



GATE CITY SANITATION AUTHORITY MEETING AGENDA

July 14, 2010

156 E. JACKSON ST.

6:00 PM

I. CALL TO ORDER

Jim Craft, Chairman called the meeting to order at 6:01PM

II. ROLL CALL – Town Clerk Kathy Riley

PRESENT: Council Member, Roger Cassell **ABSENT:** Eddie McMillian
Chairman, Jim Craft
Vice Chair, Dewey Breeding
Town Attorney, K. Michelle Jenkins
Town Manager, Steve Templeton

Others present: None

III. CONSENT AGENDA

Chairman Craft – First order of business is the Approval of Bills for June, 2010. Steve (Templeton) do you have anything on that?

Town Manager Templeton – The only thing I have on that is the report that is given to us by the Treasurer. It's the monthly report on the Sewer Fund Income. \$384,003 was the total revenues. The expenses were \$281,561. The excess revenue over expenditures was \$102,442. We only received the May bill from the Scott County PSA yesterday, so Chris and I haven't had time to go over that one. We always go into detail to check everything that is in that, because sometimes we find items that we question. We'll have to look at that for next month.

Vice Chair Breeding – Why are they so late in getting the bill to us?

Town Manager Templeton - We have asked that, asking for them to speed it up just a little bit. They are charging us about sixteen hours labor to prepare that bill and I think that's a little ludicrous if I'm selling you a product then I don't charge you for making the bill. I don't think that is right. That is something we will look at on our contract. Each year we can go back and look at it. I think it's a pretty good time to look at it. They charge us the same amount, 16 hours every month. We question whether we should pay part of the Scott County PSA member's salary. My position, and how I feel, and Roger was here before, it is not right for us to pay anything except that portion of the new sanitation. The new sewer plant we are using which roughly runs around 60% and 60% of the indebtedness. They charge these extra things as operation and

maintenance. When they had some new leather chairs for the office, they charged us a percentage of that. I don't understand that and I don't like that. We got nowhere with it.

Chairman Craft – We'll have to go back and look at the contract.

Town Manager Templeton – Chris and I went down and had a long meeting with them at one time. Basically, all it did was get the bills to us a little quicker. I have called Dan (Danko), several times.

Chairman Craft - If those miscellaneous charges are not expressed in the contract, I don't see why we have to pay.

Town Attorney Jenkins – You wouldn't be responsible if they are not addressed, unless you voluntarily do it.

Town Manager Templeton – We're just supposed to pay our portion of indebtedness and our portion of the actual operation and maintenance of that plant. Not when they have someone out in west Podunk doing work on sewer lines. They shouldn't charge us for his time there. As soon as they send us their bill, we're going to compare it because we know, the Mayor, knows specifically when there is some men working on a line. We want to check their timesheets to see if those hours are charged to us, we have to catch them to contest anything like that. It is still a bone in our craw that we are paying 60% of the salaries of two people that have been fired from the Town of Gate City, for stealing time. We fire them and they hire them.

Council Member Cassell – How come it's 60 instead of 50/50?

Town Manager Templeton – I said 60, it's the monthly percentage. If our sewer flow is about 60% of the total capacity of that plant for the month, we pay 60, if it's 54% we pay 54%, it's based on the flow that is metered

Council Member Cassell – We're putting that much into that?

Town Manager Templeton – Yes, we are.

Council Member Cassell – On top of what they have?

Town Manager Templeton – And we have no input into the management of it. I've been before the Scott County Board of Supervisors, personally, and asked if we might have representation on that board. I was assured over a year ago that when a vacancy came up they would give us notice so we could apply. That went without anything ever being posted in the newspaper. The last time it came open, two of our Council Members did apply but they in turn appointed a third member of the Board Supervisors to that board.

Council Member Cassell – I was on here when that contract, did Dan Danko not sit there and say we could have somebody, they just didn't have a vote? We were told this board would be dissolved, because it wouldn't be needed.

Town Manager Templeton – Well we had no representation and we have argued that point.

Council Member Cassell - Dan said we would have no vote, but we could have someone there to represent the town.

