

Maury Service Authority

Minutes of the Board Meeting

Tuesday October 25, 2016

The regular monthly meeting of the Maury Service Authority Board of Directors was held in the board room of the Water Treatment Plant. In attendance were Chairman Capt. Ned Riester, Board members Mr. John Higgins; Mr. George Graves; Mr. Jimmy Carter; and Mr. J.D. Goad. Also in attendance was Jerry Higgins, MSA Exec. Director; Mr. Gary Swink, Lexington City Finance Director; Mrs. Melissa Alexander, Exec. Director, Rockbridge County PSA; Mrs. Christina Shea, MSA Administrative Secretary; Mrs. Sandra Stuart, Rockbridge Area Conservation Council; Mr. Jordan Combs, P.E..

Regular Monthly Board Meeting

Chairman Capt. Ned Riester called the meeting to order at 5:00pm.

1. Approval of Minutes: Mr. Carter made the motion to approve the minutes of the September 27 Board Meeting. Mr. Goad seconded the motion. The motion passed.
2. Financial Report: Jerry Higgins pointed out that the Agenda Package includes the bank account balance sheet, the I&I Revenue Sharing Program balance. He also referred to the entire quarterly Financial Report from the Accountant which each Board member was provided at this meeting. Anyone else in the audience interested in these documents can be provided a copy tonight. All of the MSA expenses are summarized on the monthly budget evaluation sheet also provided to all in attendance.

Jerry pointed out that it appears that the Wastewater Budget Evaluation shows that if the trend of this past quarter continues MSA will take in \$157,120 over what was budgeted for and MSA will under-spend the expense budget by \$1,633. On the Water Budget Evaluation Jerry estimated that if the present trend continues MSA will take in \$32,334 more than was budgeted and will spend \$33,198 less than was budgeted to spend.

3. Water Plant Production and Operation: the Board package includes a water plant report from Roger DeBerry, Water Plant Supt.. The Health Department recently made an inspection of the water plant and did not find anything of concern. We received a good report from the inspection. The water plant is about to test a slightly different formulation of the coagulant (PACL) based on the sales technicians' recommendation. We may get a slightly better result and save a small amount of money.

We have received a compliment from the City staff regarding the water that they flushed from the distribution system. There was much less discolored water than they have seen in the past. This is due to the change in the chlorine feed that we undertook in May of this year.

4. Wastewater Plant Operation: Rick Allen, Wastewater Plant Supt. has been keeping Jerry up-to-date on plant operations and maintenance. A written report was included in the Board package. Jerry mentioned that the wastewater plant staff has caught up with solids (sludge) and the sludge storage tank is now empty and ready to store solids over the winter. Additionally, they emptied one of the oxidation ditch rings and repaired a plug valve that had become inoperable.

Jerry has been accepting bids from contractors to clean out the wet well at the plant influent pump station.

5. Rockbridge County PSA Issues: None
6. City of Lexington Issues: Gary Swink mentioned the bill that the City had received from the VA Employment Commission. After considerable discussion the Board agreed that MSA would pay any invoices the City receives from the VEC regarding unemployment payments for previous water or wastewater plant staff.
7. Unfinished Business:
 - A. Action Items: Jerry reviewed the action items list and said that there is no change to the items on the Action Items list. He pointed out that although we do not have a Capital Improvement Program list, this is not due to any oversight. We simply have no plans at this time to borrow money to build anything other than the pipe that goes to the Houston St. Tank.
 - B. Pipe Replacement to the Houston St. Tank: No further progress yet.
 - C. Participation Agreement: Jerry indicated that there has been no word on any progress on approval of the Participation Agreement. It is in the City's hands at the moment.
8. New Business:
 - A. Jerry announced that the MSA has received an award certificate called the "CDC & DHHS Water Fluoridation Quality Award for 2015" sent to us by the VA Dept. of Health.

