

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

The Regular Meeting of the Washington County Service Authority Board of Commissioners was called to order by the Chairman at 5:59 pm.

ROLL CALL

Commissioners Present:

Mr. Kenneth Taylor, Chairman
Mr. Wayne Campbell
Mr. Devere Hutchinson
Mr. Jim McCall
Mr. Dwain Miller
Mr. Mike White

Commissioners Absent:

Mr. Mark Nelson, Vice Chairman

WCSA Staff Present:

Robbie Cornett; Secretary, General Manager
Kimberly Boyd; Treasurer, Controller
Carol Ann Shaffer; Assistant Secretary, Administrative Assistant
Mark Osborne, Distribution Manager
Johnny Lester, Maintenance Manager
Ken Perrigan, Meter Manager
Ryan Kiser, Staff Engineer
Bobby Gobble, Assistant Maintenance Manager
George Thomas, Utility Coordinator

Consultants Present:

Dennis Amos; Anderson and Associates, Inc.
Bobby Lane, PE; The Lane Group, Inc.
Kevin Heath; The Lane Group

General Counsel Present:

Mrs. Dawn Figueiras; Elliott, Lawson & Minor

3. Approval of the Agenda

Mr. Cornett had no changes to the Agenda. Mr. Hutchinson motioned to approve the Agenda. Mr. White

seconded and the Board approved with a 6-0-0-1 vote.

4. Public Query and Comment

There was no public query or comment.

5. Approval of the Consent Agenda

B. Routine Reports: July 2015

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

C. Financial Reports: July 2015

- Balance Sheet:
- Income Statement:
- Check Register / General Manager Financial Report

D. Consideration of Task Order No. 1-2015 to the General Engineering Agreement between WCSA and The Lane Group

E. Consideration of an Offer of Funding for the Chip Ridge Road Area

Mr. Miller motioned to approve the Consent Agenda with a second from Mr. Campbell. The Board approved the motion voting 6-00-1.

6. Engineer's Report and Update

Dennis Amos of Anderson and Associates (A&A):

- Exit 13 Sewer Project Phase 2A
According to Mr. Amos, A &A is still working through the easements and approvals for the Project. As soon as those are in place A7A will request authorization to advertise the Project.
- Exit 13 Sewer Project Phase 3
Property owners within the Project Area have been notified and surveying will begin the second week of September.

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

Mr. McCall said he has been asked about time frames and asked if A&A has been keeping in contact with the residents in the Project Area.

Mr. Amos said WCSA sent letters out a few weeks ago informing the residents of the upcoming surveying.

Mr. Cornett said that was the most recent correspondence sent to the residents.

Mr. Taylor asked if there would be any possibility of traffic issues associated with the projects.

Mr. Amos said there would be some road crossings associated with the Phase 2A portion of the Project. Those road crossings are shown as bores so Mr. Amos does not anticipate any major traffic issues. There will be some temporary flagging but does not anticipate the need to detour traffic for Phase 2A.

Kevin Heath of The Lane Group (TLG)

• Route 58 Water Supply Improvements Project

Mr. Heath said TLG continues to address staff review comments for preliminary plans. Mr. Heath said TLG was requested to prepare a task order amendment for additional water line replacement in the Alverado area along Grade Road. That line was repaired but was not submitted in time for tonight's meeting but will be included on the agenda for the September Board Meeting.

• Smyth Chapel Area Water Improvements Study

TLG continues to work with staff, particularly on the Treetop Drive long service line for some property owners on Treetop Drive which was a task order under consideration tonight.

• Abingdon Water Storage Improvements Study

This Project was included in the Galvanized Line Phase 3 Project. Mr. Heath understood a funding offer was

made by Rural Development and accepted by the authority for this Phase 3.

Bobby Lane of The Lane Group:

• New Raw Water Intake & WTP

TLG is working on a schedule for turbine operation. The small turbine has been operational and appears to be operating well, reported Mr. Lane. TLG is working to install a remote on off switch for the turbine operation.

Since the last meeting, Judy Construction finished work at the South Fork Intake and Mr. Lane said that work went very well. That work will allow for staff to remotely water flush the Intake screens from the Treatment Plant and is operating very well.

