

CHARLES TOWN UTILITY BOARD
Wednesday, January 11, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

REGULAR MEETING:

1. Approval of December 14, 2016 meeting minutes
2. WV PSC Case No. 16-1409-W-C, Sarah M. Tuttle v. City of Charles Town (Mediation of Leak Adjustment)
3. Engineering / Utility Manager
 - i. 2016A Water Projects
2016A Bond Draw Resolution #13 – Lobar, Inc. Pay Application No. 10, Pro-Contracting, Inc. Pay Application No. 3 and RK&K Invoice

RK&K Task Order No. 15, Change Order No. 3 for Bulk Water Metering Station and Chemical Tank Specifications
 - ii. 2016B Sewer Projects
2016B Bond Draw Resolution #8 – JR Contracting, LLC Pay Application No. 4, RK&K Invoices and US Paving, LLC

Headworks Building Bid
 - iii. RK&K Task Order No. 6, Change Order No. 6 for Meeting Attendance
 - iv. Consultant Agreement Renewal
4. Year End Accomplishments / Utility Manager Review
5. Approval of Bills

January 11, 2017

The Charles Town Utility Board held the regular Board meeting on January 11, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills, Tommy Stocks and Kristen Stolipher. Also present were Mayor Peggy Smith and Jane Arnett. The Utility Board Chairman opened the meeting at 8:30 a.m. and hearing no objection, the December 14, 2016 minutes were approved.

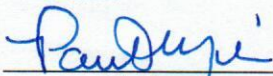
The Chairman opened the floor for discussion of WV PSC Case No. 16-1409-W-C, Sarah M. Tuttle v. City of Charles Town (Mediation of Leak Adjustment). The Manager reported that based on additional information provided by Ms. Tuttle during mediation, the weight of evidence concludes that a leak adjustment could be calculated. By motion from Bill, second by Pete, the Board approved a leak adjustment per the mediation process.

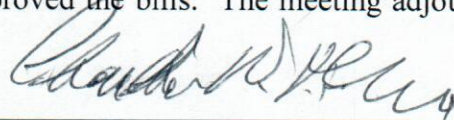
The Chairmen next opened the floor for discussion of the 2016A Water Projects. By motion from Tommy, second by Kristen, the Board approved the 2016A Bond Draw Resolution #13 – Lobar, Inc. Pay Application No. 10, Pro-Contracting, Inc. Pay Application No. 3 and RK&K Invoice. Lobar is 66% complete at the water plant and Pro is approximately 50% complete on Jefferson Avenue. The Board next discussed RK&K Task Order No. 15, Change Order No. 3 for Bulk Water Metering Station and Chemical Tank Specifications. Discussion was held on the breakdown of the Corrosion Plan to Operations and Maintenance, the reasons for larger chemical storage and recognizing that the bulk water station could be postponed. By motion from Pete, second by Bill, the Board approved RK&K Task Order No. 15, Change Order No. 3 limited to the Corrosion Control Plan and the Chemical Feed design effort.

The Chairman opened the floor for discussion of the 2016B Sewer Projects. By motion from Tommy, second by Kristen, the Board approved the 2016B Bond Draw Resolution #8 – JR Contracting, LLC Pay Application No. 4, RK&K Invoices and US Paving, LLC. The Manager noted that the Clarence Drive pump station blasting was successfully completed on December 30, 2016. The alternate road is still being presented to the owner with survey work to be completed for the meets and bounds description. The Headworks Building bid is now ready with funding available. The project timeline is as noted in the Board packet with completion scheduled for August 2017. The Manager noted that the Samuel Street pump station improvements cost estimate will be ready next meeting with the contingency funds available for this project as well.

