Jefferson County Public Service District
Regular Board Meeting
May 3, 2010

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, May 3, 2010 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, Joe Hankins; Treasurer, Peter Appignani; General Manager, Susanne Lawton; Administrative Assistant, Ashley Wilt; Pentree Engineers, John Tuggle and Zane Summerfield; District Legal Counsel, Jim Kelsh, and Commission Liaison to the Public Service District, Commissioner Lyn Widmyer. Mr. Cummins was absent from the meeting.

Chairman Hankins called the meeting to order at 7:00PM.

Public Comments
Jacqueline Milliron, Breckenridge resident: Commented on a billing issue.
Melissa Blubaugh, Breckenridge resident: Commented on a billing issue.

OLD BUSINESS

Review Minutes of April 6, 2010 Regular Board Meeting
The minutes of the April 6, 2010 regular Board meeting were approved as presented.

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to accept the April 5, 2010 minutes as presented. Approved 2-0.**

Update on Joint Applications to West Virginia Infrastructure and Jobs Development Council (IJDC) with Jefferson Utilities Incorporated for Mountain Water Project
Mr. John Tuggle from Pentree informed the Board he had received a call from Angela Chestnut at IJDC, who is preparing the letter/comments for the mountain water project. Mr. Tuggle stated the District should be receiving the letter any day now. The District is waiting for comments from the IJDC before making any further decisions.

Action: **No action taken by the Board.**

Discuss Status of Existing WV Bureau of Public Health Design Grant for Mountain Water Project
Last year Jefferson Utilities was approved for a $200,000 design grant offered by the Bureau for Public Health. Pentree, the engineering company completing the design for the mountain water project, has recently invoiced Jefferson Utilities for some of the design work they have completed so far. Jefferson Utilities approached the District on how to handle paying the invoice. In the agreement between the District and Jefferson Utilities, it states that Jefferson Utilities is responsible for paying the first $200,000 of the design work from the design grant. Jefferson Utilities should forward the invoice to the Bureau of Public Health for request of payment out of the design grant monies.

Commissioner Lyn Widmyer updated the Board regarding the test wells study on the mountain. The Commission recently allocated $30,000 toward the drilling of test wells in Westridge Hills. They had put an RFQ in the newspaper and had 12 firms reply. Out of those 12 they have chosen 3 firms to prepare well digging proposals. The commission will meet on May 7th to review those proposals.

Action: **No action taken by the Board.**

Update on WV Funding Stakeholder Group Workshop
The group received a final draft of the compiled white papers and a spreadsheet that DEP used to evaluate the ideas and prioritize the options for the Legislature. Mr. Kelsh will follow up with DEP for their next steps.

Action: **No action taken by the Board.**

Update on the Purchase of Nutrient Offsets to Meet WV NPDES Permitting Requirements for Flowing Springs Project

Last month the Board directed staff to pursue a contract with Red Barn for nutrient offset credits to help fulfill the requirements of the NPDES Permit for the Flowing Springs plant. Mr. Kelsh sent the draft agreement to Red Barn and they had verbally accepted it. Mr. Summerfield suggested the contract be added as an appendix with the NPDES permit application.

Action: No action taken by the Board.

Update on Berkeley County Capital Improvement Fee Case

Mr. Kelsh updated the Board. The Berkeley County PSD's filed a petition for an appeal with the Supreme Court. Mr. Kelsh will be filing an amicus brief in support of the PSD's by the end of the week. He stated that amicus briefs will also be filed by the Public Service Commission, the Water Development Authority, and the West Virginia Rural Water Association in support of the PSD's.

Commissioner Lyn Widmyer suggested Mr. Kelsh brief the Jefferson County Commission's legal counsel about the Berkeley County CIF case and the difference between the capital improvement fee and the $12 surcharge being charged by Jefferson Utilities.

Action: Motion made by Mr. Hankins and seconded by Mr. Appignani to direct Mr. Kelsh to contact the Jefferson County Commission attorney to discuss the Berkeley County CIF case. Approved 2-0.

Update on Memorandum of Understanding with the City of Ranson

Last month the Board approved the MOU with Ranson. The agreement is on Ranson's Council Meeting agenda for May 4th. Mr. Hankins spoke with Andy Blake, attorney for Ranson, and he doesn't anticipate any problems with Ranson approving the agreement.

Action: No action taken by the Board.

