

**Washington County Service Authority Board of Commissioners
October 28, 2024 Regular Board Meeting Minutes**

Agenda Item: 1	Call the Meeting to Order
Presenter(s):	Chairman
End Time:	4:58pm

Agenda Item: 2	Roll Call
Presenter(s):	Chairman
Present:	Mr. Ball, Mr. Campbell, Mrs. C. Miller, Mr. D. Miller, Mr. Thayer, and Mr. Taylor
Absent:	Mr. Hutton
End Time:	4:59pm

Agenda Item: 3	Prayer and Pledge of Allegiance
Presenter(s):	Mr. Ball opened the meeting in prayer and led the Pledge of Allegiance.
Beginning Time:	4:59pm
End Time:	5:00pm

Agenda Item: 4	Approval of the Agenda
Presenter(s):	Chairman
Beginning Time:	5:00pm
Potential Conflict(s) of Interest and Abstention(s):	None
Discussion:	None
On the Record:	Board moved to amend the Agenda to add a Closed Meeting, moving Agenda Item 13 to Agenda Item 14.
Actual Motion:	Motion to approve the amended agenda as presented.
Motion By:	Mr. Thayer
Second By:	Mr. Taylor
Voting:	Ayes: 6
	Nays: 0
	Abstain: 0
End Time:	5:01pm

Agenda Item: 5	Approval of the Consent Agenda
Presenter(s):	Chairman
Beginning Time:	5:01pm

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Potential Conflict(s) of Interest and Abstention(s):	None
Discussion:	None
On the Record:	None
Actual Motion:	Motion to approve the consent agenda.
Motion By:	Mr. Campbell
Second By:	Mrs. Miller
Voting: Ayes:	6
 Nays:	0
 Abstain:	0
End Time:	5:01pm

Agenda Item: 6	Robinson, Farmer, & Cox Review FY2024 Audit Results
Presenter(s):	Emily Viers and Dwain Gilbert
Beginning Time:	5:01pm
Potential Conflict(s) of Interest and Abstention(s):	
Background:	
Discussion:	Ms. Viers gave the Board a review of the FY2024 Audit results.
On the Record:	
Enclosures:	Robinson, Farmer, & Cox FY2024 Audit Results
Recommendation:	
Proposed Motion:	None
Actual Motion:	None
Motion By:	
Second By:	
Voting: Ayes:	
 Nays:	
 Abstain:	
End Time:	5:18pm

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Agenda Item: 7	Consideration of State of Emergency for Water Cutoffs for Non-Payment
Presenter(s):	Ron Seay and Staff
Beginning Time:	5:18pm
Potential Conflict(s) of Interest and Abstention(s):	
Background:	Due to the Governor declaring a State of Emergency WCSA has suspended Water Cutoffs for Non-Payment. Request the Board to consider when WCSA should return to normal business and cutoff water for non-payment
Discussion:	
On the Record:	Actual approved motion on October 8, 2024, Emergency Called Meeting: Motion to halt all cutoffs for the month of October. Board will decide how best to proceed after that at the next Board Meeting which is scheduled for October 28th.
Enclosures:	None
Recommendation:	The Staff recommends the Board approves WCSA to return to normal business and cutoff water for non-payment.
Proposed Motion:	The Staff recommends the Board approves WCSA to return to normal business and cutoff water for non-payment as of November 6, 2024.
Actual Motion:	Board moved to approve WCSA to return to normal business and cutoff water for non-payment as of November 6, 2024.
Motion By:	Mr. Campbell
Second By:	Mr. Ball
Voting: Ayes:	6
 Nays:	0
 Abstain:	0
End Time:	5:19pm

Agenda Item: 8	WCSA, Town of Saltville and Smyth County Water Sales Agreement
Presenter(s):	Ryan Kiser
Beginning Time:	5:19pm
Potential Conflict(s) of Interest and Abstention(s):	
Background:	There have been no revisions to the Town of Saltville and WCSA water Contract since 1992. The affiliation that all parties have is that Town of Saltville produces the water and sells to Smyth County and then a portion of that water comes back thru Smyth County lines and sold to WCSA by Saltville.

