

SANITATION AUTHORITY MINUTES



TOWN OF GATE CITY SANITATION AUTHORITY MINUTES
 October 14, 2019
 156 E. JACKSON STREET
 6:00 pm

I. CALL TO ORDER

Roger Cassell, Chairman/Council Member, called the meeting to order at 6:11 P.M.

II. ROLL CALL – Town Clerk, Lydia Lane

	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: Larry Sturgill; Dave Wilson, Mattern & Craig

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 as presented.

Motion by: Jo Ann Castle 2nd by: Bob Richards

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 Special Called Meeting from August 12, 2019.

Motion by: Bob Richards 2nd by: Daris Hartsock

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

Motion Carried.

VI. APPROVAL OF PAYMENTS

- **Motion made to approve payment of bills for July, August, September 2019 as presented.**

Motion by: Bob Richards 2nd by: Daris Hartsock

VOTE: Aye, 4
 Nay,
 Absent, 1

Abstain,

Motion Carried.

VII. COMMUNICATIONS - NONE

VIII. PUBLIC COMMENT - NONE

IX. UNFINISHED BUSINESS

- **PSA Contract** – Town Attorney Michele Brooks stated that she has emailed a letter to Town Manager Greg Jones, Larry Sturgill, and Chairman Roger Cassell regarding the proposal to PSA. Chairman Roger Cassell recommended setting a deadline for the PSA to reply to the letter. Vice-Chair Jo Ann Castle asked how long PSA’s construction is expected to last before they are ready to connect to the Daniel Boone project? Town Manager Greg Jones stated that the PSA is ready to connect but we have no communication from them. Town Attorney Michele Brooks stated that they will not be allowed to connect. Dave Wilson stated that with the size of the project he estimates that it would take PSA at least nine months to a year to complete the project. Town Attorney Michele Brooks stated that she will send the letter tomorrow upon approval from the Sanitation Authority. Town Attorney Michele Brooks recommended putting a deadline for response on the letter. Chairman Roger Cassell stated that the deadline should be set to November 1st. Town Attorney Michele Brooks stated that she will put a deadline for response of November 1st.

X. CLOSED SESSION - NONE

XI. NEW BUSINESS

- **Authorizing Resolution for the DEQ/Waste Water Line Replacement Project**

Town Manager Greg Jones delivered an update on the progress of the project. Town Manager Greg Jones stated that it is out-to-bid right now and the bid is due on October 30, 2019. Town Manager Greg Jones stated that the pre-bid construction conference was held last Thursday for companies who wanted to come and ask questions specifically about the project itself. Town Manager Jones stated that the Q&A for the contract will stay open until October 17th. Town Manager Jones stated it is expected to close on October 30th. Town Manager Greg Jones stated that DEQ was at the meeting as well and indicated that with all of the projects that are on the market right now, prices may be driven up. Town Manager Greg Jones stated that there are five to six contractors that are expressing interest in the project. Chairman Roger Cassell asked where was this advertised? Town Manager Greg Jones stated that it is advertised in the Kingsport Times and through a portal that goes out to all other contractors and they are notified that way. Vice-Chair Jo Ann Castle asked if the project has been cleared to move past the fish and bat concerns? Town Manager Greg Jones stated yes and that permits have been received for those issues. Vice-Chair Jo Ann Castle asked what will happen with this project when the weather turns bad? Town Manager Greg Jones stated that the project will take about one year to get it done.

Town Manager Greg Jones stated that authorizing the resolution for the DEQ Waste Water Line Replacement Project will give VRA permission to set up bonds for funding. Chairman Roger Cassell asked if a name is needed in order to appropriately identify it, regarding Section 3.3, where it states that either the Chairman or the Vice-Chairman is authorized to provide designation? Town Manager Greg Jones stated that he does not think the document is asking for a name. Chairman Roger Cassell stated that the document states: “shall bear an appropriate designation as determined by the Chairman or Vice Chairman each of whom is authorized to provide the designation for the bond in order to appropriately identify it.” Town Manager Greg Jones stated that the only thing that needs to be done is to pass the resolution and other details will be determined when we are closer to closing. Larry Sturgill asked if the Town holds the debt reserve account? Town Manager Greg Jones stated yes. Larry Sturgill asked if there will be a separate checking account? Town Manager Greg Jones stated that will be the next step. Chairman Roger Cassell asked what is the parity bond for \$595,043? Town Manager Jones stated that the only existing bond we have now is with New Peoples Bank and the parity determines who will receive proceeds first if the Sanitation Authority goes bankrupt.

Chairman Roger Cassell asked if the \$595,043 is through New Peoples Bank and if that is all the Sanitation Authority owes? Town Manager Greg Jones stated yes, that this is the only bond.

Motion to adopt the resolution for the DEQ/Waste Water Line Replacement Project: the resolution to authorize the construction financing of improvements to the sewer system of the Gate City Sanitation Authority and the issuance and award of a sewer revenue bond of the principal amount not to exceed \$1,026,278 providing for the form details and payment of the bond.

Motion by: Jo Ann Castle

2nd by: Daris Hartsock

ROLL CALL VOTE: Daris Hartsock, Aye
Bob Richards, Aye
Sandra Craft, Absent
Jo Ann Castle, Aye
Roger Cassell, Aye

Motion Carried.

- **Transfer \$51,313.90 from Savings to a Debt Reserve Savings Account for DEQ/Waste Water Line Replacement Project**

Town Manager Greg Jones stated that the \$51,313.90 is equal to one year's worth of payments that will come from the regular savings account. Chairman Roger Cassell asked if the \$51,313.90 could be put into the investment pool in order to draw interest? Town Manager Greg Jones stated that yes, it could.

Motion to transfer \$51,313.90 from savings to a debt reserve savings account invested in the VML VACO Investment Pool for the DEQ/Waste Water Line Replacement Project

Motion by: Bob Richards

2nd by: Daris Hartsock

VOTE: Aye: 4

Nay:

Absent: 1

Abstain:

Motion Carried.

- XII. OTHER BUSINESS** - Chairman Roger Cassell stated that if the PSA replies to the letter sent by Town Attorney Michele Brooks, the Sanitation Authority will need to meet again. Vice-Chair Jo Ann Castle stated that the Sanitation Authority should wait to see if the PSA is agreeable to a meeting. Chairman Roger Cassell stated that it would be best to let the committees meet first and then call a special called meeting afterwards.

XIII. ADJOURN

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

Motion by: Jo Ann Castle

2nd by: Bob Richards

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

Motion Carried.

Chairman Roger Cassell, adjourned the meeting at 6:46 P.M.

Roger Cassell – Chairman

Town Clerk – Lydia Lane