

# ***Jefferson County***

## ***Public Service District***

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### **Jefferson County Public Service District Special Board Meeting December 7, 2017**

The special meeting of the Jefferson County Public Service District was held at 6:00PM on Thursday, December 7, 2017 in the meeting room at the District's office in Kearneysville. Those in attendance included: Chairman, Roger Forshee; Treasurer, Todd Milliron; General Manager, April Shultz; Office Administrator, Ashley Stottlemeyer; Operations Manager, Joseph Freeze; and liaison for the County Commission, Commissioner Josh Compton.

#### **CALL TO ORDER**

Chairman Roger Forshee called the meeting to order at 6:00PM. Mr. Weese submitted his resignation as a board member to the Jefferson County Commission. Commissioner Compton stated the Commission will appoint a new board member at their January 4<sup>th</sup> meeting.

#### **Approval of agenda**

Since the agenda was lengthy, Mr. Forshee suggested prioritizing the agenda to cover items of immediate importance which included the discussion on approving disbursements, the 2018 regular monthly meeting schedule, the JCPSD contracts, the sewer collection project case no. 16-0616-PSD-PC-CN, the Jefferson County Commission dissolution case no. 17-0915-PSWD-PC, and then discuss the rest of the items as time allows.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to approve the amended agenda as discussed. Unanimously approved 2-0.**

#### **Public comments**

Heidi Parker commented that she was happy to have the public comments at the beginning of the meeting and not the end and was grateful as a rate payer to have representation on the Board.

#### **JCPSD employee comments**

No comments.

#### **Approve disbursements**

**Action: Motion made by Mr. Milliron and seconded by Mr. Forshee to approve disbursements for the Public Service District water expenses in the amount of \$730.16. Unanimously approved 2-0.**

**Action: Motion made by Mr. Milliron and seconded by Mr. Forshee to approve disbursements for the Public Service District sewer expenses in the amount of \$10,584.47. Unanimously approved 2-0.**

#### **2018 regular monthly meeting-agenda, location, dates, participants, duration, and frequency**

Staff changed a couple of the board meetings to Wednesday rather than the first Monday due to the timing of the meeting date and billing issues. The Board would like staff to update the bylaws to reflect this change.

**Action: Motion made by Mr. Milliron and seconded by Mr. Forshee to approve the 2018 regular board meetings as presented. Unanimously approved 2-0.**

#### **JCPSD Contracts (accounting, legal, engineering, JUL...)**

Mr. Forshee wanted to discuss all the contracts the District is currently involved with. He began his discussions with the District's rent for the office. Mrs. Shultz stated the District's current lease is up November 2018 and staff must give the landlord a decision by June 30<sup>th</sup> if the Board is not planning to renew. She commented that the landlord was willing to have discussions with the Board on possible terms of a new lease. Mr. Milliron suggested staff do an assessment for the District's needs for space.

Possibly moving the Board meetings to the library room for monthly meetings was suggested by the Board.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to start exploring the requirements for the District's space and have this as a standing agenda item until it is resolved. Unanimously approved 2-0.**

The next contract Mr. Forshee wanted to discuss was the annual financial audit that has previously been conducted by Cox Hollida and Professionals. Mrs. Shultz stated the District will need to put out a Request for Proposals and approve a firm by June 30, 2018.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to put out a bid for a financial auditor for a 1 year contract. Unanimously approved 2-0.**

Mr. Forshee next discussed the inventory of open contracts the District has. Mrs. Shultz stated the District currently is represented by Bowles Rice for general legal counsel and Robert Rodecker for the dissolution case. For engineering, she stated that Dunn Engineers represents the District for day-to-day engineering tasks and Thrasher is used for the sewer project. Mrs. Shultz informed the Board that the District also has contracts for an office copier, a folding machine for billings, and contracts with both the Charles Town Utility Board and Jefferson Utilities for meter readings. Mr. Milliron questioned how Thrasher bills the District for Board meetings and Mrs. Shultz explained that as part of the project expenses, his attendance for the board meetings was included in that cost.

Mr. Forshee asked how the legal team bills the District and Mrs. Shultz stated that Mr. Kelsh and Mr. Rodecker will charge for travel time from Charleston to Jefferson County and back to Charleston. However, over the past year, Mr. Kelsh has sent Mr. Mayhew from the Bowles Rice office in Martinsburg to save on travel costs and Mr. Rodecker conducts business over the phone, rarely traveling to the District's office. Commissioner Compton questioned why no representatives from Bowles Rice were present at either the December regular meeting or tonight.

