

Jefferson County Public Service District

Jefferson County Public Service District Regular Board Meeting August 7, 2017

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, August 8, 2017 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, William Strider; Secretary, Richard Weese; Treasurer, Roger Forshee; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlemeyer; 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.

Approval of agenda

The agenda was unanimously approved with no changes.

Mr. Strider, on behalf of the Board and staff, wished Ms. Lawton the best on her retirement. This was Ms. Lawton's last board meeting. Mr. Strider presented her with a plaque.

OLD BUSINESS

Review Minutes of July 3 regular board meeting

The minutes of the July 3, 2017 regular board meeting were approved as presented.

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to accept the July 3, 2017 regular board meeting minutes as presented. Unanimously approved.**

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

The District can pay all disbursements for July for both sewer and water, but will need to collect \$11,200 to cover the previous disbursements for water.

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

Request from Royal Vendors for wastewater treatment waiver

Don Korrell from Royal Vendors updated the Board. District staff filed the modification for the permit and now waiting for notification for the 30 day public comment period. He also stated that Royal Vendors has changed chemical suppliers to see if that change affects the Silver results. Mr. Korrell informed the Board they have taken two different samples and sent to two different labs. The results came back different from each, one showing Silver as non-detect and the other showing .05. They have taken two more samples and sent to each lab again to see if similar results come back.

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

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

Ms. Lawton stated that staff and professionals are continuing to work on the administrative duties for the project. To move forward with the loan from USDA, the railroad license with Norfolk Southern needs to be completed. Ms. Lawton requested the Board approve resolution number twelve (12) to pay \$38,000 out of the \$660,000 loan for expenses related to the project. Mr. Strider read resolution #12 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 \$38,000.

Action: Motion by Mr. Strider and seconded by Mr. Weese to approve the resolution 12 as read totaling \$38,000.

There was a brief discussion held. Mr. Forshee questioned if there was an appraisal done to come up with the \$38,000 fee. Ms. Lawton stated she thought an appraisal was done, but would have to look into how the value was determined.

Action: Mr. Forshee amended the motion to put the approval of resolution on hold until after December 31st to give Charles Town, Ranson, and the Public Service Commission time to evaluate what has been brought forth to them in the consolidation matter. This motion died due to lack of a second.

The original motion was approved 2-1. Mr Forshee voted against.

Discuss Resolution 2017-012 from Charles Town regarding asset acquisition

Ms. Lawton stated her opinion that this is not a good deal for District customers nor the County as there will be no County representation if Charles Town takes over the utility and since there is no rate decrease for PSD customers and no guarantee that Charles Town rate payers rates will not increase. She believed this is being rushed through without looking into other options for a consolidation with equal representation for each entity in a new utility structure. Mr. Forshee asked Ms. Lawton if her memo she had prepared for this item was her opinion and if so, it should be revised to include only facts not opinions. Ms. Lawton stated all GM memos include facts along with the GM's opinion so she was not revising.

Action: No action required by the Board.

NEW BUSINESS

Discuss Glen Haven Water System notice of violations from Bureau of Public Health

Ms. Lawton provided a brief explanation on the violation the District received for Glen Haven. She stated that staff had collected samples for Radiologicals as they normally do and sent to the regular lab, Reliance Laboratories of Martinsburg. The results came back non-detect, but unbeknownst to the District, Reliance Labs sent the Radiological samples to another lab which had very recently lost its WV State certification for Radiological testing. Ms. Lawton stated that staff did not become aware of this until the violation was received. A letter was sent to the District from the Bureau for Public Health Kearneysville Office explaining the mishap and mentioning the District's excellent track record of many years. Ms. Lawton stated the District's drinking water is safe to drink.

Action: No action required by the Board.

Review March 6, 2017 approved terms of representation for Robert Rodecker and consider if the scope of such agreement should be extended to cover representation in the matter of the Jefferson County Commission's filing to dissolve the District in PSC Case 17-0915-PSWD-PC

Ms. Lawton explained that in March 2017, the board approved Robert Rodecker to represent the District in consolidation discussions, but she wasn't sure if the agreement included representation in the dissolution case at the Public Service Commission. The Board will discuss this item in executive session at the end of the meeting.

Action: No action required by the Board.

