

January 14, 2014

Minutes of the regular meeting of the Yadkin Valley Sewer Authority
January 14, 2014 at 9:00 a.m. at the YVSA Office.

PRESENT

Directors: Chairman Wayne Moore, Vice-Chair J.L. Lowe, Jr., Directors Tommy Casstevens, and Harold Lee Wagoner. Director Victor Valera was absent.

Also present: Executive Director Nicole Johnston; Secretary/Treasurer John Holcomb, Benjie Thomas, Engineer with West Associates; Attorney James Freeman; Guest, Glenda Gilliam.

I. WELCOME

With a quorum of four present, Chairman Moore welcomed everyone and called the meeting to order. The minutes of the previous meeting was not completed at this time.

II. Action Items/ Updates from Staff

1. Tab A- Executive Director's Update- Executive Director Nichole Johnston
Operations Discussions
 - i. The YVSA experienced 5 SSOs during the month of December:
 - a. 12/4/13: Non reportable SSO at intersection of Johnson Ridge & Claremont Avenue- 20 gallons spilled to ground- Specific cause was due to debris in the line.
 - b. 12/10/13: Reportable SSO at intersection of Claremont Drive & Woodland Drive – 2,000 gallons reached Dutchman Creek – Specific cause was grease in line.
 - c. 12/19/13: Reportable SSO at Manhole 150 N. or upstream of Candlewyck Pump Station- 1,200 gallons reached an unnamed tributary of the Yadkin River- Specific cause was due to pump station equipment failure.

- d. 12/20/13: Reportable SSO at intersection of Claremont Drive & Woodland Drive – 100 gallon spill for which 25 Gallons reached surface waters– Specific cause was due to more accumulation of grease in the line.
 - e. 12/23/13 Reportable SSO at manhole about 250 south of the Regional Pump Station – 12,000 gallons reached the Yadkin River- Specific cause was due to I&I as well as Severe Natural Condition (over 4 inches of rain)
- ii. Sludge hauling from the WWTP began on Friday November 29th (104,000 gallons). However most of the sludge was hauled from Monday December 2nd –December 4th (286,000). Total for sludge hauling: 390,000 gallons at \$0.04/gallon = \$15,600.00.

III. UPDATE ON PRETREATMENT PROGRAM AND PGW OPERATIONS

- i. Jenifer Carter with Department of Water Resources arrived at the Operations Center on Thursday, December 5th to conduct a pretreatment inspection of YVSA. During this inspection, Ms. Carter conducted an initial inspection of the YVSA's newly Established Pretreatment Program as well as conducted an Inspection of the YVSA conducting an inspection of PGW.
 - ii. Per the Pretreatment Compliance Inspection (PCI) report provided to the YVSA by MS. Carter and received on Dec. 17, the inspection showed the Sewer Authority's pretreatment program to be implemented well. You clearly have an excellent grasp of required elements of the program and the Division greatly appreciates your efforts.
2. Review & Adoption of Revised CIP – John Holcomb/Secretary-Treasurer.

Mr. Holcomb's report:

Project Description

1. Projected new debt as part of CIP programs
2. Capital Outlay (Possibly funded by Grant/low interest loan proceeds)

Goals of CIP

2. Provide a balanced program for capital improvements given anticipated funding Revenues over a five-year period.
3. Illustrate unmet capital needs based on anticipated Funding levels, and
4. Provide a plan for capital improvements which can be used in preparing the capital budget for the upcoming fiscal year.

Copy of the complete report that shows FY 15 – FY 19 total projected expenses and current yr projected revenues and revenue (shortfall/overage)

Mr. Holcomb assured the board that the CIP plan was a bare bones projection for what we need to build revenue.

Staff provided to the Board that this is a conservative CIP that is based on conservative revenues from PGW.

Mr. Lowe made the motion to adopt the CIP and motion was seconded by Mr. Wagoner. Unanimous vote

3. Adoption of Asset Management Plan

Tab B – Nicole Johnston

Mr. Thomas stated that the Asset Management plan and the Engineer's Update go together.

4. Engineer's Update

Tab C- Benjie Thomas

A. Southwest Elkin Collection System Rehab (SRL and CWMTF Funded)

A Request to CWMTF to revise the project schedule was approved and the revised grant contract expiration date is 1/31/15.

B. Pump Stations Rehab/Upgrade Project (ARC & CWSRF funded)

Waiting on final approval/ a response from DWI to the submitted review responses. The DWI responded to an e-mail status request on 1/7/14 that they expect to have something back to the submitted responses and additional info sometime beginning the week of January 15.

Mr. Freeman has drawn up easement documents for the proposed gravity sewers to abandon the Ghant St pump station. He is working on Welborn St. Pump station line. The YVSA can now start getting easements signed.

An Asset Management Plan must be adopted before the first loan Reimbursement is made. This includes a CIP funded by user rate.

C. Sewer Improvements to Serve PGW

ARC and EDA funds are in progress and it appears that both will be approved.

The preliminary engineering report (PER) was amended to reflect expected increased costs due to rock, the need for debris-removal equipment at the Candlewyck station, and due to general inflation. This (PER) amendment, showing a \$300,000 increase in the project costs, was submitted to EDA to review. If EDA agrees with it, then we can request ARC to also fund the project.

Surveying and design work is underway.

D. Sewer Extension for Weyerhaeuser

The Golden LEAF and IDF grants are secured. The ARC grant is being reviewed in Washington, DC. Approval is expected. Surry County is working with Weyerhaeuser to establish a performance agreement that requires the 134 jobs to be retained.

5. Financial Update

Tab D – John Holcomb

Mr. Holcomb reviewed the Yadkin Valley Sewer Authority Balance Sheet – period ending January 31, 2014.

Assets and Liabilities – Year to Date Revenue 877,415.32
Year to Date Expenses 886,524.72
Adjusted fund Balance – 11,742,529.04
Total Liabilities and Equity: 24,172,708.99
Fund Total -583,469.80

Encumbrances & Expenditure Statement

Budget Amount 1,613,680.00
Activity this period 886,524.72
Expenditure Year to Date 886,524.72
Unencumbered Balance 727,155.28
Percent Spent – 54.93

Reported that they are still having problems communicating with Ronda on Revenues.

6. Budget Workshop- Set up Starting date(s)

Next Regular meeting is Feb 11, 2014 @ 9:00 am
Will set the meeting dates for Budget Workshops at that Meeting.

7. Legal Update: Mr. James Freeman

Mr. Freeman did not have an update at this time

III. Board of Directors Comments

IV. Adjourned

Mr. Casstevens made the motion to adjourn and motion was seconded by Mr. Wagoner. Unanimous vote

Submitted by:

Glenda Gilliam

Wayne Moore, Chair

Attest:

John W. Holcomb, Secretary/Treasurer