The pump manufacturer's representative visited the Intake and ran through the pump operation. The bottom line of their report is the raw water pumps operated satisfactory.

While the raw water pumps were in operation, the small turbines were running and the Intake was able to reach and sustain a 12 MGD pump rate at a steady rate, reported Mr. Lane.

Mr. Lane said there was concern with raw water pumps heating but now the raw water pumps and Intake is working as planned. The filter run times are good, said Mr. Lane.

DEQ will be visiting all the raw water sites; Mill Creek, South Fork, Middle Fork, the springs in Damascus and all the Intakes this coming Wednesday in preparation to modify the withdrawal permit as requested, reported Mr. Lane.

• Galvanized Waterline Replacement Project – Phase II

Little B is very close to completion, reported Mr. Lane, and the Board will see a clean-up change order on Division 1 prior to the September meeting.

Little Henry is on schedule. Thomas Construction continues to make up

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

ground with eight crews working but is still behind, stated Mr. Lane.

Mr. Lane said Division 5 has been revised. Rural Development is asking that any unspent monies from Divisions 1 through 4 be added to Division 5 before it is advertised and bid. Mr. Lane expects Division 5 to be between \$1 million and \$1.2 million.

- **Galvanized Waterline Replacement Project – Phase III**

As Mr. Heath reported, Rural Development has made a funding offer and Mr. Lane hopes to be able to start those projects soon.

- **Hidden Valley Water System Improvement**

Mr. Lane reported the Contractor was behind schedule. TLG has met with the Contractor and expressed their concern and they have proposed methods to get caught up. The project is about 42% complete with 50% of the time expended. The Contractor moved a boring crew on site as of today and Mr. Lane expects them to add line crews in the near future. The Contractor is satisfied they can finish on time. Substantial completion is scheduled for November 4, 2015.

- **Mid-Mountain (Zone 108) Water System Improvements**

Mount Rogers Planning District Commission did submit the Tobacco Commission application and TLG has received questions from the Tobacco Commission. Mount Rogers is also preparing the Appalachian Regional Commission Application on behalf of WCSA.

- **Mill Creek Water System Source Improvements**

Mr. Lane expects to have the first 40 replacement cartridges in place within a week or so. The remaining cartridges are due to arrive on August 26th. Cartridge

replacement is going well, stated Mr. Lane.

The permanent interconnect plans were recently approved by the Virginia Department of Health. Work continues on the permanent interconnect between WCSA and the Town of Chilhowie.

TLG submitted final plans and specifications of the new plant to the Health Department and they are currently under review.

- **Western Washington County Sewer Study – Beaver Creek Discharge Permit**

As reported in July, DEQ submitted a draft discharge permit. CHA, WCSA and TLG reviewed and made a request for revisions to the draft permit. The request has been sent DEQ for their review, reported Mr. Lane.

Mr. Lane said the comments made to the draft permit were technical and strategic. TLG did not request less stringent requirements but did request what they felt would be acceptable by DEQ.

Mr. Lane then announced the relocation of The Lane Group's corporate office to Valley Street in Abingdon and invited the group to visit their new office.

Mr. Hutchinson asked when Mr. Lane thought he may hear back from DEQ on the Beaver Creek Discharge Permit.

Mr. Lane thought DEQ would respond within 30 days. Mr. Lane expects DEQ to make an announcement of Public Hearing around the first of October.

Ryan Kiser on behalf of Maxim Engineering:

- **Larwood Acres / Exit 1 Wastewater Feasibility Study**

Mr. Kiser provided the Board with the following update on behalf of for Mr. Skeen.

Maxim has been charged with the task of performing a study of alternative sewer

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

systems both decentralized and effluent delivery for Larwood Acres and the Exit 1 area. Mr. Skeen has reported that they are winding up revisions to the Larwood study to reflect staff's recommendation for a conventional gravity collection system and will meet with staff when that is complete.

Mr. Miller asked about the possibility for grant funds for this project.

Mr. Cornett said WCSA had about 6 or 8 wastewater projects that should be grant eligible. We are nearing a point where we may want to prioritize the projects. Some of the projects are challenged by deciding where we are going to treat the wastewater. Mr. Cornett said we are at a point where the projects can be evaluated to decide when to move forward with which projects. Mr. Cornett said Larwood is probably one of those projects (to move forward with).

