

# *Jefferson County Public Service District*

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## **Jefferson County Public Service District Regular Board Meeting October 5, 2015**

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, October 5, 2015 in the meeting room at the Districts office in Kearneysville. Those in attendance included:; Treasurer, Bill Strider; Secretary, Richard Weese; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlemeyer; District Legal Counsel, Jim Kelsh; from Thrasher Engineering, Wayne Morgan; and Liaison for the County Commission, Commissioner Jane Tabb. Mr. Appignani was absent from the meeting.

### **CALL TO ORDER**

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

### **Approval of agenda**

The Board made no changes to the agenda.

### **Public Comments**

None.

### **OLD BUSINESS**

#### **Review Minutes of September 8 regular board meeting**

The minutes of the September 8, 2015 regular board meeting were approved as presented.

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to accept the September 8, 2015 regular board meeting minutes as presented. Approved 2-0.**

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

- **Consider approval of Engagement Letter with CoxHollida & Professionals for a A-133 Single Audit**

Ms. Lawton stated the project is complete and the final payment was made to the contractor. She informed the Board that the last step to close the project is a final accounting of the money paid to the District since federal money was part of the funding package. Chuck Young from CoxHollida & Professionals will perform an A-133 single audit.

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to approve the engagement letter with CoxHollida & Professionals to perform the A-133 single audit. Approved 2-0.**

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

- **Review funding proposals submitted for sewer transmission project development costs; select preferred funding source and terms; authorize Staff, bond counsel, and a board member to move forward to close on funding as soon as practical**
- **Consider approval of Engagement Letter with CoxHollida & Professionals for revised Rule 42 Exhibit on the June 30, 2015 numbers**
- **Consider amendment to engineering agreement with Thrasher Engineering**

Mr. Kelsh discussed with the Board the proposal from Bank of Charles Town for a \$660,000 loan for the sewer project. He stated a revised Rule 42 will also need to be submitted using June 30, 2015 numbers.

**Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the loan proposal from Bank of Charles Town for \$660,000. Approved 2-0.**

**Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the engagement letter with CoxHollida & Professionals for the revised Rule 42 exhibit using the June 30, 2015 numbers. Approved 2-0.**

Wayne Morgan from Thrasher Engineering requested a revision to the original agreement for the sewer collection project to increase the cost by \$37,500 due to additional work needed to be done by the engineers.

**Action: Motion made by Mr. Strider and seconded by Mr. Weese to approve the Amendment #1 for the Thrasher Engineering agreement for a price increase of \$37,500. Approved 2-0.**

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

- Consider amendment to engineering agreement with Thrasher Engineering

Ms. Lawton stated the project was approved at the September 29<sup>th</sup> West Virginia Infrastructure and Jobs Development Council (IJDC) technical review and funding committee and will go to the IJDC full council on October 7<sup>th</sup>. Wayne Morgan from Thrasher Engineering requested the Board consider the amendment to the engineering agreement to reduce the project costs by \$369,400.00.

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to approve the amendment to the engineering agreement with Thrasher Engineering to reduce the project costs \$369,400.00. Approved 2-0.**

Mr. Kelsh informed the Board that he spoke with Greg Isaacs of Crews and Associates and his firm has offered to explore funding options for this project different from what the Water Development Authority could offer to the Board.

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to approve the preliminary engagement agreement with Crews & Associates to explore funding options for the project. Approved 2-0.**

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

Ms. Lawton stated that the District will need an estimated \$95,000 in payments to cover the disbursements for sewer and \$8,600 for water.

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

Discuss the ownership of the Highland Farms wastewater treatment plant site

Last month the District received a request from the McGinnis family, who own the property adjacent to the Highland Farms parcel the District owns about purchasing the property from the District. Mr. McGinnis does not wish to build on the property, but to simply clean up the area and is willing to work with the District to accomplish that. Mr. Kelsh has drafted a letter in response to Mr. McGinnis's request and will send to his Counsel. The Board does not wish to sell the property, but will cooperate to clean it up.

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to approve the letter drafted by Mr. Kelsh and submit to Mr. Briel, Counsel for Mr. McGinnis. Approved 2-0.**

Charles Town Utility Board – to open a dialogue

Mr. Strider stated that at the July 6<sup>th</sup> Board meeting, the Board voted to not consider any formal agreements with other utilities until its sewer transmission project is constructed. Per the July 6<sup>th</sup> motion, the Board agreed this item is not eligible to discuss at this time. Mr. Strider stated that there will be another opportunity for public comment toward the end of the meeting.