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	<p>All parties felt it to be advantageous to have an agreement that outlined interests off all parties.</p> <p>Key points of the revised agreement for WCSA:</p> <ul style="list-style-type: none"> • Establishes the most current water rate of \$4.50/thousand • Established WCSA’s ownership of the meter and vault just East of 32513 Poor Valley Road • Established the minimum water volume supply of 1,000,000 gal/month or 34,000 gpd from the Town of Saltville with a minimum supply pressure of 70 psi, <p>Both Boards of Town of Saltville and Smyth County have approved the Contract.</p>
Discussion:	
On the Record:	
Enclosures:	Contract
Recommendation:	Staff recommends that the Board approve the WCSA, Town of Saltville and Smyth County Water Sales Agreement
Proposed Motion:	Staff recommends that the Board approve the WCSA, Town of Saltville and Smyth County Water Sales Agreement
Actual Motion:	Board moved to approve the WCSA, Town of Saltville and Smyth County Water Sales Agreement
Motion By:	Mr. Campbell
Second By:	Mr. Thayer
Voting: Ayes:	6
Nays:	0
Abstain:	0
End Time:	5:24pm

WATER AGREEMENT

WASHINGTON COUNTY SERVICE AUTHORITY SMYTH COUNTY VIRGINIA TOWN OF SALTVILLE VIRGINIA

This WATER AGREEMENT is effective September 1, 2024, and is between and among WASHINGTON COUNTY SERVICE AUTHORITY a Virginia water authority ("WCSA" or "Purchaser"); SMYTH COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia ("Smyth" or "Purchaser") ("WCSA" and "Smyth" together hereinafter called "Purchasers"); and TOWN OF SALTVILLE, VIRGINIA, a Virginia municipal corporation ("Town").

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WITNESSETH:

WHEREAS, Town owns and operates a water treatment plant and distribution system capable of producing and distributing potable drinking water;

WHEREAS, Purchasers own and operate water distribution systems that require a source for potable drinking water;

WHEREAS, the Parties' governing boards have approved a proposed sale of potable water from Town to Purchasers as provided in this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements hereinafter set forth, the Parties agree as follows:

1. **Agreement.** Town agrees to supply potable water to Purchasers, and Purchasers agree to purchase potable water from Town as provided in this Agreement.

2. **Term of Agreement.** This Agreement shall be effective upon the first delivery of Town's potable water to Purchasers, and it will continue for forty-five (45) year term. Upon expiration of the term, this Agreement will renew automatically on an annual basis unless one party provides to each other party six (6) months' advance written notice of non-renewal.

3. **Quality.** Town will supply Purchasers potable water meeting quality standards established by State, Federal, and other regulatory authority.

4. **Points of delivery, Volume and Pressure.** Town will supply potable water to Purchasers at the following points of delivery and at minimum volumes:

A. For Smyth County:

i. A minimum water volume of 1 gal/month or approximately 60,000 gpd shall be supplied to Smyth County at a minimum pressure of 80 psi.

ii. The existing vault locations are listed below:

- a Poore valley 1 - near 103 Lick Skillet Rd
- b Midway — near 1035 Worthy Blvd
- c Pleasant Heights — near 1035 Worthy Blvd

B. For WCSA: The existing vault located just East of 32513 Poor Valley Road where WCSA purchases water from Towns of Saltville, a minimum water volume of 1,000,000 gal/month or approximately 34,000 gpd shall be supplied to WCSA at a minimum pressure of 70 psi required

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to fill the Hayters Gap Tank. It is mutually agreed that WCSA will own, operate, and maintain this vault, which is connected to Smyth County water line.

c. Points of delivery will be located within Town's existing water distribution system by way of approximately 1.3 miles of existing water line belonging to Smyth County.

D. Points of delivery may be modified by mutual written agreement of the parties.

5. **Water Shortages.** Notwithstanding any other provision of this Agreement, Town will have no obligation to supply water to Purchasers if by doing so, Town will be prevented from supplying water to Town's residents or its other customers. In the event of an extended shortage of water, or if Town's available water is diminished over a period of time, Town may reduce the volume of potable water supplied to Purchasers by the same ratio or proportion that Town reduces the volume of potable water to its other customers.

6. **Metering.** At each point of its delivery, each Purchaser will install one or more meters and vaults that meet Town's specifications, and each Purchaser will operate and maintain its meters to properly measure the quantity of water delivered to the Purchaser. At reasonable intervals, each Purchaser will calibrate its metering equipment, but no Purchaser will be required to do so more frequently than once each twelve (12) months. A meter registering less than two percent (2%) above or below actual flow shall be deemed accurate. If a meter registers more than two percent (2%) error, the parties will make a reasonable effort to adjust bills for the affected period. In the event the parties cannot agree, billing will be adjusted based on usage for the same period during the previous year. Authorized representatives of Town and Purchasers may have access to metering devices at reasonable times. Any meter registering more than two percent (2%) above or below standard will be replaced at Purchaser's expense. Previous readings of any meter disclosed by test to be inaccurate will be corrected for the three (3) month period immediately preceding such tests in accordance with the percentage of inaccuracy found by such test. If any meter fails to register for any period, the parties will use the amount of water supplied during the corresponding period before the failure, unless Town and Purchaser agree on a different amount. Metering equipment shall be read on a monthly basis by Town.

