.

**8. Consideration of Check Number 041319 to King General Contractors – Chairman**

Mr. McCall abstained from any discussion or vote related to this item as he is an employee of King General Contractors.

Mr. Campbell motioned to approve check number 041319. Mr. Orfield seconded and the Board approved voting 5-0-1-1.

**9. Consideration of Check Number 041238 to Mountain Materials - Chairman**

Mr. Taylor abstained from discussions or voting on this item as he worked for W&L Construction, a parent company of Mountain Materials at the time of the transaction.

Mr. McCall motioned to approve check number 041238. Mr. Campbell seconded and the Board approved voting 5-0-1-1.

**10. Consideration of Check Numbers 041211 and 041352 to C.W. Williams – Chairman**

Mr. Taylor motioned to approve, Mr. McCall seconded and the Board approved with a 6-0-0-1 vote.

**11. Legal Counsel Report and Update – Thomas Dene**

Mr. Dene had no update for the Board.

**12. Water and Wastewater Construction Projects Update – Ryan Kiser**

Mr. Kiser reviewed the attached presentation with the Board.

**13. Operations Manager’s Report and Update – Dave Cheek**

This item was stricken from the Agenda.

**14. Administration Report – Holly Edwards**

An outline of Mrs. Edwards’ report is attached.

During her review, Mrs. Edwards asked the Board’s consideration to remove the custodial position and budget of \$5,200 from the Customer Service and approve \$14,231 in the Administration budget under building and grounds for janitorial services. Mr. McCall motioned to approve the request. Mr. Campbell seconded and the Board approved voting 6-0-0-1.

**15. Engineer’s Report & Update**

**Hurt & Proffitt – Dennis Amos**

- Mendota/Archery Range Road
- Exit 13 Phase 3 Sewer Design

**The Lane Group – Kevin Heath**

- Abingdon Tank Improvements Project
- Lee Highway Corridor Sewer Project Phase 1 - Study
- Route 58 Water Supply Improvements Project

**The Lane Group – Bobby Lane**

- Water Intake Permit Modification for South Fork and Middle Fork Intakes
- Galvanized Waterline Replacement Project – Phase III
- Mill Creek Water System Improvements

**16. Consideration of a Contract between WCSA and Raftelis Financial Consultants to Facilitate a Strategic and Financial Plans and Rate Study - Robbie Cornett**

**Washington County Service Authority Board of Commissioners**  
**August 27, 2018 Regular Meeting Minutes**

Mr. Cornett discussed the scope of work and contract presented by Raftelis.

Raftelis was the unanimous choice of the procurement committee and Mr. Cornett recommended the Board proceed with awarding the upcoming Strategic and Financial Plans and Rate Study to Raftelis. McCall motioned to approve the scope of work from Raftelis including the line extension connection and contract pending legal counsel review and approval. Mr. Campbell seconded and the Board approved with a 6-0-0-1 vote.

**17. Consideration of WCSA Employee Health Insurance Renewal – Melinda Jett**

After Mrs. Jett's review of the employee health insurance renewal, Mr. Campbell motioned to accept the Morgan White (3% / ~\$45,000 increase), MCA (0% increase), Anthem Dental \$0.77/person/month and VSP (vision) renewals (0% increase) subject to legal counsel's review and approval. Mr. Taylor seconded and the Board approved voting 6-0-0-1.

In recognition of WCSA employees' willingness to manage cost and successfully do so this year as evidenced in a 50% reduction in prescription drugs or about \$108,000 and aggregate in the \$300,000 range, and the results of the health benefit survey, Mr. Campbell motioned to continue to provide 100% coverage for employees and 90% coverage for dependents. Mr. McCall seconded and the motion carried with a unanimous Board vote.

Mr. McCall made a motion to continue with the \$500 employee HRA. Mr. Campbell seconded and the Board approved voting 6-0-0-1.

**18. Closed Meeting –7:24 pm**

Mr. Taylor moved that Board of Commissioners of the WCSA adjourn to Closed Meeting in accordance with the Virginia Freedom of Information Act,

Code of Virginia Section 2.2-3711

Paragraph (A) (7): Actual Litigation :

1. Consultation with legal counsel and briefings by staff members pertaining to actual litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the WCSA, specifically involving the case of Washington County Service Authority v. Bundy, currently pending in the Circuit Court of Washington County, Virginia.

Code of Virginia Section 2.2-3711

Paragraph (A) (5): Acquisition of Real Property:

2. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publically held property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy to the public body.

In addition to the Board the presence of Thomas Dene, WCSA General Counsel, and Robbie Cornett, WCSA General Manager, were requested.

Mr. McCall seconded and the Board approved voting 6-0-0-1.

**19. Return to Public Meeting – 8:16 pm**

Mr. McCall made a motion to return to Public Session, Mr. Orfield seconded and the Board approved with a unanimous vote.