Mr. Forshee suggested the District utilize a local attorney rather than paying for travel time and expenses from Charleston, which is not a good use of the District's resources. Mr. Forshee called on a local attorney, David Hammer, who was in the audience and asked him if he was familiar with what has recently been going on at the District. Mr. Hammer stated he was generally familiar with the dissolution proceedings at the PSC, as he represented the District for a few months back in 2014. Mr. Forshee asked Mr. Hammer if he had any issues with representing the District and he stated he has no issues. He is currently the attorney for the Corporation of Bolivar and Harpers Ferry. Mr. Hammer did advise the Board that he is running for Circuit Court Judge and if elected in May he would not be able to represent the District after that time, but would help the transition to a new attorney.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to hire Mr. David Hammer to support the Board on PSD related issues. Unanimously approved 2-0.**

Mr. Hammer joined the Board at the front table.

#### Sewer collection and transmission project, Case No. 16-0616-PSD-PC-CN

Mr. Forshee questioned the need for the project and if simply maintaining the system is a better alternative than the proposed project. He had concerns if the previous board had picked the right option to pursue. Mr. Forshee stated that it is hard to support the project when there are cheaper alternatives. He expressed a concern that the District has spent almost \$600,000 for project related legal, engineering, and other expenses which could have been used to repair and/or replace District assets.

Mr. Milliron also had concerns with the project and has openly opposed it due to its inefficient design. He believed the need is for a \$14 million plan to have a fully functioning system to address all the District's problem areas of capacity rather than cutting it in half. Mr. Milliron also had a problem with the Public Service Commission concept of existing customers paying for future capacity. He asked Mr. Freeze to provide his analysis of existing pump stations for the next meeting.

**Action:** Motion by Mr. Forshee and seconded by Mr. Milliron to place an indefinite hold on the sewer collection transmission project Public Service Commission case #16-0616-PSD-PC-CN. Unanimously approved 2-0.

**Action:** Motion made by Mr. Forshee and seconded by Mr. Milliron for the District to notify the Public Service Commission by the end of the week that by a unanimous decision the Board supports consolidation with the Charles Town Utility Board and the Board placed an indefinite hold on the sewer collection and transmission project approved in PSC case #16-0616-PSD-PC-CN. Unanimously approved 2-0.

Mr. Forshee would like to begin negotiations with the Charles Town Utility Board for a purchase agreement of the District. Mr. Milliron suggested doing a system analysis of the District's entire system.

Jefferson County Commission PSC Case No. 17-0915-PSWD-PC

Mr. Forshee stated that there are many supporters of consolidation and the majority of those against it seem to be in land development, which he thought the basis for the sewer transmission project approval was for increased reliability and not for future growth. He expressed concerns that some intervenors have stated that they are dependent on this project for growth in their developments. Mr. Forshee had concerns with Mr. Strider sending the letters to the funding agencies on behalf of the District when there were no public meeting, motion, or vote by the Board directing him to do so. Mrs. Shultz stated that she spoke to Mr. Rodecker about Mr. Forshee's concerns prior to the board meeting and he informed her that Mr. Strider was acting within his scope as Chairman and recommended a letter be sent. Mr. Hammer assured the Board that the most important point was voted on tonight and to update the various agencies of the new view of the Board.

**Action:** Motion made by Mr. Forshee and seconded by Mr. Milliron to direct Mr. Hammer to notify the recipients of the two funding letters sent by the previous Chairman that the Board placed an indefinite hold on the sewer transmission project and does not expect to obtain the funding or begin project construction within the required timeframes. The recipients include the West Virginia PSC, USDA Rural Development office, Clean Water SRF program and everyone that was copied on the letter adding the attorney for the County Commission. Unanimously approved 2-0.

**Action:** Motion made by Mr. Milliron and seconded by Mr. Forshee to notify Mr. Rodecker of the District's view on the project for case number 16-0616-PSD-PC-CN and the District no longer requires his services. The District is now using Mr. Hammer. Unanimously approved 2-0.

**Action:** Motion made by Mr. Milliron and seconded by Mr. Forshee to notify Mr. Rodecker that the District no longer requires his services for case number 17-0915-PSWD-PC and the District is now using Mr. Hammer. Unanimously approved 2-0.

**Action:** Motion made by Mr. Forshee and seconded by Mr. Milliron to notify the Public Service Commission the Board now supports consolidation with the Charles Town Utility Board. Unanimously approved 2-0.

