

Floyd-Floyd County PSA

Water/Wastewater Special Board Meeting

February 26, 2024

Chairman Mike Maslaney called the Monday February 26, 2024, meeting of the Floyd-Floyd County PSA to order at 5:30pm. In attendance was Vice Chairman Will Griffin, Director Bruce Turner, Director Jerry Boothe, Director Linda DeVito, Director Rick Parrish, Director Trent Cox. Others in attendance were Clerk Teresa Conner, Superintendent Patrick Nicola, and Engineer Matt Gross via zoom.

Chairman Mike Maslaney gave a recap of some things. The bids that came back as we have discussed in the last meeting came back at 1,569,085 and the grant/loan award was for 1,573,355. If you look at the top the award number for the loan includes 600,000 from VRA. Last summer when we met with VDH at the old Town Hall we mentioned that the bids were 2 years old, and it would cost more now because of inflation as we all know. They said yes, they understood that everyone else is having the same issue. VRA looked at our financials in Oct they went ahead and approved us for the \$600 and as you remember the initial award was for 501k for the loan. When that approval went through, we had parity that we had to submit to USDA which we put together all the information they requested back in December 2023. We included the \$600k in that because they wanted the actual number that VRA had approved however, VDH was unaware of this, and we had not asked for additional money. VRA went ahead and did that, but it did not go through VDH for approval. We had a zoom meeting last week with Brad Humphrey at VDH and Matt to discuss this issue. Brad said we need to send a letter to Kelly at VDH and state the additional funds needed to cover the bids. Chairman Mike Maslaney in the back of this packet we are discussing is the letter we sent to Kelly at VDH requesting the additional funds.

It was brought up that we have had a lot of breaks on 221 south, one just last week in the curve there before Gussied Up. That part of the line is not due to be replaced by the grants, just from NAPA down to our road. To replace that part of the line from NAPA up to Food Lion would cost another \$150k. We started thinking we needed another \$150k which would be a brand-new line and would save us money by having a brand-new line. Since we have to go back to VRA and ask for more money, you do not want to have to go back twice or once so why not go ahead and ask if there is more money and add 150k to the 600k which is 750k. We talked to the grant people late last week, Matt talked to Brad at VDH. I spoke with Rural Development who have this parity request from and asked what it would take to get us to the \$750k. As you can see in the packet the loan is 2.6% for 20 years. The payments would be \$32k for a \$501k loan. \$38.5k for the \$600k and \$48k for the 750k loan. Robert at rural development was not happy, we have all this paperwork done, we are calling DC daily for us to get this completed. They said we can go back and redo the paperwork, resubmit the paperwork to DC but it was going to take a few months delayed. I told him to continue on with the \$600k and we have this meeting coming up and I will let you know.

I, Patrick, Matt, and Teresa were sitting around hypothesizing and if you look at our project list that we submitted there is the system disinfection for \$163,500. It is in there because back when COVID