The RK&K Task Order No. 6, Change Order No. 6 for meeting attendance was discussed. No set time period was noted, however, this support is necessary at this time. By motion from Kristen, second by Dave, the Board approved this Change Order noting that RK&K's efforts are appreciated, but need to be sensitive to costs. The Manager requested that the Board consider the renewal of the Consultant Agreement. By motion from Pete, second by Kristen, the Board approved the Agreement through 2017. The Manager informed of the County Commission work session being held today regarding the JCPSD. The Mayor will be attending. Also, for the record, Compass Municipal Finance has calculated the initial cost impact of refinancing the "publicly issued bonds". This request was made to begin conveying the cost of "consolidation" to a "new" entity versus asset acquisition. The initial cost impact refinance is estimated at \$194,719.00 annually for 30 years totaling an additional \$5,841,575.00. This cost does not take into account interest and market access risks. Additionally, the opportunity cost losses (ability to issue future refinancing bonds for cost savings and time delays for new money bonds) is not factored in to this estimate. The Mayor will attempt to communicate this information today if possible. The legal restrictions are pending from John Stump. Pete noted that this is roughly a \$4.00 rate impact to each customer. The Manager noted a Ranson Resolution provided in Andy Blake's direct testimony in the JCPSD case regarding the creation of an Ad Hoc committee.

The Manager reported that a 3rd spare pump would be ordered for the river intake site using renewal and replacement funds. Funding for the 661 S. George Street purchase was discussed. The Chairman next noted the year-end accomplishments / Utility Manager Review item. By motion from Kristen, second by Tommy, the Board approved the minimum increase as per the addendum dated February 1, 2011. By motion from Kristen, second by Bill, the Board approved the bills. The meeting adjourned at 9:20 a.m.


Chairman


Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, January 25, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

REGULAR MEETING:

1. Approval of January 11, 2017 meeting minutes
2. Engineering / Utility Manager
 - i. RK&K Project Summary
 - ii. 2016A Water Projects
2016A Bond Draw Resolution #14- C.I. Thornburg, Co., Inc.
Jefferson Avenue Tie Ins and 16" Valve Insertion
 - iii. 2016B Sewer Projects
JR Contracting, LLC Change Order No. 2
JR Contracting, LLC Change Order No. 3 - Samuel Street Pump
Station Upgrade
3. 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.
4. Approval of Bills

January 25, 2017

The Charles Town Utility Board held the regular Board meeting on January 25, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills and Kristen Stolipher. Also present were Mayor Peggy Smith, John Cole and Jane Arnett. The Utility Board Chairman opened the meeting at 8:30 a.m. and hearing no objective, the January 11, 2017 minutes were approved.

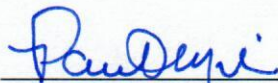
The Chairman opened the floor for discussion of the RK&K Project Summary. John Cole reported that the Charles Town Wastewater Treatment Plant headworks building had been bid. The mandatory pre-bid is January 31, 2017 with bid opening February 22, 2017. Estimated construction cost is \$240,000. John next reviewed the status of the on-going projects with Jefferson Avenue 58% complete and the Water Treatment Plant 72% complete. A March start-up of the Water Treatment scheduled. Preliminary estimate for the Samuel Street Pump Station upgrade is \$453,000. John will be working with JR Contracting and Snyder to try to reduce this cost. This upgrade was discussed at length with a request to estimate the cost of a new pump station. A March start-up is scheduled for the Willow Spring project, however, the DEP permit modification has not yet been advertised.

The Chairman next opened the floor for discussion of the 2016A Water Projects. By motion from Kristen, second by Pete, the Board approved the 2016A Bond Draw Resolution #14 – C.I. Thornburg, Co., Inc. for the Jefferson Avenue Tie Ins material and 16" valve insertion.

The Chairman opened the floor for discussion of the 2016B Sewer Projects. By motion from Pete, second by Kristen, the Board approved JR Contracting, LLC Change Order No. 2. This is an additional amount for rock that was not disclosed in the Triad Engineering pre-drill reports. John provided explanation that Triad missed "the mark" and he is working with Triad to seek explanations. The Manager noted that Hoy Shingleton will be briefed on this as well. Change Order No. 3 is tabled until the next meeting.

