

**HCSA Regular Board Meeting
May 18, 2023**

A regular meeting of the Board of Directors of the Halifax County Service Authority was held on May 18, 2023 at 3:30 PM in the Authority conference room located at 2529 Houghton Avenue in the Town of South Boston, Virginia.

The meeting was called to order by Chairman George Leonard. A moment of silence was observed.

The Secretary called the roll for Directors present. The result was as follows:

Present:	Chair – George Leonard	LaTonya Hamilton
	Fields Thomas	Hope Harris-Gayles
	Daniel Lloyd	Gray Ramsey
	Kathy Bane	

Absent: None

The Secretary certified that a board quorum was present. The following revised agenda was approved by the board with a motion by Fields Thomas and a second by Gray Ramsey. The motion passed without opposition.

Call to Order/Moment of Silence – Chair

Roll Call – Secretary

Review of Agenda – Chair

Public Comment Period – Chair

New Business - Chair

1. Review of Minutes from March 16, 2023 Meeting – *Chair*
2. Review of Financial Reports – *Treasurer/ Assistant Executive Director*
3. Leigh Street Filter Plant - VDH VOP Gold Award for 2022 – *Operations Director*
4. Board of Directors – Reappointments and Vacancy – *Executive Director*
5. Water Plant Upgrade - Rate and Finance Study - *Executive Director*
6. Proposed FY 2024 HCSA Rates and Fees Schedule – *Executive Director*
7. HCSA FY 2024 Annual Budget Discussions and Approval – *Executive Director*
8. USDA Governing Body Resolution – *Executive Director*

Staff Reports – Staff

- a. VIR Industrial Park Utility Line Extensions – Status
- b. Sinai Road Waterline Extension Project – Status
- c. Water Plant Upgrade Project Update – Property Acquisition Discussions

Old Business – Executive Director

Public Comment Period:

No one registered to address the board during the scheduled public comment period.

1. Review of Minutes from the March 16, 2023 meeting

The minutes from the March 16, 2023 business meeting were reviewed by the Board. Corrections for board attendance were revised. Fields Thomas moved to approve the minutes as revised. LaTonya Hamilton provided a second to the motion. The motion passed without opposition.

2. Review of the Financial Reports for March and April 2023

The Treasurer presented the financial statements to the board for review and discussion. It was noted that both water and sewer revenues are trending higher than projected. There were no suggested changes or modifications that were noted, required or approved.

3. Leigh Street Filter Plant – 2022 VDH VOP Gold Award for Operations

The HCSA Leigh Street Filtration Plant has been presented the highest performance award by the Virginia Department of Health for Operational Excellence in Waterworks Operations Performance Award. The award is a part of the Virginia Optimization Program (VOP) which strives to encourage water treatment facilities to provide water with a quality that exceeds minimum regulatory standards and to operate water systems in an exemplary manner. Operations Director, Bryant Francisco, presented the framed certificate to several of the Leigh Street Water Treatment Plant.

4. Board of Directors – Reappointments

Directors LaTonya Hamilton and Hope Harris-Gayles are up for reappointment to serve on the Board for an additional four (4) years. Both Director's terms will expire June 30, 2023. Both Directors agreed to serve an additional term. The next step is to submit both candidates to the localities for approval.

Kathy Bane moved to approve and relay the Board's approval of candidates Latonya Hamilton and Hope Harris-Gayles to the County of Halifax, Town of South Boston and Town of Halifax before their respective June 2023 public meetings. Fields Thomas provided a second to the motion. The motion passed without opposition or additional discussions.

5. Water Plant Upgrade - Rate and Finance Study

The Water Treatment Plant Upgrade will need to meet the new Emerging Contaminants (PFAS, PFOA) compliance timeline; EPA expects to finalize the UMCR rule by early 2024.

Staff believes we are currently experiencing our best opportunity to upgrade the plant while grant funds are available and early in the compliance cycle to have a pool of contractors to solicit proposals from. This is an exceptional (highest in the Commonwealth) offer from VDH of \$12,310,053.00 in GRANT money towards this project. I am also anticipating additional grant funds from a USDA RD grant/loan application as well. This is the best opportunity we will have to meet this regulatory requirement and maintain affordable rates. This will be addressed in the budget and rate presentation as we move forward on the agenda.