Mr. Hammer will contact the other attorneys of the consolidation group to begin discussions to iron out any issues of concerns including representation once consolidated. He suggested the member on the new board be a customer of the former District. Commissioner Compton stated that the new consolidated board approved by Charles Town and the County Commission would include 1 voting member from Ranson, 3 voting members from Charles Town, 1 voting member from the County (rate payer of the former District), and 1 non-voting liaison who can participate but not vote.

Consolidation meeting (Charles Town Utility Board, City of Ranson Sewer Officials, etc.)

Mr. Forshee suggesting having a meeting with the consolidation group consisting of members from the Charles Town Utility Board, City of Ranson and the Jefferson County Commission sooner rather than later to discuss the steps moving forward. He suggested having Mr. Hammer attend this meeting as well as one of the District board members.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to have Mr. Hammer notify the consolidation working group to start participating in the discussions as soon as possible. Unanimously approved 2-0.**

Mr. Forshee requested that Mrs. Shultz work with Mr. Hammer to draft a purchase agreement and work with Charles Town on the terms. Mr. Hammer stated negotiations on the agreement are not required to be public, but the finalized draft can be made public for discussions and then the final version sent to the Jefferson County Commission for approval. Once approved by the County Commission, the District will send the final version to the Public Service Commission for their approval.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to proceed with a purchase agreement with Charles Town prepared by Mr. Hammer and Mrs. Shultz. Unanimously approved 2-0.**

JCPSD Service Area (Board Member Residence Eligibility)

Mrs. Shultz stated that to her understanding, the service area of the District included all unincorporated areas of the County. Mr. Forshee had concerns because Mr. Strider was allowed to serve on the Board while residing in Ranson, which is outside the defined service area, and questioned why an individual from Middleway that had applied for the board member appointment was disqualified since the District could provide sewer service the Middleway area. Commissioner Compton stated this may be a County issue and will bring it up to the County Commission to discuss at a future meeting.

**Action: No motion made by the Board.**

Content and Format of PSD Management Books

Both Mr. Forshee and Mr. Million requested staff look into options, including Adobe programs, for electronic format of the monthly board meeting packets. They also requested staff check with the County Administrator about using the library room to have the District's monthly board meetings.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to contact the Jefferson County Commission staff for availability of the library meeting room and if there are any conflicts with the approved regular meeting dates to provide alternate dates. Unanimously approved 2-0.**

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to direct staff to research open source PDF programs, PDF Adobe Professional, and ask the County if there is a county-wide adobe license the District could use for electronic board meeting packets and bring back next meeting. Unanimously approved 2-0.**

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to direct staff to prepare the monthly board books electronically and make available on the District's website, as a single file with bookmarks or tabs. Unanimously approved 2-0.**

JCPSD activities regarding current WV Ethics complaint about former General Manager

Mr. Forshee questioned the pre-complaint and post-complaint attorney fees invoiced to the District for their time relating to the WV ethics complaint he filed against former General Manager. He didn't want to jeopardize the case by paying the associated fees prematurely. Mr. Forshee suggested that at the January 8<sup>th</sup> regular board meeting the new board could take action on paying the invoice and he would recuse himself. Since Mr. Hammer was not familiar with the case, Mr. Forshee explained that he filed an ethics complaint against the former General Manager because she was negotiating a post retirement contract and he suggested it could be interpreted as her using her position and professional resources for

private gain. Mr. Hammer requested a copy of the contract with the former General Manager for review, but since there was no contract he will work with Mrs. Shultz to explore further. He will advise the Board at a future meeting.

**Action: No motion made by the Board.**

S.B. 234 background, purpose and documentation including but not limited to JCPSD accounting, use and Board approval of funds

The Board would like the discussions on SB 234 to be ongoing. Mr. Milliron is still concerned with the lack of a clear definition of spending the funds.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to not use any SB 234 funds without Board approval until further notice. Unanimously approved 2-0.**

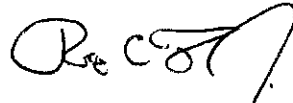
Mr. Forshee made the statement that Peter Appignani would have been proud of the progress the new board members have made toward consolidation.

**Action: Motion made by Mr. Forshee and seconded by Mr. Milliron to adjourn. Unanimously approved 2-0.**

There being no further business at this time, the meeting was adjourned at 8:01PM.

The next regular meeting is scheduled for Monday, January 8, 2018 at 7:00PM at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,



Roger C. Forshee Jr.  
Chairman



Todd Milliron  
Treasurer