

Fairlawn Sewer Authority Board of Directors Meeting  
Minutes  
June 27, 2023

At a meeting of the Fairlawn Sewer Authority Board of Directors held on Tuesday, June 27, 2023, at 6 p.m. in the Conference Room of the Peppers Ferry Regional Wastewater Treatment Authority Administration Building, 7797 Mason Street, in Fairlawn, Virginia, the following members were present: Mr. Dennis Setliff, Chair; Mr. Randy Miles, Mr. Joseph Sheffey and Mr. Christopher Stafford. Absent: Mr. Tom Lillard, Vice Chair.

Staff members participating included Ms. Ashley Edmonds, Recording Secretary.

Guests present included Mr. Gordon Jones, CPA, Member, Robinson, Farmer, Cox Associates.

1. Welcome, Call to Order and Confirmation of A Quorum

Mr. Setliff welcomed all present and called the June 27, 2023, meeting of the Fairlawn Sewer Authority Board of Directors to order at 6:06 p.m.

A quorum was confirmed with four (4) members present. Mr. Lillard was absent.

2. Approval of the Agenda

On a motion by Mr. Stafford, second by Mr. Miles and carried, the Board accepted the June 27, 2023, agenda with the following additions:

- Informational Items, Invoice Audit
- Informational Items, Invoice CCTV (Hurt & Proffitt)

Voting Yes: Mr. Setliff, Mr. Miles, Mr. Stafford, Mr. Sheffey.

Voting No: None.

Absent: Mr. Lillard.

3. Citizen Comments

There were no citizen comments.

4. Items of Consent

On a motion by Mr. Sheffey, second by Mr. Stafford and carried, the Board

approved all Items of Consent to include the minutes from the May 23, 2023, Fairlawn Sewer Authority Board of Directors meeting, the Financial Statements for the month of May 2023, the Delinquency Report and the review of the current Budget Status.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

## 5. Action Item (New Business)

### A. Presentation of Audit Findings from Mr. Gordon Jones

Mr. Gordon Jones, CPA, Member, Robinson, Farmer, Cox Associates, provided the Fairlawn Sewer Authority's audit presentation and financial report for the year ended June 30, 2022. The auditor issued a clean, unmodified report with no significant deficiencies identified. There was a material weakness with segregation of duties identified as the Authority lacks proper separation of duties over billing and collection of revenue. Mr. Jones advised that revenues had increased by 3.88% while operating expenditures were flat.

### B. Executive Session Pursuant to §2.2-3711.A.1. of the Code of Virginia

Mr. Setliff advised an Executive Session was held to discuss the following:

An Executive Session is requested pursuant to §2.2-3711.A.1. of the 1950 Code of Virginia, as amended: Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body, regarding:

- Compensation

On a motion by Mr. Miles, second by Mr. Sheffey and carried, the Fairlawn Sewer Authority Board of Directors entered Closed Session.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

On a motion by Mr. Sheffey, second by Mr. Stafford and carried, the Fairlawn Sewer Authority Board of Directors returned to Open Session.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

On a motion by Mr. Miles, second by Mr. Sheffey and carried, the Fairlawn Sewer Authority adopted the following resolution certifying conformance with the Virginia Freedom of Information Act:

WHEREAS, the Fairlawn Sewer Authority Board of Directors of Fairlawn, Virginia, as convened a closed meeting of this date pursuant to an affirmative recorded vote and in accordance with the provision of the Virginia Freedom of Information Act:

WHEREAS, §2.2-9712(D) of the Code of Virginia requires a certification by the Fairlawn Sewer Authority Board of Directors that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, the Fairlawn Sewer Authority Board of Directors of Fairlawn, Virginia hereby certifies to the best of each members' knowledge (i) only public business matters lawfully exempted from open meeting requirement by Virginia law were discussed in the closed meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in this motion convening the closed meeting were heard, discussed or considered by the Fairlawn Sewer Authority Board of Directors.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

On a motion by Mr. Stafford, second by Mr. Sheffey and carried, the Board authorized increasing the stipend for the Recording Secretary, Ashley Edmonds, from \$125.00 to \$160.00 beginning July, 1, 2023.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

C. What actions may be undertaken along activity plan for Hickman

Cemetery Road?

On a motion by Mr. Stafford, second by Mr. Sheffey and carried, the Board authorized obtaining quotes for a Preliminary Engineering Report (PER) regarding a potential Hickman Cemetery Road sewer extension.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

D. Define Activity Plan for Walnut, Rose, and Pine Streets based upon CCTV results

On a motion by Mr. Stafford, second by Mr. Miles and carried, the Board approved a phased activity plan for Walnut, Rose and Pine Streets to include jetting the roots out of the way, creating aperture, retreating with Duke's Root Control per warranty and starting with Walnut Street to replace pipe.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

## 6. Action Items (Old Business)

A. Approval of rate revisions presented in public hearing

A copy of the current and proposed rate schedules are listed below:

### **Current (Effective July 1, 2022)**

Base Rate (\$/mo.):

Residential \$24.00

Commercial \$25.30

Usage Rate (\$/1,000 gallons)

Residential \$2.00 (first 1,000 gallons inclusive in the base rate)

Commercial \$5.00

### **Proposed (Effective July 1, 2023)**

Base Rate (\$/mo.)

