

VIRGINIA:

At a joint recessed meeting of the Washington County Board of Supervisors and Washington County Service Authority held Tuesday, June 3, 2008, at 7:00 p.m., at the Washington County Service Authority Offices in Abingdon, Virginia the following were present:

PRESENT:

Board of Supervisors:

Kenneth O. Reynolds, Chairman
Jack R. McCrady, Jr., Vice Chairman
Phillip B. McCall
Dulcie M. Mumpower
Odell Owens
Paul O. Price
Thomas G. Taylor

Mark K. Reeter, County Administrator
Lucy E. Phillips, County Attorney
Naoma A. Norris, Recording Clerk

Washington County Service Authority:

Gerald W. Cole, Chairman
Scott Rector, Vice Chairman
Frank J. Stephon, IV
Daniel L. Reynolds
Joe L. Chase
Donald L. Stout
Samuel L. Blaylock

Robbie Cornett, General Manager
Dawn Figueiras, Legal Counsel
Ella Ratcliffe, Information Technology Manager/Assistant Secretary to Service Authority

1. Call to Order

Service Authority:

The meeting was called to order by Gerald Cole, Chairman of the Washington County Service Authority.

Board of Supervisors:

The meeting was called to order by Mr. Kenneth O. Reynolds, Chairman of the Board.

2. Approval of Agenda

Service Authority:

On motion of Mr. Stephon second by Mr. Rector, the Service Authority acted to approve the Agenda as presented.

The vote on this motion was as follows: (7-0)

<i>Mr. Blaylock</i>	<i>Aye</i>
<i>Mr. Chase</i>	<i>Aye</i>
<i>Mr. Cole</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Stephon</i>	<i>Aye</i>
<i>Mr. Stout</i>	<i>Aye</i>

Board of Supervisors:

On motion of Mrs. Mumpower, second by Mr. Owens, the Board acted to approve the Agenda as presented.

The vote on this motion was as follows: (7-0)

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

3. Closed Meeting(s):

- a. Request for Joint Closed Meeting pursuant to Section 2.2-3711(A)(6) of the Code of Virginia for the discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected; specifically the proposed purchase of wastewater treatment capacity from Bristol Virginia Utilities/City of Bristol, Virginia

Service Authority:

On motion of Mr. Chase, second by Mr. Stout, the Service Authority acted to convene in a joint Closed Meeting pursuant to Section 2.2-3711(A)(6) of the Code of Virginia for the discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected; specifically the proposed purchase of wastewater treatment capacity from Bristol Virginia Utilities/City

of Bristol, Virginia. It was further resolved to include Washington County Service Authority General Manager Robbie Cornett and Legal Counsel Dawn Figueiras in the Closed Meeting.

The vote on this motion was as follows: (7-0)

<i>Mr. Blaylock</i>	<i>Aye</i>
<i>Mr. Chase</i>	<i>Aye</i>
<i>Mr. Cole</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Stephon</i>	<i>Aye</i>
<i>Mr. Stout</i>	<i>Aye</i>

Board of Supervisors:

On motion of Mr. McCrady, second by Mrs. Mumpower, the Board of Supervisors acted to convene in a joint Closed Meeting pursuant to Section 2.2-3711(A)(6) of the Code of Virginia for the discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected; specifically the proposed purchase of wastewater treatment capacity from Bristol Virginia Utilities/City of Bristol, Virginia. It was further resolved to include County Administrator Mark Reeter and County Attorney Lucy Phillips in the Closed Meeting.

The vote on this motion was as follows: (7-0)

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

Certification of Closed Meeting:

Service Authority:

The Washington County Service Authority certified the Closed Meeting.

Board of Supervisors:

After returning to the meeting, the Chairperson noted that upon motion of Mr. Price, second by Mr. Owens, and favorable vote, the Board of Supervisors reconvened in open meeting. The Chairperson called for any participant in the closed meeting(s) who believed that there was a departure from the requirements of the Virginia Freedom of Information Act during the closed meeting(s), to state the substance of the departure that they believed took place. No members of the Board responded to the Chairperson’s call for statements.

On motion of Mr. McCrady, second by Mr. McCall, the members of the Board certified the closed meeting(s) in accordance with the requirements of the Virginia Freedom of Information Act. By vote in favor of this motion, each member certified that the closed meeting was conducted in conformity with Virginia law, and that only public business matters lawfully exempted from open meeting requirements and identified in the motion by which the closed meeting was convened was heard, discussed, or considered in the closed meeting.

The vote on this motion was as follows: (7-0)

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

4. Reconvene Open Meeting & Ten Minute Recess

A ten minute recess was taken.

