

**Jefferson County Public Service District
Regular Board Meeting
May 4, 2009**

The monthly meeting of the Jefferson County Public Service District was held at 7:00PM on Monday, May 4, 2009 in the meeting room at the Districts office in Kearneysville. Those in attendance included: Chairman, Joe Hankins; Secretary, Jim Cummins; Treasurer, Jack Lantzy; General Manager, Susanne Lawton; Administrative Assistant, Ashley Wilt; Pentree Engineer, Zane Summerfield; District legal counsel, Jim Kelsh; and County Commission Liaison to the Public Service District, Commissioner Lyn Widmyer.

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

Public Comments

James Walker, a Keyes Ferry Acres resident, and Barbara Humes, Chairperson of the Elks Run Study Committee read their comments into record.

OLD BUSINESS

Review minutes of April 6, 2009 regular Board meeting

The minutes of the April 6, 2009 regular Board meeting were approved as presented.

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to accept the April 6, 2009 minutes as presented. Unanimously approved.

Consideration of Alternatives to Provide Sewer Service for Daily Farm, King's Crossing and Thornhill on an Interim Basis

At the December 2008 Board meeting, the Board approved a resolution which allowed Thornhill, Kings Crossing and Daily Farms to use the District's capacity at the Charles Town Wastewater Treatment Plant for new homes to keep the projects moving forward until the Highland Farms, aka Evitts Run, wastewater treatment plant is built. Mr. Summerfield presented his findings from his report showing possible alternatives and estimated costs to get the flows from the southern developments to the Charles Town Wastewater Treatment Plant by either upgrading Pump Station 4-5 and using a bigger force main or upgrading the Norborne Glebe Pump Station. The Board feels that the option to upgrade pump station 4-5 and force main costing an estimate of \$2,404,345 would be the best option. Mr. Kelsh drafted an Alternate Mainline Extension Agreement and a Release Agreement between the District and the 3 developments. Herb Jonkers, and Dan Ebersol, from Dan Ryan Builders, were present for questions.

Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to authorize the Chairman to execute the Alternate Mainline Extension Agreement between the District, Daily Farms LLC, Dan Ryan Builders LLC, and Thornhill LLC with the requirements that the final exhibits are provided and the total EDU count is adjusted to 350. Prior to vote, the Board took public comment.

Public comments were received by:

- Dr. Richard Latteral
- Dan Ebersol, Dan Ryan Builders; Mr. Ebersol informed Mr. Kelsh that in the agreement, Dan Ryan Builders LLC should be changed to D.R. Acquisitions LLC.

Action: After discussion, the Board noted 2 more changes to the agreement including the name change of Dan Ryan Builders LLC to D. R. Acquisitions LLC and noting that the Board prefers Option 1, the use of pump station 4-

5, from Mr. Summerfield's analysis to provide service for these three developments. Unanimously approved.

Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to approve the Release Agreement with changes to page 2, typo in section 3C and the addition of a signature block on the last page. Unanimously approved.

Discuss Agreement for Jefferson Utilities / Public Service District Mountain Water Design Project
The Board asked for any public comments for this item.

Commissioner Lyn Widmyer informed the Board of concerns of the Jefferson County Commission with the agreement. They would like the District to make sure the project will solve existing customer problems first before providing water for any new growth.

Other public comments were received by:

- Ruth McQuade, Counsel for Citizens of the Blue Ridge Act (COBRA); Ms. McQuade requested the Board wait to take action on the agreement as the concerned citizens on the Mountain were meeting on May 11th and would like to discuss this issue. They would like their comments to be considered by Board prior to taking action.
- John Maxey
- Dr. Richard Latteral
- Scott Tatina

Mr. Hankins, along with the other Board members are pleased by the 20 or more written comments received by the public. Some of the comments expressed concern about moving water from the valley to the mountain. The District and Jefferson Utilities will incorporate that issue into the scope of work in the engineering design for the project. Mr. Kelsh reviewed the changes made to the agreement after receiving public comment. Mr. Cummins felt the agreement was not ready for approval at this time.

Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to postpone the approval of the agreement until the Board receives the comments from the May 11th meeting on the Mountain. Prior to vote, the Board took public comment.

Mr. Lee Snyder responded to comments made by the public in the audience before the motion. He also expressed his concern that delays are damaging to this project as grant money will not be available for very long.

Ms. McQuade stated she will forward the comments from the Mountain meeting to the District by Wednesday, May 13th after the meeting referred to above.

Action: After discussion, the original motion was amended to have a Special Meeting at 9:00AM on May 14, 2009 for consideration of the agreement by the Board. Unanimously approved.

