

SANITATION AUTHORITY MINUTES



TOWN OF GATE CITY SANITATION AUTHORITY MINUTES
January 13, 2020
156 E. JACKSON STREET
6:00 pm

I. CALL TO ORDER

Roger Cassell, Chairman/Council Member, called the meeting to order at 6:15 P.M.

II. ROLL CALL – Town Clerk, Lydia Morales

	PRESENT:	ABSENT:
Chairman, Roger Cassell	X	
Vice-Chair, Jo Ann Castle	X	
Board Member, Sandra Craft		X
Board Member, Bob Richards	X	
Board Member, Daris Hartsock	X	
Town Attorney, Michele Brooks	X	
Town Manager, Greg Jones	X	

Others present: NONE

III. PROCLAMATIONS, CONGRATULATORY RESOLUTIONS, AWARDS, APPOINTMENTS, RESIGNATIONS AND CONFIRMATIONS, ADMINISTRATIONS OF OATHS AND INTRODUCTION OF GUESTS. - NONE

IV. CONSENT AGENDA

- Approval of agenda

Motion made to approve the agenda.

Motion by: Bob Richards

2nd by: Daris Hartsock

VOTE: Aye, 4

Nay,

Absent, 1

Abstain,

Motion Carried.

V. APPROVAL OF MINUTES

- Approval of Minutes

Motion made to approve minutes of the Sanitation Authority Meeting from October 14, 2019.

Motion by: Jo Ann Castle

2nd by: Bob Richards

VOTE: Aye, 4

Nay,

Absent, 1

Abstain,

Motion Carried.

- Approval of Minutes

Motion made to approve minutes of the Sanitation Authority Special Called Meeting from November 14, 2019.

Motion by: Bob Richards

2nd by: Daris Hartsock

VOTE: Aye, 4

Nay,

Absent, 1
Abstain,

Motion Carried.

- **Approval of Minutes**

Motion made to approve minutes of the Sanitation Authority Special Called Meeting from December 30, 2019.

Motion by: Jo Ann Castle
VOTE: Aye, 4
Nay,
Absent, 1
Abstain,

2nd by: Bob Richards

Motion Carried.

VI. APPROVAL OF PAYMENTS

- **Motion made to approve payment of bills for October, November, December 2019.**

Motion by: Daris Hartsock
VOTE: Aye, 4
Nay,
Absent, 1
Abstain,

2nd by: Bob Richards

Motion Carried.

VII. COMMUNICATIONS - NONE

VIII. PUBLIC COMMENT - NONE

IX. UNFINISHED BUSINESS

- **PSA Contract and Billing Issues**

Town Attorney Michele Brooks stated that she received an e-mail from Mr. Dishman on Friday that stated the Attorney for PSA, Stephen Mullins, has accepted a position with the Dickenson County Commonwealth Attorney's Office. Mr. Dishman stated in the e-mail that PSA will have to seek another lawyer. Town Attorney Michele Brooks stated that if the PSA has not corresponded with the Gate City Sanitation Authority within a week or two, the Sanitation Authority should go ahead and file something. Town Manager Greg Jones agreed. Board Member Bob Richards stated that the amount that we owe the PSA was not discovered through their office, but through our office. Board Member Bob Richards stated that the PSA is willing to accept this finding, but not the other finding. Vice-Chair Jo Ann Castle stated that the PSA has already tied in to the manhole. Town Manager Greg Jones stated that the manhole is privately owned. Vice-Chair Jo Ann Castle stated that it could be unhooked from our end but that Town Manager Greg Jones stated this could generate a potential reconnection fee. Vice-Chair Jo Ann Castle suggested moving down one joint, approximately 20 feet, and cut it. Town Manager Greg Jones stated that could be done and Mr. Dave Wilson has a product that can inflate inside the line and block it.

Town Manager Greg Jones asked if we should respond to the PSA or give them a week to inform us of what is happening? Town Attorney Michele Brooks suggested waiting until the Legislative Visit to Richmond is over and if they have not communicated by then, go ahead and take action. Vice-Chair Jo Ann Castle asked if PSA has been informed that we are this close to litigation? Town Attorney Michele Brooks stated the last letter that we sent informed them of that. Chairman Roger Cassell stated that he told Mr. Dishman in person that if there is not something done by this date, the next step will be litigation. Discussion concerning the PSA board continued. Town Manager Greg Jones asked if the suit will be filed against the entire board or each member? Town Attorney Michele Brooks stated that the suit will be filed against the board. Board Member Bob Richards asked how did the Gate City Sanitation Authority become involved with the PSA? Chairman Roger Cassell stated that in the early 2000s the sewage treatment plant was in violation. Chairman Roger Cassell stated that the Health Department was going to fine the Sanitation Authority. Chairman Roger Cassell stated that the board at that time said it would be cheaper to go with PSA. Chairman Roger Cassell stated that the PSA borrowed money to add onto the plant to accommodate the Sanitation Authority and that is where the agreement came from that stated the Sanitation Authority would

help pay for that expansion and the PSA would treat the Sanitation Authority's sewer in return. Chairman Roger Cassell stated that the plant was supposed to be closed and dismantled, but was never dismantled. Vice-Chair Jo Ann Castle asked if the plant was going to be maintained for dumping septic tanks? Chairman Roger Cassell stated that at one time it was talked about but did not ever happen. Vice-Chair Jo Ann Castle stated that the PSA complained that dumping septic tanks upset their balance at the treatment plant and they started allowing only a certain amount of gallons of discharge. Vice-Chair Jo Ann Castle stated that this created a hardship on residents who had failing septic tanks and the idea of using the old plant as a holding facility for the discharge of sewer pumping trucks and then feeding it gradually into the PSA system was going to be perfect. Town Manager Greg Jones stated that when a sewer system closes, DEQ requires a plan with certain steps that must be taken to take the system offline and disposed of.