Mr. Hutchinson asked if any of the Western Washington County Treatment Facility could have any influence on the wastewater projects being considered.

Potentially, yes, stated Mr. Cornett. In the western end of the county, the areas we have considered include Larwood Acres, Lowery Hills and the Lee Highway corridor between Abingdon and Bristol.

We have some options with Lee Highway whether we send sewer for treatment to Abingdon, the new wastewater plant or potentially to BVU. The one challenge that remains is a clear resolution to the capacity issue with BVU in terms of whether that is an option or not, with any of those projects, stated Mr. Cornett.

The financial piece is a bit clearer than the treatment piece with some of those projects, said Mr. Cornett.

7. Water and Waste Construction Projects Update – Ryan Kiser

Mr. Kiser updated the Board on the following In-House Capital Improvements Projects:

- Childress Hollow - Project Bids were opened on August 20th. The Board will be presented with recommendations later in the meeting. Mr. Kiser expects work to begin in late November.
- Haskell Station – Staff continues with project design. Temporary alignment for the water lines has been set.
- Richie Road - Staff plans to meet with remaining property owners this month.

Mr. Kiser provided the Board with an update on the following Projects Under Review:

- Love's Travel Shop - Construction is underway and WCSA's RPR is monitoring the work. WCSA staff continues to work with Tim Parva and the Love's Engineer on improving pump station drawings
- Exit 19 Development (Shops at Fifteen Mile) – Mr. Kiser said there was no change with Exit 19.
- Phippen Sewer Phase 4 –Line work is complete. The sewer lines have been tested and Mr. Kiser is waiting on those results.
- Fairfield Inn Project – Staff reviewed preliminary plans, made comments and responded to requests for fire flow information.
- Legacy Village – Staff reviewed preliminary plans, made comments and responded to flow information requests.

8. Operations Report and Update – Robbie Cornett

In Mr. Cheek's absence, Mr. Cornett reviewed the following Operations Update for July 2015:

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

Discussion Items:

- Financials (All Excluding Salaries & Benefits, (Does Include Over Time)
 - Over Budget Items
- Department Highlights
- Forward Looking Statement

Year to Date we are \$145,000 Under Budget:

- With Adjustments for Accrual Reversals Removed; Otherwise \$235,000 Under Budget.

2015 July Water Production Highlights:

- SFI & MFDWP Issue Resolution
 - Replaced Bad Valve and Orifice Plate in Wet Well

Mr. Cornett elaborated saying Judy Construction replaced a valve at the bottom of the wet well.

- Focusing on Ice and Turbidity Ahead of Winter and River Conditions

With the control modification we now have the ability to back flush remotely. We also have the ability to segregate what we are doing, said Mr. Cornett, like back flushing at the wet well versus what we are doing on the river. This will enhance our ability to flush.

- Locating Similar Intakes for Field Trip

- Mill Creek Membrane Plant – Koch Restart
 - Targeting Start-up Week of September 14th

Mr. Cornett said one stage of cartridges was stripped, cleaned and in place. The second of three stages will be stripped this week. Mr. Cornett anticipates the next stage of cartridges will arrive on August 26th. Things are very much on schedule with Mill Creek, stated M. Cornett.

2015 July Metering Highlights:

Mr. Cornett said Meter Manager, Kenneth Perrigan, continues to lead efforts to reduce energy consumption.

- Division of Mines Minerals and Energy (DMME) Design/Build Process for Energy Reduction
 - Working with DMME (Charlie Barksdale)
 - Providing Critical as Requested Information to the 4 ESCO Bidders
 - Honeywell, Siemens, Johnson Controls and Wendel
- Proposals will Address Various Energy Saving Opportunities as a Result of Each ESCO's Analysis
 - WCSA can select some, all or none of the Proposed Opportunities

According to this study, WCSA can our 19,000 meters without having to drive around the county to do the reading, stated Mr. Cornett. ESCO will turn that information to a business plan the help determine if it is a cost effective way for meter reading going forward. Mr. Cornett said there was still work to be done but it looked optimistic.