5. Consideration of Other Matters of Interest to Service Authority or Board

- Public Water Service from Greendale to Lindell Road, Rich Valley and Whites Mill

Mr. Price explained that over the last six months he has received calls from constituents in the Rich Valley about public water service and asked for a status of the water project for this area. He further asked for the status of the water project from Greendale to Lindell Road. Mr. Price stated that many residents in the Rich Valley area have had their water tested and their water is contaminated.

In regards to a different project, Mr. Price requested that the Service Authority provide a water tap to the Crown Point property at the Exit 7 area owned by Mr. David Phillips. He explained that Bristol Virginia Utilities (BVU) has offered to give Mr. Phillips a tap to serve his residence. Mr. Price further explained BVU has a water line that runs across Mr. Phillips' property which serves a three unit apartment building. For some reason, Mr. Phillips cannot get tapped onto this water line. Mr. Price stated that BVU has agreed to give Mr. Phillips a tap if the Service Authority would also agree.

Mr. Cornett explained that the Service Authority accepted a loan from the Virginia Department of Health (VDH) last year to fund one water project on Rich Valley Road that will connect water lines from Chestnut Ridge Road to Rich Valley Road and up to Lindell Road and then to Maiden Creek. This project is in the design phase. He further explained that the Service Authority has submitted two additional applications to the VDH for water line projects to complete the remaining portion of Rich Valley Road to Whites Mill Road and a water line project from Whites Mill Road to Greendale Road. Mr. Cornett stated that the Service Authority recognizes these areas are in need of safe drinking water and hopes to receive positive news from the VDH about the two funding applications. He explained that the VDH usually provides notice about funding of applications in September or October.

Mr. Price discussed David Phillips request to the Service Authority to provide water and sewer service to property Mr. Phillips owns on Indiana Avenue. He explained that Mr. Phillips has contacted him asking that his request be amended to drop the wastewater connection, and for the Service Authority's consideration of a water connection only. Mr. Price stated that he understands this matter is on the Service Authority's agenda for the June 23 meeting and hopes the Service Authority will look favorable on Mr. Phillips' request.

Mr. Price inquired how long it would take the Service Authority to get water service to residents should the VDH approve the applications for the water line project from Rich Valley Road to Whites Mill Road, and a water line project from Whites Mill Road to Greendale Road. Mr. Cornett explained that the design for the two projects would take about six months and the process of obtaining easements would take about three months. Therefore, it would take about a year or more after the funding is received to get water to the residents. He further explained that if the Service Authority is notified in September of this year about the funding, the VDH gives the Service Authority until October to accept the funding. It would probably be November of 2009 before construction would begin on the projects with a nine month construction window to complete the projects.

- Lime Hill/Walker Mountain Road Water Project

Mr. Owens explained that he recently made a visit to AGC Glass. The manager of the plant informed him of a problem that AGC Glass is having with fluctuating water pressure, which is costing the company money. Mr. Owens stated that he was not sure if the Service Authority was aware of the situation at AGC Glass.

Mr. Owens asked for an update on the Lime Hill/Walker Mountain Road Water Project.

Mr. Cornett explained that this project was advertised, and the bids came in higher than the funds available for the project. He further explained that he was authorized by the Service Authority Board of Commissioners to ask the Virginia Department of Health for additional funding. The Department of Health approved the request under the same terms as the original loan. Mr. Cornett stated that a notice to proceed has been issued to the contractor and after all the paper work has been executed he believes the construction will begin in early July.

Mr. Owens discussed the 37 acres purchased by Highlands Fellowship that is adjacent to the Bristol West Property. He explained that the property is located on the Virginia side, and the church plans to build a large campus. The church is concerned about water service and possibly sewer service. Mr. Owens further explained that it may be better for the church to obtain water and sewer services from Bristol, Tennessee. Mr. Owens asked Mr. Cornett if he had been contacted about this issue.

Mr. Cornett explained that last month he received plans from the developer that identified a connection to the Bristol Tennessee System. He further explained that plans were submitted to the Tennessee Regulatory Agency and the Virginia Regulatory Agency. The Service Authority is in the process of reviewing the plans, and both short and long term implementations will be considered as well as any alternatives that may be available.

Mr. Reeter explained that the County has been asked to provide authorization to allow that utility services to the Virginia portion of Bristol West be sought from Bristol, Tennessee since the original developers abandoned the plans to expand into Virginia. He further explained that sometime in 2000 approval was given to allow the original developer to work with Bristol, Tennessee on water and sewer issues

pertaining to the Virginia portion of Bristol West. Mr. Reeter stated that this position probably still stands. He stated that the direct methodology to provide public water and sewer to this property needs to be looked at seriously and it appears it would better to deal with Bristol, Tennessee.

