

Augusta County Service Authority
Regular Board Meeting, Thursday, May 21, 2020, at 1:30 p.m.
Board Meeting Room

PRESENT: Andrew C. Middleton, Chairman, North River District
Garry R. Gordon, Vice Chairman, Middle River District
Carolyn S. Bragg, South River District
Allen Dahl, Beverley Manor District
John H. Graves, Wayne District
Michael L. Shull, Riverheads District
Timothy Simmons, Pastures District
Phil Martin, Executive Director
Brent Canterbury, Board Treasurer
Jean Marshall, Board Secretary

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CALL TO ORDER

The Chairman called the meeting to order at 1:45 p.m.

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ADOPTION OF AGENDA

Mrs. Bragg moved, seconded by Mr. Shull to adopt the Agenda.

Vote was as follows:

Yeas: Middleton, Gordon, Bragg, Dahl, Graves, Shull
and Simmons
Nays: None

Motion approved.

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APPROVAL OF MINUTES

Mrs. Bragg moved, seconded by Mr. Shull, to approve the minutes of the Regular Board Meeting of April 15, 2020, which have been mailed to the members with no corrections made.

Vote was as follows:

Yeas: Middleton, Gordon, Bragg, Dahl, Graves, Shull,
and Simmons
Nays: None

Motion approved.

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EXECUTIVE DIRECTOR’S HIGHLIGHTS

Staff stated once the COVID-19 mandates are lifted, the Service Authority will put a plan in place to work with customers who were unable to pay their bill during the pandemic. Customers will be allowed to set up a payment plan. To date, the Service Authority has around \$40,000 in delinquent customer bills.

Mrs. Bragg asked if the Service Authority had sent letters to customers who have been unable to pay their bill explaining the delay in payment is understandable during these uncertain times, but they need to be making plans on how to pay the past due balance.

Staff explained the normal procedure of mailing a second notice to customers is being followed. As customers call in, representatives are reminding them to pay their bill if they possibly can.

The Board discussed when the appropriate time would be to begin notifying customers regarding their past due bill(s) and of possible actions to be taken if bills are not paid and payment arrangements are not made.

Staff and the Board agreed to begin notification to Service Authority customers when the SCC begins allowing turn offs of non-paying customers by agencies they regulate.

Mrs. Bragg asked if any authority in Virginia is receiving funds from the CARES Act.

Staff stated the governor announced the commonwealth is sending \$650 million through the CARES Act to local governments in response to the pandemic. Staff is unaware of any authority receiving funds to date.

Mr. Shull asked for the total amount the Service Authority has spent on preventatives and safety measures in regard to COVID-19.

Staff stated items such as personal protective equipment (PPE) including hand sanitizer, and disinfecting wipes, are being tracked separately with a specific code related to COVID-19. A total cost is currently unavailable.

Mr. Shull explained Augusta County has received funding to be used for any spending on PPE related to COVID-19. It may be possible for the County to share funds with the Service Authority for PPE items. Funds are to be used to replace equipment and products that have been used, and to purchase equipment and products for future use.

The Board asked Staff to contact Timmy Fitzgerald, County Administrator, to request assistance in replenishing funds the Service Authority spent on PPE due to COVID-19.

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PROGRESS REPORT

The Progress Report for April is on file in the Secretary's office and was reviewed with the Board.

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COMMITTEE REPORTS

Executive Committee

The Committee met on April 24 to discuss the FY-2020 goals. The Committee reported they were satisfied with the progress the Executive Director made during the year and felt he had followed through on the goals. The Committee asked the Executive Director to establish goals for FY-2021.

Land and Water Committee

Mr. Dahl stated he and Mr. Shull toured the Design Electric building as a possible new location for Field Operations. The Committee would like Mr. Martin to tour the building, and if he feels the building is a viable option, the Board will be invited to tour it.

Staff explained the Design Electric building is 20,000 square feet. The building space could be increased by extending the existing second story. The current property does not offer any room for growth; however, it may be possible to purchase adjacent land. A garage would need to be constructed, as well as a large parking area. The building does not currently offer accommodations for showers or locker rooms.

Mr. Simmons asked if there are locker rooms and showers at the current location.

Staff stated there are locker rooms and showers at the current location.

Staff reviewed the report given to each Board member comparing the cost of building a new facility at the Middle River Treatment Plant with renovating the Design Electric building. Staff reminded the Board one of the goals in the Strategic Plan is for the Service Authority to be consolidated within one building. Employees, including directors and supervisors, feel it is a weakness of the Service Authority to have staff scattered at different locations.

Mr. Shull stated the purpose of the Service Authority being at the Government Center is to allow citizens to conduct multiple business transactions, including Augusta County and School Board functions, within one building.

Mr. Dahl stated while he likes to save money, he realizes the necessity of expansion.

Mr. Shull stated the Design Electric building is centrally located to the areas where most work is taking place, such as Fishersville and Stuarts Draft.

Dr. Middleton stated Facilities Maintenance performs work for the treatment plants and, it may be advantageous to consider building a facility specifically for them at the Middle River Treatment Plant property.

After further discussion by the Board and Staff, it was recommended Staff consider constructing a building for Facilities Maintenance at the Middle River Treatment Plant property and consider the possibility of Field Operations relocating to the Design Electric building with the possibility of purchasing additional land. Staff and Board members are to tour the Design Electric building before the June Board meeting.

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APPOINTMENT OF NOMINATING COMMITTEE

Dr. Middleton appointed Mrs. Bragg and Mr. Graves as the nominating committee. The election will take place at the June 18, 2020 Board meeting.

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FY-2021 BUDGET PRESENTATION

Staff reviewed the highlights of the draft budget as it was presented to the Board at the April meeting. Staff also stated a service truck had been added to the budget to accommodate the creation of a two-person crew to perform water service reconnections on substandard waterline replacement projects. Service Authority crews are more cost effective when installing waterlines and this new crew would allow the main crew to continue replacing waterlines while the small crew reconnects services, resulting in an overall increase in the amount of waterline replaced.

Mrs. Bragg asked how the budget would be affected if the Service Authority does not implement the 3% rate increase.

Staff stated if the proposed 3% rate increase is not implemented, the budget will be \$1.7 million below what the bond covenants required in FY-2023.

Mr. Gordon stated the Service Authority should move forward with the rate increase in case the economic situation declines within the next year.

Mr. Gordon moved, seconded by Mr. Simmons to approve advertising of the proposed rate schedule and set a public hearing to coincide with the June 18 meeting.

Vote was as follows:

Yeas:	Middleton, Gordon, Bragg, Dahl, Graves, Shull, and Simmons
Nays:	None

Motion approved.

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BOARD COMMENTS

Mrs. Bragg expressed concern regarding the 7% employee pay increase in light of the current pandemic situation.

Mr. Dahl stated it is not a question of if the pay increase is justified, but instead a question of the timing of the increase, considering the current situation. He is also concerned the proposed increase will cause dissension between the Service Authority and Augusta County staff and employees.

Dr. Middleton stated pay increases have fallen behind over the years, with some employees being at the lowest end of the pay scale. Service Authority employees are considered essential workers as defined by the Department of Health and Homeland Security. As an essential service in Augusta County, the Service Authority needs to make sure it has employees with good skill sets. Dr. Middleton stated he is in support of the pay increase.

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There being no further business, the meeting was adjourned at 4:20 p.m.

Board Secretary

Chairman