

CHARLES TOWN UTILITY BOARD
Wednesday, April 11, 2018 4:00 p.m.
MEETING TO BE HELD AT
Charles Town Water Treatment Plant

15527 Charles Town Road

REGULAR MEETING:

1. Approval of March 28, 2018 Regular Meeting Minutes
2. Update from the City Council April 2, 2018 Meeting
Ranson Asset Acquisition:
Proposed Schedule for Enactment of Ordinances for Acquisition of
Sewer System of the City of Ranson and Authorization of the Route 9
Sewer Line Extension Project from John Stump
 - i. Form of Tariff for Ordinance Reading and Public Hearing
 - ii. Roxul Project Ordinance and Customer Notification
 - iii. Ordinance authorizing the acquisition of the Ranson Sewer
System, including the real and personal property
 - iv. Article 147.02 – Composition to align with both the Ranson and
the JCPSD Agreements
3. Update JCPSD Asset Acquisition
WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-
0006-PSD-C
4. Utility Manager
 - i. Discussion of Draft Sewer Strategic Plan
 - ii. Discussion of Bidding Leak Detection Services
 - iii. Resolution No. 2018-02 – FY19 Water and Sewer Budgets
5. Approval of Bills

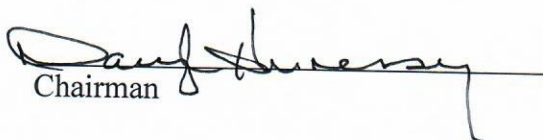
April 11, 2018

The Charles Town Utility Board held the regular Board meeting on April 11, 2018 beginning at 4:00 p.m. at the Charles Town Water Treatment Plant. Members of the Board present were Daryl Hennessy, Pete Kubic, Michael Slover and Kevin Tester. Also present were Hoy Shingleton, Matt Piepenburg, Kristen Stolipher and Jane Arnett. The Chairman then called for a motion to approve the March 28, 2018 meeting minutes. By motion from Kevin, second by Pete, the meeting minutes were approved.

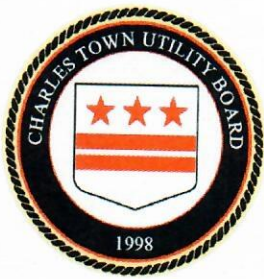
The Chairman then opened the floor for discussion of the update from the April 2, 2018 City Council meeting. The Chairman briefed that all four Ordinances advanced and are now at the publication stage with second reading and public hearing May 7, 2018 for the Ordinance authorizing the acquisition of the Ranson Sewer System, including the real and personal property. Second reading and public hearing for the remaining three Ordinances (Form of Tariff for Ordinance Reading and Public Hearing, Roxul Project Ordinance and Customer Notification and Article 147.02 – Composition to align with both the Ranson and the JCPSD Agreements) is scheduled May 21, 2018. A proposed schedule for enactment of Ordinances for Acquisition of Sewer System of the City of Ranson and Authorization of the Route 9 Sewer Line Extension Project from John Stump was provided to the Board. Hoy discussed the Roxul bond issues and the bidding of the contracts (water, sewer and roads) for Roxul was held. Ranson is scheduled for first reading of the sale of assets to Charles Town on April 17, 2018. The Chairman clarified when the Charles Town City Council would be potentially reading a bond issue for the Roxul off site sewer. The bond readings are pending review and approval by the state agencies involved. First and second readings of a bond ordinance can occur prior to bid opening, however, third reading would be after the bid amount is known.

The Chairman next opened the floor for discussion of the JCPSD Asset Acquisition. Hoy briefed on the intervenor status and will continue to work through their issues and concerns. The Manager informed that the draft Sewer Strategic Plan has been posted on both the Board and City websites. Comments have been received by Thrasher. Pete questioned whether a maintenance facility was included in the Plan. The Manager noted that this could be funded by both water and sewer. The flood maps along S. George Street were obtained and reviewed as well as the size of a future facility. The Chairman asked whether the expansion alternatives are accelerated from the previous plan with Roxul or other developments coming on line. The Plan continues to forecast over 4,000 EDUs available, the same as the 2015 Plan. The Chairman requested City Council comments to be provided by April 20, 2018.

The Manager next updated on the possibility of bidding leak detection services. One quote has been received and additional quotes are being requested prior to the Board considering action. Finally, the Board discussed the FY19 budgets. By motion from Mike, second by Kevin, the Board approved Resolution No. 2018-02 – FY19 Water and Sewer Budgets. By motion from Kevin, second by Pete, the Board approved the payment of bills. The meeting adjourned at 5:00 p.m. followed by a tour of the Water Treatment Plant.


Chairman


Secretary



Charles Town Utility Board

832 S. George Street, P.O. Box 359, Charles Town, WV 25414
Phone: (304) 725-2316 ♦ Fax: (304) 725-4313 ♦ Web: www.ctubwv.com

RESOLUTION NO. 2018-02 CHARLES TOWN UTILITY BOARD

WHEREAS there is need for the Charles Town Utility Board by and for Water and Sewer operations to adopt the Water and Sewer Budgets for Fiscal Year 2018;

UTILITY
BOARD

CHAIRMAN
*Daryl
Hennessy*

VICE
CHAIRMAN
*Pete
Kubic*

SECRETARY
TREASURER
*Tommy
Stocks*

*Michael
Slover*

*Kevin
Tester*

UTILITY
MANAGER
*Jane E.
Arnett*

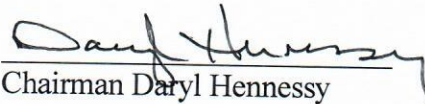
WHEREAS it has been determined that certain CITY OF CHARLES TOWN (WEST VIRGINIA) Combined Waterworks and Sewerage System Refunding Revenue Bonds, primarily the 2015 B Bond require the following:

Section 6.15. Operating Budget. The Issuer shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter or the ordinance of the Board, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same and;

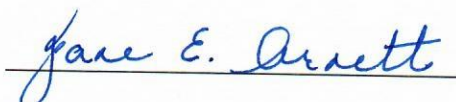
WHEREAS certain Prior Bonds meaning, collectively, the Series 1987 B Bonds, the Series 1988 B-1 Bonds, the Series 1988 B-2 Bonds, the Series 1989 B Bonds and the Series 1998 Design Bonds contain similar requirements;

NOW, THEREFORE, BE IT RESOLVED, that the Charles Town Utility Board hereby adopts revised the Water and Sewer Budgets for Fiscal Year 2019 dated April 11, 2018.

CHARLES TOWN UTILITY BOARD


Chairman Daryl Hennessy

Attest:



