

Washington County Service Authority Board of Commissioners
May 18, 2009 Regular Meeting Minutes

The regular meeting of the Washington County Service Authority Board of Commissioners was called to order by the Chairman at 7:01 PM.

ROLL CALL

Commissioners Present:

Mr. Gerald Cole, Chairman
Mr. Scott Rector, Vice-Chairman
Mr. Sam Blaylock
Mr. Joe Chase
Mr. D.L. Stout
Mr. Kenneth Taylor

Commissioners Absent:

Mr. Frank Stephon, IV

(*Note: Mr. Stephon arrived after Roll Call at 7:02 PM.)

Staff Present:

Robbie Cornett, General Manager
Kim Roberts, Controller
Amanda Paukovitz, Administrative Assistant
Doug Canody, Chief Engineer

Consultants Present:

Randall Hancock, PE, Draper Aden Assoc.
Bobby Lane, PE, The Lane Group, Inc.
Kevin Heath, PE, Adams-Heath Engineering

Also Present:

Mr. Mark Lawson, General Counsel
WCSA Employees

3. Public Query and Comment

Bart Dipetro of 3131 Hillman Highway

His property is part of Taylor's Valley, and the project is starting to come through with the waterline. His family is taking care of his father-in-law. In 1999, he paid the required connection fee of \$950. Up until September 2008, they were moving out. He called here to ask about the status of the project. At that point, there was no concrete answer. He and his wife thought they had not heard any progress and in response, requested a refund; they received it. Now he wants

water for his property and is finding out there is a much higher expense to connect. No one told him that if WCSA kept \$50, he would get a break; that had not been communicated to him. He asked if the Board would consider giving him a break since WCSA kept his money for nine years and now he wants to connect.

Robbie clarified that they were asked to refund the connection fee; the status of the project was somewhat ambiguous. He is not sure what it would do for WCSA to award a connection years after the refund. Mr. Cole responded that they would investigate and get back with him. Mr. Rector asked why he did not install the meter; Mr. Cornett clarified that the project has not yet been built.

Lawrence Cochran of

37717 Chestnut Mountain Road

They will be receiving two connections (for the Chestnut Mountain Road Project) and he is under the impression that they needed one more commitment for the project to happen. He explained that there is one lady on fixed income and would not be able to pay the connection all at once. He was hoping for the same arrangements because he is purchasing two connections.

Mr. Cornett explained that WCSA has monthly payments at \$100/month for 12 months of interest fee financing with an \$800 down payment. Mr. Cochran explained to Robbie that he wasn't sure if the lady could follow that kind of payment plan. Mr. Cornett asked that Mr. Cochran have her call us and we could refer her to the proper agency.

4. Approval of the Agenda

Mr. Cornett drew the Board's attention to an amended agenda; the change is indicated by a suggested recess to

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Wednesday, May 27, 2009 for a Joint Meeting with the Washington County Board of Supervisors at WCSA.

Mr. Chase moved to approve the agenda. Mr. Chase's motion was seconded by Mr. Rector, and was approved by a vote of 7-0-0-0.

5. Approval of the Consent Agenda

- Minutes for April 27, 2009.
- Routine Reports for April 2009.
- Financial Statement for April 2009.
- Check Register and General Manager Report for April 2009.

Mr. Rector made a motion to approve the Consent Agenda. Mr. Rector's motion was seconded by Mr. Blaylock. The motion was approved by a vote of 7-0-0-0.

6. Engineer's Report and Update

Mr. Randall Hancock with Draper Aden Associates reported on the following projects:

• **Watauga Road Waterline Improvements**

Project is about to come off the list. They did do an inspection today; there are one or two pavement patches that the contractor needs to finish. Only about 5% more paperwork left to do.