7. **Connection Fees and Rates.** The bulk water sales rate of \$4.50 per 1,000 gallons will be effective as of September 1, 2024. During the term of this Agreement, if the Town residential rates on a typical 3,000 gallon per month user are modified (increased or decreased), then the bulk water sales rate will be increased or decreased by a percentage equal to the modification for the Town residents. Such increase or decrease shall be automatic and not require any further action by the parties herein.

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8. **Billing.** Town shall invoice Purchasers no later than the 5th of each month for water supplied the preceding month. Each Purchaser shall remit payment to Town no later than the 15th of each month.

9. **Default by Town.** Town will operate and maintain its system as efficiently as possible under the circumstances and will take such action as necessary to furnish Purchasers with quantities of potable water established in this Agreement. Town will remedy temporary or partial failure to deliver potable water with all reasonable dispatch. Town will not be liable to Purchasers for any damage resulting from curtailment, interruption, or apportionment of water supply by necessary repairs or maintenance of Town's water distribution system, threatened or actual water shortage, or other shortages beyond Town's control.

10. **Default by Purchasers.** In the event Purchasers fail to pay for water as set forth in this Agreement, Town may at its option terminate this Agreement as to the defaulting Purchaser and disconnect the defaulting Purchaser from Town's supply lines. Seller will not be liable to Purchasers for any damage resulting from curtailment, interruption, or apportionment of water service caused by necessary repairs or maintenance of Town's water distribution system, threatened or actual water shortage, or other shortages beyond Town's control.

11. **Indemnification.** Each of the parties to this Agreement covenants and warrants that it will exonerate, indemnify, and hold harmless the other parties to this Agreement, their agents and employees, from and against any and all claims, made or asserted against either other party, its agents, or its employees, arising out of or in any way connected with the performance or nonperformance of a party to this Agreement. Each party reserves its rights to any direct action or to interplead or cross-claim against any other party in the event that other party is in breach of any of the term or condition of this Agreement.

12. **Regulatory Agencies.** It is mutually agreed between the Town and Purchasers that they will cooperate in obtaining such permits, certificates, or the like which may be required to comply with the laws, rules, and regulation of regulatory agencies.

13. **Agreement Pledged; USDA-RD Approval.** Each party's water supply and distribution system is financed by a loan or loans made or insured by, and/or a grant or grants from the United States of America acting through the Rural Development Administration of the United States Department of Agriculture ("RD"). This Agreement is pledged to RD to secure each party's proposed and outstanding loans from RD, and the undertakings of the parties are conditioned upon approval by RD's State Director.

14. **Notices.** Any writings, notices, grievances, and billings to either party shall be sent:

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If to Town:

Cecile Rosenbaum, Town Manager

Town of Saltville, VA

217 Palmer Ave.

Saltville, VA 24370

If to Smyth County, Virginia:

Shawn M. Utt, Smyth County Administrator

Smyth County Office Building

121 Bagley Circle, Suite 113

Marion, VA 24354

If to Washington County Service Authority:

Ronald A. Seay, General Manager

Washington County Service Authority

25122 Regal Drive

Abingdon, VA 24211

15. Miscellaneous.

A. This Agreement shall be binding upon and inure to the benefit of the parties, their successors, and assigns.

B. If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held void, unenforceable, or invalid, then the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held void, unenforceable or invalid shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

C. This Agreement represents the entire understanding between the parties, and there are no collateral or oral agreements or understandings not contained herein. This Agreement shall not be modified, changed, or terminated unless in writing of equal dignity signed by both parties.

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D. This Agreement nullifies and replaces any and all other Agreements between Seller and Purchasers concerning the subject matter hereof, and it is intended to consolidate all water sales and purchases among the parties under this one Agreement.

E. Nothing in this Agreement shall prevent Smyth and the Town from negotiating and executing an agreement whereby Smyth sells potable water to the Town upon terms and conditions acceptable to those parties.