Dated: April 11, 2018

Charles Town Utility Board					
Revenue & Expense Budget					
For the Period 6/30/19 Budget					
WATER					
Acct. No.	Title of Account	Budget Ending 6/30/18 Approved 4/26/17	Budget At 2/28/2018	Actuals At 2/28/2018	Budget Ending 6/30/18 For Approval 4/11/19
	REVENUE				
50-46110	Metered Sales - Residential	\$2,480,000	\$1,653,333	\$1,711,920	\$2,530,000
50-46120	Metered Sales - Commercial	\$1,317,500	\$878,333	\$877,222	\$1,322,500
50-46210	Private Fire Protection	\$17,200	\$11,467	\$17,135	\$0
50-46310	Public Fire Protection	\$11,300	\$7,533	\$11,520	\$0
50-46610	Sale for Resale - Bulk Water	\$6,000	\$4,000	\$6,390	\$10,000
50-47010	Forfeited Discounts	\$75,000	\$50,000	\$51,487	\$75,000
50-47110	Misc Service Revenue - Reconnection Fees	\$11,000	\$7,333	\$8,045	\$12,000
50-41720	Ransom Bill & Collect	\$50,000	\$33,333	\$33,721	\$20,000
50-41802	Rents Tank Lot Fee	\$395,000	\$263,333	\$276,186	\$400,000
50-41900	Interest & Dividend Income	\$11,000	\$7,333	\$12,905	\$15,000
50-42100	Misc Non-Op Rev & R&R	\$36,000	\$24,000	\$29,910	\$40,000
	TOTAL REVENUE	\$4,410,000	\$2,939,998	\$3,036,440	\$4,424,500
	EXPENSES				
50-5-60110	Operation Labor Water Source	\$78,300	\$52,200	\$38,171	\$74,775
50-5-60120	Supplies & Expense	\$10,000	\$6,667	\$4,081	\$10,000
50-5-60130	Maint of Water Source Plant	\$10,000	\$6,667	\$6,736	\$10,000
50-5-62010	Operation Labor Pumping	\$156,600	\$104,400	\$78,978	\$149,550
50-5-62020	Fuel or Power for Pumping	\$225,000	\$150,000	\$104,662	\$200,000
50-5-62030	Operation Expenses Pumping	\$10,000	\$6,667	\$7,940	\$10,000
50-5-63010	Operation Labor Treatment	\$78,300	\$52,200	\$38,171	\$74,775
50-5-63020	Chemicals	\$125,000	\$83,333	\$77,305	\$115,000
50-5-63030	Operation Expenses Treatment	\$20,000	\$13,333	\$9,268	\$20,000
50-5-63040	Maint Water Treatment Plant	\$150,000	\$100,000	\$119,505	\$225,000
50-5-64020	Operation Expenses Maintenance	\$10,000	\$6,667	\$9,626	\$10,000
50-5-64030	Maint Dist Reservoir & Standpipes	\$50,000	\$33,333	\$28,904	\$50,000
50-5-64040	Maint of Mains	\$347,400	\$231,600	\$173,415	\$352,000
50-5-64050	Maint of Services	\$177,100	\$118,067	\$180,961	\$181,000
50-5-64060	Maint of Meters	\$167,700	\$111,800	\$113,110	\$168,500
50-5-64070	Maint of Hydrants	\$25,000	\$16,667	\$5,600	\$25,000
50-5-65010	Meter Reading	\$5,000	\$3,333	\$2,600	\$4,000
50-5-65020	Accounting & Collecting Labor	\$104,000	\$69,333	\$62,299	\$104,000
50-5-65030	Supplies & Expense Acctg & Collect	\$20,000	\$13,333	\$13,222	\$25,000
50-5-65040	Uncollectible Accounts	\$20,000	\$13,333	(\$310)	\$20,000
50-5-66010	Admin & General Salaries	\$147,000	\$98,000	\$90,413	\$156,600
50-5-66020	Office Supplies & Exp City Bank	\$130,000	\$86,667	\$79,897	\$130,000
50-5-66030	Outside Services	\$130,000	\$86,667	\$100,799	\$150,000
50-5-66040	Property Insurance	\$50,000	\$33,333	\$36,436	\$50,000
50-5-66050	Injuries & Damages	\$45,000	\$30,000	\$17,382	\$43,000
50-5-66060	Employee Pension & Benefits RHBT	\$288,178	\$192,119	\$164,527	\$252,500
50-5-66080	Regulatory Commission Expense	\$25,257	\$16,838	\$3,378	\$25,000
50-5-66100	Transportation Expense	\$102,000	\$68,000	\$61,255	\$102,000
50-5-66110	Maintenance of General Plant	\$30,000	\$20,000	\$21,917	\$30,000
50-5-66120	Payroll Taxes	\$76,770	\$51,180	\$38,793	\$72,900
50-5-50010	Depreciation Expense	\$900,000	\$600,000	\$600,000	\$900,000
50-5-50030	Interest on LT Debt	\$623,395	\$415,597	\$415,597	\$623,901
50-5-50040	Amortization Debt Discount	\$58,000	\$38,667	\$38,667	\$58,000
	TOTAL EXPENSES	\$4,395,000	\$2,930,001	\$2,743,305	\$4,422,500
	REVENUE - EXPENSES	\$15,000	\$9,997	\$293,134	\$2,000
	Monthly Debt Service Principal & Interest \$120,270		\$10,000		
	Annual Debt Service Principal & Interest \$1,443,250				
	Leases Principal Outstanding \$248,300				
	Note: In FY18 the Working Capital Reserve Fund was fully funded at \$215,819				

Charles Town Utility Board					
Revenue & Expense Budget					
For the Period 6/30/19 Budget					
SEWER					
Acct.	Title of Account	Budget	Budget	Actuals	Budget
No.	(b)	Ending 6/30/18	At 2/28/2018	At 2/28/2018	Ending 6/30/19
		Approved 4/26/17			For Approval 4/11/19
60-40100	Domestic Service Revenue	\$2,150,000	\$1,433,333	\$1,448,704	\$2,160,000
60-40710	SSA Fee - Ranson	\$675,000	\$450,000	\$408,369	\$625,000
60-40810	SSA Fee - JCPSD	\$920,000	\$613,333	\$657,003	\$970,000
60-41200	Customer Forfeited Discounts	\$40,000	\$26,667	\$27,780	\$40,000
60-41500	Misc. Sewer Revenues (Tsf R&R)	\$50,000	\$33,333	\$8,499	\$50,000
60-42500	Sinking Fund Income	\$8,000	\$5,333	\$8,390	\$8,000
	TOTAL REVENUE	\$3,843,000	\$2,561,999	\$2,558,745	\$3,853,000
	EXPENSES				
60-6-70510	Maint of Service Connections	\$5,000	\$3,333	\$2,095	\$5,000
60-6-70520	Maint of Collecting & Trans Mains	\$105,000	\$70,000	\$61,356	\$105,000
60-6-72300	Power & Fuel	\$60,000	\$40,000	\$32,644	\$52,000
60-6-72400	Supplies & Expense	\$15,000	\$10,000	\$12,196	\$15,000
60-6-72600	Maint Structures & Improvements	\$7,000	\$4,667	\$15,945	\$20,000
60-6-72700	Maint Pumping Equipment CT	\$50,000	\$33,333	\$41,463	\$50,000
60-6-72710	Maint Pumping Equipment TUI	\$50,000	\$33,333	\$25,546	\$50,000
60-6-74200	Operation Labor Treatment	\$268,000	\$178,667	\$144,805	\$235,350
60-6-74310	Operation Supplies & Expense WA	\$40,000	\$26,667	\$48,208	\$70,000
60-6-74320	Chemical Treatment Expense	\$200,000	\$133,333	\$93,846	\$170,000
60-6-74325	Chemical Treatment Expense TUI	\$60,000	\$40,000	\$31,337	\$50,000
60-6-74330	Laboratory Supplies & Expense	\$45,000	\$30,000	\$17,525	\$45,000
60-6-74335	Laboratory Supplies & Expense TUI	\$12,000	\$8,000	\$4,866	\$10,000
60-6-74400	Maint Supervision & Engineering Burns	\$85,000	\$56,667	\$45,900	\$85,000
60-6-74600	Maint Treatment & Disposal Equipment	\$175,000	\$116,667	\$69,318	\$175,000
60-6-74610	Maint Treatment & Disposal Equipment T	\$40,000	\$26,667	\$45,542	\$40,000
60-6-74800	Power	\$175,000	\$116,667	\$108,893	\$170,000
60-6-74810	Power TUI	\$125,000	\$83,333	\$73,268	\$110,000
60-6-78300	Billing & Collecting & Accounting	\$93,400	\$62,267	\$60,734	\$93,800
60-6-78400	Uncollectible Accounts	\$5,000	\$3,333	(\$194)	\$5,000
60-6-79100	Admin & General Salaries	\$147,000	\$98,000	\$90,413	\$153,900
60-6-79300	General Office Supplies & Expense	\$60,000	\$40,000	\$39,676	\$60,000
60-6-79500	Special Services (Legal/Rates)	\$225,000	\$150,000	\$175,610	\$275,000
60-6-79700	Regulatory Commission Expense	\$81,000	\$54,000	\$35,368	\$81,000
60-6-79800	Insurance (Property)	\$50,000	\$33,333	\$38,208	\$50,000
60-6-79900	Injuries & Damages (Workers' Comp)	\$10,000	\$6,667	\$15,105	\$29,000
60-6-80010	Employee Insurance (Health)	\$74,000	\$49,333	\$38,480	\$69,500
60-6-80020	Pension & FICA Tax	\$119,100	\$79,400	\$64,749	\$104,000
60-6-80100	Misc. General Expense (Uniforms)	\$7,500	\$5,000	\$4,142	\$7,500
60-6-80200	Maintenance of General Plant	\$10,000	\$6,667	\$4,116	\$10,000
60-6-90300	Transportation	\$25,000	\$16,667	\$21,969	\$35,000
60-6-93000	Interest Long Term Debt *	\$370,000	\$246,667	\$246,667	\$370,000
60-6-93100	Amort. of Debt Discount & Expense	\$57,000	\$38,000	\$38,000	\$57,000
60-6-93900	Depreciation Expense	\$990,950	\$660,633	\$660,633	\$990,950
	TOTAL EXPENSES	\$3,841,950	\$2,561,301	\$2,408,427	\$3,849,000
	REVENUE - EXPENSES	\$1,050	\$698	\$150,318	\$4,000
	Monthly Debt Service Principal & Interest	\$108,250	\$700		
	Annual Debt Service Principal & Interest	\$1,298,950			
	Leases Principal Outstanding	\$0			
	Note: In FY18 the Working Capital Reserve Fund = \$134,912 (50% funded)				