Town Manager Templeton – I specifically said we needed someone to represent the town, since we're really paying more than 50% of the bills. But we have no say of who is hired, how the plant is managed, what's purchased, etc. That is something that needs to be looked at hard. I think we are getting a short shirt on this thing.

Council Member Cassell – We got the short shirt when we got talked into signing this thing. I can take the blame for that because I was sitting right here and had to sign it. But when your attorney and delegate tells you that if you don't you're going to be fined. By the deadline of when the plant was supposed to have been built we should have been in jail by then. Do you remember that deadline, if we didn't make the deadline it was \$10,000 a day. Then Terry (Kilgore) said I went up there to bat for you once, if you don't sign this contract with Scott County PSA, I can't get you out of it again. It's going to be \$10,000 a day. I can't believe they didn't know this position was going to come open. We messed up royally and BJ Broadwater tried to tell us that.

Chairman Craft – Well that's all ancient history now. We're stuck with it and do the best we can do. What do we need to do here on this?

Town Manager Templeton – I have a copy of the contract. He states he will provide Town Attorney Jenkins a copy of it. It certainly was not written with the best interest of the town. It is either at the end of the fiscal year or calendar year that we can renegotiate some rates, but it has to be agreeable with them. We might want to think about redoing some rates based on whatever formula we come up with that will be more agreeable to us. We have ownership as far as paying the bills, but we have no ownership regarding making decisions.

Town Attorney Jenkins – I know that we are not, technically, not in comment area of the intended, but I'm going to ask this since we are discussing it. What is the future of the Sanitation Board here in Gate City? The contract that you have entered into, will it be totally taken over by Scott County PSA in the future or is it a need for the Gate City Sanitation Board?

Town Manager Templeton – No, we're responsible for the maintenance of our sewer lines within the town and to get it into their feeder line. There is a meter at the end of our old sewer plant and there is something in there that requires them to calibrate that. Not sure they ever calibrated it and couple times I thought it would be a good idea if we had a meter right before it to make sure we are on the same page for the flow.

Town Attorney Jenkins – I know you weren't here when the contract was done, but was the contract entered into to prevent the Scott County PSA from taking over the Gate City plant? Was that ever an option? So the Scott County PSA never said they want to take over all the lines in Gate City?

Chairman Craft – No, but we were threatened by the EPA that if we did not enter into this contract they would come in and operate, the DEQ would come in and operate the plant and they would bill us for it.

Town Manager Templeton – It's about the same as a Consent Decree, so pretty much forced into it.

Chairman Craft – That was in the very beginning where they threatened us with the \$10,000 fine and \$1,000 per day fine.

Town Manager Templeton – From what I was told when I got into this and started to research it, from DEQ we had a perfectly good, functioning waste water treatment plant down there that met all the standards and would for several more years. At the time we took it off-line, we were meeting all the standards and everything was working just like it ought to. Looks like it was an end run to, eventually, take it over.

Chairman Craft – They raised the bar on the ammonia well. It's just going to cost us too much to change our plant to meet the new standards. And that is when they started threatening us.

Council Member Cassell – We were told, we didn't stand a chance of getting a grant. We explored every option, asked every question and we were just told, we didn't stand a chance.

Town Manager Templeton – They didn't fulfill all the terms of the contract because every structure was to have been demolished and the terrain restored. They kept the laboratory building they kept the drying beds that are covered and possibly one other where they have a generator. I sent a letter to DEQ saying the Town wanted everything to be removed. And we never even got an answer. So they didn't really comply with their terms of the contract either.

Chairman Craft – Okay, we slipped off the agenda here. You explained to us about the bills. Does anyone have any further questions regarding the bills?

Approval of Bills for June, 2010

Motion to approve Bills for June 2010

Motion by: Vice Chair, Breeding 2nd by: Council Member, Cassell

VOTE: Yeas, 2
 Nays, 0
 Absent 1
 Abstained 1 (Roger Cassell not present)

Approval of Sanitation Minutes for June 9, 2010

Motion to approve Minutes for June 9, 2010

Motion by: Vice Chair, Breeding 2nd by Council Member, Cassell

VOTE: Yeas, 2
Nays, 0
Absent 1
Abstained 1 (Roger Cassell not present)

Approval of Sanitation Minutes for Hearing on 2010-2011 Budget

Motion to approve Minutes for Hearing on 2010-2011 Budget

Motion by: Vice Chair, Breeding 2nd by Council Member, Roger Cassell

VOTE: Yeas, 2
Nays, 0
Absent 1
Abstained 1 (Roger Cassell not present)

Approval of Sanitation Minutes for Special Meeting to Approve 2010-2011 Budget

Motion to approve Sanitation Minutes for Special Meeting to Approve
2010-2011 Budget.