Consider approval of addendum to the alternate main line extension agreement with Beallair Homes, LLC for the Beallair Homes, LLC for the Beallair development to address the Beallair West Phase 6 extension

Ms. Lawton explained to the Board that the original Alternate Mainline Extension Agreement was approved in 2004, but did not include Phase 6 (Beallair West). Mike Wiley from Wormald Companies, the

developer of Beallair, was in the audience to request an addenda to the original agreement to include Phase 6.

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to approve the addenda to Beallair's Alternate Mainline Extension Agreement to include phase 6.**

Mr. Forshee asked if the District has received plans for phase 6. Mr. Wiley informed the Board that the District has approved the plans for phases 1-5 and lots 1-14 in phase 6.

Motion was approved unanimously.

Discuss step 2 rates per PSC case 15-1338-PSD-PC

Ms. Lawton gave an overview of the step 2 rates that will be taking effect for all services rendered after August 16, 2017 which will show up on the October customer bills. The District rates will decrease from \$17.85 to \$16.61 per 1000 gallons. Mr. Forshee suggested putting a note on the customer bills informing them of the decrease.

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 in this case.

- Milliron vs. WV PSC & Jefferson County Public Service District – The Supreme Court reaffirmed the decision of the PSC's order on the project for the 2nd time. The decision is final.

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

Discussion of any expenses over budget for the year

There were no items over budget for the year.

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

Consider Fiscal Year 2017 sewer budget revisions

Mrs. Shultz discussed the Fiscal Year 2017 sewer budget revisions. This revised budget shows 134% coverage. Mr. Forshee questioned if the public could see invoices that were being approved by the Board. Ms. Lawton stated they could depending what the invoice was for.

Action: **Motion made by Mr. Strider and seconded Mr. Weese to accept the Fiscal Year 2017 sewer budget revisions as presented. Unanimously approved.**

Action: **Motion made by Mr. Forshee to put the board books on the website from this meeting going forward. This motion died due to lack of a second.**

Consider Fiscal Year 2017 water budget revisions

Mrs. Shultz, discussed the Fiscal Year 2017 water budget revisions. This revised budget shows 115% coverage.

Action: **Motion made by Mr. Strider and seconded Mr. Weese to accept the Fiscal Year 2017 water budget revisions as presented. Unanimously approved.**

Disbursements

Action: **Motion made by Mr. Forshee and seconded by Mr. Strider to approve disbursements for the Public Service District water expenses in the amount of \$7,651.82. Unanimously approved.**

Action: **Motion made by Mr. Forshee to approve disbursements for Public Service District sewer expenses except for the Bowles Rice invoices. Motion died due to a lack of a second.**

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to approve disbursements for Public Service District sewer expenses in the amount of \$234,902.94. Approved 2-1. Mr. Forshee voted against the motion.**

Approve transfer of \$7,070.28 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 \$7,070.28 from the New Sewer Security Deposit account to the Sewer Operating account for security deposit refunds. Unanimously approved.

Approve transfer of \$367.70 from the New Water Security Deposit account to the Water Operating account for security deposit refunds

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve transfer of \$367.70 from the New Water Security Deposit account to the Water Operating account for security deposit refunds. Unanimously approved.

Approve transfer of \$966.57 from the Water Renewal and Replacement account to the Water Operating account for a new pump at Glen Haven

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve transfer of \$966.57 from the Water Renewal and Replacement account to the Water Operating account for a new pump at Glen Haven. Unanimously approved.

Approve transfer of \$2,150.44 from the Future Needs account to the Sewer SB-234 account and close the Future Needs account

Action: Motion made by Mr. Forshee and seconded by Mr. Strider to approve transfer of \$2,150.44 from the Future Needs account to the Sewer SB-234 account and close the Future Needs account. Unanimously approved.

General Manager's Report

Mr. Forshee requested Ms. Lawton read "Other Issues" portion of her GM report into public record. Ms. Lawton read this portion from her report.

Action: No action required by the Board.

Other staff reports

None discussed.

Action: No action required by the Board.

Correspondence

Mr. Forshee asked if the District had any process describing who and who should not be included on correspondence between staff, board members, and others. Ms. Lawton stated that it depends on what is being discussed. Mr. Forshee also stated that the agenda has generic descriptions listed on the as agenda items which should be more specific according to the West Virginia Ethics. Mr. Forshee suggested listing the number of delinquent accounts to the bottom of the monthly agendas to keep track of it.