The Chairman called for a motion to convene into executive session. By motion from Bill, second by Kristen, the Board convened to executive session at 8:51 a.m. for discussion under 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, regarding the JCPSD and 661 S. George Street. The Board reconvened into regular session at 9:43 a.m.

By motion from Pete, second by Kristen, the Board approved the bills. By motion from Pete, second by Bill, the meeting adjourned at 9:43 a.m.


Chairman


Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, February 8, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

REGULAR MEETING:

1. Approval of January 25, 2017 meeting minutes
2. Engineering / Utility Manager
 - i. 2016A Water Projects
2016A Bond Draw Resolution #15 – Lobar, Inc. Pay Application No. 11 and Pro-Contracting, Inc. Pay Application No. 4
 - ii. 2016B Sewer Projects
2016B Bond Draw Resolution #9 – JR Contracting, LLC Pay Application No. 5 and Charles Town Utility Board (Force Main)

Samuel Street Pump Station Bid
3. 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.
4. Approval of Bills

February 8, 2017


The Charles Town Utility Board held the regular Board meeting on February 8, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills, Tommy Stocks and Kristen Stolipher. Also present were Mayor Peggy Smith, John Cole and Jane Arnett. The Utility Board Chairman opened the meeting at 8:30 a.m. and hearing no objection, the January 25, 2017 minutes were approved.

The Chairman opened the floor for discussion of the 2016A Water Projects. The Jefferson Avenue water main work is complete. In addition, all five hydrants are operational. Pro Contracting will be returning in the spring for reclamation work and cap the old lines. CTUB Maintenance has tied in 31 services with approximately 33 remaining. Maintenance will begin Brownville Lane in the spring. By motion from Pete, second by Tommy, the Board approved the 2016A Bond Draw Resolution #15 – Lobar, Inc. Pay Application No. 11 and Pro-Contracting, Inc. Pay Application No. 4.

The Chairman opened the floor for discussion of the 2016B Sewer Projects. This effort is 65% complete. By motion from Bill, second by Kristen, the Board approved the 2016B Bond Draw Resolution #9 – JR Contracting, LLC Pay Application No. 5 and Charles Town Utility Board (Force Main). Discussion was held on the Samuel Street Pump Station Bid. John briefed that once the bids are opened for the Headworks project, we will determine how to proceed with Samuel Street. Engineering work is ongoing for three versus two pumps, piping changes that would result in additional capacity and cost estimates. Information was provided to the Board regarding a cost estimate that was requested by Mr. Dinges for water service to Page Jackson School. This information will be provided to him. Hoy Shingleton has the action to obtain the easement for the access road to the Clarence Drive pump station. The Manager reported that the effluent flow meter at the Charles Town Wastewater Treatment Plant is still being impacted by downstream storm flows.

No action resulted in the need for a motion to convene into executive session. A discussion was held on the JCPSD issues. The Manager requested the use of the Personnel Policy, Meritorious Pay clause for recognition of the installation of 10,300' of 12" water line and 8,300' of force main by the Maintenance employees. The Board was receptive on this one time request. By motion from Bill, second by Kristen, the Board approved the bills. By motion from Tommy, second by Pete, the meeting adjourned at 9:24 a.m.


