

# ***Jefferson County Public Service District***

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## **Jefferson County Public Service District Regular Board Meeting November 7, 2016**

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, November 7, 2016 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, Peter Appignani; Secretary, Dick Weese; Treasurer, Bill Strider; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlemeyer; from Thrasher Engineering, Wayne Morgan; from Bowles Rice, Tyler Mayhew and liaison for the County Commission, Commissioner Jane Tabb.

### **CALL TO ORDER**

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

### **Approval of agenda**

There were no changes made to the agenda and it was approved with unanimous consent.

### **OLD BUSINESS**

#### **Review Minutes of October 3 regular board meeting**

The minutes of the October 3, 2016 regular board meeting were approved as presented.

**Action: Motion made by Mr. Strider and seconded by Mr. Weese to accept the October 3, 2016 regular board meeting minutes as presented. Unanimously approved.**

#### **Discuss sewer collection and transmission project**

- o Consider for approval the amendment #3 to engineering agreement with Thrasher Engineering
- o Consider for approval the resolution # 7 to pay Thrasher Engineering for services relating to the sewer collection and transmission project from the Series 2015 Sewer Bond proceeds
- o Consider for approval an engagement letter for Cox Hollida & Professionals to revise the Rule 42 for the sewer project with 2016 financial information
- o Consider for approval the USDA Letter of Conditions for the project

The Board called Mr. Rodecker for this discussion. Mr. Appignani recused himself from this discussion per the Advisory Opinion 2015-08 by the West Virginia Ethics Commission.

Mr. Morgan discussed the amendment #3 to the engineering agreement for the project which included additional costs for work relating to supplemental reports to the PSC due to the City of Ranson withdrawing from the Transportation agreement and the withdraw of the Sanitary Associates flows from the Districts systems.

**Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the Amendment #3 to the engineering agreement with Thrasher Engineers. Approve 2-0. Mr. Appignani recused himself.**

Ms. Lawton requested the Board approve resolution number seven (7) to pay Thrasher \$32,217.50 out of the \$660,000 loan for engineering services for the project. Mr. Strider read resolution #7 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  
\$32,217.50.

**Action: Motion by Mr. Strider and seconded by Mr. Weese to adopt the resolution as read totaling \$32,217.50. Approved 2-0. Mr. Appignani recused himself.**

Ms. Lawton also informed the Board that since the project has again spanned another fiscal year, the PSC is requesting an updated Rule 42 using fiscal year 2016 numbers. She has requested the Board's approval for an engagement letter with Cox Hollida & Professionals for the revised Rule 42.

**Action:** Motion made by Mr. Strider and seconded by Mr. Weese to approve the engagement letter with Cox Hollida & Professionals for a revised Rule 42. Approve 2-0. Mr. Appignani recused himself.

Joe Crickenberger, from USDA Rural Development Office, was in the audience to review the Letter of Conditions and details of the RUS loan of \$3,575,000 for the project.

**Action:** Motion made by Mr. Strider and seconded by Mr. Weese to adopt and execute the following forms as listed in the Letter of Conditions letter from USDA:

- a. Form RD 1940-1 – "Request for Obligation of Funds"
- b. RUS Bulletin 1780-27 – "Loan Resolution (Public Bodies)"
- c. Form RD 400-1 – "Equal Opportunity Agreement"
- d. Form RD 400-4 – "Assurance Agreement"
- e. Form AD 1047- "Certification Regarding Debarment – Primary"
- f. Form RD 1910-11 – "Applicant Certification, Federal Collection Policies"
- g. RD Instruction 1940-Q, Exhibit A-1 – "Certification for Contracts, Grants, and Loans"
- h. Standard Form LLL – Disclosure of Lobbying Activities" (If Applicable)
- i. Certification of Compliance
- j. Form RD 1942-46 – "Letter of Intent to Meet Conditions"

Approved 2-0. Mr. Appignani recused himself.

The Board signed the forms for Mr. Crickenberger.

Since the Board had Mr. Rodecker on the phone, they made a motion to go into executive session to discuss the remaining items he is needed for before he exited the call.

**Action:** Motion made by Mr. Strider and seconded by Mr. Weese to go into executive session to discuss the East Jefferson Sewer Service acquisition and the civil action case. Unanimously approved.

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

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

The District will need to collect an estimated \$14,000 in payments to cover the disbursements for water.