• **Glove Drive Waterline Improvements**

Did have issues with restoration, which are moving very slow on this project. The contractor is behind and that has been brought to their attention (Contractor: Crosspointe & Call Brothers have been on the project, but are making some progress. Crosspointe has been working for some time; it will be a couple weeks before they are back on site. DAA is keeping an eye on their progress).

• **Route 58 Water Storage Tank**

They are talking easements; the project is on hold until resolved.

• **Seven Springs Secondary Supply**

The agreement has been signed for the water tank. DAA anticipates getting it to VDH soon.

• **Monte Vista Drive**

Have been working with WCSA and should be moving it along soon.

• **Exit 13 Sewer Project**

RD should be sending the letter of conditions in the next 2-3 weeks; DAA can start on the design after that. Legal counsel is working with the owner of the Exit 14 sewer connector there; have worked with United Engineers who have designed the line to reduce costs and to move the project to bid.

Mr. Bobby Lane of The Lane Group distributed their update to the Board and reported on the following projects:

• **Lime Hill/ Walker Mountain Road Project** is finished; the Board approved the change order at the last meeting. Need to finish as-built drawings. Unless WCSA has objections, this is the last report on Lime Hill/Walker Mountain Road; they feel the project was successful.

• **Reedy Creek Water System Design** Plans and specifications have been approved by VDH. Have submitted VA Resources permit; it is being reviewed. Plans have been submitted to VDOT for review. WCSA is working on the easement from a technical standpoint.

• **Western Washington County Water Study**

Is continuing to gather data for the PER and work on the hydraulic analysis. They still need to define priorities within the project for potential funding applications. Have discussed with WCSA some of their strategies. Will be

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working diligently within the next 30 days to finish the PER and move the project forward.

- **Galvanized Line Impact Study**

Have not had much progress; have met with Mr. Cornett and Ms. Roberts to discuss funding strategies. Will finish prioritization over the next 30 days and will have discussion at the next meeting.

- **Drinking Water Plant/Raw Water Intake PER**

Have been advised that RD will accept the environmental assessment; they are happy with that. This allows them to finish up the funding application, the completion of the pilot study and for clarification of the byproduct treatment. They can now submit the final version of the PER to obtain approval; hope to do so in the next 30 days.

Have worked with staff to address all comments and have received approval to move forward with task order 5 (or 8) to allow the design of the expansion. They have provided to WCSA a schedule of activities for the work. Hope to have the project ready for bid around November 8 to start construction late this year or early next year.

Mr. Kevin Heath of Adams-Heath Engineering reported on the following projects for Adams-Heath Engineering:

- **White's Mill Road**

Are continuing to work on the environmental assessment. They still lack the Department of Conservation & Department of Historical Resources' approvals. Are working through the final stages to get the project ready for bid.

- **Orchard Hill Road**

The contractor (King General) continues to work there. Have completed the main line that runs along Orchard Hill; lack 5 switchovers. They are hiring a subcontractor to finish up and will be

moving over to Mountain City Road next month to finish up the project.

7. WCSA In-House Construction Projects Report and Update

Mr. Doug Canody reported to the Board on the following:

- This year's Consumer Confidence Reports (CCRs; a.k.a. Water Quality Reports) have been distributed. Mr. Canody referenced the required handouts and walked through the contents. He also answered questions

- DWSRF Projects:

Chestnut Mountain Road

Mark Osborne had a meeting with residents on Thursday evening. We need a total of 9 user agreements and novations for the project to meet the one greater than 50% participation level. Received three but need five more; should not be a problem. Some property still needs to be acquired for the project to go forward. Money for the project has been appropriated by a DWSRF loan.

Denton Valley Road

Project is substantially complete. Two minor punch list items remain; should be done this week. Final completion should be declared by the next regular meeting. Mr. Canody wanted to recognize the fine work that Mark Osborne did on this project.

Maiden Creek Road/ Rich Valley Road

Have a community meeting on June 9 to discuss the project and to revise/gather/obtain user agreements. Also have to have a required public hearing for the environmental assess.; will take place on June 2.