Chairman


Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, February 22, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

REGULAR MEETING:

1. Approval of February 8, 2017 meeting minutes
2. Engineering / Utility Manager
 - i. RK&K Project Summary
 - ii. 2016A Water Projects
2016A Bond Draw Resolution #16 – Pro-Contracting, Inc. Pay Application No. 5, RK&K Invoices & Tree Service
Pro-Contracting, Inc. Certificate of Substantial Completion
Pro-Contracting, Inc. Change Order No. 1
 - iii. 2016B Sewer Projects
2016B Bond Draw Resolution #10 – RK&K Invoices and Charles Town Utility Board (Force Main)

Samuel Street Pump Station Bid
 - iv. Jefferson Memorial Park Sewer Line Installation
 - v. Trash Pump Purchase – Sewer
 - vi. John Deere 50 Purchase – Water
3. Personnel Action New Hire – Utility Worker I
4. 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.
5. Approval of Bills

February 22, 2017

The Charles Town Utility Board held the regular Board meeting on February 22, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills, Tommy Stocks and Kristen Stolipher. Also present were Mayor Peggy Smith, John Cole and Jane Arnett. The Utility Board Chairman opened the meeting at 8:30 a.m. and hearing no objection, the February 8, 2017 minutes were approved.

The Chairman opened the floor for discussion of the RK&K Project Summary. John Cole reported that the Headworks Building bids would be open this afternoon in order to determine how to proceed with the Samuel Street pump station. Pro-Contracting is complete on the installation of the Jefferson Avenue water line work with paving and restoration remaining. The Water Treatment Plant is progressing with concern over process control work being completed on schedule. The Sewer Projects are on track for completion at the end of March. The Manager noted that the Jefferson Avenue tie-in work is 60% complete. The deed needed for the revised entrance at the Clarence Street pump station is still being negotiated. Also, the Manager noted an upset at the Willow Spring plant and working cooperatively with DEP, obtained assistance in the publication of the Modification.

The Chairman opened the floor for discussion of the 2016A Water Projects. By motion from Tommy, second by Bill, the Board approved the 2016A Bond Draw Resolution #16 – Pro-Contracting, Inc. Pay Application No. 5, RK&K Invoices and Jenkins Tree Service. John noted that this Pay Application is 56% complete by cost with restoration still needed and also the removal of Brownville Lane to be done in house. By motion from Pete, second by Kristen, the Board approved Pro-Contracting Certificate of Substantial Completion on February 10, 2017. By motion from Kristen, second by Bill, the Board approved Pro-Contracting, Inc. Change Order No. 1 for a decrease of \$125,603.80.

The Chairman opened the floor for discussion of the 2016B Sewer Projects. By motion from Tommy, second by Bill, the Board approved the 2016B Bond Draw Resolution #10 – RK&K Invoices and Charles Town Utility Board (Force Main). Discussion was held on the Samuel Street Pump Station Bid. John briefed that the limiting factor is the 10" force main size from Samuel Street to the plant. His recommendation is to keep the two pump operation. John noted that the capacity is still unknown until the check valve is replaced. Once bids are opened for the Headworks project, a determination can be made on how to proceed with Samuel Street.

The Chairman next opened the floor for discussion of the Jefferson Memorial Park Sewer Line. Based on a proposal by RK&K to the City of Charles Town Parks and Recreation Board, the Mayor asked if the Utility Board could assist. By motion from Pete, second by Tommy, the Board approved that if the Board would pay the CIF fee and Tap fee, this Board would install as an in kind. Pete noted that this project should be kept to no more than \$15,000.00 or one-half the engineers estimate. The Board next approved the purchase of a replacement trash pump for sewer. By motion from Bill second by Kristen, the Board approved the 6" Godwin trash pump from Renewal & Replacement. The Board approved the lease of a John Deere 50 with the trade in of the John Deere 35. By motion from Pete, second by Tommy, the Board approved leasing the John Deere 50. The Manager then recommended the hiring of a Utility Worker I currently working through Manpower. By motion from Tommy, second by Bill, the Board approved the hiring.

No action resulted in the need for a motion to convene into executive session. A discussion was held on the JCPSD issues. By motion from Kristen, second by Bill, the Board approved the bills. By motion from Tommy, second by Bill, the meeting adjourned at 9:37 a.m.