CHARLES TOWN UTILITY BOARD
Wednesday, April 25, 2018 4:00 p.m.
MEETING TO BE HELD AT
832 S. George Street

REGULAR MEETING:

1. Approval of April 11, 2018 Regular Meeting Minutes
2. Update Ranson Asset Acquisition
Proposed Schedule for Enactment of Ordinances for Acquisition of Sewer System of the City of Ranson and Authorization of the Route 9 Sewer Line Extension Project from John Stump
 - i. Form of Tariff for Ordinance Reading and Public Hearing
 - ii. Roxul Project Ordinance and Customer Notification
 - iii. Ordinance authorizing the acquisition of the Ranson Sewer System, including the real and personal property
 - iv. Article 147.02 – Composition to align with both the Ranson and the JCPSD Agreements
3. Update JCPSD Asset Acquisition
WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-0006-PSD-C
4. Utility Manager
 - i. Approval of 2018 Sewer Strategic Plan
 - ii. Approval to purchase:
Laboratory Charge Analyzer (Water Plant)
Grundfos Booster Pump (Wastewater Plant)
Ashbrook 2M Belt Press (from City of Martinsburg)
Fencing (below 842 S. George Street)
 - iii. Hiring Notice
5. Approval of Bills

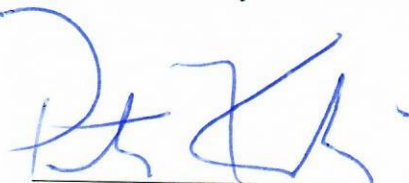
April 25, 2018

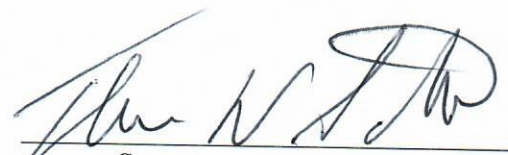
The Charles Town Utility Board held the regular Board meeting on April 25, 2018 beginning at 4:00 p.m. at 832 S. George Street. Members of the Board present were Pete Kubic, Tommy Stocks and Kevin Tester. Mike Slover joined by phone. Also present were Micheal George, Hoy Shingleton, Kristen Stolipher and Jane Arnett. The Vice Chairman then called for a motion to approve the April 11, 2018 meeting minutes. By motion from Kevin, second by Tommy, the meeting minutes were approved.

The Vice Chairman moved to Item 4. of the agenda pending Hoy Shingleton arriving. The Manager first presented for approval the 2018 Sewer Strategic Plan. Kristen noted that this Plan could be updated following the asset acquisition process. By motion from Tommy, second by Kevin, the Board approved the 2018 Sewer Strategic Plan. The Board next considered various purchases. Upon discussion of the first request, the Vice Chair asked about the Manager's expenditure level. The Manager noted the threshold is consistent with the City Manager threshold that could be updated to align with the State Code of \$10,000.00. The Vice Chair requested to bring that forward at the next meeting. By motion from Pete, second by Tommy, the Board approved the Laboratory Charge Analyzer for the Water Plant in the amount of \$10,440.00 from three bids. By motion from Tommy, second by Kevin, the Board approved the Grundfos Booster Pump at the Charles Town Wastewater Treatment Plant for the belt press operation at \$9,700.00. By motion from Pete, second by Tommy, the Board next approved the purchase of the Ashbrook 2M belt press from the City of Martinsburg in the amount of \$9,750.00. Finally, by motion from Tommy, second by Kevin, the Board approved 210 feet of additional fencing south of the wastewater treatment plant and a swing arm barrier gate. The Board preferred the 6' foot chain link option to better secure this area. The Manager briefed on the hiring notice for three positions to be posted at City Hall and 108 W. Congress as well as the websites. Mike S. noted that we should include the benefits package in the notice.

Hoy Shingleton joined the meeting to brief on the Asset Acquisitions. Ranson's Ordinance process has begun with first reading on April 17, 2018. Also, the deeds of easement for the Roxul project are in process. The Roxul sewer project will need to be a separate project, but the bidding process for the water, sewer and road projects has not been finalized. Hoy is in the process of reviewing the bid documents, however, these documents will need to be converted to the standard EJCDC format. The Manager noted that the Roxul customer notice will be mailed out shortly and prior to April 30, 2018. By the second reading on May 7, 2018 for the Ordinance authorizing the acquisition of the Ranson Sewer System, the defined area for the Flowing Spring District will be needed. Second reading and public hearing for the remaining three Ordinances (Form of Tariff for Ordinance Reading and Public Hearing, Roxul Project Ordinance and Article 147.02 - Composition to align with both the Ranson and the JCPSD Agreements) is scheduled May 21, 2018.

The Vice Chairman next opened the floor for discussion of the JCPSD Asset Acquisition. Hoy briefed on the intervenor status and will continue to work through their issues and concerns. A meeting was held with Lee Snyder that led to setting up a meeting with JCCEP and Arcadia scheduled early in May. The Vice Chair asked about the JCPSD rates and the modified \$7 million project. Hoy informed that the JCPSD rates have been approved at that project level with the expectation that this project will be reduced as a result of the Roxul line. Preparation of the Rule 42 scenarios has begun. By motion from Tommy, second by Kevin, the Board approved the payment of bills. By motion from Kevin, second by Tommy, the meeting adjourned at 4:45 p.m.



Vice Chairman

Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, May 9, 2018 4:00 p.m.
MEETING TO BE HELD AT
832 S. George Street

REGULAR MEETING:

1. Approval of April 25, 2018 Regular Meeting Minutes
2. Update Ranson Asset Acquisition
 - i. Discussion of Roxul Project Sponsor Certification
 - ii. Ordinance authorizing the acquisition of the Ranson Sewer System, including the real and personal property (2nd Reading / Public Hearing May 7, 2018)
 - iii. Form of Tariff for Ordinance Reading and Public Hearing (May 21, 2018)
 - iv. Article 147.02 – Composition to align with both the Ranson and the JCPSD Agreements (2nd Reading / Public Hearing May 21, 2018)
 - v. Roxul Project Ordinance (2nd Reading / Public Hearing May 21, 2018)
 - vi. Roxul Customer Notification – Mailed April 26, 2018
3. Update JCPSD Asset Acquisition
WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-0006-PSD-C – Developer meeting update
4. Utility Manager
 - i. Jefferson County Commission Letter – Discontinuance of After Hours Call Service
 - ii. Approval of In Touch Call Service Agreement
 - iii. Resolution No. 2018-03 – FY18 Rebudget and FY19 Budget Changes
 - iv. Resolution No. 2018-04 – Amendment to Rules of Procedure for Capitalization Threshold Policy and Bidding and Expenditure Authority
 - v. Update on Leak Detection Services
5. Approval of Bills

May 9, 2018


The Charles Town Utility Board held the regular Board meeting on May 9, 2018 beginning at 4:00 p.m. at 832 S. George Street. Members of the Board present were Daryl Hennessy, Pete Kubic, Mike Slover, Tommy Stocks and Kevin Tester. Also present were Micheal George, Hoy Shingleton, Chief Kutcher, Kristen Stolipher, Butch Goff and Jane Arnett. The Chairman called for a motion to approve the April 25, 2018 meeting minutes. By motion from Tommy, second by Kevin, the meeting minutes were approved.