6. Proposed FY 2024 HCSA Rates and Fees Schedule

Staff presented to the board a proposed rate and fee schedule for FY2024 with rates and fees that aligns with the recent Dewberry study. The fee and rate schedule is reflected in the proposed FY 2024 annual budget. Gray Ramsey moved to allow staff to advertise the proposed rates and fees and to schedule a public hearing for July 20, 2023. Fields Thomas provided a second to the motion. The motion passed without opposition as presented below:

Notice of Public Hearing on Proposed Changes to the Halifax County Service Authority Schedule of Rates and Fees

The purpose of the public hearing is to receive comments on proposed rate changes and will be held at the Authority's Administrative Offices located at 2529 Houghton Avenue in the Town of South Boston, Virginia at 4:00 PM on July 20, 2023. All Monthly Base Rate charges for Water and Sewer services will increase by \$1.00 for each service provided. The High- Volume Water and Sewer Rate Tier (Usage Above 100,000 Gallons per Monthly Billing Period) will be discontinued. All consumption will be based upon the same rates: \$5.00/1000 gallons for Water and \$5.70/1000 gallons for Sewer. Rates for Fire Suppression Meters will be as listed in the table below.

All Customers Are Billed MONTHLY - Volume Rates Are Listed in ONE-THOUSAND (1,000) Gallon Units

WATER BASE RATE CHARGES ARE APPLIED BASED ON WATER METER SIZE

Water Meter Size (Inch)	Base Charge	Water Meter Size (Inch)	Base Charge
5/8"-3/4"	\$ 21.00	4"	\$ 58.00
1"	\$ 24.00	6"	\$ 80.00
1 1/2"	\$ 28.00	8"	\$ 106.00
2"	\$ 37.00	10"	\$ 130.00
3"	\$ 47.00	12"	\$ 156.00

WATER VOLUME CHARGE – VOLUME RATES IN THOUSAND GALLONS

Urban Planning Area (UPA) District	Clover District	VIR District
\$ 5.00	\$ 6.00	\$ 10.75

SEWER BASE RATE CHARGES ARE APPLIED BASED ON CONNECTION TYPE

Residential	\$ 21.00
Business, Commercial, Industrial	\$46.00

SEWER VOLUME CHARGE – VOLUME RATES IN THOUSAND GALLONS

Urban Planning Area (UPA) District	Clover District	VIR District
\$ 5.70	\$ 7.20	\$ 10.20

FLAT-RATE SEWER CHARGE

Residential Sewer Only Connections	Grubby Road District Sinai School Contract Rate
\$ 46.00	\$ 450.00

MONTHLY CHARGES FOR FIRE SUPPRESSION METERS

Meter Size	Monthly Charge	Meter Size	Monthly Charge
5/8 – ¾ in Meter	\$ 4.00	4 - inch	\$ 50.00
1 - inch	\$ 5.20	6 - inch	\$ 80.00
1.5 - inch	\$ 6.00	8 - inch	\$ 100.00
2 - inch	\$ 10.00	10 - inch	\$ 125.00
3 - Inch	\$ 20.00	12 - inch	\$ 150.00

Notice of Public Hearing on Proposed Changes to the Halifax County Service Authority Schedule of Rates and Fees

BE IT RESOLVED, that the Halifax County Service Authority does hereby agree to set the following proposed preliminary schedule fixing and classifying rates, fees and charges for water and sewer service and hereby authorizes the Executive Director to advertise a public hearing in accordance with Section §15.2-5114 Code of Virginia, 1950, as amended, to be held on July 20, 2023 at 4:00 p.m. The purpose of the public hearing is to receive comments on the proposed changes and will be held at the Authority's Administrative Offices located at 2529 Houghton Avenue in the Town of South Boston, Virginia. The public hearing will be advertised two (2) times, six (6) days apart, and at least 14 days prior to the hearing.

All Monthly Base Rate charges for Water and Sewer services will increase by \$1.00 for each service provided. The High-Volume Water and Sewer Rate Tier (Usage Above 100,000 Gallons per Monthly Billing Period) will be discontinued. All consumption will be based upon the same rates: \$5.00/1000 gallons for Water and \$5.70/1000 gallons for Sewer. Rates for Fire Suppression Meters will be as listed in the table below.

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This resolution shall take effect immediately.

Directors:				
Kathy Bane	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against
Gray Ramsey	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against
Fields Thomas	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against
George Leonard	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against
LaTonya Hamilton	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against
Hope Harris-Gayles	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against
Daniel Lloyd	absent	Vote in Favor	<input checked="" type="checkbox"/>	Vote Against

CERTIFICATION

The undersigned secretary of the Halifax County Service Authority does hereby certify that the foregoing is a true, complete, and correct Resolution adopted by a vote of a majority of the Directors of the Halifax County Service Authority, present at a regular meeting of the Board of Directors of the Halifax County Service Authority duly called and held May 18, 2023 at which a quorum was present and acting throughout, and that the same has not been amended or rescinded and is in full force and effect as of the date of this certification.