Board Member Bob Richards asked does the PSA own the sewer plant? Town Manager Greg Jones stated that the plant itself is a CO-OP, which needs to be specifically listed in the contract. Board Member Daris Hartsock asked if there could be a potential demolition job? Town Attorney Michele Brooks stated no because PSA owns it. Town Manager Greg Jones stated that they technically own it, but the deeds are still in our name and it has not been signed over to them yet and will not be signed over until we can get this contracted. Chairman Roger Cassell explained that at one point, the Sanitation Authority looked at building their own plant, but it did not happen. Chairman Roger Cassell stated that it is difficult for the Sanitation Authority to get funding because it is so small, and PSA is a larger operation. Vice-Chair Jo Ann Castle stated that the state wants all public utilities under "one umbrella" and used the threat of limited funding if you didn't do this.

Town Attorney Michele Brooks stated that she has already replied to the e-mail from Mr. Dishman stating a thank you for informing us. Town Attorney Michele Brooks stated that PSA will have a meeting in the morning but there is not really a need to go. Town Attorney Michele Brooks stated that she is already authorized and it is recorded in the minutes that if a response was not received by that date, she could proceed with litigation. Chairman Roger Cassell stated that on that date they replied but it was just a reply. Town Attorney Michele Brooks stated that the letter said reply and a meeting was offered on the 24th and she suggested the 17th. Town Attorney Michele Brooks stated that she feels Mr. Dishman did not know about Mr. Mullins leaving. Vice-Chair Jo Ann Castle stated that the minutes read that Town Attorney Michele Brooks is authorized to file suit anytime after December 17th. Town Attorney Michele Brooks stated that is fine with her.

X. NEW BUSINESS

- **VRA/DEQ – Funding Resolution Amendment for the DEQ/Waste Water Line Replacement Project**

Town Manager Greg Jones stated that this document recognizes the increase to the costs due to the bids coming in higher than anticipated. Town Manager Greg Jones stated that the document states that it is necessary to increase the maximum of the bond from \$1,026,278 to \$1,411,595. Vice-Chair Jo Ann Castle noticed an error in the document that stated Wise County instead of Gate City. Town Manager Greg Jones recommended approving the document with that amended.

Motion to approve the VRA/DEQ – Funding Resolution Amendment for the DEQ/Waste Water Line Replacement Project with the correction of Gate City Sanitation Authority in the document.

Motion by: Daris Hartsock

2nd by: Bob Richards

ROLL CALL VOTE: Aye: Vice- Chair Jo Ann Castle, Board Member Daris Hartsock,
Board Member Bob Richards, Chairman Roger Cassell

Nay:

Absent: Board Member Sandra Craft

Abstain:

Motion Carried.

- **Increase the amount transferred from Savings to the Debt Reserve Savings Account to \$70,579.76 for the DEQ/Waste Water Line Replacement Project**

Town Manager Greg Jones stated that this will be an increase of \$19,265.86. Town Manager Greg Jones stated that the Debt Reserve needs to be moved from roughly \$51,314, which was the previous offer, but since cost has increased the debt reserve has increased. Town Manager Greg Jones stated that the new debt reserve will need to be set at \$70,579.76 and is equal to one year's worth of payments and will be going to the VML investment account. Town Manager Greg Jones stated that this will be coming out of savings that we already have.

Motion to increase the amount transferred from savings to the Debt Reserve Savings Account to \$70,579.76 for the DEQ/Waste Water Line Replacement Project.

Motion by: Jo Ann Castle

2nd by: Daris Hartsock

ROLL CALL VOTE: Aye: Vice- Chair Jo Ann Castle, Board Member Daris Hartsock,
Board Member Bob Richards, Chairman Roger Cassell

Nay:

Absent: Board Member Sandra Craft

Abstain:

Motion Carried.

XI. CLOSED SESSION -NONE

XII. OTHER BUSINESS - Vice-Chair Jo Ann Castle stated that there is an error in the Manager's Report that states truck line instead of trunk line. Town Attorney Michele Brooks stated that there is another error where the Manager's Report says deference instead of difference. Town Manager Greg Jones stated that he will correct these errors.

XIII. ADJOURN

Motion made for Board to adjourn to quarterly Sanitation Authority Meeting on April 13, 2020, at 6:00 p.m.

Motion by: Daris Hartsock

2nd by: Jo Ann Castle

VOTE: Aye, 4
Nay,
Absent, 1
Abstain,

Chairman Roger Cassell, adjourned the meeting at 7:00 P.M.

Roger Cassell – Chairman

Town Clerk – Lydia Morales