

Jefferson County Public Service District

Jefferson County Public Service District Regular Board Meeting June 5, 2017

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, June 5, 2017 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, William Strider; Secretary, Richard Weese (speakerphone); new board member, Roger Forshee; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlmyer; Operations Manager, Joseph Freeze; Finance Manager, April Shultz; from Bowles Rice, Tyler Mayhew; from Thrasher Engineering, Wayne Morgan, and liaison for the County Commission, Commissioner Josh Compton.

CALL TO ORDER

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

Welcome new board member, Roger Forshee

Mr. Strider welcomed Mr. Roger Forshee to the Board.

Appoint Treasurer

Action: Motion made by Mr. Strider and seconded by Mr. Weese to nominate Mr. Forshee as Treasurer. Unanimously approved.

Approval of agenda

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

OLD BUSINESS

Review Minutes of May 1 regular board meeting

The minutes of the May 1, 2017 regular board meeting were approved as presented.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to accept the May 1, 2017 regular board meeting minutes as presented. Unanimously approved.

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

The District will need to collect an estimated \$16,000 in payments to cover the disbursements for water. Mr. Forshee questioned how the District pays disbursements if the money is not available. Ms. Lawton stated that vendors are paid first then bonds and employees, but since the District must pay employees to keep them from leaving money is used from the sewer account to pay for employee labor at water systems and is reimbursed once money becomes available.

Action: No action required by the Board.

Discuss sewer collection and transmission project, Case No. 16-0616-PSD-PC-CN

- Consider approval of Addendum I to the August 3, 2016 Terms of Representation Agreement between the District and Kay Casto & Chaney for the sewer collection project
- Consider approval of summary of additional billings associated with the District sewer collection project which were previously approved by the Board for reimbursement from final bond closing
- Consider for approval the resolution #11 to pay expenses relating to the sewer collection and transmission project from the Series 2015 Sewer Bond proceeds

Ms. Lawton requested the Board approve Addendum I to the representation agreement with Mr. Rodecker for services related to the sewer transmission project. She stated that since Mr. Rodecker is representing the District in the Supreme Court case, he had to raise his fee not to exceed \$10,000 for representation. Ms. Lawton also requested the Board approve the summary of billings for Cox Hollida &

Professionals. Both of these documents reflect the budgeted amounts for the project needed as part as the pre-bid checklist with DEP.

Ms. Lawton requested the Board approve resolution number eleven (11) to pay \$1,250.00 out of the \$660,000 loan for expenses related to the project. Mr. Strider read resolution #11 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 \$1,250.00.

Action: Motion by Mr. Strider and seconded by Mr. Weese to approve the resolution as read totaling \$1,250.00 and to approve Addendum #1 with Mr. Rodecker and approve the summary of costs from CoxHollida & Professionals to reflect the budgeted amounts for the project. Unanimously approved.

NEW BUSINESS

Discuss Resolution 2017-012 from Charles Town regarding asset acquisition

Ms. Lawton stated that the County Commission met to discuss the resolution proposed by Charles Town and did not take any action.

Action: No action required by the Board.

Discuss the Jefferson County Commission decision on June 1, 2017 to perform an independent audit of the PSD books and records

The District was invited to attend the County Commission meeting on June 15th to discuss the Senate Bill 234 account and any other financial questions the Commissioners may have regarding financials. Ms. Lawton discussed that the SB234 account was created to build a "cushion" for the District's operations and maintenance. She stated that some months the District may have additional money left after disbursements are paid to fund the account when other months there is not. This account is to be used for operation and maintenance expenses and is not fully funded yet as it has been drawn down for such expenses. Ms. Lawton stated the account has approximately \$200,000. Ms. Lawton will attend the Commission's next meeting with the District's legal counsel, Jim Kelsh and Chuck Young from Cox Hollida & Professionals to discuss this further.

Action: No action required by the Board.

Discuss the Commission request that the PSD (and support staff such as current financial auditors) attend the next Jefferson County Commission meeting on June 15th

This item was discussed in the above agenda item.

Action: No action required by the Board.

Update on Status of Current Public Service Commission Cases

- Jefferson County Commission PSC Case No. CCA Jefferson 17A – There are no updates on this case.

- Milliron vs. WV PSC & Jefferson County Public Service District – The Supreme Court granted the District's motion for expedited treatment of the case and Ms. Milliron's motion to stay the project was denied.

Action: No action required by the Board.

Request from Royal Vendors for wastewater treatment waiver

Ms. Lawton explained that Royal Vendors is an industrial user on the District's NPDES permit and has been out of compliance for almost a year on its Silver limit requirement. The permit limits for this location for Silver are 0.008 average monthly with max daily of 0.012. Royal Vendors results are just above this limit and they have been working on fixing the issue with limited success. Ms. Lawton sent them a letter

informing them if the problem is not fixed by July 1st the water will be terminated to the facility in order for the District to stay in compliance with its NPDES permit. Kevin Wilt, Dennis Shawyer, and Don Korrell from Royal Vendors were in the audience for questions.