Mr. Rector asked where the meeting will take place; Mr. Canody replied

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that it would be here [at WCSA] on June 9 at 7 PM.

Litchfield/ Rich Valley Road

Have a community meeting scheduled for May 26 to discuss the project and to revise/gather/obtain user agreements. They have obtained approximately 60% of the required easements. Also, have to have a required public hearing for the environmental assessment.

Mr. Rector asked where the meeting will take place; Mr. Canody explained that the building available after the letter was sent out is a church. The meeting will take place at that church on May 26.

Mendota Road

Construction is substantially complete and in operation. Restoration is being worked on now. They will not be paid until the issues with which VDOT has been concerned with have been fixed. Tipton has requested a time extension to complete the restoration due to the asphalt availability and poor weather. Work has been difficult because of the wet weather. However, the restoration is being completed with progress. They need to get the road paved to VDOT standard before they will receive payment.

Sutherland Project

They are moving forward. Novation letters have been finalized and have been sent to the Johnson County Mayor, Dick Grayson, and Gray Stothart of the First Tennessee Development District. The County Mayor and FTDD have concurred with the paperwork and it will likely be mailed tomorrow; we asked that the paperwork be mailed back

ASAP. Mr. Canody hopes that the project advances for bid before the stimulus funds are out; there is a lot of competition for funding.

Mr. Rector later asked what the connection fees are, whether or not they are paid for and if we have verified our capacity capabilities. Mr. Canody thinks that the connection fees are covered by the grant and said that we have made sure we have the available capacity at the plant.

- 2008 CIP Outside Engineering Projects

Exit 13/14 Sewer Project

Engineering contract will be presented for consideration by the Board later in the meeting.

Rt. 58 Tank Project

Was reported on by Draper Aden Associates. Have made applications, but have not heard back on the funding application.

(Note: Usually VDH receives about 40 project applications for funding; this year, they received 240. VDH has posted a tentative list of funded projects; none of WCSA's projects made the list. Mr. Canody is thinking of writing letters to congressmen because the stimulus funding decisions are not a done deal.)

- WCSA Waterline Replacement Projects (utilizing WCSA Staff):

Friendship Road

Replacement line is in service; working on restoration presently. Have received many compliments from residents for the service.

Stonegate Subdivision

Presently interfacing with VDOT to get the permit and to start acquiring TN easements for line replacement. Construction should start in the next month, depending on what TDOT

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requirements are. We will replace with our own forces; project is moving forward.

- \$1,500 Projects (where WCSA contributes \$1,500 of materials):

(Note: The remaining \$1,500 projects that are not discussed are in holding patterns.)

Walden Road

Mark Osborne worked with Ms. Donna Bise and have developed minimum plans for a 150 foot extension; got a signed user agreement and construction should be underway in a couple weeks.

Lindell Road

We have been requested to support this new \$1,500 project; we are completing the investigation work on this now. Have tried several times to contact the landowner who lives in Missouri to explain the options; have not been able to reach her. Mr. Rector said he would try to do so.

- Fire Hydrant Projects

Hillman Highway

We have been awaiting a response from Mark Venable, Meadowview Fire Chief, concerning obtaining the financial support to buy the needed materials; have recently forwarded this to him in writing and the ball is in his court. They followed up with a letter this past week.

Vances Mill Road

WCSA has installed a fire hydrant in the Sterling Manor area and another in Grahams Landing. These make two out of six hydrants we are hoping to be supported. Still waiting on project champions for additional support.

- Projects Awaiting Final WCSA Approval

Commercial Development, Exit 19

Final plans and design notes for the project have been submitted. Have been reviewed and commented on by WCSA; awaiting response from the engineer. There has been talk of him bringing in an easement. Mr. Cornett explained that the plat has been dropped off; it will be ready for receipt tomorrow.