Date: 05/18/2023


George Leonard, Chairman
Halifax County Service Authority

(SEAL)




Mark S. Estes, Secretary,
Halifax County Service Authority

7. HCSA FY 2024 Annual Budget Discussions and Approval

Staff presented to the board a proposed FY 2024 Annual Operating Budget. This budget builds upon the Rate study information by Dewberry and the direct connection with several funding scenarios that were discussed in the rate study. The budget numbers are based upon the proposed rates and the anticipated water debt service along with increasing operating costs. The Personnel Committee and Finance Committee members met with staff and endorse the proposed budget. The finance committee put forth a recommendation for the board to approve and adopt the FY 2024 annual budget. Kathy Bane moved to approve the FY 2024 Annual budget as presented to the board. Latonya Hamilton provided a second to the motion. The motion passed without opposition.

Halifax County Service Authority (HCSA) FY 2024 Annual Budget (Comparative)				
HCSA Water Revenues			HCSA Water Expenditures	
WATER SERVICES			WATER SERVICES	
UPA Water	\$ 2,700,000		UPA Water	\$ 1,117,000
Clover Water	\$ 65,000		Clover Water	\$ 31,500
VIR Water & Tower Lease	\$ 85,000		VIR Water	\$ 23,250
Fees, Penalties and Interest	\$ 77,050		Water Operations & Maintenance	\$ 547,100
			Water Administration	\$ 430,675
			Water Capital Projects	\$ 391,700
			Water Debt Service	\$ 228,951
			Reserve Contribution	\$ 68,154
			Engineering/Contingency	\$ 88,720
Total Water Revenues	\$ 2,927,050		Total Water Expenditures	\$ 2,927,050
HCSA Sewer Revenues			HCSA Sewer Expenditures	
SEWER SERVICES			SEWER SERVICES	
UPA Sewer	\$ 2,950,000		UPA Sewer	\$ 1,130,350
Clover Sewer	\$ 30,000		Clover Sewer	\$ 30,400
VIR Sewer	\$ 45,000		VIR Sewer	\$ 55,750
Flat Rate Sewer	\$ 170,000		Sewer Operations & Maintenance	\$ 547,100
Hauled Septage	\$ 50,000		Sewer Administration	\$ 430,675
SBE Maintenance	\$ 3,000		Sewer Capital Projects	\$ 256,500
Fee, Penalties & Interest	\$ 77,050		Sewer Debt Service	\$ 786,697
			Reserve Contribution	\$ 68,154
			SBE	\$ 6,550
			Engineering/Contingency	\$ 12,874
Total Sewer Revenues	\$ 3,325,050		Total Sewer Expenditures	\$ 3,325,050
Total Water & Sewer Revenues	\$ 6,252,100		Total Water & Sewer Expenditures	\$ 6,252,100

8. USDA Governing Body Resolution

Staff presented a resolution that is required by USDA in order to apply for funding through Rural Development. The following resolution was approved by the board on a motion by Daniel Lloyd. Gray Ramsey provided a second to the motion. All board members approved the resolution in the affirmative.

RESOLUTION OF GOVERNING BODY OF

Halifax County Service Authority

The Governing Body of the Halifax County Service Authority, consisting of 7 members, in a duly called meeting held on the 18th day of May, 2023, at which a quorum was present **RESOLVED** as follows:

BE IT HEREBY RESOLVED that in order to facilitate obtaining financial assistance from the United States of America, United States Department of Agriculture, Rural Development (the Government) in the development of a application to serve the community, the Governing Body does hereby adopt and abide by all covenants contained in the agreements, documents, and forms required by the Government to be executed.

This Resolution is hereby entered into the permanent minutes of the meetings of this Board.


Halifax County Service Authority

By: 
George Leonard, Chairman

Attest: 
Arnetta F. Roberts, Assistant Executive Director

CERTIFICATION

I hereby certify that the above Resolution was duly adopted by the Governing Body of the Halifax County Service Authority in a duly assembled meeting on the 18th day of May, 2023.


Secretary/Clerk

Staff Reports

Staff updated the board on several continuing projects and initiatives.

With no additional action needed, the board moved to adjourn.

Respectfully Submitted,


Mark S. Estes – Executive Director - Secretary

LaTonya Hamilton, Chair

Approved: 07/20/2023