Chairman


Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, March 8, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

REGULAR MEETING:

1. Approval of February 22, 2017 meeting minutes
2. Engineering / Utility Manager
 - i. 2016A Water Projects
2016A Bond Draw Resolution #17 – Lobar, Inc. Pay Application No. 12
 - ii. 2016B Sewer Projects
2016B Bond Draw Resolution #11 – JR Contracting, LLC Pay Application No. 6
Samuel Street Pump Station
 - iii. RK&K Task Order No. 19, Change Order No. 1 – Samuel Street and Clarence Drive Pump Stations and RK&K Task Order No. 6, Change Order No. 7 – Headworks Building
 - iv. Notice of Award Headworks Building – Lantz Construction Company of Winchester, Inc.
 - v. Page Jackson Update
3. Resolution No. 2017-01 – 661 S. George Street
4. 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.
5. Approval of Bills

March 8, 2017

The Charles Town Utility Board held the regular Board meeting on March 8, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills, Tommy Stocks and Kristen Stolipher. Also present were Mayor Peggy Smith, John Cole and Jane Arnett. The Utility Board Chairman opened the meeting at 8:30 a.m. and hearing no objection, the February 22, 2017 minutes were approved.

The Chairman opened the floor for discussion of the 2016A Water Projects. By motion from Bill, second by Kristen, the Board approved the 2016A Bond Draw Resolution #17 – Lobar, Inc. Pay Application No. 12 with the project being 70% complete.

The Chairman opened the floor for discussion of the 2016B Sewer Projects. By motion from Tommy, second by Kristen, the Board approved the 2016B Bond Draw Resolution #11 – JR Contracting, LLC Pay Application No. 6 with the project being 74% complete. Early April start-up is pending receipt of the DEP Permit Modification, two control panels and Potomac Edison connection. The Manager noted settlement of the final easement from First Charles Town Group. Discussion was held on the Samuel Street Pump Station Bid. The Headworks project bids will require decreasing the Samuel Street improvements to the minimum items of the liner, electrical upgrade and replacement of the check valves.

The Chairman next opened the floor for discussion of the RK&K Task Order No. 19, Change Order No. 1 – Samuel Street and Clarence Drive Pump Stations. The Manager noted that this effort will be covered by the Contingency amount in the 2016B project. Upon discussion and by motion from Bill, second by Tommy, the Board approved RK&K Task Order No. 19, Change Order No. 1.

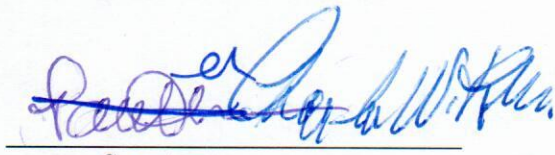
The Board next discussed RK&K Task Order No. 6, Change Order No. 7 – Headworks Building. Billed to date amount is \$49,350 with a remainder for construction oversight of \$29,250. Concerns were voiced on this Task Order amount as well as the bid overruns on the Headworks Building. The Headworks overrun will decrease the amount available for Samuel Street. The Headworks bid was reviewed to determine cost cutting with the electrical and heaters being evaluated. By motion from Kristen, second by Tommy, the Board approved RK&K Task Order No. 6, Change Order No. 7.

The Chairman next opened the floor for discussion Notice of Award Headworks Building – Lantz Construction Company of Winchester, Inc. Upon review and by motion from Kristen, second by Bill, the Board approved the Notice of Award with the understanding that a Change Order will be included with the Contract documents to address potential reductions, (heaters / mechanical) and the installation of a grinder pump. The next item was a review of the Page Jackson sewer effort. The School Board's Ralph Dinges was presented the water option for Page Jackson and subsequently requested a sewer connection option. A force main option was reviewed, however, the Board requested that John Cole prepare a gravity option with a top level cost estimate. A cooperative effort with the School Board may be an option, however, the rock is an issue. The Chairman left the meeting for an appointment. Upon discussion, by motion from Tommy, second by Bill, the Board approved the Resolution in support of a loan from the Bank of Charles Town for the Building Commission purchase of 661 S. George Street of up to 25% of the price. The Manager briefed on the request for an update on the Lead and Copper from one Council member. A brief update will be forwarded to the Chairman to be placed in the Council packets.