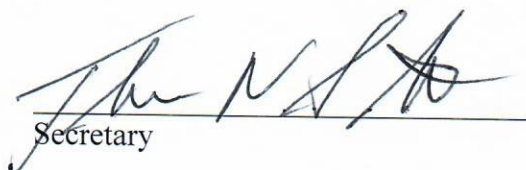
The Chairman moved to Item 4.i. and ii. to discuss the Jefferson County Commission Letter – Discontinuance of After Hours Call Service. The Manager recapped the events leading up to the letter as a result of the Avis Street tank overflowing. Chief Kutcher then played a message received from a citizen regarding the events that he had passed on to the County ENP Director. Pete asked if the overflow could be diverted, however, the Manager noted that the new actuator valves are now working properly. The valve will close before the overflow level is reached. Following the briefing, the Board agreed to move forward with the In Touch Call Service Agreement who also handles Berkeley County Water. Tommy requested that notice be provided to the customers. A response letter to the County Administrator will be presented at the next Board meeting providing options for equipment housed at the Northern High Zone water tank. The Manager also noted that the Fire Companies will be notified as well.

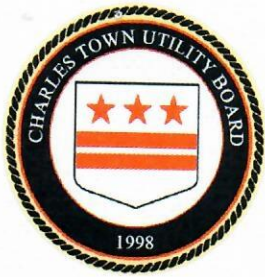
The Chairman moved to the update on the Ranson Asset Acquisition. Hoy Shingleton noted that the second reading of the Acquisition Ordinance passed City Council on May 7, 2018. The remaining three Ordinances will be read on May 21, 2018. Hoy noted that the Flowing Springs District boundary had been agreed to with Ranson. The Capacity Improvement Fee for this District in Ranson's Sewer Tariff will be collected by Charles Town and sent to Ranson. The Roxul project was then discussed. The JCPSD Asset Acquisition discussion noted that a meeting has been held with the development intervenor group and that basically the WV PSC is waiting for a possible resolution with this development community. The next meeting with this group is scheduled early June. The JCPSD due diligence process and financial analysis has begun. Lastly, Hoy noted that one additional Ranson Ordinance will be needed for the Roxul bond issue.

The Chairman next opened the floor for discussion of Resolution 2018-03 – FY18 Re-budget and FY19 Budget Changes. The Manager noted the most significant change was to the water depreciation account for both years. In Sewer, the Special Services account has been increased to reflect the Asset Acquisitions. Pete asked if any reimbursement would be possible and requested that a meeting be held with Andy Blake to discuss options on defraying the costs. By motion from Tommy, second by Kevin, the Board approved Resolution 2018-03 – FY18 Re-budget and FY19 Budget Changes. Resolution No. 2018-04 – Amendment to Rules of Procedure for Capitalization Threshold Policy and Bidding and Expenditure Authority was then discussed. By motion from Pete, second by Tommy, the Board approved Resolution No. 2018-04. The Manager updated on Leak Detection Services having received three bids. The bids are based on a per day cost. Pete requested that references be obtained for consideration at the next Board meeting. The Manager noted that the Roxul project notice was mailed in April as required. Also, the Roxul Project Sponsor Certification document was discussed and will be presented at the June 15, 2018 Board meeting as well as a contract document with the project engineer. The Consumer Confidence Report (CCR) is ready for print, mailing and web posting, will meet the publication deadline of June 30 and that there are no violations. The Chairman asked for clarification of the time period. The CCR is for the calendar year 2017. Kristen discussed a concern that the Tariff does not allow a CIF calculation for a change in use or increase in use. The Board requested that this be researched.

By motion from Tommy, second by Kevin, the Board approved the payment of bills. By motion from Tommy, second by Kevin, the meeting adjourned at 5:06 p.m.


Chairman


Secretary



Charles Town Utility Board

832 S. George Street, P.O. Box 359, Charles Town, WV 25414
Phone: (304) 725-2316 ♦ Fax: (304) 725-4313 ♦ Web: www.ctubwv.com

RESOLUTION NO. 2018-03 CHARLES TOWN UTILITY BOARD

UTILITY
BOARD

WHEREAS there is need for the Charles Town Utility Board by and for Water and Sewer operations to adopt revised Water and Sewer Budgets for Fiscal Year 2018 and the Water and Sewer Budgets for Fiscal Year 2019;

CHAIRMAN
*Daryl
Hennessy*

WHEREAS it has been determined that certain CITY OF CHARLES TOWN (WEST VIRGINIA) Combined Waterworks and Sewerage System Refunding Revenue Bonds, primarily the 2015 B Bond require the following:

VICE
CHAIRMAN
*Pete
Kubic*

Section 6.15. Operating Budget. The Issuer shall annually, at least 30 days preceding the beginning of each Fiscal Year, or at such earlier date required by its charter or the ordinance of the Board, prepare and adopt by resolution a detailed budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Original Purchaser and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Original Purchaser and to any Holder of Bonds or anyone acting for and in behalf of such Holder who requests the same and;

SECRETARY
TREASURER
*Tommy
Stocks*

*Michael
Slover*

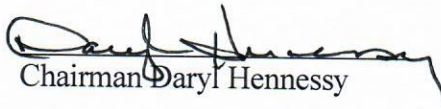
*Kevin
Tester*

UTILITY
MANAGER
*Jane E.
Arnett*

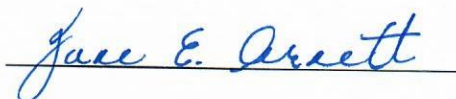
WHEREAS certain Prior Bonds meaning, collectively, the Series 1987 B Bonds, the Series 1988 B-1 Bonds, the Series 1988 B-2 Bonds, the Series 1989 B Bonds and the Series 1998 Design Bonds contain similar requirements;

NOW, THEREFORE, BE IT RESOLVED, that the Charles Town Utility Board hereby adopts revised Water and Sewer Budgets for Fiscal Year 2018 and the Water and Sewer Budgets for Fiscal Year 2019 dated May 9, 2018.

CHARLES TOWN UTILITY BOARD


Chairman Daryl Hennessy

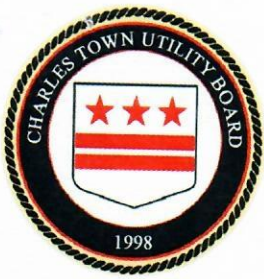
Attest:



