Jefferson County Public Service District
Regular Board Meeting
February 7, 2011

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, February 7, 2011 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, Joe Hankins; Secretary, Jim Cummins; Treasurer, Peter Appignani; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlemyer; District Legal Counsel, Jim Kelsh, and Commission Liaison to the Public Service District, Commissioner Lyn Widmyer.

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

Public Comments
Erich & Lorena Nathan, Norborne Glebe resident: Mr. Nathan questioned how the District determines the sewer rates and who he could make a complaint to about the high rates. Staff offered to go over his sewer bill during office hours and informed him he could make a complaint to the Public Service Commission.

Jacquelyn Milliron, Breckenridge resident and intervener in the District's Flowing Springs Wastewater Treatment Plant Public Service Commission (PSC) case # 09-0347-PSD-PC-CN: Ms. Milliron had comments regarding the recent PSC order, specifically the #9 conclusion which requested the District to show that the treatment plant is feasible notwithstanding the high customer rates and to provide updated data showing this. She expressed the importance of the updated data for growth projections, median household income, and discretionary income data. Ms. Milliron would like the District to really evaluate its customer base and what they can afford.

OLD BUSINESS

Review Minutes of January 4 Regular Board Meeting
The minutes of the January 4, 2011 regular Board meeting were approved as presented.

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to accept the January 4, 2011 minutes as presented. Unanimously approved.**

Update on Flowing Springs Wastewater Treatment Plant Project
Mr. Kelsh stated the District had received an order from the Public Service Commission (PSC) requiring the filing of additional testimony and an additional hearing which will be held on May 3rd. Ms. Lawton informed the Board that the West Virginia Department of Environmental Protection extended the Districts funding commitment for another six months, expiring July 14th. Mr. Hankins was concerned with the timeline of the expiration of the commitment and the date of the hearing.

Mr. Appignani suggested sending a copy of the letter that was sent to the County Commission regarding the Chesapeake Bay costs to the Development Authority. District staff will send a copy of the letter to the Development Authority.

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

Update on the Under-billing of Job Corps
Ms. Lawton informed the Board that the Finance Manager had received a call from Job Corp and they will be paying the District for a large part, if not all, of the billing error.

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

NEW BUSINESS

Update on Clean Water Coalition on Lobbying Effort for Chesapeake Bay Funding
Mr. Kelsh updated the Board. Senate Bill 245 was introduced by Senator Snyder and others to create a new grant fund pool of up to $180 million to assist sewer utilities for nutrient upgrades and new facilities for

Chesapeake Bay Compliance. Mr. Kelsh stated an identical bill was introduced in the House, House Bill 2844. The District is working with the coalition to get language in the bills regarding early compliers being eligible for the grant funding. Last month the District sent the Clean Water Coalition a contribution check for $2300, but the cost to join the coalition was based on splitting the costs of $25,000 between 6 utilities so the District owes an additional payment. The Board would like to make the additional contribution payment for up to $4500.

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to authorize the additional payment to Steptoe & Johnson for the Clean Water Coalition of up to $4500. Unanimously approved.**

Consider Additional Payment to Clean Water Coalition for Lobbying for the Chesapeake Bay Legislation
This item was discussed in the above agenda item.

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

Update on Countywide Utility Coalition
Ms. Lawton updated the Board on the Countywide Utility Coalition meeting held on January 20th. The group discussed the roundtable meeting the Jefferson County Commission recently had regarding sewer and water utility consolidation. The Utility Coalition created a list of criteria for a countywide study on consolidation of water and sewer utilities. Mr. Kelsh stated he has received all the comments from the utilities present at the meeting and was going to draft a letter to the County explaining the criteria for a study and the possibility of getting on the County Commission agenda.

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

Discussion on the Alternate Main Line Extension Agreement with B.C. Partners for Breckenridge East
This item was tabled until next month.

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to table this agenda item until next month. Unanimously approved.**

Discussion of the Jefferson County Commission Water Advisory Committee and Role of the District
In a letter to the County Commission, Ms. Lawton expressed her concerns regarding the purpose and functions of the group. She has been a member of the Water Advisory Committee (WAC) for the last three years and her term is currently up for reappointment. As a member of this group, Ms. Lawton did not represent the District, but as a professional in the water and wastewater business. Mr. Hankins stated that he was a member of the group when it was created in 2002 and thought the original intent of the group was very narrow focused and they were to make technical and scientific decisions when needed for the County Commission. He informed the audience that the District has never asked or appointed any staff or Board members to the WAC.

Commissioner Lyn Widmyer informed the Board that the Commission is having a work session on this group later in the month to discuss the purpose and goals of the WAC. She stated that it is the County Commissions fault if the committee got off track not the committee's. Commissioner Widmyer would like the group to stay active and keep on track with specific studies or projects.

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

Public Comment
The Board took public comments at this time.