2015 July Wastewater Process Highlights:

- Inflow and Infiltration
 - Team Approach with Maintenance
 - Damascus Did Not Exceed Daily Inflow in July
 - Issue Around Greenbrier Pump Station

Mr. Cornett said staff has found a large source of inflow and infiltration around the Greenbrier Pump Station. A portion of line that extends under Lee Highway has dropped and is very hard to get to.

All effluent quality control limits either met or exceeded DEQ discharge requirements quality, said Mr. Cornett.

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

- Capital Improvements
 - May Piggy Back with Metering on Energy Reduction Program

2015 July Water Maintenance Highlights:

- Galvanized Phase II Support
 - Goal is to Make Sure we Kill all the Galvanized Line
 - Preparing for Phase III, Documenting Segments

Mr. Cornett said staff has learned a lot in the Phase 1 and 2 projects where the galvanized line is. One would think WCSA would know here the line is but with 900 miles of pipe line under round that is 50 or more years old, we still find line, stated Mr. Cornett.

- Routine Activities
 - Leaks – 26 (2014 Avg. 34)
 - Main Line Breaks – 4 (2014 Avg. 6)
 - Fire Hydrant Repairs – 4
 - After Hours Responses – 36 (2014 Avg. 44)
 - After Hours Responses a Target Area for Improvement
- Costs
 - Preventive Maintenance
 - Mobile Equipment
 - Tanks
 - Pump Stations

2015 July Distribution Highlights:

- Developing System to align District Meters with District Billable Metering to identify Water Loss Areas

Mr. Cornett wanted to highlight District Metering. This is a process of matching the District Meters to the water that is being produced and sent throughout the system and compare to customer meter readings. This will help us determine what sections are leaking in our 900 miles of pipeline that covers 300 square miles, stated Mr. Cornett. Once we determine what area or district the leak

is in, we can target those areas, said Mr. Cornett. Having 21,000 active meters, the challenge has been separating the meters within the 47 different districts. Mrs. Edwards and Mr. Perrigan are coordinating their efforts to find where all the different meters are located.

- Executing PSV/PRV Preventive Maintenance Program
- Establishing Preventive Maintenance Programs for Pump Stations, Tanks, Gate Valves, & Fire Hydrants

Forward Looking Statement

- Mill Creek
 - Executing Koch Plant Restart – September 14, 2015.
- Customer Relationships
 - Fire Departments
 - Hydrants & Training
 - Water & Sewer Customers
 - More Customer Engagement at Time of Contact
 - Working with Customer Service for more In House Training and Processes to Assist Both our Customers and Our Teams Understand Each Other's Concerns and Issues Better
- Costs
 - Production Costs (Water Loss and Inflow and Infiltration)
- Quality

Mr. McCall asked how far along the Maintenance Department was with changing over meters on abandoned lines, like on Walden Road.

Mr. Lester said Maintenance lacked a few on Walden Road but were making progress.

9. General Manager's Report & Update - Robbie Cornett

Mr. Cornett discussed the General Managers Report & Update. Listed below are the discussion points outlined in his presentation.

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

Introduction:

- Safety
- Financials
- Customer Service
- Notable
- Reserves
- Ahead

Safety:

- June 2015
 - 12,569 Hours Worked
 - Two Accidents
 - Hit Truck with Boom
 - Unable to Avoid Tree Limb due to Oncoming Vehicle
 - No Injuries
- Safety Training
 - Confined Space (Operations)
 - Organized by Department Heads
 - Taught by Johnny Lester, Don Cole and Tommy Dotson.

Financials - New Water Connections:

There were 15 new water connections for the month of July.

Financials – Water Revenue:

Water Revenue is \$104,000 above projections for the month of July.

Financials – Expense:

For the month of July, excluding compensation and benefit but including overtime; expenses are \$51,156 over budget. This is due to an annual water withdrawal fee of \$62,328 and an annual flood insurance payment of \$11,404.

Financials - New Wastewater Connections:

There were no new wastewater connections in June.