Dated: May 9, 2018

	Charles Town Utility Board				
	Revenue & Expense Budget				
	For the Period 6/30/18 Rebudget and 6/30/19 Budget				WATER
Acct. No.	Title of Account	Budget Ending 6/30/18 Approved 4/26/17	Actuals At 4/30/2018	Re-Budget Ending 6/30/18 For Approval 5/9/18	Budget Ending 6/30/19 For Approval 5/9/18
	REVENUE				
50-46110	Metered Sales - Residential	\$2,480,000	\$2,102,317	\$2,525,000	\$2,530,000
50-46120	Metered Sales - Commercial	\$1,317,500	\$1,073,719	\$1,300,000	\$1,322,500
50-46210	Private Fire Protection	\$17,200	\$17,135	\$17,200	\$0
50-46310	Public Fire Protection	\$11,300	\$11,520	\$11,300	\$0
50-46610	Sale for Resale - Bulk Water	\$6,000	\$6,619	\$7,600	\$10,000
50-47010	Forfeited Discounts	\$75,000	\$62,226	\$75,000	\$75,000
50-47110	Misc Service Revenue - Reconnection Fee:	\$11,000	\$10,694	\$11,000	\$12,000
50-41720	Ransom Bill & Collect	\$50,000	\$38,087	\$50,000	\$20,000
50-41802	Rents Tank Lot Fee	\$395,000	\$362,450	\$400,000	\$400,000
50-41900	Interest & Dividend Income	\$11,000	\$17,067	\$22,750	\$15,000
50-42100	Misc Non-Op Rev & R&R	\$36,000	\$38,328	\$86,000	\$40,000
	TOTAL REVENUE	\$4,410,000	\$3,740,162	\$4,505,850	\$4,424,500
	EXPENSES				
50-5-60110	Operation Labor Water Source	\$78,300	\$47,138	\$63,300	\$74,775
50-5-60120	Supplies & Expense	\$10,000	\$4,722	\$10,000	\$10,000
50-5-60130	Maint of Water Source Plant	\$10,000	\$6,736	\$10,000	\$10,000
50-5-62010	Operation Labor Pumping	\$156,600	\$99,662	\$131,600	\$149,550
50-5-62020	Fuel or Power for Pumping	\$225,000	\$117,630	\$148,000	\$165,000
50-5-62030	Operation Expenses Pumping	\$10,000	\$8,789	\$10,000	\$10,000
50-5-63010	Operation Labor Treatment	\$78,300	\$47,138	\$63,300	\$74,775
50-5-63020	Chemicals	\$125,000	\$82,849	\$115,000	\$115,000
50-5-63030	Operation Expenses Treatment	\$20,000	\$10,388	\$15,000	\$20,000
50-5-63040	Maint Water Treatment Plant	\$150,000	\$137,789	\$170,000	\$150,000
50-5-64020	Operation Expenses Maintenance	\$10,000	\$10,674	\$15,000	\$10,000
50-5-64030	Maint Dist Reservoir & Standpipes	\$50,000	\$38,583	\$50,000	\$50,000
50-5-64040	Maint of Mains	\$347,400	\$299,628	\$347,500	\$350,000
50-5-64050	Maint of Services	\$177,100	\$253,669	\$300,000	\$185,000
50-5-64060	Maint of Meters	\$167,700	\$130,974	\$167,700	\$168,500
50-5-64070	Maint of Hydrants	\$25,000	\$5,600	\$10,000	\$10,000
50-5-65010	Meter Reading	\$5,000	\$2,762	\$3,500	\$4,000
50-5-65020	Accounting & Collecting Labor	\$104,000	\$76,876	\$100,000	\$104,000
50-5-65030	Supplies & Expense Accting & Collect	\$20,000	\$13,222	\$20,000	\$25,000
50-5-65040	Uncollectible Accounts	\$20,000	(\$699)	\$20,000	\$20,000
50-5-66010	Admin & General Salaries	\$147,000	\$114,383	\$147,000	\$156,600
50-5-66020	Office Supplies & Exp City Bank	\$130,000	\$96,427	\$125,000	\$130,000
50-5-66030	Outside Services	\$130,000	\$117,068	\$150,000	\$125,000
50-5-66040	Property Insurance	\$50,000	\$49,128	\$50,000	\$50,000
50-5-66050	Injuries & Damages	\$45,000	\$23,440	\$45,000	\$43,000
50-5-66060	Employee Pension & Benefits RHBT	\$288,178	\$203,452	\$258,178	\$252,500
50-5-66080	Regulatory Commission Expense	\$25,257	\$5,657	\$25,607	\$25,000
50-5-66100	Transportation Expense	\$102,000	\$74,223	\$97,000	\$100,000
50-5-66110	Maintenance of General Plant	\$30,000	\$24,313	\$31,000	\$30,000
50-5-66120	Payroll Taxes	\$76,770	\$48,041	\$60,770	\$72,900
50-5-50010	Depreciation Expense	\$900,000	\$750,000	\$1,050,000	\$1,050,000
50-5-50030	Interest on LT Debt	\$623,395	\$519,496	\$623,395	\$623,901
50-5-50040	Amortization Debt Discount	\$58,000	\$48,333	\$58,000	\$58,000
	TOTAL EXPENSES	\$4,395,000	\$3,468,092	\$4,490,850	\$4,422,500
	REVENUE - EXPENSES	\$15,000	\$272,070	\$15,000	\$2,000
	Monthly Debt Service Principal & Interest \$120,270				
	Annual Debt Service Principal & Interest \$1,443,250				
	Leases Principal Outstanding \$248,300				
	Note: In FY18 the Working Capital Reserve Fund was fully funded at \$215,819				

Charles Town Utility Board					
Revenue & Expense Budget					
For the Period 6/30/18 Rebudget and 6/30/19 Budget					
SEWER					
Acct. No.	Title of Account (b)	Budget Ending 6/30/18 Approved 4/26/17	Actuals At 4/30/2018	RE-Budget Ending 6/30/18 For Approval 5/9/18	Budget Ending 6/30/19 For Approval 5/9/18
60-40100	Domestic Service Revenue	\$2,150,000	\$1,778,621	\$2,143,000	\$2,160,000
60-40710	SSA Fee - Ranson	\$675,000	\$513,484	\$625,000	\$625,000
60-40810	SSA Fee - JCPSD	\$920,000	\$809,310	\$971,000	\$970,000
60-41200	Customer Forfeited Discounts	\$40,000	\$33,683	\$40,000	\$40,000
60-41500	Misc. Sewer Revenues (Tsf R&R)	\$50,000	\$10,389	\$70,000	\$50,000
60-42500	Sinking Fund Income	\$8,000	\$11,951	\$14,000	\$8,000
	TOTAL REVENUE	\$3,843,000	\$3,157,438	\$3,863,000	\$3,853,000
	EXPENSES				
60-6-70510	Maint of Service Connections	\$5,000	\$2,502	\$5,000	\$5,000
60-6-70520	Maint of Collecting & Trans Mains	\$105,000	\$91,587	\$125,000	\$105,000
60-6-72300	Power & Fuel	\$60,000	\$36,921	\$47,000	\$52,000
60-6-72400	Supplies & Expense	\$15,000	\$13,560	\$15,000	\$15,000
60-6-72600	Maint Structures & Improvements	\$7,000	\$7,484	\$7,500	\$20,000
60-6-72700	Maint Pumping Equipment CT	\$50,000	\$43,008	\$50,000	\$50,000
60-6-72710	Maint Pumping Equipment TUI	\$50,000	\$27,416	\$35,000	\$50,000
60-6-74200	Operation Labor Treatment	\$268,000	\$190,658	\$232,500	\$235,350
60-6-74310	Operation Supplies & Expense WA	\$40,000	\$61,429	\$75,000	\$70,000
60-6-74320	Chemical Treatment Expense	\$200,000	\$105,026	\$130,000	\$170,000
60-6-74325	Chemical Treatment Expense TUI	\$60,000	\$43,453	\$54,000	\$50,000
60-6-74330	Laboratory Supplies & Expense	\$45,000	\$19,279	\$28,000	\$45,000
60-6-74335	Laboratory Supplies & Expense TUI	\$12,000	\$6,451	\$9,000	\$10,000
60-6-74400	Maint Supervision & Engineering Burns	\$85,000	\$78,688	\$95,000	\$85,000
60-6-74600	Maint Treatment & Disposal Equipment	\$175,000	\$90,297	\$175,000	\$175,000
60-6-74610	Maint Treatment & Disposal Equipment T	\$40,000	\$76,627	\$100,000	\$40,000
60-6-74800	Power	\$175,000	\$137,676	\$175,000	\$170,000
60-6-74810	Power TUI	\$125,000	\$95,611	\$125,000	\$110,000
60-6-78300	Billing & Collecting & Accounting	\$93,400	\$76,744	\$93,400	\$93,800
60-6-78400	Uncollectible Accounts	\$5,000	(\$436)	\$5,000	\$5,000
60-6-79100	Admin & General Salaries	\$147,000	\$114,383	\$140,000	\$153,900
60-6-79300	General Office Supplies & Expense	\$60,000	\$47,996	\$60,000	\$60,000
60-6-79500	Special Services (Legal/Rates)	\$225,000	\$236,100	\$300,000	\$275,000
60-6-79700	Regulatory Commission Expense	\$81,000	\$57,204	\$81,000	\$81,000
60-6-79800	Insurance (Property)	\$50,000	\$47,660	\$50,000	\$50,000
60-6-79900	Injuries & Damages (Workers' Comp)	\$10,000	\$18,967	\$25,000	\$29,000
60-6-80010	Employee Insurance (Health)	\$74,000	\$48,102	\$60,000	\$69,500
60-6-80020	Pension & FICA Tax	\$119,100	\$82,331	\$99,100	\$104,000
60-6-80100	Misc. General Expense (Uniforms)	\$7,500	\$4,783	\$7,500	\$7,500
60-6-80200	Maintenance of General Plant	\$10,000	\$4,316	\$10,000	\$10,000
60-6-90300	Transportation	\$25,000	\$27,283	\$30,000	\$35,000
60-6-93000	Interest Long Term Debt *	\$370,000	\$308,333	\$370,000	\$370,000
60-6-93100	Amort. of Debt Discount & Expense	\$57,000	\$47,500	\$57,000	\$57,000
60-6-93900	Depreciation Expense	\$990,950	\$825,792	\$990,950	\$990,950
	TOTAL EXPENSES	\$3,841,950	\$3,074,730	\$3,861,950	\$3,849,000
	REVENUE - EXPENSES	\$1,050	\$82,708	\$1,050	\$4,000
	Monthly Debt Service Principal & Interest \$108,250				
	Annual Debt Service Principal & Interest \$1,298,950				
	Leases Principal Outstanding \$0				
	Note: In FY18 the Working Capital Reserve Fund = \$134,912 (50% funded)				