Motion by: Vice Chair, Breeding 2nd by Council Member, Cassell

VOTE: Yeas, 2
Nays, 0
Absent 1
Abstained 1 (Roger Cassell not present)

IV. PUBLIC COMMENT

None

V. UNFINISHED BUSINESS

None

VI. NEW BUSINESS

None

VII. OTHER BUSINESS

Town Attorney Jenkins – What is the status on the Daniel Boone sewer issue? I notice that in the minutes.

Town Manager Templeton – The status of that is, I sent a letter at the request of Scott County PSA in support of that with approval of Council. It has not progressed any further than that as far as the Town goes. It gave them permission to go and knock on the doors, asking them if they would like them to provide them with sewer service. It gives them the right to take the survey that is necessary in cooperation with Lenowisco and this will be done by the engineers. I think that is Bobby Langford. After they get an idea of how many households will be signing on, they will take the map and the engineering report and go to DEQ to apply for the actual grant. Now, Dan has been highly successful in getting grants, so it is something that could very well become reality. We and I think I can speak for the Town Council Members that I have talked to, we like the idea because we understand that development, one of the few areas that development can take place around the immediate areas of Gate City. As a member of the Scott County Planning Commission, this has been something that has been on our agenda for a long time. Rufus Hood, the County Administrator, and I have agreed for a long time that if it possible to get it out there, we would like to do that. What it would mean, they realize they can't sewer that and put another sewer line right down beside ours. They want to make sure our sewer system is adequate to carry the flow and there would be a meter at the far end where it would enter our sewer system. We would charge them for that in-flow, because eventually it will be an, into that pocket, out of that pocket type of thing. We will be paying for it when it goes into the sewer system at the end of Gate City, but they will be paying for it when it comes in. There would have to be an agreement reached on the maintenance of those main transmission lines, whether we would be solely responsible for it. If so, then we would have to charge them more than they are charging us. If not, they would have to enter into some kind of agreement to help maintain those lines. There are some things that will have to be ironed out. There is nothing official, no official action from Town Council. That would come later when it appeared that a grant was actually forthcoming.

Town Attorney Jenkins – Then the town would have to agree to participate, to what terms.

Vice Chair Breeding – I see a lot of great big concrete pipe down on the parking lot. Does that have anything to do with our business here?

Town Manager Templeton – That is not really the sewer. That will be the water run-off, partially from Jackson Street. We will be doing a new streetscape on Jackson Street sidewalk. That is part of the DHCD Grant that is being done right now in the town. It will be water run-off and the way the new road will be constructed with sidewalks. We will be making a trough, ten foot wide, all around the parking lot. Our crews are doing that. The other part is being done by Vic Davis construction and they'll start Monday, I think. They are moving in their equipment right now. There is 36" tile that will collect run off from Jackson Street and what collects on Water Street. It will be diverted into a little holding area that will be built behind the back. Verbally, we are close to being finished and that will have aquatic plants that will help absorb the water and minimize what we put back into the creek. It will be a ten foot wide ditch that has vegetation added every so many yards. It will have a rock dam to slow the flow down, because that is in the flood plain. It will be completed in 60 to 90 days, with the assistance of our crew. So it is all run off going into the creek, not our sewer system.

Chairman Craft – Any other business at this time?

VIII. ADJOURN

Motion to adjourn until next regularly scheduled Sanitation Meeting on August 11, 2010 at 6:00 PM.

Motion by: Vice Chair, Breeding 2nd by: Council Member, Cassell

VOTE: Yeas, 3

Nays,	0
Absent	1

Chairman adjourned the meeting at 6:20 P.M.

Jim Craft, Chairman

Kathy Riley, Town Clerk