8. General Manager's Report & Update

Mr. Cornett reported on the following noteworthy WCSA performance:

Water Production

- Produced over 192 million gallons of drinking water.

Distribution

- Coordinated the outside purchase of more than 22 million gallons of drinking water.

Meter Department

- 80 customers were telephoned following unusually high usage.

Customer Service

- \$3,340.50 was written off as bad debt over three years old (April).
 - \$12,252.55 was abated for 54 customer water leaks (April).
 - \$4,009.76 was written off as bad debt (March).
 - \$17,196.75 was abated for 97 customer water leaks (March).
- (Note: this information was unavailable last month, but is available this month.)

Maintenance

- Repaired 24 leaks & 4 major breaks.
- Constructed 13 water taps & 4 wastewater taps.
- Responded to 30 after hours maintenance call-outs.

Wastewater

- Treated more than 10 million gallons of wastewater in April.

Administrative Items

- WCSA Maintenance and Drinking Water Staff provided fine service. They had to turn "off" Reservation Spring due

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to high turbidity for the fourth time this year. The Spring remained "off" for little over four days (4.4) starting May 4, which meant we had to haul tanker loads of drinking water from Damascus to Taylor's Valley over that same period.

- Mr. Cornett is pleased to report that WCSA has been featured in a case study in the newest publication of the American Water Works Association's M-36 Manual on Water Audits and Loss Control Programs for our outstanding work in the area of water loss control. He showed the manual and noted that four various sized utilities were featured; WCSA was the small utility featured. It speaks well of our work over the last few years.
- On May 12, WCSA received notice that BVU is proposing to increase their water rates by 4%, effective May 27. Mr. Cornett referenced a letter at the Board's stations. He is looking for confirmation of whether BVU would increase their rates or not between now and May 27.

9. Financial Report Correction

Ms. Roberts referenced a resolution the Board received previously that would move to correct inaccurate agendas from previous Board Meetings. Mr. Cornett clarified for Mr. Stout that the reports were approved properly; the agendas were labeled with the wrong dates.

Mr. Stephon made the motion to approve the resolution as stated. Mr. Stephon's motion was seconded by Mr. Stout, and received a vote of 7-0-0-0.

10. Vehicle Bid Award

Ms. Roberts noted that after reviewing the vehicle specifications, they have decided to rebid due to some specification corrections. The results of the vehicle bids should be available for consideration at the next regular meeting

11. Chemical Bid Award

Ms. Roberts reported that there were several bidders with competitive pricing for chemicals. She went through the distributed list in order. They are recommending: ChemSolv for the Liquid Caustic Soda 1100 & 1000 gallons and the Sodium Hypochlorite 450 & 1500 gallons, Chemrite for the Sodium Permanganate, F2 Industries for the Orthopolyphosphate, Control Equipment for the Dechlorination Tablets, American International for the Granular Sodium Fluoride, and Brenntag for the Liquid Chlorine 28,000 & 70,000 lbs., Sulfur Dioxide, Sodium Thiosulfate and Sulfuric Acid. She also noted that we were able to request a bid for one full year this time. The current bid expires on June 30; the new bid begins July 1 and goes through June 30, 2010.

Mr. Cornett added that he was happy to see price decreases and more bidders.

Mr. Blaylock made the motion to approve the chemical bid recommendations. Mr. Blaylock's motion was seconded by Mr. Stout and received a vote of 7-0-0-0 by the Board.

12. Exit 13 Wastewater Collection Phase 1 Engineering Contract

Mr. Canody presented a draft of the Exit 13 Engineering contract as prepared by DAA. Since the Board had received the draft and it had been reviewed with RD, they've asked DAA to make some changes. Mr. Canody wanted to recognize the efforts of Dawn Figueiras for looking at some attachments this afternoon under such short notice; they made some changes to attachment H. He recommended that the Board approve the final version of the contract; there were not many changes from the original that the Board received. RD projects go by a feed curve and have been improved to

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better reflect costs for engineering firms. They are going by the new feed curve, which allows fees of \$266,920. Mr. Canody encouraged the Board to authorize Mr. Cornett to sign the contract.