The Vice Chairman called for a motion to convene into executive session. By motion from Tommy, second by Kristen, the Board convened to executive session at 9:23 a.m. for discussion under 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, regarding the JCPSD asset acquisition option. The Board reconvened into regular session at 10:06 a.m. By motion from Tommy, second by Kristen, the Board voted 4 to 1, with Bill Kline opposed, to draft a Resolution that outlines the Board's position and requesting support to be forwarded to the City Council for their March 20, 2017 meeting and to hold a special meeting of the Board on March 14, 2017 to work on this Resolution.

By motion from Kristen, second by Bill, the Board approved the bills. The meeting adjourned at 10:08 a.m.


Chairman


Secretary

RESCHEDULED FROM MARCH 14, 2017

CHARLES TOWN UTILITY BOARD
Wednesday, March 15, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

SPECIAL MEETING:

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.

March 15, 2017

The Charles Town Utility Board held the regular Board meeting on March 15, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills, Tommy Stocks and Kristen Stolipher. Also present were Mayor Peggy Smith, Hoy Shingleton and Jane Arnett.

The purpose of the meeting is to discuss a draft Resolution regarding the asset acquisitions of the Jefferson County Public Service District and Ranson. Upon discussion, the Utility Board agreed to consider this matter in open session.

Following discussion and certain changes/additions, the Board approved the Resolution to be forwarded as:

RESOLUTION NO. 2017-03
CHARLES TOWN UTILITY BOARD

WHEREAS there is need for the Charles Town Utility Board to work cooperatively with the City of Charles Town to develop and implement a plan to acquire the assets of the Jefferson County Public Service District as well as the City of Ranson Sewer assets and;

WHEREAS and since 1998, the Charles Town Utility Board has under City of Charles Town Codified Ordinance Article 147, effectively and efficiently operated the Combined Waterworks and Sewerage System of the City of the Charles Town and;

WHEREAS in course of evaluating the efforts toward unification there is a need to communicate to the City of Charles Town, an option for their consideration that respectfully would provide input from the Charles Town Utility Board who has been vested with the responsibility of supervision, management, control and operation of the System and;

WHEREAS in the course of this evaluation, the Charles Town Utility Board has incurred significant costs in excess of \$50,000 and;

WHEREAS the Charles Town Utility Board desires to put forth to the City of Charles Town City Council a sound unification plan and;

WHEREAS the financial benefits shall include;

1. That State approval be sought to transfer the existing State Jefferson County Public Service District bonds (\$3,082,788).
2. That the impact of refinance or new borrowings to address the existing four (4) Public Market issues (\$4,367,415) be priced to include the possible benefit of a bond rating through Build America Mutual.

WHEREAS the ratepayer benefits shall include;

1. That assurances be provided to Charles Town and Ranson sewer ratepayers that their sewer rates will not be impacted by this proposed unification plan.
3. That based on the Charles Town costs incurred of \$4,087.00 to develop the *Preliminary Combined JCPSD Acquisition Pro Forma* by J.C. Kunkle & Associates, A.C. dated October 28, 2016, the City of Ranson and the Charles Town Utility Board project no proposed JCPSD rate increase for the asset acquisition.
4. Further, this Pro Forma proposes no JCPSD rate impact for improvements to their aging infrastructure estimated up to \$4,500,000.

1. And further, that the JCPSD and City of Ranson employees would become employees of the Charles Town Utility Board and would be retained for a period of at least one (1) year, subject to the Personnel Policies of the Charles Town Utility Board.
2. The Pro Forma analysis also provides an additional \$1,000,000 for Organizational restructuring with no JCPSD impact to ratepayers.
3. Equalization of rate disparity within 10 years.
4. That creation of a regional utility with a separate governing board would trigger the refinance of Charles Town's Revenue Bonds resulting in significant rate impact to Charles Town customers.