WITNESS the signatures of each party on the dates hereinafter set forth.

WASHINGTON COUNTY SERVICE

SMYTH COUNTY, VIRGINIA

AUTHORITY

Quinn Miller
 Board Chairman

By *Charles E. Hutch* By Its
 Its Board Chairman

TEST: *Paul A. Long*
 Its General Manager

ATTEST: *S.M.D.A.*
 By County Administrator By

TOWN OF SALTVILLE, VIRGINIA

By _____
 Its _____

ATTEST: By _____
 Its _____

Agenda Item: 9	Review Flood Damage – Water and Sewer Restoration Progress
Presenter(s):	General Manager and Staff
Beginning Time:	5:25pm
Potential Conflict(s) of Interest and Abstention(s):	

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Background:	Mr. Seay and Staff gave the Board an update on the restorative progress in the Damascus/Taylors Valley areas that were affected by flood damage.
Discussion:	
On the Record:	
Enclosures:	
Recommendation:	
Proposed Motion:	None
Actual Motion:	None
Motion By:	
Second By:	
Voting:	Ayes:
	Nays:
	Abstain:
End Time:	5:50pm

Agenda Item: 10	Consideration of Commissioner's Comments & Questions on Staff Reports
Presenter(s):	Chairman
Beginning Time:	5:51pm
Potential Conflict(s) of Interest and Abstention(s):	None
Background:	None
Discussion:	Mr. Thayer mentioned employee attendance being above the standard and would like to have a more in-depth discussion in future. Average absenteeism in the month of September was 5.44%. Target for absenteeism is 2.8%.
On the Record:	None
Recommendation:	None
Proposed Motion:	None
Actual Motion:	None
Motion By:	
Second By:	
Voting:	Ayes:
	Nays:
	Abstain:
End Time:	6:05pm

Agenda Item: 11	Late Items
Presenter(s):	Commissioner

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Beginning Time:	6:05pm
Potential Conflict(s) of Interest and Abstention(s):	None
On the Record:	None
Discussion:	None
Actual Motion:	
Motion By:	
Second By:	
Voting: Ayes:	
Nays:	
Abstain:	
End Time:	6:14pm

Agenda Item: Late Item	Employee Performance and Holiday Bonus
Presenter(s):	Ron Seay
Beginning Time:	6:06pm
Potential Conflict(s) of Interest and Abstention(s):	
Background:	Board approved a two-part Bonus for Employees. Part A: Holiday bonus for each employee. Part B: Performance based bonus 50% - Safety – Zero lost time accidents 50% - Reduction in Expenses of 3% Maximum payout Capped at \$1000 This Bonus payout is included in the Approved FY2025 Budget.
Discussion:	Attached slides were reviewed.
On the Record:	
Enclosures:	None
Recommendation:	Subject to answering any questions the Board may have; Staff recommends the Board favorably consider approving the Employee Performance and Holiday Bonus for 2025.
Proposed Motion:	Move the board approve the Employee Performance and Holiday Bonus for 2025.
Actual Motion:	Board moved to approve the Employee Performance and Holiday Bonus for 2025.
Motion By:	Mr. Campbell
Second By:	Mrs. Miller
Voting: Ayes:	6
Nays:	0

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Abstain:	0
End Time:	6:10pm

Agenda Item: Late Item	Proposed Change to Board Book
Presenter(s):	Ron Seay
Beginning Time:	6:10pm
Potential Conflict(s) of Interest and Abstention(s):	
Background:	<p><u>Current Board Book:</u></p> <ol style="list-style-type: none"> 1. Agenda for next meeting 2. Past meeting minutes 3. Staff presentation from past meeting 4. Credit Card statement for next meeting 5. Check Register for next meeting 6. Staff presentation for next meeting 7. Agenda Items for next meeting <p><u>Proposed Board Book:</u></p> <ol style="list-style-type: none"> 1. Agenda for next meeting 2. Past meeting minutes 3. Staff presentation from past meeting 4. Credit Card statement for next meeting 5. Check Register for next meeting 6. Staff presentation for next meeting 7. Agenda Items for next meeting
Discussion:	
On the Record:	
Enclosures:	None
Recommendation:	Subject to answering any questions the Board may have; Staff recommends the Board favorably consider approving the removal of the 'Staff Presentation from the Past Meeting'. The Board has a copy of the Staff Presentation from the Past Meeting which is included in the prior Board Book.
Proposed Motion:	Move the board approve the removal of the 'Staff Presentation from the Past Meeting'. Board Book will include all Late Items and slides presented as Late Items in the Board Book minutes.
Actual Motion:	Board moved to approve the removal of the 'Staff Presentation from the Past Meeting'. Board Book will include all Late Items and slides presented as Late Items in the Board Book minutes.
Motion By:	Mr. Thayer
Second By:	Mr. Campbell
Voting: Ayes:	6