Mr. Rector asked if he was reading the contract correctly, that there was a 9.8% fee; Mr. Hancock affirmed this and noted that the PER authorized the percentage rate previously. They provided the schedule previously and it does allow for reimbursable fees for basic services. WCSA would only be charged for reimbursable fees when the range of work is beyond scope.

Mr. Rector asked why there was an additional cost of 15%. Mr. Hancock attributed the cost to taxes, and he noted that RD allows for the same. Mr. Canody affirmed that an added percentage for tax is typical.

Mr. Chase inquired why ice would be used. Mr. Hancock explained that they put coolers on ice when taking many samples; it is part of the standard. Mr. Canody noted that he does not think ice will be used in regards to Exit 13.

Mr. Canody noted that the change is a reduced resident price due to RD's work. Mr. Cole asked what the average is for motel costs, where people stay and if it was at their leisure. Mr. Hancock explained that there is an allowance of \$50/day total + 15% for food; the 15% is filled in by RD. Mr. Aden explained that there is overhead involved in all of these reimbursements.

Mr. Chase inquired why the motel & crew fees were separate. Mr. Hancock explained that the fees depend on the crew & the number of days they stay, etc. On this project, there is going to be little of that besides survey crews.

Mr. Cole asked if DAA has overhead for

meal costs. Mr. Hancock explained that they keep things within reason.

Mr. Chase wanted to know if WCSA staff feels comfortable with the proposed contract. Mr. Cornett explained that it seems in line with what they've seen in the past (DAA submits receipts, etc.).

Mr. Cole asked Mr. Cornett that if something out of line is seen, could he monitor it? Mr. Cornett reassured Mr. Cole that he always reviews the costs.

Mr. Canody explained that this contract is for basic services. WCSA has not made up its mind on some costs; some costs depend on if the contractor would provide inspection, so it is up in the air.

Mr. Cole asked if they should sign the contract if it is up in the air. Mr. Canody reiterated that the contract states that it is at WCSA's discretion. The project will require that there is 24 hour inspection while on the job; RD funded projects require for an inspector to be on job at all times.

Mr. Stout asked if the contract does not include an inspector. Mr. Canody explained that there is an estimate if DAA inspects; RD provides \$60/hour for inspection.

Mr. Taylor asked for a better description of DAA's allowances. Mr. Hancock explained the concept of the DAA allowances, which is \$50/day. Mr. Rector and Mr. Stout asked for clarification. Mr. Hancock provided clarification and assured the Board that all receipts are submitted.

Mr. Cornett explained that a surveyor's services cost \$50/person/day and a specialist's (other than survey person) services cost \$50 (room + food+ costs) + 15%.

Mr. Cole expressed that the hotel and food costs provide concerns for him; there could be a huge variance. He

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would like to see some type of guidelines before he gives approval, such as: reasonable accommodations and reasonable meals; it is a way to regulate WCSA's funds.

Mr. Aden expressed to the Board that DAA has always been honest. They audited a project and WCSA ended up owing more money and DAA waved it. He feels they've always been reasonable.

Mr. Canody referenced some exact numbers regarding fees for the Board to provide clarification.

Mr. Chase wondered, is it likely for costs/services to exceed line items? Mr. Hancock expressed that they would have to receive approval if they needed to do so; the estimates are on the high side.

Mr. Cole asked if legal counsel had reviewed the proposed contract; Mr. Lawson stated that he and Mrs. Figueiras reviewed it today and they approved.

Mr. Blaylock asked for specifics about the archaeologists' role and fees; an explanation was given by Mr. Hancock.