WHEREAS the legal and compliance benefits include;

1. The preservation of the Combined Waterworks and Sewerage System of Charles Town and the requisite pledged securities.
2. The preservation of all Charles Town operating permits, including all National Pollutant Discharge Elimination System permits.

WHEREAS the Charles Town Utility Board recognizes and puts forth certain mandates to maintain the stability of operations and the safeguarding of critical assets as follows;

1. That the Charles Town City Council would set rates.
2. That the City of Charles Town would, as relates to these acquisitions, continue to provide water service and accept the obligation to provide sewer service 20 miles outside of its corporate boundary as defined in Chapter 8, Article 20 of the Code of West Virginia.
3. That the City of Charles Town would direct the Charles Town Utility Board to conduct an engineering and financial due diligence to determine the current operational situation before any asset acquisitions were to be finalized.
4. That prior to any changes to the composition of the members of the Charles Town Utility Board which may result from any asset acquisitions, the City Council of the City of Charles Town has had sole authority over the entire Charles Town Waterworks System, including the resale rates charged to the City of Ranson and the Jefferson County Public Service District.
5. Should the asset acquisitions occur, that the City of Charles Town Codified Ordinance, Article 147, Utility Board, Section 147.02, Composition, be revised to reflect the following:

The Utility Board shall consist of five persons, one of whom shall be the City Manager of the City, and not less than one of whom shall be a registered professional engineer or graduate civil engineer. The remaining Board members shall be one citizen and resident of the City of Charles Town, one citizen and resident of the City of Ranson, and one citizen and resident of Jefferson County all of outstanding reputation, ability and integrity. The registered professional engineer and the citizen of Charles Town shall be appointed by the Charles Town City Council. The citizen of the City of Ranson shall be appointed by the City of Ranson City Council. The citizen of the County shall be appointed by the Jefferson County Commission. No officer or employee of the City of Charles Town, the City of Ranson or Jefferson County, other than the City Manager of Charles Town, whether holding a paid or unpaid office, shall be eligible to be appointed to the Utility Board until at least one year after the expiration of the term of such public office.

Charles Town Utility Board
Resolution 2017-03
March 15, 2017

6. Contingent upon the timing of approval of the asset acquisitions by the West Virginia Public Service Commission, that the transition of the Utility Board members shall be the City of Charles Town City Manager, the Vice Chairman and designated civil engineer shall remain, that the remaining terms of the City of Charles Town citizens shall remain until the terms expiring at December 2017 or May 2018, whereupon the Jefferson County Commission shall appoint one citizen from the Jefferson County and then the City of Ranson shall appoint one citizen from the City of Ranson.

NOW, THEREFORE, BE IT RESOLVED, that the Charles Town Utility Board hereby respectfully puts forward this plan based upon their sound history as the entity responsible for the day to day management and operation of the City of Charles Town Combined Waterworks and Sewerage System. That the Charles Town Utility Board who has and continues to make decisions in the best interests of Charles Town so as to safeguard and protect the City's assets be preserved to continue the continuity of this going concern business.

NOW, THEREFORE BE IT FURTHER RESOLVED, that the City of Charles Town City Council direct the Charles Town Utility Board to complete all necessary due diligence and prepare an agreement reflecting this plan to be presented to the Mayor and Council of Charles Town and to be forwarded to the City of Ranson and the Jefferson County Commission.

NOW, THEREFORE the Charles Town Utility Board hereby adopts this Resolution by a vote of 4 to 1, with Bill Kline opposing.

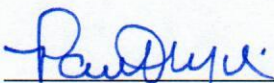
CHARLES TOWN UTILITY BOARD

Chairman


Attest:

_____ and dated March 15, 2017

The meeting adjourned at 9:08 a.m.