Action: Motion made by Mr. Forshee to add the number of delinquent accounts and the amounts delinquent to future agenda's. The motion died due to a lack of a second.

Public Comment

Patsy Noland stated she does not enjoy night meetings and that is the reason she does not attend the PSD meetings very often, but she does listen to the audio on the District's website and is here other times gathering information from staff. Ms. Noland wished Ms. Lawton a happy retirement and wanted to personally and publically thank her for providing information to her and answering questions when asked. She stated Ms. Lawton has been a great General Manager for the District and has built a wonderful and dedicated staff.

Todd Milliron commented on the SB234 account and his interpretation of what the account is. He stated the PSC had clearly identified in the March order the District needed \$525,099 in total cash available by August. As far as he is concerned, the District should stop collecting for the account since it's been collected.

Andrew Johnson commented on the personal insults that were stated in tonight's meeting by the General Manger. He also stated that the "followers" as they have been called are not following a person rather an idea of not being treated fairly or having representation.

Matt Piepenburg, a former District employee, thanked Ms. Lawton for bringing him and GIS into Jefferson County and wished her a happy retirement.

Mike Wiley, from Beallair Homes and also speaking on behalf of Jefferson County Citizens for Economic Preservations, congratulated Ms. Lawton on her retirement and appreciated her honesty, pleasantness, and fairness over the years. He also urged the District to intervene in the dissolution case at the Public Service Commission because this is not the right decision. This decision will impact Beallair and other developments in the County. Mr. Wiley also stated the District's sewer transmission project should continue to be pursued.

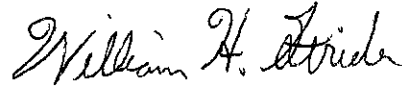
Jacquelyn Milliron wished Ms. Lawton a happy retirement. She also stated that as one of the authors of Senate Bill 81, along with help of Senator Snyder, she is happy to see 2 rate payers on the Board along with a County Commission liaison who is also a rate payer. She commented that the sewer project would be tearing up the Breckenridge community and that is her main concern other than the rates. She stated that there will be developers benefitting, but not paying for it. Ms. Milliron also questioned where the generator is at the Breckenridge pump station.

- Action: Motion made by Mr. Strider and seconded by Mr. Weese to convene in executive session for the purpose of discussing litigation and contract negotiations. Unanimously approved.**
- Action: Motion made by Mr. Weese and seconded by Mr. Strider to return to public session. Unanimously approved.**
- Action: Motion made by Mr. Strider and seconded by Mr. Weese for the District file a petition to intervene in case #17-0915-PSWD-PC, the Dissolution of the District. Approved 2-1. Mr. Forshee voted against the motion.**
- Action: Motion made by Mr. Strider and seconded by Mr. Weese to direct Robert Rodecker to prepare an addenda to his February 28, 2017 contract signed by the Board on March 6, 2017 and to include the scope to address the dissolution of the District, PSC case # 17-0915-PSWD-PC with the same terms and rates, for two years, as the initial agreement. Unanimously approved.**
- Action: Motion made by Mr. Forshee to schedule a special board meeting to discuss and refer a possible criminal act by a PSD board member. This motion died due to a lack of a second.**
- Action: Motion made by Mr. Forshee to schedule a special board meeting to discuss possible violations by a PSD employee violating West Virginia code 6b-2.5b. This motion died due to a lack of a second.**
- Action: Motion made by Mr. Strider and seconded by Mr. Forshee to adjourn. Unanimously approved.**

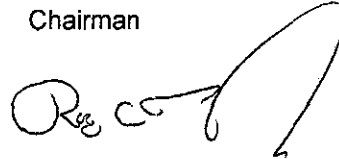
There being no further business at this time, the meeting was adjourned at 9:45PM.

The next regular meeting is scheduled for Tuesday, September 5, 2017 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,

A handwritten signature in cursive script, reading "William H. Strider".

William H. Strider
Chairman

A handwritten signature in cursive script, reading "Roger C. Forshee Jr.". The signature is stylized with a large, looping "R" and "F".

Roger C. Forshee Jr.
Treasurer