Financial - Wastewater Revenue:

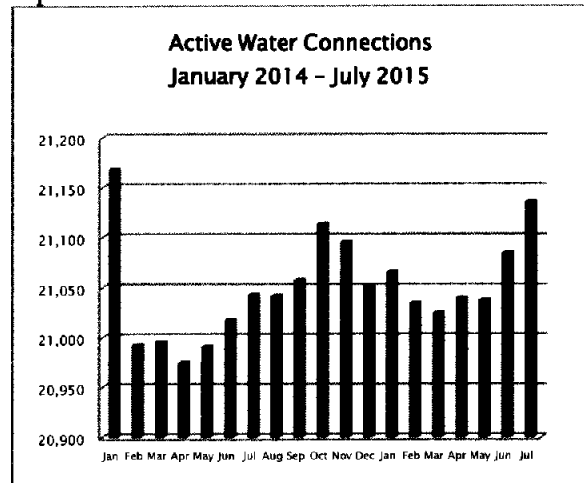
Wastewater revenue was \$2,851 above projections for July.

Financials - Wastewater Expenses:

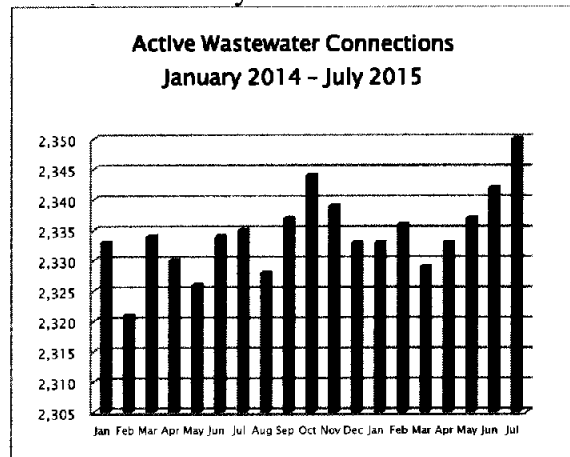
Expenses are fell \$3,368 below budget in July. This amount excludes \$15,000 for local limits.

Customer Service:

Mr. Cornett referred to the graph below that showed active water connections from January 2014 to July 2015 and how they vary from month to month. This is due to disconnections and reconnections, shows a lot of activity for customer service and meter staff, said Mr. Cornett. The largest variation during that time was 194 from the highest month in January 2014 and the lowest month in April 2014.



Mr. Cornett referred to the graph below that reflects active wastewater connections from January 2014 to July 2015. The largest variation during that time was 29 connections from the highest month in July 2015 to the lowest month in February 2014.



Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

- 234 Reconnection / Transfers of Service
- 105 Disconnects for Nonpayment
- 61 for \$9,097.75 Abatements
- \$4,113.75 Bad Debt Write-offs
- 3,634 Accounts with Late Fees

Notables:

- 2nd Annual Picnic – Thank You!!!
Mr. Cornett thanked the Board for allowing WCSA to have its second annual company picnic. Mr. Cornett said employee response was very positive. Mr. Cornett said there were many employees across the organization that helped with planning and even working the event and Mr. Cornett thanked everyone for their efforts.

- Health Insurance Procurement
Mr. Nelson and Mr. White served on the committee. Mr. Cornett said if we who served on the committee did nothing else, we learned a lot during this process.
 - Broker Services – Jeff Greene with Healthcare Choice
 - Benefits
- Tobacco Commission Application
 - SWIFA Application
 - \$500,000 for Zone 108 Improvements

Mr. Cornett said WCSA was looking into a twin application to the Appalachian Regional Commission for \$500,000 and if both applications are approved, that will be \$1 million in grant for a \$1 million project.

Ahead:

- Lowry Hills Home Owners Association Meeting
 - August 27, 2015 @ 7:00

Mr. Cornett said this is the third time in over 9 years the Lowery Hills Home Owners Association invited WCSA to talk about public sewer. At the past two meetings, residents requested public sewer service.
- Joint Utilities Committee Meeting

- August 31, 2015 @ 4:30 PM
- Mill Creek Restoration
 - September 14
- Energy Service Companies
 - Back of the Envelope - September 2015
- Water Withdrawal Permit
 - DEQ VWP (Virginia Water Protection) Permit
- Western Washington County Water Reclamation Facility
 - DEQ VPDES (Discharge Virginia Pollutant Discharge Elimination System) Permit
 - BVUA & Town of Abingdon.