Chairman



Secretary

CHARLES TOWN UTILITY BOARD
Wednesday, March 22, 2017 8:30 a.m.
MEETING TO BE HELD AT
832 S. GEORGE STREET

REGULAR MEETING:

1. Approval of March 8, 2017 Regular Meeting and March 15, 2017 Special Meeting Minutes
2. Engineering / Utility Manager
 - i. RK&K Project Summary
 - ii. Page Jackson Update
3. 661 S. George Street
4. Update from March 20, 2017 City Council Meeting
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.
6. Approval of Bills

March 22, 2017

The Charles Town Utility Board held the regular Board meeting on March 22, 2017 beginning at 8:30 a.m. at the 832 S. George Street. Members of the Board present were Bill Kline, Pete Kubic, Dave Mills, Tommy Stocks and Kristen Stolipher. Also present were Mayor Peggy Smith, Matt Piepenberg and Jane Arnett. The Utility Board Chairman opened the meeting at 8:30 a.m. and with two objections, the March 8, 2017 and March 15, 2017 minutes were approved incorporating two changes both noting that Bill Kline opposed the Resolution.

The Chairman opened the floor for discussion of the RK&K Project Summary. The Manager noted that the Headworks contract is still being prepared and would be ready at the next meeting. The Page Jackson Elementary sewer options were presented. Both the water and sewer cost estimates and layouts will be forwarded to Ralph Dinges noting that the gravity sewer option is preferred.

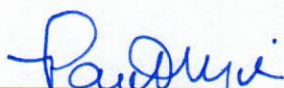
The two Jefferson Avenue water line tie-ins will be completed in the next couple of weeks. Pro Contracting and U.S. Paving will be returning to complete the project. Pro will meet substantial, weather depending. The Water Treatment Plant project is still pending the process control installation, however, Lobar still projects meeting the substantial completion date of May 17, 2017. The Water Chief Operator reviewed the SCADA system in Huntington last week.


The 2016B sewer projects are still awaiting electrical panels that are due shortly. The easement will be forwarded to First Charles Town Group as soon as the document is prepared. The Permit Modification 30 day protest period expires today. An additional 30 day period is required before release of the modification. An interim request to test the system will be sought from DEP. Substantial completion on the project was March 21, 2017. The Samuel Street Pump Station Bid is pending.

The Moyno pump at the Charles Town wastewater treatment plant is scheduled for replacement. Electrical needs are being reviewed prior to ordering. The effluent line from the new effluent flow meter to the effluent pumps is being replaced to provide the proper grade. This is requiring a pump around during the installation of the new line. The Manager next discussed the need to purchase fairly quickly new aerators or diffusers for Pond 1 at Locust Hill. The diffusers bid is approximately \$15,000 with 12 needed with a "step down" from 480 to 240. This is an operational issue and research into other options is ongoing. The next step is to work with Magaha Electric to purchase the "step down". Finally, the filter bed media at the Water Plant will need to be replaced and quotes are being obtained.

The Chairman next opened the floor for discussion of 661 S. George Street. Both the City Council and the Building Commission held the first reading of the Ordinances for the purchase. The space needs for both the Utility operation as well as the Police Department is being reviewed. A possible 5 year flexible option will be discussed with the Building Commission.

Discussion of the outcome of the March 20, 2017 City Council meeting was held. The Council approved that Hoy Shingleton will represent the City and the Board. The Chairman requested that Hoy Shingleton contact the Development Authority for an update due to the upcoming PSC decision. The City Council voted 4 to 3 to support the City Council Resolution 2017-07 and the Board's Resolution 2017-04 with the recognition that this is one option of options to be presented. The Board noted that open communication with the Council is the key. By motion from Bill, second by Kristen, the Board approved the bills. The meeting adjourned at 9:30 a.m.


Chairman


Secretary