Jacquelyn Milliron made a comment regarding the Countywide Coalition meeting. She stated the idea of consolidation was a part of the "common ground" between the interveners of the Flowing Springs case at the Public Service Commission and the District. Ms. Milliron thought consolidation would be a great idea to broaden the customer base and share project costs. She also questioned the Alternate Mainline Extension agreement with Breckenridge and if it was for the existing homes or the new infrastructure. Mr. Kelsh responded by informing Ms. Milliron it was for the new infrastructure of Breckenridge East.

Discussion of any expenses over budget
There were no expenses over budget.

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

Approve Transfer of $1,987.88 from Sewer Security Deposit Account to Sewer Operating for Security Deposit Refunds

Action: **Motion made by Mr. Appignani and seconded by Mr. Cummins to approve the transfer of $1,987.88 from Sewer Security Deposit Account into Sewer Operating Account for Security Deposit Refunds. Unanimously approved.**

Approve Transfer of $64.30 from Glen Haven Security Deposit Account into Glen Haven Operating for Security Deposit Refunds

Action: **Motion made by Mr. Appignani and seconded by Mr. Cummins to approve the transfer of $64.30 from Glen Haven Security Deposit Account into Glen Haven Operating Account for Security Deposit Refunds. Unanimously approved.**

Disbursements

Action: **Motion made by Mr. Appignani and seconded by Mr. Cummins to approve disbursements for Cavaland water expenses in the amount of $1,028.87, Glen Haven water expenses in the amount of $1,984.27. Unanimously approved.**

Action: **Motion made by Mr. Appignani and seconded by Mr. Cummins to approve disbursements for the Public Service District expenses in the amount of $150,691.62. Unanimously approved.**

General Manager's Report

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

- Driswood Elementary School – The District is still trying to clear up a few issues with the new pump station at the school. The District has not yet accepted the pump station as District property.
- Farmers Market – Ms. Lawton met with the "focus group" for the market. They are currently trying to find the best solution to get the proposed new Market finished before the spring. There is still a question as to whether the County Health Department will allow the Market to stay on its existing septic system or connect to on public sewer.

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

Correspondence

The District received a letter from Mr. Lee Snyder regarding the progress of the Public/Private Partnership for a report he filed in accordance with the settlement of one of Jefferson Utilities cases at the Public Service Commission. The District is waiting for the results of the test wells study being done by the County Commission for the next steps regarding the partnership. The Board did not agree with everything in the letter from Mr. Snyder.

Action: **No action taken by the Board at this time, but see below for action taken after executive session.**

Discuss Public Service Commission Staff Proposed Stormwater Rules

Discuss Public Service Commission Staff Proposed Decentralized Sewer Rules

Mr. Kelsh informed the Board that in August 2010, the Public Service Commission (PSC) had filed corrected proposed stormwater rules which has since then been recommended by the PSC to put the proposed rules out for public comment, but has issued no orders yet. PSC staff also filed a petition with the PSC in August 2010 to investigate amending the PSC's Sewer Rules regarding utilities providing sewer service through decentralized sewer systems. It has been recommended by the PSC to put these proposed rules out for public comment, but no order has been issued yet. Mr. Kelsh informed the Board that the PSC currently has an active rule making on the general Sewer Rules, which would be strange to have 2 pending rule makings out on the same set of rules.

He suggested the Board give him the authorization to send a letter to the PSC requesting them to post the proposed stormwater rules for public comment. Mr. Kelsh also suggested the Board give him the authority to file another letter with the PSC encouraging them to post the proposed decentralized rules for public comment or consider these rules in conjunction with the other ongoing review of the Sewer Rules.

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to direct Mr. Kelsh to draft two letters to the PSC; one letter to address the stormwater**

rules and one to address the decentralized sewer rules to request the PSC to expedite the two documents to be published for public comments. Unanimously approved.

Discuss Proposed Mutual Assistance Agreement Between Utilities

Mr. Kelsh updated the Board. The WV WARN filed a petition with the Public Service Commission for approval of a Water/Wastewater Agency Response Network Agreement which would require members to designate a person to request or commit assistance and willing personnel to assist other utilities in emergencies. Ms. Kelsh stated the utility is required to reimburse responding members using a 45 day period to pay invoices. Since the District cannot wait 45 days to pay employees, this could create a financial strain on the District if the responding personnel work extensive overtime hours for an emergency.

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

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to convene in executive session for the purpose of discussing litigation and contract negotiations. Unanimously approved.**

Action: **Motion made by Mr. Appignani and seconded by Mr. Cummins to return to public session. Unanimously approved.**

Action: **Motion made by Mr. Appignani and seconded by Mr. Cummins to direct Mr. Kelsh to respond to the Jefferson Utilities letter indicating the District is waiting for the status of the mountain test wells study before providing a full response, but mention the District is not willing to accept all the issues in the letter. Unanimously approved.**

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to approve the scenario #2 presented by Ms. Lawton in regards to the status of the Finance Manager. Unanimously approved.**

Action: **Motion made by Mr. Cummins and seconded by Mr. Appignani to adjourn. Unanimously approved.**

There being no further business at this time, the meeting was adjourned at 10:20PM

The next regular meeting is scheduled for March 1, 2011 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,

James D. Cummins
Secretary

Peter L. Appignani
Treasurer