Discuss Status of S.1816 & H.R.3852: To Amend the Federal Water Pollution Control Act to Improve and Reauthorize the Chesapeake Bay Program

Mr. Hankins attended a meeting on April 13th with Senator Cardin, his staff, representatives of the National Association of Clean Water Agencies (NACWA,) and 2 other utilities to discuss the Cardin Bill and to express some of the Districts concerns. He stated that NACWA is still trying to formulate a response to the bill and will be taking part in a conference call on Friday sponsored by NACWA.

Action: No action taken by the Board.

Review Letter from Charles Town about Capacity at the Charles Town Wastewater Treatment Plant

The City of Charles Town's Utility Board recently wrote a follow up letter to the District regarding the ammonia limitation and future capacity at the Charles Town wastewater treatment plant. The treatment plant had not been operating at its optimal level, but after an evaluation by Charles Town's engineers, it has been found that there is more capacity available at the plant than previously believed. The Board would like District staff to prepare a response letter to the Charles Town Utility Board stating its appreciation for the communication and indicate the Board's understanding of the capacity the District has remaining at the plant.

Action: No action taken by the Board.

NEW BUSINESS

Discussion of any expenses over budget

There were no expenses over budget.

Disbursements

Action: Motion made by Mr. Appignani and seconded by Mr. Hankins to approve disbursements for Cavaland water expenses in the amount of $912.63 and Glen Haven water expenses in the amount of $1,799.65. Approved 2-0.

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to approve disbursements for the Public Service District expenses in the amount of $144,832.90. Approved 2-0.**

Approve Transfer of $2,954.20 from Sewer Security Deposit Account into Sewer Operating for Security Deposit Refunds

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to approve the transfer of $2,954.20 from Sewer Security Deposit Account into Sewer Operating Account for Security Deposit Refunds. Approved 2-0.**

Consider Approval of FY2010 Budget Revision

Ms. Lawton discussed the FY2010 budget revisions. This budget shows 97% coverage.

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to adopt the FY2010 budget revisions as presented. Approved 2-0.**

Consider Approval of FY2011 Budget

Ms. Lawton discussed the FY2011 annual budget. This budget shows 118% coverage.

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to adopt the FY2011 PSD budget as presented. Approved 2-0.**

Consider Other Post Employment Benefit (OPEB) Issue

This item was tabled until next month.

Action: **No action taken by the Board.**

Consider a Blanket Ordering Agreement with GeoTech for Geological Services

Ms. Lawton updated the Board on a sinkhole issue at Glen Haven for which she contacted Bob Denton, the Geologist the District used on another sinkhole, to determine whether or not a leak in the District's water lines may have initiated or aggravated the sink hole. It was found the sinkhole was not caused by the Districts water lines, but the District offered to pay for Mr. Denton's emergency visit and the HOA agreed to cover any future costs. Mr. Denton recommended the District enter into a "Blanket Ordering Agreement" with GeoTech, the company he works for, so the District can receive lower rates for any future services. Mr. Kelsh informed the Board that the District would need to go through the 5G process when entering into a contract with engineering firms. The Board would like to stick to its current process and call when there are emergencies rather than entering into a contract.

Action: **No action taken by the Board.**

Approve Agenda Topics and Schedule for Work-Session Meetings

Last month Mr. Hankins made the suggestion for the Board to consider holding regular Board Work Sessions supplement to the monthly Board meetings and to work with staff to draft a work session schedule and possible topics to discuss for this months meeting. The Board will have the first work session on Friday, May 21st from 8:30AM – 12:00PM at the District office. Ms. Lawton will send out a draft agenda to the Board before the meeting for posting.

Action: **No action taken by the Board.**

General Manager's Report

Ms. Lawton updated the Board on activities since last month's meeting.

Action: **No action taken by the Board.**

Correspondence

None discussed.

Public Comments

None.

Action: **Motion made by Mr. Hankins and seconded by Mr. Appignani to convene in executive session for the purpose of discussing litigation and contract negotiations. Approved 2-0.**

Action: **Motion made by Mr. Hankins and seconded by Mr. Appignani to return to public session. Approved 2-0.**

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins for Mr. Hankins to have settlement authority to represent the District in a settlement agreement for Municipal Cases # 10-0070-S-MA and 09-1980-S-CN. Approved 2-0.**

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to direct staff to meet with the US Customs and Border Protection to file comments on the US Customs and Border Protection NPDES permit by May 28th. Approved 2-0.**

Action: **Motion made by Mr. Appignani and seconded by Mr. Hankins to adjourn. Approved 2-0.**

There being no further business at this time, the meeting was adjourned at 9:35PM

The next regular meeting is scheduled for June 7, 2010 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,

Joseph A. Hankins
Chairman

Peter L. Appignani
Treasurer