Royal Vendors had requested a waiver from the District to allow them to keep the water on and they would pay to have the portion of the waste stream from the final wash to be hauled away and disposed by a licensed hauler rather than allowing that flow to run into the District's sewer system. Mr. Korrell informed the Board that they have talked with DEP after they submitted their waiver request to the District and DEP is willing to adjust the limit for Silver from 0.08 to 0.24 in the District's permit once a modification is initiated. Since the pump and haul is an expensive alternative, he asked if the Board would consider not shutting the water off and not have them do the pump and haul while the District requests the permit modification. The Board had reservations about allowing the noncompliance to continue while the modification was being processed.

Mr. Korrell also stated that Royal Vendors has hired Thrasher Engineers to update their system in this portion of the plant as well as continue the quest for the higher than normal Silver results from the past year. Staff will inform Charles Town of the permit modification request and all parties will continue towards a solution. Royal Vendors will attend the District's August meeting to provide an update.

Action: Motion made by Mr. Strider and seconded by Mr. Forshee to allow Royal Vendors to continue to send sewage to the District's sewer system for a period not to exceed August 31, 2017, if DEP grants the authority to do so without a violation being assessed against the District while the permit modification is being processed. If DEP does not allow this, Royal Vendors will proceed with a pump and haul until it is in compliance. Water will not be terminated during this time and the District's General Manager will notify Charles Town of the situation. Unanimously approved.

Discussion of any Expenses over Budget

There were no items over budget for the year. Mr. Forshee had a couple of questions regarding the budget. He asked if the District could piggy back off of the County Commissions independent audit they proposed at their last meeting instead of using Cox Hollida & Professionals to do the District's 2017 audit. Mr. Strider would like to continue to use Cox Hollida & Professionals for the final year of the 3-year audit contract. He also asked about an auto accident at a pump station and Ms. Lawton stated that this issue is in court.

Action: No action required by the Board.

Disbursements

Mr. Forshee had a couple of questions regarding the disbursements and how they are paid when there is a deficit. Mrs. Shultz stated that there were unexpected repairs for a well pump, generator, and the mowing had started back up at Glen Haven which made the water system bills higher than normal this month. Some of the vendors are contacted to prolong payment until money is collected. Employee labor is paid from the sewer account to pay for employees time spent at water systems and is reimbursed once money becomes available in the water account. Mr. Forshee also questioned the Robinsons mowing line item and if there would be any cost savings to look into other companies.

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve disbursements for Public Service District water expenses in the amount of \$10,558.95. Unanimously approved.

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve disbursements for the Public Service District sewer expenses in the amount of \$227,311.22. Unanimously approved.

Approve transfer of \$5,579.03 from the New Sewer Security Deposit account to the Sewer Operating account for security deposit refunds

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve transfer of \$5579.03 from the New Sewer Security Deposit account to the

Sewer Operating account for security deposit refunds. Unanimously approved.

Approve transfer of \$1,576.80 from the Renewal and Replacement account to the Sewer Operating account for repairs at Spruce Hill North pump station

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve transfer of \$1,576.80 from Renewal and Replacement account to the Sewer Operating account for repairs at Spruce Hill North pump station. 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

The Board discussed a letter sent to Commissioner Patsy Noland regarding the service area of Chairman Bill Strider and his eligibility of being a PSD board member. Mr. Mayhew stated that Mr. Strider is living in a location within the District's boundaries as of today and at the time he was appointed. Mr. Strider also stated that the lots have not been platted as inaccurately stated by Commissioner Compton. Mr. Forshee questioned if this was a requirement and Ms. Lawton responded that it is not and the District has had board members living in all areas of the County. Commissioner Compton added that the Commission has asked the City of Ranson for verification after there were discrepancies with the municipality boundaries and to verify that laws are being properly followed regarding appointments.

Action: No action required by the Board.

Public Comment

Jacquelyn Milliron, PSD ratepayer, commented on SB234 and stated that about 80% of the recent District rate increase was intended to fund the SB234 account according to documents she had.

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to convene in executive session for the purpose of discussing personnel matters and contract negotiations. Unanimously approved.

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

Action: Motion made by Mr. Strider and seconded by Mr. Weese to hire April Shultz as the Jefferson County Public Service District's General Manager effective September 1, 2017 including a salary of \$78, 250 with all benefits offered to all other District employees and no further advertising for potential candidates.

Mr. Forshee amended the motion to not fill the position at this time and advertise the General Manager position out both internally and externally at a salary of \$78, 250.00 starting September 1, 2017. The motion failed due to a lack of a second.

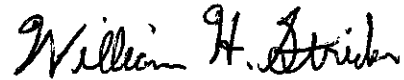
The original motion passed 2-1. Mr. Forshee opposed.

**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 10:10PM.

The next regular meeting is scheduled for Monday, July 3, 2017 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,



William H. Strider
Chairman



Richard WM Weese
Secretary