

# *Jefferson County Public Service District*

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## **Jefferson County Public Service District Regular Board Meeting June 1, 2015**

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, June 1, 2015 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, Peter Appignani; Treasurer, Bill Strider; General Manager, Susanne Lawton; Administrative Assistant, Ashley Stottlemeyer; Operations Manager, Joseph Freeze; District Legal Counsel, Jim Kelsh; from Thrasher Engineering, Wayne Morgan; and Liaison for the County Commission, Commissioner Jane Tabb.

Secretary Richard Weese was late to the meeting.

### **CALL TO ORDER**

Chairman Peter Appignani called the meeting to order at 7:05PM.

### **Approval of agenda**

The Board made no changes to the agenda.

### **Public Comments**

Dale Hughs, an elected official from the Glen Haven subdivision, requested a meeting with Ms. Lawton and Mr. Freeze to discuss the water systems project.

### **OLD BUSINESS**

#### **Review Minutes of May 4 regular board meeting**

The minutes of the May 4, 2015 regular board meeting were approved as presented.

**Action: Motion made by Mr. Strider and seconded by Mr. Appignani to accept the May 4, 2015 regular board meeting minutes as presented. Approved 2-0.**

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

Ms. Lawton is continuing to work with the contractor to finish items on a punch list of customer concerns. She also stated the Board needed to approve the eleventh withdraw from the bond proceeds to pay the contractor the final payment. This request will be paid from money already set aside for the project and not dependant upon the grant request for the overage amount which is still pending approval at the Infrastructure and Jobs Development Council. Mr. Appignani read the resolution for payment #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 CAVALAND & GLEN HAVEN WATER  
SYSTEM IMPROVEMENTS PROJECT AND AUTHORIZING  
PAYMENT THEREOF IN THE AMOUNT OF \$1,811.55.**

**Action: Motion by Mr. Appignani and seconded by Mr. Strider  
to adopt the resolution as read totaling \$1,811.55.  
Approved 2-0.**

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

Mr. Morgan, from Thrasher Engineering, stated the revised West Virginia Infrastructure and Jobs Development Council (IJDC) application including the revised Preliminary Engineering Report was approved at the May 27<sup>th</sup> Funding and Technical Committee meeting and will go on to the June 3<sup>rd</sup> IJDC Council meeting.

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

Update on strategic plan

Ms. Lawton didn't receive an update from Dunn Engineering prior to the meeting. She proposed to the Board to request a draft from Dunn by June 12<sup>th</sup>, have the Board approve the draft with revisions from Board members at the July 6<sup>th</sup> board meeting, arrange a work session for July 20<sup>th</sup> to receive public comments, present and approve a final draft at the August 3<sup>rd</sup> board meeting, and submit the final draft to the Public Service Commission by the deadline on August 24<sup>th</sup>. The Board agreed with this timeline and Ms. Lawton will forward it onto Dunn Engineering.

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

Mr. Weese arrived for the meeting.

Discuss Charles Town revised strategic plan

The Board agreed that the new Charles Town strategic plan was well drafted and had no comments.

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

Update on Senate Bill 234

Mr. Kelsh updated the Board on the new requirements of Senate Bill 234 that was passed into law and will go into effect on June 14, 2015. This new legislation added the requirement to maintain a working capital reserve in an amount no less than one eighth of actual annual operation and maintenance expenses. Mr. Kelsh stated that the Public Service Commission staff is working on a memo to require utilities to reach the funding level for the reserve account within one year, but it has not become final yet. The District will be required to have a rate increase to fund the reserve account.

**Action:**                **Motion made by Mr. Strider and seconded by Mr. Appignani to make an effort to fund the working capital reserve fund starting fiscal year 2016 and recognize the mandated rate increase is required by the Senate Bill 234 for one (1) year with still many unknowns. Unanimously approved.**

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

Ms. Lawton stated that the District will need an estimated \$119,000 in payments to cover the disbursements for this month.

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

Presentation of draft Fiscal Year 2016 sewer operating budget

Due to the new Senate Bill 234 requirements, the District had to create a working capital reserve with one eighth of the previous year's operation and maintenance expenses.

**Action:**                **Motion made by Mr. Strider and seconded by Mr. Appignani to approve the Fiscal Year 2016 sewer budget with the addition of the 1 year Senate Bill 234 requirement. Unanimously approved.**

**NEW BUSINESS**

Update on Status of Current Public Service Commission Cases

East Jefferson Sewer Service, LLC vs JCPSD civil action case # 14-C-51 – There have been no new updates on this case.

**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 \$5,329.38. 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 \$164,471.19. Unanimously approved.

Approve transfer of \$4,347.50 from the Series 2013A Bond account to the Sewer Operating account for strategic plan expenses

Approve transfer of \$4,744.43 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds

Approve transfer of \$68.25 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 \$4,347.50 from the Series 2013A Bond account to the Sewer Operating account for strategic plan expenses; approve transfer of \$4,744.43 from the Sewer Security Deposit account to the Sewer Operating account for security deposit refunds; approve transfer of \$68.25 from the Water Security Deposit account to the Water Operating account for security deposit refunds. Unanimously approved.

General Manager's Report

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

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

Other staff reports

None discussed.

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

Correspondence

None discussed.

Public Comment

None.

Mr. Freeze exited the meeting. Commissioner Tabb and Mr. Morgan were invited to stay for the executive session item on the Charles Town Utility Board asset acquisition offer.

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

Mr. Chuck Young from CoxHollida & Professionals arrived late for the discussion on the fiscal year 2016 sewer budget. The Board came out of executive session to discuss this item with Mr. Young.

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

The Board informed Mr. Young that they approved the fiscal year 2016 budget and the Public Service Commission mandate for one year. The Board would like Mr. Young to draft a Rule 42 for the rate increase relating to the Senate Bill 234 mandate.

**Action:** Motion made by Mr. Strider and seconded by Mr. Weese to authorize CoxHollida & Professionals to submit a Rule 42 to address the Senate Bill 234 concerns and submit to the Board in July. Unanimously approved.

**Action:** Motion made by Mr. Weese and seconded by Mr. Strider to convene in executive session for the purpose of discussing 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 to direct Counsel to draft a letter in response to the Charles Town letter dated May 27, 2015 as discuss in executive session. Unanimously approved.
- Action:** Motion made by Mr. Strider and seconded by Mr. Weese to adjourn. Unanimously approved.

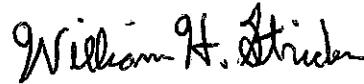
There being no further business at this time, the meeting was adjourned at 8:04PM.

The next regular meeting is scheduled for Monday, July 6, 2015 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,



Peter L. Appignani  
Chairman



William H. Strider  
Treasurer