

# SANITATION AUTHORITY MINUTES



## TOWN OF GATE CITY SANITATION AUTHORITY MINUTES SPECIAL CALLED MEETING June 10, 2019 156 E. JACKSON ST. 6:00 pm

### I. CALL TO ORDER

Roger Cassell, Chairman/Council Member, called the meeting to order at 6:05 P.M.

### II. ROLL CALL – Deputy Town Clerk, Lisa Loggans

	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, CPA; Jim Craft

### III. NEW BUSINESS

#### • DEQ Line Replacement

Town Manager Greg Jones stated that VRA has officially approved the funding and it is expected to close sometime before September. Chairman Roger Cassell asked Town Manager Greg Jones to ask Jason Snapp about the manhole on Old Nickelsville Rd. at Tina Nash's property where it floods. Chairman Roger Cassell stated that it should be part of the DEQ Line Replacement. Town Manager Greg Jones stated that another item that needs to be addressed is the reclaim system at the Water Plant. Town Manager Greg Jones stated that rainwater collects in the reclaim system and goes through it. Town Manager Greg Jones stated that there is a way to reroute the water and shut the reclaim system down completely. Chairman Roger Cassell stated that we are at a standstill until the fish sweep is completed. Town Manager Greg Jones stated that the construction project would most likely not begin until Spring of 2020.

#### • PSA Contract

Vice Chair Jo Ann Castle stated that the letter is mistaken where it states that the amount in the reserves is the amount that PSA has contributed plus interest, however, it is what Gate City has contributed. Town Manager Greg Jones stated that it is actually both because Gate City pays a portion as well as PSA. Chairman Roger Cassell stated that the letter also states that they have not spent any of the money, however, Mike stated that they have used it for operating costs. Town Attorney Michele Brooks stated that she did not see any reason that a FOIA request could not be completed for each item. Larry Sturgill stated that the reserves should not have been spent on operating expenses and that the PSA agreed to contribute money to the reserve account also. Vice Chair Jo Ann Castle asked if their audit reflected this? Town Manager Greg Jones stated that it did not. Vice Chair Jo Ann Castle asked how could their audit not reflect these things if it is money that PSA holds, shouldn't it be accounted for? Larry Sturgill stated that it really should show up in their records somewhere. Town Attorney Michele Brooks stated that it took a long time to get the documents that they did get and that PSA did not have some of the documents needed even though it has only been ten or fifteen years ago. Town Attorney Michele Brooks stated that she has told Mike and the County Attorney that Gate City Sanitation Authority will not agree to anything until this issue is resolved.

Vice Chair Jo Ann Castle asked if a new contract would have to be written? Town Attorney Michele Brooks stated that anything to do with Daniel Boone is not covered under the current contract. Chairman Roger Cassell stated that if PSA and Gate City Sanitation Authority go fifty-fifty on the pump station, Gate City Sanitation Authority will be over capacity. Town Manager Greg Jones asked if it was Mr. Cassel's

interpretation that Gate City Sanitation Authority is currently using 100% of the capacity? Roger Cassell stated that it is his understanding that Gate City Sanitation Authority is using over 50% and therefore Gate City Sanitation Authority is expected to pay for an upgrade for the station because Gate City Sanitation Authority is exceeding 50%. Chairman Roger Cassell stated that there is no need to upgrade if the station is handling 100% capacity. Town Manager Greg Jones stated that Gate City Sanitation Authority is in a coop with PSA not a customer, therefore, the contract can not be thrown out simply because they state that their policy overrules certain areas of it.

Vice Chair Jo Ann Castle asked if PSA is questioning the money that Gate City Sanitation Authority is holding back each month? Town Attorney Michele Brooks stated that they were not. Chairman Roger Cassell stated that Town Manager Greg Jones sent a letter ahead of time letting PSA know that Gate City Sanitation Authority would be deducting it ahead of time, so they are aware. Larry Sturgill asked if the Town still has the work papers from the prior auditor that did the agreed upon procedures? Town Manager Greg Jones stated that he did not think so. Town Attorney Michele Brooks stated that a decision needed to be made soon concerning what the Sanitation Authority wants to do. Chairman Roger Cassell asked if PSA would not have to show their accounts on audit; restricted or non-restricted? Larry Sturgill stated that those accounts should be reserved, restricted or set aside in some description because it is a contractual obligation. Chairman Roger Cassell stated that by next month decisions will need to be made concerning the PSA contract. Chairman Roger Cassell asked Deputy Town Clerk Lisa Loggans to add the PSA Contract onto the agenda for next month.

- **FY 2020 Budget Approval**

**Motion made to approve the FY 2020 Budget as presented.**

Motion by: Jo Ann Castle

2<sup>nd</sup> by: Daris Hartsock

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

**Motion Carried.**

- **Approve the Payment of Bills**

Chairman Roger Cassell asked Deputy Town Clerk Lisa Loggans if The Sanitation Authority was all caught up on their PSA billing because the bills had been arriving late from the PSA and one month had gotten missed? Town Manager Greg Jones stated that as far as he knew all bills were caught up and he had not been told otherwise. Chairman Roger Cassell stated that the Sanitation Authority was at 63% in April at \$24,574.

**Motion made to approve the payment of bills as presented.**

Motion by: Daris Hartsock

2<sup>nd</sup> by: Sandra Craft

VOTE: Aye, 5  
Nay,  
Absent,  
Abstain,

**Motion Carried.**

#### **IV. ADJOURN**

**Motion made for Board to adjourn to the regularly scheduled Sanitation Authority Meeting on July 8, 2019, at 6:00 p.m.**

Motion by: Bob Richards

2<sup>nd</sup> by: Jo Ann Castle

VOTE: Aye, 5  
Nay,  
Absent  
Abstain,

**Motion Carried.**

Chair Roger Cassell, adjourned the meeting at 6:47 P.M.

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Roger Cassell – Chair

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Deputy Town Clerk – Lisa Loggans