- B. The MSA website has been destroyed by a hacker. Christina determined that although there were a few expensive routes we could take to get back up and running, she found the gentleman (originally a student at W&L) who put the website together and he offered to rebuild the site and insert a firewall or two to try to prevent this occurrence in the future for \$210. At this point that work is almost complete.
- C. On October 12 a wastewater plant staff member driving a sludge spreader truck was involved in a vehicle accident. There were no injuries. The MSA sludge truck (loaded) hit the back of a small pick-up truck, causing considerable damage to the back of the pick-up. Our driver received a summons for "following too close". Since this was preceded by a complaint about him driving too fast, he also received a written reprimand from MSA warning him that if he has another reprimand within the next year it may result in more serious consequences such as suspension or even termination from his position with MSA. Jerry added that he is a valuable and caring MSA employee. It is likely that we will not experience further problems with this employee. Jerry was asked to look into drug and alcohol testing recommendations for CDLs and VML when there is a vehicle accident.
- D. The MSA Board previously agreed to spend approximately \$13,500 to get new fiber optics cable installed to serve both the water and wastewater plants. It had been agreed/understood that the cable was to be installed several months ago. The MSA IT Consultant has recommended that MSA drop the idea of a fiber optics cable and instead contract with Comcast for the same service (internet and telephone). There would be no installation cost and the expense of new equipment such as new telephones would be considerably less than the cable installation. Jerry asked for the Boards' concurrence to this change in internet service. The Board agreed.
- E. Jerry indicated that Carter Bank made it clear that they do not want any public money at this time. We are spending approximately \$300/month using Wells Fargo banking. He has had preliminary discussions with Cornerstone Bank and found that we may not encounter any monthly expenses for their services. He will have further discussions with Cornerstone in the near future.
- F. A committee of MSA managers has met several times and reviewed applications and conducted interviews. Unfortunately, the candidate we selected is presently a City employee. Jerry contacted the City Public Works Director ahead of time and allow for the City to talk with this gentleman and see if he would reconsider leaving City employment. That did not work out and the new controls specialist will start work with MSA on 1 November. One of his first responsibilities will be to work on the controls at the Influent Pump Station.
- G. Jerry reiterated that he is working with a group of Virginia water suppliers who are very concerned about an ongoing effort by the Dept. Of Environmental Quality to issue permits for water withdrawals from surface waters by water suppliers. MSA is one of the many water supplies in Virginia that are "Grandfathered" under specific legislation by the General Assembly.

MSA presently has a permit from the Dept. Of Health to treat up to 4 Million Gallons per Day from the Maury River. Unquestionably, DEQ will, at their first opportunity, restrict our withdrawal from the river to what we withdraw now (approx. 1.5 to 2 MGD), despite the considerable excess capacity of the river. Not only will a restriction like this “suspend” the infrastructure investment this community has made in the past in that extra 2 MGD treatment capacity, it also gives DEQ (and the environmentalists who hammer DEQ every day) control over economic development throughout the Commonwealth. Jerry intends to send the Board members further information on this subject and will draft a letter of concern for the Board to consider sending to certain members of the General Assembly. Jerry was asked to consider informing local managers and General Assembly members on this issue.

- H. Jerry asked the Board for some feedback on the possibility of giving an existing employee a stipend (possibly \$50/month) to be the safety officer for the two plants. After some discussion Jerry was asked to shelve this idea for now and remind the plant Superintendents that safety is part of their responsibility as managers.
- I. Jerry mentioned that he recently found that VRS is now offering a Health Insurance Premium Credit benefit for municipal type employees (such as MSA employees). State employees have had this benefit for some time now. He asked the Board if they would mind him looking into this new benefit for MSA employees. The Board indicated that it wouldn't hurt to look into the cost and benefit of this new VRS offering.
- J. Task Order (TO) #101 by the engineering firm of William Johnson II, P.E., PC was provided to the Board members. This item had been discussed at the September Board meeting. This TO is for the engineers to assist Jerry in the evaluation of the operation of the Influent Pump Station to the wastewater plant. The cost for this service is \$9,000. After some discussion Mr. Carter made the motion to proceed with this Task Order #101. Mr. Goad seconded. Motion passed.

9. Other Business: Public Comment Session – None

10. Closed Session: N/A

11. Next MSA Board meeting: **December 6, 2016**

12. Meeting adjourned 6:18 pm.

Chairman

Executive Director