Mr. Taylor then read the following Certification of Closed Meeting:

Whereas, the Board of Commissioners of the Washington County Service Authority has convened a Closed Meeting 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 2.2-3712 Paragraph D of the Code of Virginia requires a certification by this Authority that such

**Washington County Service Authority Board of Commissioners**  
**August 27, 2018 Regular Meeting Minutes**

Closed Meeting was conducted in conformity with Virginia law;

And Now, therefore, be it resolved that the Committee of Board of Commissioners of the Washington County 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 Meeting to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Board.

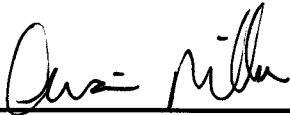
Aye by Mr. Miller, Mr. Campbell, Mr. Taylor, Mr. White, Mr. McCall, Mr. Orfield and Mr. Smith confirming no outside discussion took place other than Closed Meeting topics.

**20. Late Items**

Mr. Cornett updated the Board on the proposals that had been received for the meter replacement project.

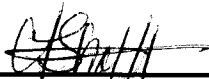
**21. Adjourn – 8:32 pm**

Mr. Campbell made a motion to adjourn, Mr. McCall seconded and the Board approved voting 6-0-0-1.



---

Mr. Dwain Miller, Chairman



---

Carol Ann Shaffer, Assistant Secretary



### Water Line Extension Projects

- Rattle Creek – Project is ready to advertise. Staff is awaiting a hopeful good outcome from Mount Rogers Planning District Commission's submission of an application of funding to DHCD for \$175,000 to supplement VDH funding.
- Chip Ridge – All line work has been completed. Cleanup Change Order 1 is being considered. Paving is complete. Project will be closed out.



### Water Line Extension Projects

- Rich Valley Road – VDH has issued a construction permit for the project. Staff continues to work to acquire 7 remaining easements for the project. Once easements are secured, project will be advertised.



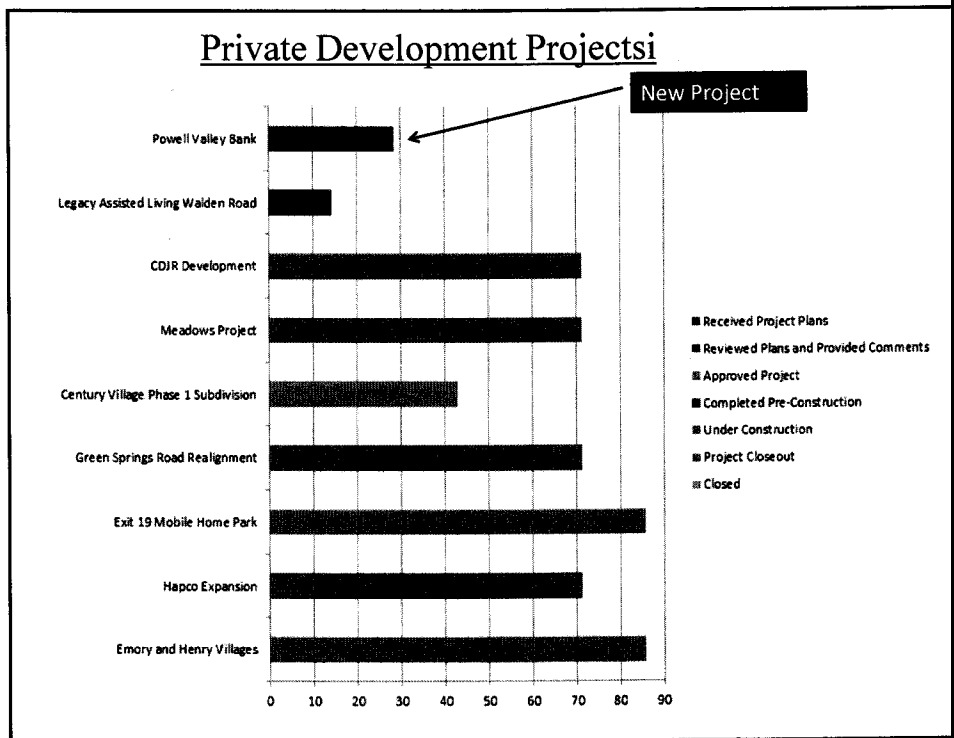
### Water Line Extension Projects

- Sugar Cove Road – All easement have been acquired for the project. Staff will be finalizing plans to submit to VDH. Mount Rogers determined the project did not meet grant eligibility since LMI levels were below 60%.
- Hidden Valley Phase 2 –WCSA is moving forward with procuring a well driller. WCSA will be submitting a funding application to Mount Rogers this week for the 2019 SW VA Regional Water/Wastewater Grant Funding.



### Water Line Extension Projects

- Mendota and Archery Range Road/Mary's Chapel Road – Staff is working with Hurt and Proffitt on PER and Environmental Review for Rural Development.
- Potter Road and Friendship Road – Staff has received interest in public water on these two roads. Staff will be working with residents on these roads.