Charles Town

Utility Board

101 East Washington Street, P.O. Box 14, Charles Town, WV 25414
Phone: (304) 725-2311 ♦ Fax: (304) 725-1014 ♦ Web: www.charlestownwv.us

RESOLUTION NO. 18-04

RESOLUTION OF THE CHARLES TOWN UTILITY BOARD ADOPTING AN AMENDMENT TO THE RULES OF PROCEDURE FOR A CAPITALIZATION THRESHOLD POLICY AND COMPETITIVE BIDDING THRESHOLD AND EXPENDITURE AUTHORITY LIMITS

UTILITY
BOARD

CHAIRMAN
*Daryl
Hennessy*

VICE
CHAIRMAN
*Pete
Kubic*

SECRETARY
TREASURER
*Tommy
Stokes*

*Michael
Slover*

*Kevin
Tester*

UTILITY
MANAGER
*Jane E.
Arnett*

WHEREAS, the Charles Town Utility Board is a political subdivision of the State of West Virginia established March 16, 1998 by the City of Charles Town Mayor and City Council; and

WHEREAS, the Board is responsible the supervision, management, control and operation of the System and;

WHEREAS, this responsibility shall be vested in the Charles Town Utility Board to include the management of assets; and

WHEREAS, the Board believes it is important to adopt policies to govern its capitalization threshold for asset management, its competitive bidding threshold and its expenditures authority limits;

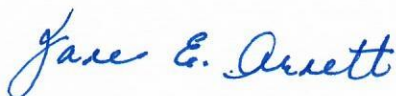
NOW, THEREFORE, BE IT RESOLVED that the Charles Town Utility Board hereby adopts this Amendment to the Rules of Procedure for a "Capitalization Threshold Policy," a "Competitive Bidding Threshold Policy" and an "Expenditure Authority Limit Policy" a copy of which is attached hereto and incorporated herein.

PASSED AND ADOPTED at the regular meeting of the Charles Town Utility Board held this 9th day of May, 2018.

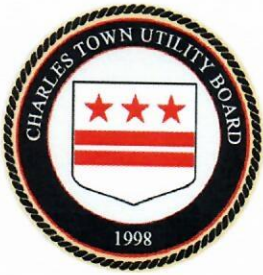
CHARLES TOWN UTILITY BOARD


Daryl Hennessy, Chairman

Attest:



Dated *May 9, 2018*



City of Charles Town

Utility Board

101 East Washington Street, P.O. Box 14, Charles Town, WV 25414
Phone: (304) 725-2311 ♦ Fax: (304) 725-1014 ♦ Web: www.charlestownwv.us

AMENDMENT TO THE RULES OF PROCEDURE FOR A CAPITALIZATION THRESHOLD POLICY AND BIDDING AND EXPENDITURE AUTHORITY

UTILITY
BOARD

CHAIRMAN
*Daryl
Hennessy*

VICE
CHAIRMAN
*Pete
Kubic*

SECRETARY
TREASURER
*Tommy
Stocks*

*Michael
Slaver*

*Kevin
Tester*

UTILITY
MANAGER
*Jane E.
Arnett*

PURPOSE: To provide guidance in the definition of terms, concepts, timelines, and thresholds for the capitalization of assets, competitive bidding and an expenditure authority limit.

POLICY: To provide for consistent accounting and reporting of capital assets, the capitalization thresholds described in this policy must be applied when accounting for capital assets. This policy sets forth the minimum standards; however, the Utility Board should capitalize assets below the threshold whenever a business need justifies so doing. In addition, this policy enforces the consistent handling of competitive bidding and establishes management authority expenditure limits.

PROCEDURES:

Definitions:

Capital assets include real and personal property and intangible assets of *significant* value having a useful life which extends beyond one year that are broadly classified as land, infrastructure, buildings, improvements, equipment, furniture and fixtures, automobiles, and intangible assets.

Improvements are modifications that extend the useful life or enhance the general utility of a capital asset.

Intangible assets include long-term assets that lack physical existence such as mineral rights, software and easements.

Significant value means that the cost of the asset meets or exceeds the threshold amounts as described in this policy.

Non-capitalized assets that do not meet significant value criterion or have a life less than one year are expensed at time of purchase.

Real Property includes land and buildings (structures) affixed to the land other than infrastructure structure capitalization thresholds provided below apply to all assets acquired by, or donated to, the Charles Town Utility Board. Capital assets purchased with funds from programs or grants must follow the capitalization requirements specified by the program, grant or other statutory requirement.

Capitalization Thresholds and Timelines:

Assets should be capitalized when they meet the following minimum values:

Equipment..... \$15,000

Real Property Thresholds:

Building (Structures).....\$1

Land..... \$1

Land Improvements..... \$15,000

Construction in Progress..... \$15,000

Real Property Capitalization Timelines:

Land: All costs within the first 90 days of escrow closing shall be capitalized. Between 90 days and two years after escrow closing, all costs over \$100.00 which are identified as acquisition related shall be capitalized.

Acquisitions-in-progress (AIP):

Land.....\$1

Acquisitions-in-progress will be reviewed quarterly. AIP no longer in progress will be inactivated and capitalized costs shall be reclassified to expense. Completed Acquisitions-in-progress will be capitalized.

Valuation Basis

The cost of a capital asset includes all costs necessary to place the asset in service (e.g., Pre acquisition reviews, appraisals, reports, negotiations, and other ancillary costs). Donated capital assets must be recorded at their fair value based on a current appraisal at the time of acquisition, plus ancillary charges, if any.

Internal Control

All capitalized *assets* shall be recorded in the Asset and Depreciation Books of Record, and valuation and existence will be reviewed and monitored annually by management.

Competitive Bidding Threshold:

The procedure for handling bidding of government construction contracts shall be in accordance with West Virginia State Code §5-22-1. Bidding required; government construction contracts to go to lowest qualified responsible bidder; procedures to be followed in awarding government construction projects; penalties for violation of procedures and requirements debarment; exceptions. And, §8-27-23, Competitive bids; publication of solicitation for sealed bids.

Expenditure Authority Limit Threshold:

To more closely align with §8-27-23, the Utility Manager shall be granted the authority to authorize expenditures or payments up to \$9,999.00, provided that every attempt shall be made to obtain three (3) bids with subsequent approval by the Utility Board with the bills.

