

Jefferson County

Public Service District

Jefferson County Public Service District Regular Board Meeting November 2, 2015

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, November 2, 2015 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; District Legal Counsel, Jim Kelsh; and from Thrasher Engineering, Wayne Morgan.

CALL TO ORDER

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

Approval of agenda

The Board made no changes to the agenda.

Public Comments

Jacquelyn Milliron expressed her disapproval of the District approving the issuance of the loan for the sewer transmission project prior to getting approval from the Public Service Commission on a final rate for customers. She also expressed her concern that the District should be looking at other alternatives to funding and decreasing rates besides getting a loan.

OLD BUSINESS

Review Minutes of October 5 regular board meeting

The minutes of the October 5, 2015 regular board meeting were approved as presented.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to accept the October 5, 2015 regular board meeting minutes as presented. Unanimously approved.

Update on the water systems improvement project for Glen Haven and Cavaland

Consider approval of Resolution #13

Ms. Lawton stated after the final accounting was completed by Cox Hollida & Professionals, there was a remaining \$58.90 in the grant for the District to use. The Board needed to approve the thirteenth withdraw from the bond proceeds to use the remaining money to purchase supplies for a new tap in Cavaland. Mr. Appignani read the resolution for payment #13 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 CAVALAND & GLEN HAVEN WATER SYSTEM
IMPROVEMENTS PROJECT AND AUTHORIZING PAYMENT
THEREOF IN THE AMOUNT OF \$58.90.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to adopt the resolution as read totaling \$58.90. Unanimously approved.

Discuss sewer collection and transmission project

Mr. Morgan informed the Board that the RUS application has been drafted and will be submitted within the month.

Action: No action required by the Board.

Discuss acquisition of water and sewer utility assets of Jefferson Utilities, Inc., Shenandoah Junction, Inc., and East Jefferson Sewer, LLC and water project to replace and upgrade Keyes Ferry Acres, Westridge Hills, and Harpers Ferry Campsites

Ms. Lawton stated the project was tabled at the IJDC full council on October 7th and rescheduled to the November 12th meeting.

Action: No action required by the Board.

Discuss the ownership of the Highland Farms wastewater treatment plant site

Mr. Kelsh sent a letter in response to Mr. McGinnis's request and is waiting for a response.

Action: No action required by the Board.

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

Ms. Lawton stated that the District will need an estimated \$130,000 in payments to cover the disbursements for sewer and \$2,700 for water.

Action: No action required by the Board.

NEW BUSINESS

Consideration of and final action on the adoption of a Bond Resolution authorizing the issuance of not to exceed \$660,000 in principal amount of the Jefferson County Public Service District's Sewer Revenue Bonds (Sewer Project Development), Series 2015 (the "Series 2015 Bonds") to finance costs relating to the development and design of improvements to the sewer system of the District and to pay costs relating to the issuance of the Series 2015 Bonds.

Mr. Kelsh stated that a few months back the Board approved a loan for \$666,000 for preliminary items needed for the sewer transmission project. The Board now needs to approve the Bond Resolution authorizing this issuance. Mr. Appignani recused himself from any discussions or actions on this item based on the Advisory Opinion 2015-08 of the West Virginia Ethics Commission that was issued on May 7, 2015. In that opinion from the Ethics Commission it states that Mr. Appignani may recuse himself from discussions if he felt there may be a conflict of interest for Board members taking actions on certain matters. He left the room for this discussion, along with the next three agenda items.

Since the Chairman recused himself from the discussions and taking any actions, Mr. Kelsh presented a resolution for the Board to approve authorizing the treasurer to sign documents rather than the Chairman. Mr. Weese read the resolution into record as follows:

RESOLUTION AUTHORIZING DISTRICT TREASURER TO SIGN
DOCUMENTS RELATED TO SEWER SYSTEM IMPROVEMENT PROJECT.

Action: Motion made by Mr. Weese and seconded by Mr. Strider to approve the resolution as read by Mr. Weese. Approved 2-0.