Mr. Chase made the motion to accept the proposed Exit 13 Wastewater Collection Phase 1 Engineering Contract with Draper Aden Associates. Mr. Chase's motion was seconded by Mr. Stephon and received a vote of 7-0-0-0 by the Board.

13. WCSA Fiscal Year 2009-2010 Budget Presentation

Ms. Roberts provided a brief display of the rate study results/model from MFSG (which includes 22 schedules; it is a very expansive report). She went through each tab of the model extensively and explained how they are ever updating the figures; staff will receive training on how to read/update each cell on the charts accordingly. The reserve status is agency dependent. Bond counsel likes to see a lot of money in reserves and

VDH/RD does not like to see money in reserves; WCSA is striving to achieve a good balance between modest and steady increases over time.

Mr. Cornett added that for the first time (as far as he can remember), the projects listed on WCSA's CIP can be paid for because we have looked at our finances comprehensively.

Ms. Roberts explained that the budget has a two part approach; we look at capital expenses and also at what we have coming in. She went through the complete budget document, noting that she went through the departmental budget differently (listing each expense by its designated account number). Each departmental expense was reviewed with the department head individually and all expenses over \$1,000 required a brief essay explaining the expense's purpose. Mr. Cornett reminded the Board that they are planning on a June 8 workshop to discuss the budget further.

Ms. Roberts prepared the budget in a different way this year, providing a more in-depth look at expenses. She also noted that WCSA usually factors in a cost of living expense every year based on inflation. However, at the preparation of the budget, inflation was .24%. Mr. Cornett noted that we will probably not be offering a cost of living adjustment this year. Ms. Roberts added that they have factored in a 1% performance-based adjustment. In the past, they have factored in a 2% average performance-based adjustment; this year, they lowered it to a 1% average.

WCSA has conducted a compensation & benefits survey with neighboring utilities and others who wanted to participate; we are in the final stages of preparing the numbers and should have the results to the Board shortly. Ms. Roberts noted

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that currently, WCSA is under budget totals for compensation. Mr. Cornett explained that we have had three employees leave and have had to do payouts; only one of these three employees' leave was anticipated. This, along with a few vacant positions, has resulted in us being under budget for compensation.

Mr. Cornett offered that he or Ms. Roberts could answer any and all questions the Board may have, either by phone or in person. Ms. Roberts proceeded with a 10 minute PowerPoint presentation handout of the proposed budget and rates for Fiscal Year 2009-2010. The presentation addressed topics, such as: Considerations When Establishing Rates, a Review of the WCSA Rate History (Residential), the WCSA Relationship, WCSA Debt Structure, WCSA Revenue Analysis and the WCSA Debt Analysis.

Mr. Cornett thanked Ms. Roberts for all of her hard work on the budget. He also thanked the department heads for their contributions as well; they really sharpened their budgets this year. He offered again to answer any questions the Board may have. Mr. Cole expressed on behalf of the Board that they appreciate the additional information and look forward to the results.

Mr. Cornett suggested that something we may want to do is pull reserves down slightly; this is something to consider by the June 8 Meeting. Ms. Roberts added that if the Board reviews the documents prior and thinks of any additional information they would like to see, she could prepare it ahead of time; this could keep the number of follow-up meetings in regards to the budget limited.

Mr. Chase suggested handouts for the June 1 public hearing and for the public

in order to explain the logic of the rates/fees/charges.

Mr. Cole suggested adding more bullet points to better explain the reasoning of the financial choices.

Mr. Cornett explained that he has had a few questions from the public as of late. He feels that it is not his job to convince anyone but to better explain why things are or are not the way they are. Some people he has spoken with have expressed interest in attending the public meeting. He noted that to many, a good part of our infrastructure is "out of sight, out of mind". Mr. Cornett said he would be happy to provide a handout with bullet points on June 1.

Mr. Cole thanked Ms. Roberts for all of her hard work.

