

Maury Service Authority

Minutes of the Board Meeting

Tuesday April 25, 2017

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 Ex. Director; Mrs. Melissa Alexander, Rockbridge Co. PSA Ex. Director; Mr. Noah Simon, Lexington City Manager; Ms. Leslie Straughan, Lexington City Council Member; Mrs. Sandra Stuart, Rockbridge Area Conservation Council; Mrs. Christina Shea, MSA Administrative Secretary.

Regular Monthly Board Meeting

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

1. Approval of Minutes: Mr. Graves made the motion to approve the minutes of the March 28 Board Meeting. Mr. Carter seconded the motion. The motion passed.
2. Financial Report: Jerry Higgins pointed out that the Agenda Package includes the Bank Accounts Balance Sheet and the I&I Revenue Sharing Program balance. All in attendance were provided with a copy of the monthly water and wastewater budget evaluations. Additionally, each of the Board Members were provided a copy of the entire financial report from the accountant. Anyone in the audience who wanted a copy was provided one. Jerry proceeded to review the numbers in the budget evaluations. He noted that on the water side it now appears that MSA will take in approximately \$107,704 less than was budgeted for revenues. The budget evaluation also shows that we will spend approximately \$137,298 less than was budgeted. For wastewater the trend shows that MSA will take in approximately \$142,570 more than was budgeted and will spend approximately \$118,285 more than was budgeted.

Mr. Simon pointed out that again there are some inconsistencies in the MSA bookkeeping. For instance the Office Expenses category of the budget shows that it is likely that some charges to that account should have been charged to other budget line items. There are some expenses such as wages and VRS expenses that are not shown in

these records. He called for more transparency by MSA in this regard. Considerable discussion ensued regarding the need for more accuracy in MSA recording of expenses. Mr. Higgins made the motion “that the financials presented to the Board for the prior month be complete and when there is an anomaly, it should be noted.” Mr. Carter seconded the motion. The motion passed. Jerry was asked to visit with the PSA and see how they do their bookkeeping and come up with a more accurate way to keep a record of our expenses.

3. Water Plant Production and Operation: the Board package includes a water plant report from Roger DeBerry, Water Plant Supt.. In addition Jerry pointed out that the MSA water plant has received the Department of Health Silver Operations Award.

Jerry informed the Board that, at the request of the Health Department, he checked on the population served by MSA. After checking with the City and the PSA the number comes to 11,067. Since that exceeds the threshold of 10,000 people served we now are subject to the Long Term 2 Enhanced Surface Water Treatment Rule (LT2). We must now comply with the required testing for Cryptosporidium and E Coli. We have to collect samples each month for 24 months starting in July 2017 according a schedule that has been sent to us. There are a limited number of approved laboratories that do this testing. The cost of the sampling is approximately \$600 per month. The sample results will dictate which “bin” we will be assigned to. If we are placed in other than “bin 1”, the LT2 Rule specifies what engineering evaluations have to be conducted in order to establish what additional treatment must be added at the water plant.

4. Wastewater Plant Operation: Rick Allen, Wastewater Plant Supt. has been keeping Jerry up-to-date on plant operations and maintenance. His monthly report was included in the Board Packet.

Recent rains have caused the flow to the wastewater plant to reach 5 million gallons per day. We normally receive about 1.5 million gallons per day. The plant was designed for 3 million gallons per day. In the past flows have reached as high as 11 million gallons per day.

Work continues on the influent pump station on Old Buena Vista Rd..

The location of the significant leak in the waterline to the wastewater plant continues to evade us. The 4 inch valve was installed and we have been able to determine that the leak is somewhere between the influent pump station and the plant. A 2 inch valve will now be installed on the waterline coming out of the influent pump station going to the wastewater plant, before it connects to the 4 inch line that goes up the hill to the plant. This will further narrow our focus in finding the leak.

Interviews for the Lab Specialist position have been conducted. The position will be offered to one of the interviewees but we haven't heard back yet.

Recently there was a meeting among the PSA, MSA and Devils Backbone Brewery. The wastewater plant has had considerable difficulty trying to treat a very heavy waste load coming into the sewer system. The brewery is the most likely source but we have not yet been able to prove that it is their waste. It was made very clear that at this point we are simply trying to cooperate and coordinate with them in order to minimize any damage to the wastewater treatment system. The meeting concluded with an agreement that we would continue to communicate regarding their discharges to the sewer system.

5. Rockbridge County PSA Issues: None

6. City of Lexington Issues: None

7. Unfinished Business:

Action Items: Jerry reviewed the action items list and said that there has been no further progress on the participation agreement so we will not be able to meet the deadline for the spring bond funding with VRA.

Tex-Lex: the owner had relented and paid the invoice from two years ago for maintenance of Osage Ln. Camden has refused to pay and a court hearing is scheduled for 15 May.

8. New Business

CPR & First Aid training: Several of our staff have received CPR and First Aid training at the City Fire Station. As a result of that training MSA has placed fire extinguishers and first aid kits in each of the MSA vehicles. Jerry requested permission to purchase two AED units. One for each plant. Mr. Carter made the motion, seconded by Mr. Goad, to go ahead and purchase two AEDs. Motion passed

Flood Insurance: FEMA had notified MSA that flood insurance will go up 25% each year for several years unless we obtain an elevation certificate which will stabilize the flood insurance premium. Jerry will determine what is needed for us to get a certificate and come back to the Board with the estimated cost.

Jordan Point Dam: Jerry wanted authorization from the Board to comment on behalf of MSA at the 15 May public hearing. He will not speak for or against removal of the dam. He simply wants to make sure that authorities are aware of the possible implications for the MSA water plant intake. Additionally, we have two sewer pipes that go across the river from Jordan Point to a point near the NE side of the Rt.11 bridge. The Board had no objection to Jerry making those points at the public hearing. There was some additional

discussion regarding the possible need for MSA to study the issue of the water level dropping due to the removal of the Jordan Point Dam.

Benefits Committee: the committee appointed by the Chairman to work with Jerry on health insurance and employee raises. Mr. Goad presented the committee recommendations to the full Board. He recommended that MSA employees pay the same amount towards their health insurance as the City employees pay. MSA would pick-up the remainder of the cost. The committee also recommended a raise for MSA employees of 3% as of 1 July. Mr. Higgins made the motion to match what MSA employees pay to what City employees pay for their health insurance. Mr. Carter seconded, motion passed. The Board asked Jerry to include the 3% raise in the budget he will present to the Board at the May meeting.

Jerry made the Board aware of significant health issues MSA is dealing with. As discussed previously we have one employee who has a health issue and will not be back to work until at least 1 July. Another employee has announced his/her retirement as of the end of May. Another employee suffered a heart attack since the last Board meeting. Also, another employee was recently diagnosed with a serious illness and Jerry expects that individual to have to cut back considerably on his/her workload in the very near future. Jerry asked the Board for authorization for another part-time position to be utilized at the wastewater plant when it is required.

Mr. Graves indicated his continuing concern that we have authorized the development of SOPs for the wastewater plant operation, at a cost of at least \$12,000, when we already had SOPs developed when the plant was modified in 2004. Why were those SOPs not followed? Furthermore, who was responsible for not following the SOPs MSA paid to have developed? Considerable good discussion followed. It was generally agreed that there have been enough modifications to the original facility that the new SOPs are needed although the original SOPs will serve as a basis for the updated ones.

9. Other Business: Public Comment Session – None

10. Closed Session:N/A

11. Next MSA Board meeting: May 23, 2017

12. Meeting adjourned 6:42 pm.

Chairman

Executive Director