1  **ADMINISTRATION REPORT & UPDATE**

AUGUST 27, 2018

2  **CUSTOMER SERVICE UPDATE**

- ❖ Rules & Regulations
  - Continuing to review & update
- ❖ Disputes
  - 1 staff response; 0 committee meeting
- ❖ Home Serve
  - Number of claims for July 2018= 9
  - Number of claims for 2018= 66

3  **CUSTOMER SERVICE UPDATE**

- ❖ PAYMENT OPTIONS FOR CUSTOMERS
  - AUTO-DRAFT: PAYMENT DEDUCTED FROM CHECKING ACCOUNT ON THE DUE DATE
  - VISA, MASTER CARD, OR DISCOVER: ACCEPTED IN OUR OFFICE, OVER THE PHONE 24/7, OR ONLINE
  - E-CHECK: PAYMENT DEDUCTED FROM CHECKING ACCOUNT ONLINE OR BY PHONE 24/7
  - MAIL: ACCEPT CHECKS, MONEY ORDERS, OR CASHIER'S CHECKS
  - AFTERHOURS DROP BOX: LOCATED IN THE DRIVE THRU WINDOW, ACCEPT CASH, CHECKS, MONEY ORDERS
  - E-BILLING: CUSTOMERS CAN CHOOSE TO RECEIVE BILL BY E-MAIL INSTEAD OF PAPER BILL

4  **BREAKDOWN OF PAYMENTS RECEIVED**

5  **BRISTOL COMPRESSORS CLOSURE**

6  **PERCENTAGE OF WCSA ANNUAL REVENUE FROM BRISTOL COMPRESSORS 2015 – 2019 (PROJECTION)**

- 2015 PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER REVENUE -  
\$166,588/\$12,659,480 = 1.32%
- 2015 PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER RENT -  
\$166,588/\$12,503,968 = 1.33%
- 2016 PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER REVENUE -  
\$164,205/\$13,355,946 = 1.23%
- 2016 PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER RENT -  
\$164,205/\$13,320,716 = 1.23%
- 2017 PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER REVENUE -  
\$142,004/\$14,068,394 = 1.01%
- 2017 PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER RENT -  
\$142,004/\$13,967,906 = 1.02%
- 2018 – PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER REVENUE -  
\$157,855/\$14,541,031 = 1.09%
- 2018 – PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER RENT -  
\$157,855/\$13,689,962 = 1.15%
- 2019 – PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER REVENUE -  
\$157,855/\$14,211,427 = 1.11%\*
- 2019 – PERCENTAGE OF BC WATER CHARGES TO WCSA TOTAL WATER RENT -  
\$157,855/\$13,100,144 = 1.20%\*

\* BASED ON BRISTOL COMPRESSORS WATER CHARGES FOR FY 2018



7  **OVERALL IMPACT OF BRISTOL COMPRESSORS CLOSURE**

- Based on the review of water charges for Bristol Compressors over the past four years, and projections for the current fiscal year, it does not appear that the closing of Bristol Compressors will have a material impact on WCSA revenues.
- However, there is no way to determine the impact of 470 employees losing their jobs at Bristol Compressors will have on the region and on WCSA going forward.

8  **ADMINISTRATION UPDATES**

- ❖ Administrative Building Updates
  - Lobby: Security, Island, Sunshade & Museum
  - Building: Carpet Research & Painting
  - Custodian/Janitorial Service
    - 3 Potential Custodians
    - 1 Potential Janitorial Service

9  **ADMINISTRATION UPDATES**

- ❖ Custodian/Janitorial Service
  - Update duties and responsibilities which include but are not limited to:
    - Clean restrooms daily instead of every other day
    - Clean windows quarterly
    - Buffing VCT Tile as needed
  - Posted an ad for both on June 10, 2018 due June 22, 2018
    - Received no interest
  - Posted 2<sup>nd</sup> add for both on July 15, 2018 due July 27, 2018
    - Received no interest
  - After deadline received 3 applications for Custodian & 1 bid for Janitorial
  - Spoke with Thomas Dene who states that since in the add we stated that "WCSA reserves the right to waive informalities" we are authorized to consider late bids

10  **ADMINISTRATION UPDATES  
CUSTODIAN/JANITORIAL SERVICE**

- ❖ Recommendation
  - Accept the bid from Webb Maids
  - Board to consider budget change
    - Current budget for Custodian position is \$5,200
    - Remove Custodian position and budget (\$5,200) from Customer Service & budget \$14,213 in Administration under Building and Grounds for Janitorial service
    - Rate for Janitorial Service is estimated to be \$14,216 annually. That is an increase of \$9,016 to the Custodian position budget
    - We believe the increase, at least in part, is due to the change in duties and responsibilities

11  **NOTABLES**

- ❖ Open Enrollment & Benefits Update
  - Wednesday August 29, 2018
  - Employees will be able to make changes to health, dental, vision, & flexible spending accounts
  - Meeting times
    - 7:00am-Maintenance Department (Shop)
    - 10:00am-Administrative Office Board Room
    - 2:00pm-Administrative Office Board Room

12  **NOTABLES**

- ❖ Employee Picnic
  - 30 Employees
  - 5 Board Members
  - 44 Children
  - Total of 112 people
- ❖ Thank you from all of WCSA Staff !!
  -