

Jefferson County

Public Service District

Jefferson County Public Service District Regular Board Meeting March 7, 2016

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, March 7, 2016 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, Peter Appignani; Treasurer, Bill Strider; Secretary, Richard Weese; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlemeyer; Operations Manager, Joe Freeze; District Legal Counsel, Jim Kelsh; from Thrasher Engineering, Wayne Morgan; from Dunn Engineers, Fred Hypes and liaison for the County Commission, Commissioner Jane Tabb.

CALL TO ORDER

Chairman Peter Appignani called the meeting to order at 7:02PM.

Approval of agenda

Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the agenda as presented. Unanimously approved.

OLD BUSINESS

Review Minutes of February 1 public comment meeting

The minutes of the February 1, 2016 public comment meeting were approved as presented.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to accept the February 1, 2016 public comment meeting minutes as presented. Unanimously approved.

Review Minutes of February 1 regular board meeting

The minutes of the February 1, 2016 regular board meeting were approved as presented.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to accept the February 1, 2016 regular board meeting minutes as presented. Unanimously approved.

Review Minutes of February 10 special board meeting

The minutes of the February 10, 2016 special board meeting were approved as presented.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to accept the February 10, 2016 special board meeting minutes as presented. Unanimously approved.

Discuss sewer collection and transmission project

- Address comments from February 1 public comment meeting
- Consider resolution #3 to pay Thrasher for engineering services for the sewer collection and transmission project from the Series 2015 Sewer Bond proceeds

Ms. Lawton gave a brief overview of the comments and questions from the February 1st public comment hearing for the sewer project. Staff will attach the Districts responses as well as the written comments and the associated responses as part of the response to the USDA as well as on the Districts website.

Ms. Lawton also requested the Board approve resolution number three to reimburse Thrasher Engineering \$110,245.28 out of the \$660,000 loan for engineering work completed on the sewer project. Mr. Appignani recused himself from the discussions relating to this item. Mr. Strider read resolution #3 as follows:

RESOLUTION OF THE PUBLIC SERVICE BOARD OF THE JEFFERSON COUNTY PUBLIC SERVICE DISTRICT APPROVING INVOICES RELATING TO ENGINEERING AND OTHER SERVICES FOR THE SEWER TRANSMISSION IMPROVEMENTS PROJECT AND AUTHORIZING PAYMENT THEREOF IN THE AMOUNT OF \$110,245.48.

Action: Motion by Mr. Strider and seconded by Mr. Weese to adopt the resolution as read totaling \$110,245.48. Approved 2-0. Mr. Appignani recused himself.

Mr. Appignani returned to the meeting.

Discuss the District's financial status (status of paying bills)

Ms. Lawton stated that the District will need an estimated \$32,000 in payments to cover the disbursements for sewer and \$6,000 for water.

Action: No action required by the Board.

Discussion current legislation

Mr. Kelsh informed the Board that House Bill 4660, to modify the Public Service Commission (PSC) project approval process, was approved in the House and referred to the Senate for approval. Senate Bill 12 which amends the Local Powers Act was approved at the Senate and referred to the House.

Action: No action required by the Board.

NEW BUSINESS

Discuss Charles Town bulk rate increase

- Consider authorizing the filing of a Tariff Rule 30-B sewer rate increase application with the PSC to pass on increased bulk wastewater treatment charges from Charles Town

Mr. Kelsh discussed the Charles Town rate increase that will pass a 6.4% increase to the District customers since the District is a bulk rate customer of Charles Town. The bulk rate would go from \$6.13 per 1000 gallons to \$6.53 per 1000 gallons. Mr. Kelsh explained that the Board could either file with the Public Service Commission a 30B rate increase or file a complaint against the rate increase. Jane Arnett, Charles Town Utility Board (CTUB) Manager, provided clarification, thanked the District for meeting earlier in the month with the CTUB to discuss the increase, and answered questions.

Action: No action required by the Board.

Discuss pump station 4-7 repairs

Ms. Lawton informed the Board that staff has been working with Dunn Engineering and Fluid Solutions on the most cost effective solution for pump station 4-7 which has been problematic for the past couple of years. The cost for repair will be an estimated \$8,000.

Action: No action required by the Board.

Update on Status of Current Public Service Commission Cases

2015 sewer rate case – The Public Service Commission scheduled an evidentiary hearing for April 27, 28.

American Farm Bureau v. EPA regarding Chesapeake Bay Total Maximum Daily Load – The Supreme Court refused to grant the petition for a writ of certiorari by the American Farm Bureau so the EPA's TMDL for the Chesapeake Bay will remain in effect.

Action: No action required by the Board.

Discussion of any Expenses over Budget

There were no items over budget this month.

Action: No action required by the Board.

Disbursements

Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve disbursements for Public Service District water expenses in the amount of \$7,652.75. Unanimously approved.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve disbursements for the Public Service District sewer expenses in the amount of \$214,209.50. Unanimously approved.

Approve transfer of \$3,618.10 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds

Approve transfer of \$65.23 from the Water Security Deposit account to the Water Operating account for security deposit refunds

Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve transfer of \$3,618.10 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds, and approve transfer of \$65.23 from the Water Security Deposit account to the Water Operating account for security deposit refunds. Unanimously approved.

General Manager's Report

None discussed.

Action: No action required by the Board.

Other staff reports

None discussed.

Action: No action required by the Board.

Correspondence

None discussed.

Action: No action required by the Board.

Public Comment

Jacquelyn Milliron, District customer, asked the Board if the answers to the questions from the public comment meeting from last month that Ms. Lawton discussed would be available to the public. She also questioned the status of the filling of the certification application for the sewer project since it was supposed to be filed with the Public Service Commission at the end of February and has yet to be done. Ms. Milliron commented that the capital improvement fees being collected at the current growth rate are not enough and cannot be depended on to help finance the sewer project. She doesn't think the existing customers need this project and suggested possibly rehabilitating or replacing pump stations or researching cheaper alternatives than the current sewer project proposal.

Marchel Pitcher, District customer, questioned why some of the Districts existing customers become customers of Charles Town with cheaper rates.

Action: Motion made by Mr. Weese and seconded by Mr. Strider to convene in executive session for the purpose of discussing potential litigation regarding the Charles Town bulk rate increase. Unanimously approved.

Mr. Weese recused himself from the discussions on the Charles Town bulk rate increase.

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

Action: Motion made by Mr. Strider and seconded by Mr. Appignani to approve the 30-B rate increase as presented by the City of Charles Town to go in effect on or after July 1, 2016 predicated on concurrence of Charles Town City Councils 2nd reading on March 21 and direct Counsel to file the rate increase to the PSC if no major substantial changes to what has already been agreed to. Approved 2-0. Mr. Weese recused himself.

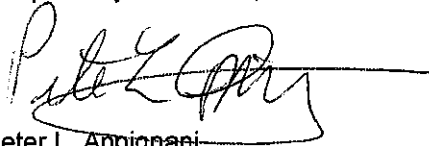
Mr. Weese returned to the meeting.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to adjourn. Unanimously approved.

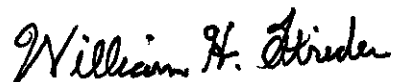
There being no further business at this time, the meeting was adjourned at 7:59PM.

The next regular meeting is scheduled for Monday, April 4, 2016 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Peter L. Appignani", with a long horizontal flourish extending to the right.

Peter L. Appignani
Chairman

A handwritten signature in black ink, appearing to read "William H. Strider", written in a cursive style.

William H. Strider
Treasurer