Mr. Cornett received notification from the Town of Abingdon today the cost to treat sewer is decreasing. An audit of the financials every five years is what determines their rate. The 2010 rate is \$2.68 per 1,000 gallons and with the most recent audit of their financials; the rate is \$6.48 per 1,000 gallons.

10. Consideration of Childress Hollow Road Water Line Extension Project Bids – Ryan Kiser:

Mr. McCall said he would like the record to show he is an employee of one of the bidders and would not be participating either verbally or in the vote. Mr. McCall asked the Board if he could remain in the room during discussion of the matter to which there was a consensus by the Board.

Mrs. Figueiras asked that Mr. McCall let the record reflect the name and business address of the company he works for. King General Contractors of Bonham Road, said Mr. McCall.

Mr. Kiser then discussed the Bids for the Childress Hollow Road Water Line Extension Project. The project was bid in the Alternative. Alternative #1 consists of the installation of approximately 9,600 linear feet of 4 inch

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

water line and all associated appurtenances. Alternative #2 upgrades the water line and valves to 6 inch diameter and adds fire hydrants to the project with all associated appurtenances. Bids for both alternatives were required for the bid to be considered complete. A total of five bids were received.

Bids were opened Thursday, August 20, 2015. Bids were read aloud shortly after they were itemized and bid packets were checked.

The bid results of the responsive bidder are as follows:

- Alternative #1
 - Bidder: Little Henry's Excavating and Paving Inc.
 - Base Bid: \$206,428.95
- Alternative #2
 - Bidder: Little Henry's Excavating and Paving Inc.
 - Base Bid: \$258,901.75

Currently, WCSA has the following funding available for the project:

- WCSA Cash Contribution - \$18,000
- VDH Grant - \$90,000
- VDH Loan - \$235,035
- TOTAL - \$343,035

Excluding operation, maintenance and replacement the following is a summarized cash flow:

- Alternative # 1 – 4 inch waterline
 - Cost Loan - \$157,200
 - Annual Debt Service - \$-7,510
 - Annual Revenue - \$6,101
 - Annual Deficit - \$-1,409
- Alternative # 1 – 6 inch waterline with the addition of fire hydrants
 - Cost Loan - \$195,216
 - Annual Debt Service - \$-9,326
 - Annual Revenue - \$6,101
 - Annual Deficit - \$-3,225

These calculations are based at 2.5% for 30 years and based on 12 connections using 5,000 gallons of water per month.

Because the two alternatives are so close in cost, fire service could be provided to the residents of Childress Hollow and the possibility of future development, Mr. Kiser recommended Alternative #2 be awarded to Little Henry's Excavating and Paving, Inc.

Mr. Hutchinson motioned to approve Alternative #2; the installation of about 9,600 feet of 6 inch line and valves and fire hydrants. Mr. White seconded and the Board approved the motion voting 5-0-1-1 with Mr. McCall abstaining.

11. Consideration of a Bond Resolution for the Childress Hollow Road Project – Kim Boyd

This project was included in the 2014 - 2015 Approved Budget as well as in the latest Rate and Financial Plan as \$90,000 in grant; \$235,035 in loan at 2.5% interest for 30 years and \$18,000 in cash stated Mrs. Boyd.

In order to receive the funding offer from Virginia Department of Health for the Childress Hollow Road Water Line Extension Project, the Board must approve the Bond Resolution.

Mr. Hutchinson motioned to approve the Bond Resolution for the Childress Hollow Road Water Line Extension Project. Mr. Miller seconded.

Mrs. Figueiras asked Mr. McCall if he was abstaining from the vote. Mr. McCall said "yes, since there is always possibility of something happening", he abstained from voting. The Board approved the motion voting 5-0-1-1.

12. Consideration of WCSA Health Insurance Proposals - Kim Boyd

After receiving our renewal from Anthem in July we decided to issue a request for proposals (RFP) for health insurance.

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

Responding to the RFP was Anthem, Cigna, North America Administrators (NAA), and Managed Care of America (MCA) with Gerber Life providing reinsurance for MCA Healthcare Choice prepared 13 health, 3 dental and 3 vision insurance options for review by the Insurance Committee on August 11, 2015. Healthcare Choice also prepared medical options, with both Anthem and MCA; that would incorporate a high deductible health plan option and a secondary Gap plan through Morgan White to buy down the deductible and out of pocket expenses.