Mr. Kelsh read the Bond Resolution into record as follows:

RESOLUTION AUTHORIZING THE ISSUANCE OF SEWER REVENUE BONDS (SEWER PROJECT DEVELOPMENT), SERIES 2015, OF JEFFERSON COUNTY PUBLIC SERVICE DISTRICT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$660,000 JUNIOR AND SUBORDINATE TO THE SERIES 1988B BONDS, THE SERIES 1998B BONDS, THE SERIES 1998C BONDS, THE SERIES 1999A BONDS, THE SERIES 2000A BONDS, THE SERIES 2008A BONDS, THE SERIES 2010A BONDS AND THE SERIES 2013A BONDS TO FINANCE COSTS RELATING TO THE DEVELOPMENT AND DESIGN OF CERTAIN IMPROVEMENTS TO THE EXISTING SEWER SYSTEM OF JEFFERSON COUNTY PUBLIC SERVICE DISTRICT; DEFINING AND PRESCRIBING THE TERMS AND PROVISIONS OF THE SERIES 2015 BONDS; PROVIDING GENERALLY FOR THE RIGHTS AND REMEDIES AND SECURITIES OF THE HOLDER OF THE SERIES 2015 BONDS AND FOR A STATUTORY MORTGAGE LIEN; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT.

Action: Motion made by Mr. Strider and seconded by Mr. Weese to adopt the bond resolution as read into record by Mr. Kelsh. Approved 2-0.

Authorization to open a bank account at Bank of Charles Town for the receipt and disbursement of the proceeds of the Series 2015 Bonds

Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the opening of a bank account at the Bank of Charles Town for the receipt and disbursement of the proceeds of the Series 2015 Bonds. Approved 2-0.

Adoption of one or more resolutions authorizing the disbursement of a portion of the proceeds of the Series 2015 Bonds

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to approve Resolution No. 1 approving invoices relating to engineering and other services for the sewer transmission improvements project and authorizing payment thereof. Approved 2-0.**

Other actions relating to the Series 2015 Bonds and/or the related sewer system improvement project

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

Consider the approval of the District's draft financial statement audit for the fiscal year ended June 30, 2015, 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, 2014 to June 30, 2015. The District had 116% coverage for the year. There was one minor reportable finding in internal control over compliance in which the District failed to screen vendors for disbarment or suspension prior to receiving federal grant funds for the water systems project.

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to approve the draft Financial Statement ending 6/30/15 as presented. Unanimously approved.**

Review of West Virginia Annual Reports filed for the District's Water and Sewer Systems for the fiscal year ended June 30, 2015, presentation by Chuck Young of Cox Hollida and Professionals

This item was discussed in the above agenda item.

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

Consider donation to Fraternal Order of Police #83 for "Santa with a Badge" program

Ms. Lawton suggested the District not accept requests for donations at this time due to the District's financial status. Commissioner Jane Tabb was absent from the meeting, but notified Ms. Lawton that she will make the donation to the Fraternal Order of Police on behalf of the District.

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to restrict donations until the District is in a better financial position. Unanimously approved.**

Update on Status of Current Public Service Commission Cases
2015 sewer rate case – The case is still pending.

Jacquelyn Milliron et al v. Jefferson County PSD, Case No. 15-1478-PSWD-C – The case is still pending.

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 \$7,886.12. 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 \$202,950.91. Unanimously approved.**

Approve transfer of \$3,694.15 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at pump station 1-10

Approve transfer of \$5,849.86 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds

Action: **Motion made by Mr. Strider and seconded by Mr. Weese to approve transfer of \$3,694.15 from the Renewal & Replacement account to the Sewer Operating account for pump repairs at pump station 1-10 and approve transfer of \$5,849.86**

from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds. Unanimously approved.

General Manager's Report

Ms. Lawton updated the Board on activities since last month's meeting.

Euclid Avenue – The District will be connecting two new customers at this location.

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

None.

Action: Motion made by Mr. Weese and seconded by Mr. Strider to convene in executive session for the purpose of discussing litigation. Unanimously approved.

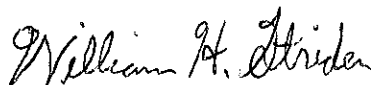
Action: Motion made by Mr. Strider and seconded by Mr. Weese to return to public session. Unanimously approved.

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


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

The next regular meeting is scheduled for Monday, December 7, 2015 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,



William H. Strider
Treasurer



Richard Weese
Secretary