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Nays:	0
Abstain:	0
End Time:	6:14pm

Agenda Item: 12	Public Query and Comment
Presenter(s):	Chairman
Beginning Time:	6:14pm
Potential Conflict(s) of Interest and Abstention(s):	None
Speakers:	Lavonda Heath of 28438 Lee Hwy claimed to have been charged for 1000gal of water when she only used 600gals last month and said that the documentation that WCSA provided her regarding her water usage was insufficient. Calvin Robbins of 10523 Oak Grove Rd showed the Board pictures of his driveway, stating that WCSA did work on the road which tunneled water towards his driveway covering his driveway in gravel and eroding the asphalt. Mr. Robbins asked that WCSA remove the gravel in his driveway and requests 2 or 3 tons of asphalt to repair the damages.
Discussion:	None
On the Record:	None
Actual Motion:	None
Motion By:	
Second By:	
Voting: Ayes:	
Nays:	
Abstain:	
End Time:	6:29pm

Agenda Item: 13	Closed Meeting
Presenter(s):	Commissioner
Beginning Time:	6:29pm
Potential Conflict(s) of Interest and Abstention(s):	None
On the Record:	None
Actual Motion:	Adjourn to closed meeting
Motion By:	Mr. Thayer
Second By:	Mrs. Miller

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Voting:	6
Ayes:	
Nays:	0
Abstain:	0
End Time:	7:08pm

Agenda Item 13
CLOSED MEETING MOTION

I move that the Board move to closed meeting for the purposes of:

1. Discussion about performance and disciplining of specific employees of WCSA, as provided in Code of Virginia § 2.2-3711(A)(1).
2. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of WCSA, as provided in Code of Virginia § 2.2-3711(A)(7).
3. Consultation with legal counsel employed or retained by WCSA regarding specific legal matters requiring the provision of legal advice by such counsel, as provided in Code of Virginia § 2.2-3711(A)(8).

I also move that the Board request the attendance of Ron Seay, Ryan Kiser, Dwain Gilbert, Holly Edwards, Shawn Blevins, Dan Leathers, and Mark Lawson at closed meeting.

Movant: Mr. Thayer
 Second: Mrs. Miller
 Vote: 6

Agenda Item: 14	Return to Open Meeting
Presenter(s):	Commissioner
Beginning Time:	7:08pm
Potential Conflict(s) of Interest and Abstention(s):	None
On the Record:	None
Actual Motion:	None
Motion By:	Mr. Thayer
Second By:	Mr. Campbell
Voting:	Ayes: 6
	Nays: 0
	Abstain: 0

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End Time:	7:09pm
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Agenda Item 14
RETURN TO OPEN MEETING MOTION

I request that the Board return to open meeting and that each Board member certify that only public business matters lawfully exempted from open meeting requirements were heard, discussed, or considered in closed meeting, and that such certification be recorded in the Board's minutes.

Movant: Mr. Thayer
Second: Mr. Campbell

Roll Call:

<u>Commissioner</u>	<u>Certification (Yes/No)</u>
D. Miller	<u>Yes</u>
Thayer	<u>Yes</u>
Ball	<u>Yes</u>
Campbell	<u>Yes</u>
Taylor	<u>Yes</u>
C. Miller	<u>Yes</u>
Hutton	<u>Absent</u>

CHAIRMAN: we are again in open meeting.

Agenda Item: 15	Adjourn
Presenter(s):	Commissioner
Beginning Time:	7:09pm
Potential Conflict(s) of Interest and Abstention(s):	None
Discussion:	None
On the Record:	None
Actual Motion:	Motion to adjourn.
Motion By:	Mr. Campbell
Second By:	Mr. Taylor
Voting:	Ayes: 6
	Nays: 0
	Abstain: 0
End Time:	7:10pm

Agenda Item 15
ADJOURNMENT

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Is there a motion to adjourn this meeting?

Motion: _____ Mr. Campbell

Second: _____ Mr. Taylor

Vote: _____ 6



Dwain Miller, Chairman



Holly Thompson, Assistant Secretary