Residential \$24.00 (unchanged)

Commercial \$25.30 (unchanged)

Usage Rate (\$/1,000 gallons)

Residential \$3.00 (first 1,000 gallons inclusive in the base rate)

Commercial \$6.00

**Included with this rate revision will be consolidated and revised connection fees, service deposits, and penalty structures. These revisions will be effective July 1, 2023.**

**Current:** residential connection fee is \$500 minimum; Commercial connection fee is \$500 minimum.

**Future: residential and commercial connection fees are to be flat fees. Residential \$1,000 and commercial \$1,500.**

**Current:** accounts that have been terminated due to non-payment of invoices are charged \$50.00 to reestablish service

**Future:** one time reconnection charge is \$50.00, second occurrence of reconnection will be charged \$100.00, a third occurrence will be charged \$150.00

**Current** Renters of residential properties are required to pay a \$75.00 deposit, commercial renters are required to pay a \$100.00 deposit.

**Future** all application for sewer service will require that these deposits are paid prior to beginning service.

**Current** late payment penalty residential fee is \$2.00. Commercial penalty is 10%. Returned check or insufficient fees \$15.00.

**Future** late payment penalty residential fee to be 10%. Commercial penalty to be 15%. Returned check or insufficient fees \$25.00.

On a motion by Mr. Sheffey, second by Mr. Stafford and carried, the Board approved the proposed revision of sewer rates, consolidated and revised connection fees, service deposits, and penalty structures advertised and presented in a public hearing held May 23, 2023, with all revisions to be in effect July 1, 2023.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

B. Approve FY 23/24 Budget

On a motion by Mr. Miles, second by Mr. Sheffey and carried, the Board approved the FY 23/24 budget with an adjustment to interest income (\$2,000.00 decrease).

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

Absent: Mr. Lillard.

Mr. Setliff officially requested an agenda item be placed for the next meeting to appoint a Board member to track financials and budget performance.

#### C. Develop a list of potential board members

Mr. Setliff advised Mr. Miles has been reappointed to a three (3) year term on the Fairlawn Sewer Authority Board of Directors.

#### D. Board member input regarding IT business solution providers RE: OPERATING SYSTEM

Board members will research providers for cost neutral, real-time solutions. Mr. Setliff will review non web based QuickBooks options with Peppers Ferry Regional Wastewater Treatment Authority personnel and will meet with Town of Dublin staff to review their system.

#### E. Use our invoice to sell advertising space

Correspondence to be drafted and provided to businesses regarding advertising on back of invoice to assess interest.

### 7. Informational Items

#### A. PSA Work Hours

The PSA Work Hours report for May 2023 was unavailable.

#### B. PFRWA Notice of Communication of Responsibility

The Board reviewed correspondence from Peppers Ferry Regional Wastewater Treatment Authority advising, per the Authority's Rules and Regulations and User Agreements, all operational changes must be communicated to Peppers Ferry Regional Wastewater Treatment Authority, a minimum of ninety (90) days prior, to implementation, to allow the Authority and all Member

Jurisdictions the necessary time to consider the possible impacts, adjust processes and notify citizens if necessary.

#### C. FSA Included in County Term Contract for Engineering Services

The Board reviewed documentation regarding the Authority's inclusion in Pulaski County's term contract for general engineering services.

#### D. Fairlawn Avenue Project is complete and Payment Rendered

Mr. Setliff advised the work for the Fairlawn Avenue is complete and payment to H.T. Bowling had been rendered.

#### E. Feedback from Montgomery County Contact

Mr. Sheffey reviewed feedback from Angela Hill, CPA, Deputy County Administrator/CFO, Montgomery County, regarding their process for notification of vacancies for board and commissions. The Board members will continue to utilize their current process of providing recommendations for potential appointees to the Board of Supervisors.

#### F. Invoice Audit

The Authority paid for the Fiscal Year 2022 audit in Fiscal Year 2023.

#### G. Invoice CCTV (Hurt & Proffitt)

The total for invoiced for CCTV performed by Hurt & Proffitt was \$4,387.63.

### 8. Attorney Comments

No comments.

### 9. To Do Listing

A. Eliminate fax lines at bookkeeping service - Replace with email to be implemented by years end (Board's responsibility)

B. Investigate costs to provide auto fill forms on our website - Mr. Sheffey (in progress)

C. Remove brush and trees along Madison and retreat with root control - 4th quarter

D. CCTV Walnut, Rose and Pine Streets - Inspection performed; identify activity plan

E. Hickman Sewer Extension - Pursue costs associated with the development of a Preliminary Engineering Report (PER)

#### Items for Future Consideration

A. Brooklyn Road Sewer Extension - Board members to review the site and provide feedback on the number of homes/potential customers at next meeting.

B. Define Project Actions Route 114 and Fairlawn Avenue - On hold.

C. Investigate Online Bill Pay - No report.

#### 10. Adjournment

On a motion by Mr. Stafford, second by Mr. Sheffey and carried, the Board adjourned its June 27, 2023, meeting.

Voting Yes: Mr. Setliff, Mr. Sheffey, Mr. Miles, Mr. Stafford.

Voting No: None.

None: Mr. Lillard.

The Fairlawn Sewer Authority Board of Directors will meet on Tuesday, July 25, 2023, at 6 p.m., in the Conference Room of the Peppers Ferry Regional Wastewater Treatment Authority Administration Building, 7797 Mason Street, in Fairlawn, Virginia.

