

Maury Service Authority

Minutes of the Board Meeting

Tuesday May 23, 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. Mike Kennedy, Lexington Public Works Director; Ms. Leslie Straughan, Lexington City Council Member; Mr. Steve Bolster, Rockbridge Co. Director of Finance; Mr. Jordan Combs, Engineer; 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. Goad made the motion to approve the minutes of the April 25 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. He noted that on the water side it now appears that MSA will take in approximately \$120,454 less than was budgeted for revenues. The budget evaluation also shows that we will spend approximately \$158,212 less than was budgeted. For wastewater the trend shows that MSA will take in approximately \$101,290 more than was budgeted and will spend approximately \$3,904 more than was budgeted

Jerry indicated that he has met twice with the accountant in an effort to improve the MSA bookkeeping. The accountant felt that a bookkeeper for MSA is not necessary. The accountant felt that we have gone from just a few checks each month to around 100 checks per month and we are just working out the kinks at this point. Jerry also met with the PSA and reviewed the software and procedures they utilize to keep up with their finances. After some discussion John Higgins asked if we keep a list of pending expenses

– items that have been ordered but not yet paid for. Jerry does not have a system to provide that information at this time. The discussion that ensued showed that there are several practices different organizations utilize to account for pending expenses. Jerry indicated that he would continue to pursue a software package that would serve MSA’s needs.

3. Water Plant Production and Operation: the Board package includes a water plant report from Roger DeBerry, Water Plant Supt.. In addition Jerry showed the Board the “Silver Award” Certificate for “Excellence in Filtration and Clarification” from the Health Department that was awarded to MSA. He mentioned that after some discussion with the VDH Office of Water Programs it was found that although MSA has been recording the filter rewash turbidity that information was not getting to the Health Department engineers. Once that is corrected we will be eligible for the “Gold” Award next year.
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.

Work continues on the influent pump station on Old Buena Vista Rd.. Lately progress has been slow but the contractor is finishing up another project and it appears he will be able to spend more time on our pump station.

The location of the significant leak in the waterline to the wastewater plant continues to evade us. The 2 inch valve discussed last month has now been installed but that has not helped us identify the location of the leak. The next step is to utilize a “correlator” owned by Lexington or get someone from Rural Water to come here to help locate the leak.

Rick continues to communicate with Devils Backbone Brewery regarding their discharge to the sewer. Our sampler does show that the high waste load we are seeing at the wastewater plant is originating from the Brewery. We are continuing to work with them to minimize the difficulties at the plant as well as keeping the cost to them as low as possible.

5. Rockbridge County PSA Issues: None
6. City of Lexington Issues: Mike Kennedy announced that the I&I improvement project on Thornhill Road has been awarded and work has started.
7. Unfinished Business:

Action Items: Jerry reviewed the action items list and said that there has been no further progress on the participation agreement.

Jerry did testify at the Court Hearing to force payment by Mr. Camden for maintenance of Osage Ln., on May 15. The decision by the Court was in favor of MSA and if Mr. Camden does not file an appeal within 10 days the debt will be attached to the deed for the property along with a charge of 6% annual interest.

Mr. Camden is now asking the MSA to forgive this debt and to release him and future property owners of this obligation. After considerable discussion the Board decided that the Camdens should first pay the debt owed to MSA. At that point they could come back to the MSA Board to discuss releasing them from the obligation to help maintain Osage Ln..

8. New Business

Jerry presented the recommended water and wastewater rates for the FY2018 budget year. He is recommending a drinking water rate of \$2.60 per 1,000 gallons. The wastewater related rates he suggests are sewer- \$5.13 per 1,000 gallons, septage- \$76.95 per 1,000 gallons, and Leachate (from the landfill)- \$5.64 per 1,000 gallons. If these recommendations are acceptable to the Board the rates will be published in the News Gazette two times prior to the Public Hearing on the rates, which will be held just prior to the Board Meeting on June 27.

The discussion then turned to the draft FY2018 Budget document that was included in the Board package and a copy of which was provided to each of the meeting attendees. The draft budget will also be placed on the MSA website. Some discussion followed especially regarding salary raises for MSA employees and health insurance benefits for employees. Following the discussion Mr. Graves proposed the following resolution, seconded by Mr. Carter:

“Be it Resolved that the Maury Service Authority Board hereby authorizes the Executive Director to publish the proposed water and sewerage rates as required by Code, and announcing the Public Hearing on June 27 at 5pm here at the Water Treatment Plant to hear comments on the subject rates.”

The Resolution passed.

Jerry did attend the public hearing on the removal of the Jordan's Point Dam on May 15. He spoke at that hearing stating that MSA is not for or against the removal of the dam. He simply noted that those considering removing the dam need to know if there is any possibility of having an effect on the water plant intake and the low water dam serving MSA. He also noted that we have two sewer lines crossing the river from Jordan's Point to the West side of the Rt. 11 bridge. Any equipment entering the river to work on the dam should stay away from the sewer lines.

Considerable discussion followed regarding different aspects of the dam removal. Capt. Riester offered to look at the water plant low water dam and possibly identify a “water jump” and a related super-critical point. If so, the dam removal could not have any effect on the intake or the low water dam. He offered to come back to the next meeting with a report on his findings. Otherwise, Jerry indicated that we would have to hire an engineering firm such as Schnabel Engineers who have a group who deal specifically with dams. The cost would be in the \$10K range. The Board agreed to wait to see what Capt. Riester finds.

9. Other Business: Public Comment Session – None

10. Closed Session: N/A

11. Next MSA Board meeting: June 27, 2017

12. Meeting adjourned 6:30 pm.

Chairman

Executive Director