- Alternative Wastewater Treatment Systems

Mr. Taylor explained that he recently visited with Utility Trailer and Appalachian Plastics. He further explained that Utility Trailer is having problems with fluctuating water pressure which has caused pipes to rupture. The manager at Utility Trailer indicated that they purchased a pressure reduction valve, but would like to know from the Service Authority if installing the valve would help with the problem. Mr. Taylor explained that Appalachian Plastics would like to know when the 6" water line serving their facility would be upgraded to an 8" line. The upgrade would allow them to receive a reduction in their insurance rate.

Mr. Taylor discussed alternative wastewater treatment systems. He asked the Service Authority to consider adding to their bids or requests for proposals for preliminary engineering reports for sewer system installation the requirement that the engineer look at alternative sewer systems as part of the preliminary engineering report and as a bid alternative.

Mr. Cole addressed the issue of water pressure. He explained that Mr. Cornett sent letters to customers notifying them of a change in hydraulics. The letter also reminded customers to purchase a pressure reducing valve if they do not already have one. This is because better lines have been installed resulting in a dramatic increase in water pressure.

Mr. Cornett explained that the reports from industry about pressure problems should be looked into individually, but it is safe to say that system improvements resulted in the increased pressure. Also, high demand followed by decreasing demands probably burst the pipes. He further explained that pressure reducing valves would help with the problem.

Mr. Cornett explained that with regards to Appalachian Plastics and their desire to connect to a water line larger than 6", the Service Authority is in the process of improving the water line along Glove Drive to the Smyth County line. He further explained that he believes this project would address the concerns of Appalachian Plastic.

Mr. Cole encouraged the Board to contact Service Authority Board members with questions and concerns they receive from constituents.

Mr. McCrady addressed sewer issues in the Alvarado area of the County, and explained that currently no sewer service is available in this area. He explained that he would like to see a joint effort with the Service Authority and the Town of Damascus to provide sewer service to the Alvarado area. Mr. McCrady requested the Service Authority consider the project.

Mr. McCall asked for an update on the Whites Mill Board/Branch Street project.

Mr. Cornett explained that a tank site is under purchase option. The engineer has been authorized to complete the design and obtain approvals. The last report received was that the engineer would have approvals by the end of June. Mr. Cornett further explained that he would appear before the Board of Supervisors in June or July to request approval to bid the project.

Mr. Kenneth Reynolds commented that the joint meeting with the Service Authority was productive and there is a need to schedule joint meetings more often. He explained that the Service Authority is an important arm of the County and that providing water and sewer service to the citizens of Washington County is very important. Mr. Reynolds further commented that the Service Authority plays an important role in the County's effort in recruiting industry. He encouraged Service Authority Board members to contact the Board with any questions. The goal is for the County and Service Authority to work together to make Washington County a better place to live.

Mr. Cole commented that the Service Authority wants to work with the Board to better serve the citizens of Washington County, and agreed that joint meetings should be scheduled on a regular basis.

Mr. Kenneth Reynolds said that the Board appreciates the status reports provided by Mr. Cornett.

Mr. Reeter commended Mr. Cornett for the job he is doing at the Service Authority. He explained that the lines of communication have never been better. Mr. Reeter further commended Mr. Cornett's work on the negotiation of wastewater agreements with the Town of Abingdon and Bristol Virginia Utilities and stated that Mr. Cornett has done an outstanding job of representing the County and the Service Authority.

5. Adjourn or Recess – Service Authority

On motion of Mr. Stout, second by Mr. Rector, the Service Authority acted to adjourn the meeting.

The vote on this motion was as follows: (7-0)

<i>Mr. Blaylock</i>	<i>Aye</i>
<i>Mr. Chase</i>	<i>Aye</i>
<i>Mr. Cole</i>	<i>Aye</i>
<i>Mr. Rector</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Stephon</i>	<i>Aye</i>
<i>Mr. Stout</i>	<i>Aye</i>

Recess to 6:00 PM Wednesday, June 4, 2008 Budget Adjustment Worksession Meeting Board of Supervisors Meeting Room, County Administration Building - Board of Supervisors

On motion of Mr. Price, second by Mr. McCrady, the Board acted to recess to 6:00 PM Wednesday, June 4, 2008 for a budget adjustment worksession meeting to be held in the Board of Supervisors Meeting Room, County Administration Building.

The vote on this motion was as follows: (7-0)

<i>Mr. McCall</i>	<i>Aye</i>
<i>Mr. McCrady</i>	<i>Aye</i>
<i>Mrs. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Price</i>	<i>Aye</i>

Mr. Reynolds
Mr. Taylor

Aye
Aye

Prepared by:

Naoma A. Norris Recording Clerk

Approved by the Washington County Board of Supervisors:

Kenneth O. Reynolds, Chairman