14. Closed Meeting: Personnel, Acquisition & Distribution of Property, Investment of Public Funds & Legal Advice

Mr. Chase moved that the Board adjourn to Closed Meeting in accordance with the Virginia Freedom of Information Act, Code of Virginia Section 2.2-3711 Paragraph (A) (1): Personnel, Code of Virginia Section 2.2-3711 Paragraph (A) (3): Acquisition and Disposition of Property, 2. The Disposition of Various Authority Owned Properties, Code of Virginia Section 2.2-3711 Paragraph (A) (6): Investment of Public Funds, 3. Discussion of Various Inter-Municipal and other Agreements, Code of Virginia Section 2.2-3711 Paragraph (A) (7): Legal Advice, 4. Briefing by counsel regarding possible litigation.

In addition to the Board, the presence of Mr. Mark Lawson, WCSA Counsel, and Mr. Robbie Cornett, WCSA General Manager, are requested.

Mr. Chase's motion was seconded by Mr. Stephon. The motion was passed by

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a 7-0-0-0 vote of the Board. The Board adjourned to Closed meeting at 9:01 PM.

Return to Public Session

Upon a motion by Mr. Chase, a second by Mr. Stephon, and 7-0-0-0 vote by the Commissioners, the Board returned to Public Session at 10:20 PM.

Certification of Closed Meeting

Whereas, 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 Closed Meeting was conducted in conformity with Virginia law;

Now, therefore, be it resolved that the 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 Authority.

AYE: Mr. Blaylock, Mr. Chase, Mr. Stephon, Mr. Rector, Mr. Taylor, Mr. Stout and Mr. Cole.

15. Late Items

Mr. Cornett explained that WCSA is a member of the Virginia Water and Wastewater Authorities Act (VWWAA), which is a group that has been organized to promote and defend the interests of Virginia's water and wastewater authorities. This is an association that meets once a year near Charlottesville.

He attended an annual meeting for the first time a few weeks ago. They talked about various bills, but he talked about a specific bill that was discussed last week. It would require utilities to locate service lines that are nearly impossible to locate. They believe that the gas company is the advocate. VWWAA is arguing that if it applies to us, it ought to apply to the gas company and other utility companies with service lines also; they are not included in the legislation. Mr. Cornett referred the Board to items for consideration in the 2010 Legislation Session. Item C is legislation that WCSA would propose; it is probably a more weighty issue than what one might think. He thinks the association will propose legislation that will clarify these issues.

Ms. Roberts referred the Board to a recent Debt Set-off Collection Update handout at their stations. She believes there will be one more update, since the tax season is over and we probably won't be getting many more new matches. As of April 2009, we had 179 claims matched for a total of \$12,000 and \$9,400 has been collected in the VA Debt Set-Off. She clarified for the Board that of the \$12,000 matched, we have received \$9,000 so far; we are expecting additional checks. This is in addition to the \$1,400 that people have come in and paid after they were notified of their bad debt; they claim ignorance of their debt.

Mr. Cornett shared that this progress was made possible by the Board's advocating for the investigation with gathered Social Security Numbers; he thanked them for their dedication.

Mr. Cornett referenced three AWWA brochures at the Board's stations which briefly discuss the service we provide; WCSA purchased a small number for

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distribution. They will be included with customer bills and new water customer packets. He explained that there may be additional opportunities to use these brochures with handouts in the future.

16. Adjourn or Recess

Mr. Rector made the motion to recess the meeting to Wednesday, May 27, 2009 at 7:00 PM at the Washington County Service Authority Office Building located at 25122 Regal Drive, Abingdon, Virginia 24210 in the E.W. Potts Jr. Board Room to consider the purchase of wastewater capacity from Bristol Virginia Utilities/City of Bristol, Virginia. Mr. Rector's motion was seconded by Mr. Stephon, followed by a 7-0-0-0 vote of the Board at 10:30 PM.



Mr. Gerald Cole, Chairman



Amanda Paukovitz, Assistant Secretary