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

## **NEW BUSINESS**

Consider renewal of membership for the National Association of Clean Water Agencies (NACWA)

Last year the Board voted to not renew the membership due to financial concerns, however, NACWA chose to "grant" the membership so the District could remain members for another year. This year, NACWA is willing to renew the Districts membership by reducing the cost to \$805.00 after Ms. Lawton requested a 50% reduction. Mr. Weese offered to pay the Districts renewal membership for 2016.

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

Update on Status of Current Public Service Commission Cases

2015 sewer rate case – Mr. Kelsh stated there have been several protest letters submitted to the PSC. Mr. Kelsh will file a response to the petitions to intervene in the case.

Jacquelyn Milliron et al v. Jefferson County PSD, Case No. 15-1478-PSWD-C - The initial PSC staff memorandum is due by October 13<sup>th</sup>.

**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 \$11,632.73. Approved 2-0.

**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 \$212,223.36. Approved 2-0.

Approve transfer of \$5,962.50 from the Renewal & Replacement account to the Sewer Operating account for new pump at pump station 4-7

Approve transfer of \$5,024.99 from the Renewal & Replacement account to the Sewer Operating account to replace the Digit control valves & cylinders

Approve transfer of \$4,188.35 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds

Approve transfer of \$245.59 from the Water Security Deposit account to the Water Operating account for security deposit refunds

**Action:** Motion made by Mr. Strider and seconded by Mr. Weese to approve transfer of \$5,962.50 from the Renewal & Replacement account to the Sewer Operating account for new pump at pump station 4-7; approve transfer of \$5,024.99 from the Renewal & Replacement account to the Sewer Operating account to replace the Digit control valves & cylinders; approve transfer of \$4,188.35 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds; approve transfer of \$245.59 from the Water Security Deposit account to the Water Operating account for security deposit refunds. Approved 2-0.

General Manager's Report

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

NPDES Permit – Ms. Lawton and staff worked with Dunn engineers to renew the Districts main NPDES permit.

**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

Pete Kubic, Vice Chairman of Charles Town Utility Board (CTUB), made the comment that the CTUB attended the Jefferson County Commission meeting a few weeks ago where they presented a conclusion which summarized what Charles Town recognizes as benefit for sound county sewer utility service. Mr. Kubic read that summary to the Board. Mr. Kubic requested the Board consider opening negotiations with the CTUB counsel, Mr. Hoy Shingleton, along with the Districts counsel and continue discussions in this venture.

Fred Blackmer expressed his concern with the July 6<sup>th</sup> motion discussed by Mr. Strider. Mr. Blackmer thought the motion was towards the District not working with City of Charles Town at this time, but after tonight's meeting he thinks it was made clear it was for all utilities, which he thought was wrong.

Todd Milliron asked if the July 6<sup>th</sup> motion had to be a unanimous vote to be valid since it was a 2-1 vote. Mr. Kelsh responded by informing Mr. Milliron that a unanimous vote is not required.

Jacquelyn Milliron requested the District continue to explore ways to cut the budget and reduce spending. Ms. Milliron also stated she was disheartened to learn the District is not willing to work with any other utilities at this time.

Heidi Parker stated the District should work towards consolidation.

Jane Arnett, Manager of Charles Town Utility Board, commented that with the Senate Bill 245 funding, the rates will not increase for the District customers relating to the Charles Town upgrade.

Sarah Smith was upset with a comment made by Ms. Lawton in response to a question on how customers can lower bills. The response given by Ms. Lawton was that rate payers could use less water. Ms. Smith thinks Ms. Lawton doesn't have empathy for the rate payers.

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to convene in executive session for the purpose of discussing litigation personnel matters, and contract negotiations. Approved 2-0.**

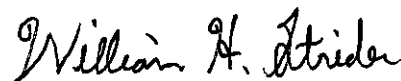
**Action: Motion made by Mr. Weese and seconded by Mr. Strider to return to public session. Approved 2-0.**

**Action: Motion made by Mr. Weese and seconded by Mr. Strider to adjourn. Approved 2-0.**

There being no further business at this time, the meeting was adjourned at 8:03PM.

The next regular meeting is scheduled for Monday, November 2, 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