REFERENCES:

Establishing Appropriate Capital Thresholds for Tangible Capital Assets, GFOA, 2006.

West Virginia State Code §5-22-1 and §8-27-23

§8-27-23. Competitive bids; publication of solicitation for sealed bids.

(a) Any contract for the construction of facilities by any authority, when the expenditure required exceeds the sum of \$10,000, shall be based solely on competitive sealed bids.

(b) Except as provided below, the procurement of all supplies, equipment and materials, where the expenditure required exceeds the sum of \$10,000, shall be based on the competitive procedure that is best suited under the circumstances of the procurement.

(c) In determining the competitive bid procedures that is best suited under the circumstances, an authority shall conduct:

(1) Competitive sealed bidding if:

(A) Time permits a competitive bid process to be used;

(B) The award of the bid will be made primarily on price and price-related factors;

(C) It is likely to be unnecessary to conduct discussions with suppliers regarding bids, including discussions regarding price; and

(D) There is a reasonable expectation of receiving more than one sealed bid; or

(2) Competitive negotiation where competitive sealed bidding is not best suited under the circumstances.

(d) Notwithstanding the provisions of subsections (b) and (c) of this section, an authority may provide for the procurement of property or services covered by this section using other than competitive procedures only when:

(1) The property or services needed are available only from one responsible source and no other type of property or service will satisfy the authority's needs;

(2) The authority's need for the property or service is urgent, unusual and compelling because the authority would be seriously injured unless the authority is permitted to limit the number of sources from which it solicits;

(3) It is necessary to award a contract to a particular source or sources in order to maintain a facility, producer, manufacturer or other supplier in case of emergency; or

(4) It is necessary to establish or maintain an alternative source or sources of supply for the property or service to increase or maintain competition.

(e) All sealed bids or competitive negotiated proposals received in response to a solicitation or request for bid may be rejected if an authority determines that the action is in the public interest.

(f) Sealed bids shall be opened publicly at the time and place stated in the solicitation and the authority shall evaluate the bids without discussions with bidders and award a contract with reasonable promptness to the responsible source whose bid conforms to the solicitation and is most advantageous to the authority, considering only price and other price-related factors included in the solicitation.

(g) The evaluation of competitive proposals may include written or oral discussions conducted with all responsible bidders or suppliers at any time after receipt of the proposals and before the award or may be made without discussions. In either event, the award shall be made to the lowest responsible bidder or supplier.

(h) Adequate public notice of the solicitation of bids and proposals shall be given. Public notice shall be given not less than seven days before the date set for bid opening or, in the case of competitive negotiation, not less than seven days before the due date for receipt of proposals: *Provided*, That bids for the construction of facilities shall be obtained by public notice published as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, with such publication being made at least fourteen days before the final date for submitting bids.

CHARLES TOWN UTILITY BOARD
Wednesday, May 23, 2018 4:00 p.m.
MEETING TO BE HELD AT
832 S. George Street

REGULAR MEETING:

1. Approval of May 9, 2018 Regular Meeting Minutes
2. Update Ranson Asset Acquisition
 - i. Ordinance authorizing the acquisition of the Ranson Sewer System, including the real and personal property (2nd Reading / Public Hearing May 7, 2018)
 - ii. Form of Tariff for Ordinance Reading and Public Hearing (May 21, 2018)
 - iii. Article 147.02 – Composition to align with both the Ranson and the JCPSD Agreements (2nd Reading / Public Hearing May 21, 2018)
 - iv. Roxul Project Ordinance (2nd Reading / Public Hearing May 21, 2018)
3. Update JCPSD Asset Acquisition
WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-0006-PSD-C
4. Utility Manager
 - i. Jefferson County Commission Letter – Discontinuance of After Hours Call Service Follow Up Letter
 - ii. Update on Leak Detection Services
 - iii. Authorize Treasurer to sign Bank of Charles Town Resolution
5. Approval of Bills

May 23, 2018

The Charles Town Utility Board held the regular Board meeting on May 23, 2018 beginning at 4:00 p.m. at 832 S. George Street. Members of the Board present were Daryl Hennessy, Mike Slover, Tommy Stocks and Kevin Tester. Also present were Micheal George, Kristen Stolipher, and Jane Arnett. The Chairman called for a motion to approve the May 9, 2018 meeting minutes. By motion from Tommy, second by Kevin, the meeting minutes were approved.

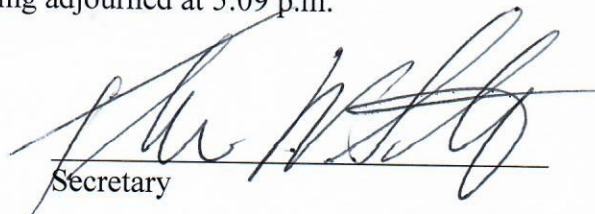
The Chairman moved to the update on the Ranson Asset Acquisition. The final three Ordinances were adopted by City Council on May 21, 2018. The Manager presented a draft schedule for the bond readings for the Roxul project. The bond is proposed to be held by the City of Charles Town Building Commission. The concern is ensuring that the existing, and future bondholders of the City that are secured by the revenues of the City's combined waterworks and sewerage system are not negatively impacted by the Route 9 Sewer Project. The Chairman noted that this will have to be presented by John Stump as part of the work session with Council and subsequently, the Building Commission. The proposed schedules for these bond readings and the JCPSD Ordinances were discussed. The Board agreed that John Stump's schedule should move from June 4 to June 18, 2018, starting with a work session with City Council since the Ordinance Committee meets June 19, 2018. The Chairman presented concerns to be addressed with the JCPSD due diligence. The Manager noted that Pete Kubic attended the JCPSD Special Meeting with her and briefed the Board on JCPSD personnel issues and concerns.

The JCPSD Asset Acquisition discussion noted that a second meeting will be held with the developer intervenor group and staff is responding to their issues. The Chairman asked if the City Council schedule was in line with the WV PSC time line and whether the developer intervention would change the Ordinance process. The goal would be to have these two track in tandem. Otherwise, the City Council readings can be completed prior to the WV PSC approval depending upon whether a hearing will be required due to the intervenors. Concerns were expressed about communicating with the JCSPD employees to keep them informed and updated.

The Chairman moved to the Jefferson County Commission Letter – Discontinuance of After Hours Call Service. Upon discussion, the Board agreed to revise the letter requesting removal of their equipment or a willingness to enter into a standard lease agreement for use of this site with an applicable monthly fee upon engineering submittals and review. By motion from Mike, second by Kevin, the Board approved the revised letter for the Chairman to sign. The Manager reported that the after-hours answering service is fully operational. The Chairman next opened the floor for discussion of Leak Detection Services. Based upon information obtained from the references provided by American Leak Detection of WV, the recommendation was to approve services over three years at \$5,550.00 per year covering a total of 72 miles. By motion from Tommy, second by Kevin, the Board approved the recommendation. The Chairman next called for a motion to authorize the Treasurer to sign the Bank of Charles Town Resolution for pledges above the FDIC amounts. By motion from Kevin, second by Mike, the Board authorized the signing. Discussion of the next Board appointment was held. The Berkeley County Water Tariff was presented illustrating the CIF fees based on meter size. The Manager informed that Dewberry completed the study and calculations for Berkeley County. Dewberry would be willing to do a study, however, the conversion to meter size might be achieved in house.

By motion from Tommy, second by Kevin, the Board approved the payment of bills. By motion from Tommy, second by Mike, the meeting adjourned at 5:09 p.m.