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

### **NEW BUSINESS**

Consider for approval the District's draft financial statement audit for the fiscal year ended June 30, 2016, presentation by Chuck Young of Cox Hollida and Professionals

Chuck Young from Cox Hollida & Professionals presented a draft of the annual audit for the fiscal year of July 1, 2015 to June 30, 2016. The District had 160% coverage for the year. There was one minor reportable finding regarding internal controls and creating a renewal and replacement account following the issuance of the 2015 water bonds for the water project.

**Action:** Motion made by Mr. Strider and seconded by Mr. Weese to approve the draft Financial Statement ending 6/30/16 contingent upon information from the WV Retirement Board per the discussion. Unanimously approved.

Consider for approval the RFPs for billing software vendor

Ms. Lawton sent out a request for proposals last month for new billing software and received four proposals. Before making any decisions, the Board would like a breakdown of costs the District spends each month with the current system and how much will be saved after new software is installed.

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

Consider for approval the monthly transfers process for "new sewer bank account"

Ms. Lawton explained to the Board that in the past the District has paid for credit card fees from the new sewer account, but since these fees have increased over the year's staff now needs to reimburse this account for these fees from the sewer operating account and every month after.

**Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the transfers from the sewer operating account to the new sewer account for credit card fees that are added to the security deposits in the new sewer account. Unanimously approved.**

Update on Status of Current Public Service Commission Cases

2015 sewer rate case, 15-1338-PSD-42R-PC – There have been no new updates.

2016 sewer rate case, 16-0411-PSD-30B – There have been no new updates.

Certificate of Convenience and Necessity case, 16-0616-PSD-PC-CN – This month there have been no changes as staff moves forward with compliance to regulatory requests. Earlier in tonight's meeting the board approved the Letter of Conditions from USDA for project funding.

Water Rate Increase case, 16-0701-PWD-19A – The District is waiting for a final order.

EJSS, LLC vs JCPSD civil case, 14-C-51 – This was discussed earlier in the meeting in executive session.

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

Discussion of any Expenses over Budget

There were no items over budget.

**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 \$9,923.55. 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 \$272,848.25. Unanimously approved.**

Approve transfer of \$2,245.42 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at 1-12A

Approve transfer of \$2,732.10 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at 1-11

Approve transfer of \$6,579.93 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at 3-8

Approve transfer of \$9,501.68 from the Sewer Operating account to the New Sewer Security Deposit account for credit card processing fees paid from FY 2008-September 2016

Approve transfer of \$6,856.88 from the New Sewer Security Deposit account to the Sewer Operating account for security deposit refunds

Approve transfer of \$1,602.78 from the Water Renewal & Replacement account to the Water Operating account for a new transducer and repairs at Glen Haven

**Action: Motion made by Mr. Strider and seconded by Mr. Weese Approve transfer of \$2,245.42 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at 1-12A, approve transfer of \$2,732.10 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at 1-11, approve transfer of \$6,579.93 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at 3-8, approve transfer of \$9,501.68**

from the Sewer Operating account to the New Sewer Security Deposit account for credit card processing fees paid from FY 2008-September 2016, approve transfer of \$6,856.88 from the New Sewer Security Deposit account to the Sewer Operating account for security deposit refunds, approve transfer of \$1,602.78 from the Water Renewal & Replacement account to the Water Operating account for a new transducer and repairs at Glen Haven. 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

Dale Manual, District customer speaking as an individual not on behalf of the County Commission, stated that the resolution approved by the District about not taking part in discussions relating to consolidation until the project is complete is detrimental to the County. He also stated that the District needs to be involved from the beginning on these talks involving the County, Ranson, and Charles Town and by continuing to pursue the sewer project is adding more debt which makes a possible merger unattractive to the others involved.

Heidi Parker, District customer, seconded everything Mr. Manual had said and stated that a merger should happen.

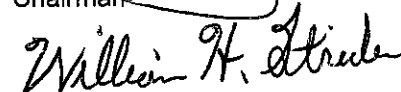
**Action: Motion made by Mr. Strider and seconded by Mr. Weese to adjourn. Unanimously approved.**

There being no further business at this time, the meeting was adjourned at 8:33PM.

The next regular meeting is scheduled for Monday, December 5, 2016 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,

  
Peter L. Appignani  
Chairman

  
William H. Strider  
Treasurer