According to Mrs. Boyd, the unanimous recommendation of the insurance committee is to award the Anthem high deductible health plan including the secondary gap plan with an effective date of October 1, 2015.

By transitioning to a high-deductible health plan, WCSA should be able to avoid the 36% Cadillac tax that the Affordable Care Act institutes to be effective January 2018.

The secondary gap plan buys the deductible and out-of-pocket back down to a lower amount for the employees. Using this combination of products allows employees the benefit of a low deductible and lower out of pocket plan while reducing most of the employee deductions and allowing WCSA to avoid the 7.75% rate increase in addition to the \$1000 individual /\$2000 family out-of-pocket increase with our current plan renewal.

Highlights of the Anthem plan are:

- Changing the pharmacy co-pays from \$10/\$20/\$35/\$20% to \$15/\$40/\$75/20%
- Slightly decreases health insurance deductions for most employees.

- Includes changing the \$1,000 per employee HRA contribution to \$500 per employee.
- Annual premium will be \$20,000 less than current premium.

The committee also recommends that the Board favorably consider adding a “true” vision plan for the “employee only” premium through VSP vision.

The committee recommends that WCSA stay with their current dental plan through Anthem Dental since all other proposals were comparable but at higher premiums.

The recommendation is to then transition to MCA (a level funded plan) with a 12/18 reinsurance treaty with Gerber Life with a high deductible health plan option along with the secondary gap plan effective January 1, 2016 if feasible. This recommendation included eliminating the \$500 HRA contribution for employees while continuing the same level benefits with MCA or better.

Mr. McCall asked if the new plan has been presented to the employees.

Mrs. Boyd said an email was sent out to employees regarding the recommendation.

Mr. Cornett explained that one person from each department served on the committee along with Mr. White and MR. Nelson in an effort to take the information back to the employees.

Mr. McCall asked if there was any negative feedback.

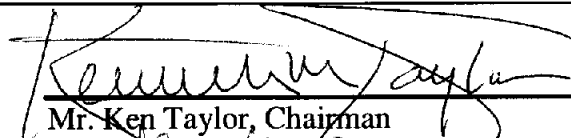
Mr. Cornett said there was none that he was aware of. Mr. Cornett said having a committee allows you to hear so many different prospective. There is no way you can meet everyone’s unique needs. The unanimous decision of the committee thought this opportunity would be best for WCSA. The level funded program going forward beginning in January 1, 2016 will allow

Washington County Service Authority Board of Commissioners
August 24, 2015 Regular Meeting Minutes

us to better with savings and maintain the quality of benefits we are transition to, stated Mr. Cornett.

Mr. White said with the new gap plan, the employees are getting a lot better plan than they had. That's our main goal here. For the employees; having health benefits for you family is one of the most stressful things in anyone's job. Mr. White said this plan will provide more than they (WCSA employees) had and Mr. White said he thought it was a great plan to move forward with.

Mr. White motioned to accept the new employee health insurance plan, Mr. Campbell seconded and the Board approved with a 6-0-0-1 vote.



Mr. Ken Taylor, Chairman



Carol Ann Shaffer, Assistant Secretary

13. Late Items

There were no late items.

14. Recessing to September 28, 2015 at 5:00 PM for the Conflicts of Interest Act Workshop - Part 2: 7:00 pm.

Mrs. Figueiras said the plan was to have training in three parts; the first part being held in July. Mrs. Figueiras proposed having training every other month. Next month we will talk about gifts, off in October and in November talk about financial disclosure forms as the new forms should be available at the time of the November training, explained Mrs. Figueiras. This will allow the Board time to see the disclosure forms in depth and be trained on them before the December deadline for the forms.

A motion to recess until September 28, 2015 at 5:00 PM for the Conflicts of Interest Act Workshop - Part 2 was made by Mr. Hutchinson and seconded by Mr. Miller. The motion passed with favorable votes from Mr. Taylor, Mr. McCall, Mr. Miller and Mr. Hutchinson. Mr. White did not vote and Mr. Nelson was absent.