Chairman


Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, June 13, 2018 4:00 p.m.
MEETING TO BE HELD AT
832 S. George Street

REGULAR MEETING:

1. Approval of May 23, 2018 Regular Meeting Minutes
2. Update Ranson Asset Acquisition
 - i. Ordinance authorizing the acquisition of the Ranson Sewer System, including the real and personal property (2nd Reading / Public Hearing May 7, 2018)
 - ii. Form of Tariff for Ordinance Reading and Public Hearing (May 21, 2018)
 - iii. Article 147.02 – Composition to align with both the Ranson and the JCPSD Agreements (2nd Reading / Public Hearing May 21, 2018)
 - iv. Roxul Project Ordinance (2nd Reading / Public Hearing May 21, 2018)
3. Update JCPSD Asset Acquisition
WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-0006-PSD-C
4. Utility Manager
5. WV State Code Section §6-9A-4(b) (9) - To consider matters involving or affecting the purchase, sale or lease of property, advance construction planning, the investment of public funds or other matters involving commercial competition, which if made public, might adversely affect the financial or other interest of the state or any political subdivision and involving contract matters.
6. Approval of Bills

June 13, 2018

The Charles Town Utility Board held the regular Board meeting on June 13, 2018 beginning at 4:00 p.m. at 832 S. George Street. Members of the Board present were Daryl Hennessy, Pete Kubic, Mike Slover and Tommy Stocks. Also present were Richard Lewis, Kristen Stolipher, and Jane Arnett. The Chairman called for a motion to approve the May 23, 2018 meeting minutes. By motion from Tommy, second by Mike, the meeting minutes were approved.

The Chairman moved to the update on the Ranson Asset Acquisition. No closing date has been set for closing due to an outstanding issue regarding a Ranson Memorandum of Agreement to manage the Roxul sewer project. Charles Town must have a direct contract with the Engineering firm to secure Privity of Contract. The Chairman asked when this will become a problem. The concern is meeting the Roxul deadline as well as scheduling the employee transfer. The Vice Chair asked if the Acquisition can be closed without Roxul. The Chairman discussed information conveyed to the Building Commission to clarify their involvement in the proposed financing for Roxul.

The Chairman next opened the floor for discussion of the of the JCPSD Ordinances and the schedule before City Council including:

An Ordinance Authorizing the Acquisition of the Assets of JCPSD (the "Acquisition Ordinance"); an Ordinance modifying the sewer tariff of the City to include the current sewer rates being charged to the customers of the JCPSD Sewer System (the "Sewer Rate Ordinance"); an Ordinance modifying the water tariff of the City to include the current water rates being charged to the customers of the JCPSD Water System (the "Water Rate Ordinance"); an Ordinance authorizing the assumption and re-designation of the water revenue bonds and sewer revenue bonds of JCPSD which are held by the West Virginia Water Development Authority by the City (the "Assumption Bond Ordinance"); and the Ordinance authorizing the issuance of the City's Combined Waterworks and Sewerage System Revenue Bonds, Series 2018 A (JCPSD Acquisition), the proceeds of which will be used to pay, as part of the consideration to JCPSD for the acquisition of the Assets, the entire outstanding principal of, and interest on, the sewer revenue bonds of JCPSD which are either publicly issued or held by a commercial bank, and to finance costs incurred by the Charles Town Utility Board (the "CTUB") in connection with the acquisition of the Assets of JCPSD (the "Defeasance Bond Ordinance").

The Manager provided an update on the status of fire hydrants in the system and an explanation of the flow data and inspection information. Also noted was the correct colored ring on the hydrant on Samuel Street. Todd Wilt noted that dispatch is providing information on the nearest hydrant based on 911 mapping. Todd will work with 911 addressing to not call out the four hydrants on the 4" line. In addition, the rings will be checked over the summer and further inspections of approximately 50 hydrants. The Chairman verified the flow data at the Charles Town Wastewater Treatment Plant during the storm events, as well as an update on the Tuscawilla Park. Kristen informed that the JCPSD Due Diligence report will be sent out prior to the City Council work session. The draft financial data from J.C. Kunkle will also be sent to the Board members.

The Chairman called for a motion to convene into executive session. By motion from Mike, second by Pete the Board convened to executive session at 4:46 p.m. under WV State Code Section §6-9A-4(b) (9) - To consider two matters involving or affecting the purchase, sale or lease of property, advance construction planning, the investment of public funds or other matters involving commercial competition, which if made public, might adversely affect the financial or other interest of the state or any political subdivision, specifically the Water Plant Project and an unrelated grant. The Chairman declared the executive session over and the Board reconvened into regular session at 6:01 a.m. with no action taken.

By motion from Tommy, second by Mike, the Board approved the payment of bills. By motion from Pete, second by Tommy, the meeting adjourned at 6:01 p.m.


Chairman


Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, June 27, 2018 4:00 p.m.
MEETING TO BE HELD AT
832 S. George Street

REGULAR MEETING:

1. Approval of June 13, 2018 Regular Meeting Minutes
2. Update Ranson Asset Acquisition Closing
3. Update JCPSD Asset Acquisition
WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-0006-PSD-C
Discussion of June 18, 2018 City Council Work Session and June 19, 2018 Ordinance Committee meeting and related documents
Rate Discussion – John Kunkle
4. Utility Manager
Request for Water and Sewer Services – Kings Crossing and Thorn Hill
Thrasher Invoices – April 2018
5. Approval of Bills

June 27, 2018

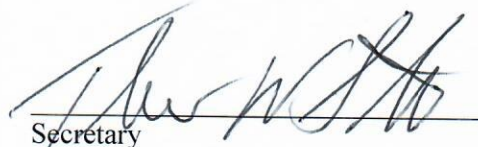
The Charles Town Utility Board held the regular Board meeting on June 27, 2018 beginning at 4:00 p.m. at 832 S. George Street. Members of the Board present were Daryl Hennessy, Pete Kubic, Mike Slover, Tommy Stocks and Kevin Tester. Also present were Micheal George, Hoy Shingleton, John Kunkle, Kristen Stolipher and Jane Arnett. The Chairman called for a motion to approve the June 13, 2018 meeting minutes with a date correction. By motion from Mike, second by Pete, the meeting minutes were approved.

The Chairman moved to the update on the Ranson Asset Acquisition. The closing is scheduled for June 28, 2018. The terms resolved included the Toole agreement, a counter proposal for the Roxul management and the cash and receivables transfer amounts, together with the transfer of truck. The insurance coverage transfer was discussed.

The Chairman next opened the floor for discussion of the JCPSD Ordinances and the Roxul project financing presented to City Council and Ordinance Committee on June 18 and 19, 2018. In addition, the Board noted the Commission's decision in the WV PSC Case No. 17-0915-PSWD-PC combined with Case No. 18-0006-PSD-C. The Chairman reviewed the schedule for the Ordinance readings with the Roxul financing first reading July 2, 2018 at both the Building Commission and the City Council. Mike George indicated that he believed the work session went well. The Manager reviewed the combined sewer tariffs and discussed the need to clarify the minimum charge for JCPSD sewer customers. John Kunkle was asked to review the impact of reducing the minimum from 2,500 to 2,000 gallons times the \$16.61 rate and remove the surcharge of \$0.38 per 1,000. This would make the minimum gallons equal across the board. John Kunkle then presented proforma data on the request from the Chairman of the Ordinance Committee in determining a rate reduction for decreases in operations and maintenance accounts. John reported that approximately 718 residential and 80 commercial accounts that are minimums out of approximately 2,497 customers. John reviewed the rate structures against median household income amounts for determining the JCPSD revised project debt service costs. A follow up with WV DEP to determine the interest rate and administrative fee percentages will be necessary. John recommended adjustment to the rates upon substantial completion of the revised project and more information is known on reductions in operations. The Board agreed that a rate reduction followed by an increase for the project would not be favorable. Finally, the Chairman noted that the Roxul project Ordinance amount was increased. Hoy then briefed on the WV PSC Order and a response to the developer's attorneys.

The Assistant Manager provided an update on requests for service from Kings Crossing (350 EDUs) and Thorn Hill. A top-level estimate and routing options could be completed as was done for Cave Quarters. The Manager noted the Thrasher invoices and recommended approving with the bills. By motion from Tommy, second by Kevin, the Board approved the payment of bills. Hoy provided an update on a WV PSC Complaint Case. By motion from Pete, second by Kevin, the meeting adjourned at 5:11 p.m.


Chairman


Secretary