hit, and we figured sooner that later we would have to chlorinate our system. After talking we thought about what if we can take that money and apply to cover the extension from NAPA to Food Lion, and maybe there would be funds later on to go back to disinfection. Matt talked with Brad at VDH about this so I will let him explain that conversation. Matt said he talked with Brad and Lisa to see if we can move this money from system disinfection to the extension of 221. Brad & Kelly said they are not happy with that idea. The PSA scored really high on the grant we got because there were four shovel ready projects. However, I did say we based that \$163k on whether or not we had to outsource the chemical feed and the ground loops. With the PSA self-performing a lot or doing the small purchase we should come in significantly under that budget. Everything that is left over can be moved over to the other projects. Example if you do the chemical feed for \$80k that would leave \$83k to move over. Also, on that paper that Mike presented right under system disinfection there is \$55,500 in contingency. Brad's opinion is if we can come in under when self-performing he has no problem moving the money, but he does not want to move any money until that project is completed. On the other line we did discuss going ahead and applying for a grant towards the line from NAPA to Food Lion. The funding app is due in May and if we can document that old cast iron pipe has led joint pipes, which would give us points for more grant money. The next time there is a break on that line issue a boil notice that would give us points in the application. Brad gave suggestions that would help with the application. Director Trent Cox asked if the inspection fees were for H & P to do. Matt said yes, calculated 150ft/day. Director Trent Cox said we can do some inspections and be more selective of what H & P does. Director Trent Cox asked what the requirements for the system disinfection were. Matt said tank mixer but has already been bought and installed, (have not gotten reimburse) but not wired in, the ground loops installed if we do them ourselves and do not seek reimbursement for it, might can use the pipe we have, have to through the bidding for the rest. If we buy new pipe, we have to follow the BABA paperwork. Vice Chairman Will Griffin asked if we paid for the mixer and how much. Chairman Mike Maslaney said yes it was \$15K. Clerk Teresa Conner asked what we need to do to satisfy that project. Matt said the ground loops, chemical feed tanks, mixer, and pumps. Director Linda DeVito asked do we have to chlorinate the system. Matt said no, just has to have it ready. The Well 6 equipment that is going to be resoftening is using chlorine to oxidize that iron and manganese sulfur. There will be chlorine in Well 6. The question is do we have to disinfect everything or just Well 6. She might say we can blend which would be just Well 6. At some point the entire system will have to be chlorinated. Chairman Mike Maslaney said we would collaborate with our contractor on that. We will just have to see how this plays out.

Matt said he can reach out to Jesse and see if we can open cut instead of boring at Sweeney Street, one-third of the cost is boring. That would require a bigger paving job but could drop the cost there. There would be savings there if he allowed that. Director Trent Cox asked should we talk to Bowman & Griffith about value engineering first to see if we can save. Matt said they are willing to talk with them. Director Jerry Boothe asked if we go back to the grant application, is that section going to have to be put out to bid or can we make an adjustment to the original contract. Matt said it depends on how fast they do it. If VDH reviews the applications that are submitted in May and gets it quick enough that it would be done before our project is done, they might be able to add it to the contract otherwise it would have to go out to bid and a new contract. Director Jerry Boothe asked does it matter which end of the project he starts on. Matt said no, he could start at the plant and work his way up and see what happens. Chairman Mike Maslaney said we have some options, they

are all challenging, but we will work on them all. Director Jerry Boothe said the two pump stations, the bids are we expecting them to come in to close to the estimates. Matt said his worry is nursing home is going to come in 400k-500k. Slaughters we bid 5 years ago was 160k with the prices now figuring 200k. Chairman Mike Maslaney said there is the opportunity if we bid those and the bids are reasonable with money left over from the ARPA we can shift that money back to water line. Director Jerry Boothe said if they come in over and we need more money there, not sure we can take on more funding (loans). Matt said we were looking to bid Nursing home in April and Slaughters in May we would have those numbers then add some contingency money in we would know if we had enough ARPA money. Director Linda DeVito asked why not Slaughters first then Nursing Home. Superintendent Patrick Nicola said it was out of compliance, the inspector came wrote it off and let it go, who knows when they will come back. Nursing home we have one pump works, electrically falling apart, once Well 6 comes online that will go there, we need the cutters in there therefore we need Nursing Home first.

Chairman Mike Maslaney is asking for a motion to approve to send this letter that was in the packet to VDH for approval of the \$600k. Director Rick Parrish made a motion, seconded by Director Trent Cox, to approve the letter. Roll call over members replying yes, motion passed.

Director Jerry Boothe said maybe if we were to come up with another \$150k in ARPA for the 221 waterlines, could we amend the contract without having to go to bid. Matt said as long as we have the money VDH does not care. Chairman Mike Maslaney said can we piggyback on the contract. Matt said yes. Director Linda DeVito said it would be the day meeting in March before we can discuss at the BOS.

We briefly discussed new Wells and talked about fracking Well 5. Matt said Lisa at VDH her husband does that, they did not think it would be worth it to do that. Superintendent Patrick Nicola said since Well 5 only produces 13gpm is it worth putting the loops, tank etc. in at Well 5. Matt said we can talk to Lisa about that, and she may not think its worth which would be potential savings.

Chairman Mike Maslaney entertained the motion to adjourn. All said yes, motion adjourned.