Update on Joint Application to West Virginia Infrastructure and Jobs Development Council with Jefferson Utilities Incorporated

Mr. Kelsh updated the Board. Mr. Snyder received a letter from WV IJDC determining the project as technically feasible by the Water Technical Review Committee. The project will be placed on the WV IJDC pending list of projects.

Action: No action taken by the Board.

Consider Submitting Preliminary Application to West Virginia Infrastructure and Jobs Development Council for Phase II Mountain Water Project with Jefferson Utilities, Inc

Mr. Kelsh updated the Board. He is going to have the application ready for consideration at the May 14th Special meeting. This item will be added to the May 14th agenda.

Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to have staff draft the Phase II preliminary application for review and potential approval at the May 14th Special meeting. Unanimously approved.

Consider Selection of Engineer for Mountain Water Project Design

At the February 25th Special meeting, the Board formed an interview committee that would report back to the full District Board with interview results that would inform further District Board selection decisions. Those in the committee included Mr. Hankins, Ms. Lawton, and Mr. Snyder. The committee interviewed five (5) firms out of the twelve firms who submitted statement of qualifications for the project which was advertised by Jefferson Utilities. The firms interviewed included Rummel, Klepper & Kahl, LLP; S&S Engineers; Chapman Technical Group; Alpha Associates; and Pentree, Inc. The Board would like Ms. Lawton to forward the rankings of the interviewed firms to the Board before a decision is made. This item will be added to the agenda for the May 14th Special meeting.

Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to have the selection committee to rank the engineering firms that were interviewed and forward to Board members and staff. Unanimously approved.

Flowing Springs wastewater treatment plant update

Mr. Kelsh updated the Board. The District received a letter from WV DEP stating the District is eligible to be considered for using stimulus money for a portion of the funding instead of the normal pool of funds. Ms. Lawton, Mr. Kelsh, Mr. Summerfield, Mr. Lantzy, and Mr. Crawford will be meeting with homeowners who have easement concerns regarding the proposed line for the Flowing Springs wastewater treatment plant on May 5th.

Action: Motion made by Mr. Cummins and seconded by Mr. Hankins to authorize Mr. Lantzy to represent the Board at the meeting with the homeowners regarding easement concerns. Approved 2-0. Mr. Lantzy refrained from voting.

NEW BUSINESS

Approval of FY-2010 Annual Budget

Mr. Lantzy discussed the FY-2010 annual budget for the sewer and water systems estimated budget. This budget shows 127% coverage.

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to adopt the FY-2010 PSD sewer system budget as presented. Unanimously approved.

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to adopt the FY-2010 PSD water system budget as presented. Unanimously approved.

General Manager's Report

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

Action: No action taken by the Board.

Discussion of any expenses over budget

Mr. Lantzy informed the Board that there are no items over budget.

Action: No action taken by the Board.

Disbursements

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to approve disbursements for Cavaland water expenses in the amount of \$1,358.44, Glen Haven water expenses in the amount of \$1,614.50, and for the Public Service District expenses in the amount of \$141,981.24. Unanimously approved.

Approve transfer of \$4,083.59 from Sewer Security Deposit account into Sewer Operating account for security deposit refunds

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to approve transfer of \$4,083.59 from sewer security deposit account into sewer operating account for security deposit refunds. Unanimously approved.

Approve transfer of \$180.77 from Cavaland Security Account into Cavaland Operating Account for Security Deposit Refunds

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to approve transfer of \$180.77 from Cavaland Security Account into Cavaland Operating Account for Security Deposit Refunds. Unanimously approved.

Approve transfer of \$2,128.80 from Future Needs Account into Sewer Operating Account for Computer Upgrades

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to approve transfer of \$2,128.80 from Future Needs Account into Sewer Operating Account for Computer Upgrades. Unanimously approved.

Correspondence

None discussed.

Public Comments

None.

DISCUSS LITIGATION, PERSONNEL MATTERS, AND CONTRACT NEGOTIATIONS

Retaining Jim Crawford to provide legal services regarding property matters in Flowing Springs project

Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to approve James Crawford, III for the examination and certifications of titles associated with the Flowing Springs Wastewater Treatment Plant. Unanimously approved.

Discuss Flows from Industrial Customer, Royal Vendors

Ms. Lawton was informed by Royal Vendors that when DEP did their last inspection they asked that they reroute the liquid from the mist in the room where vending machines were washed, from a floor drain that went to the parking lot to the pretreatment system they use for the wash water. There are about 2 gallons per day of this liquid and the operation occurs 3 days a week, so only about 24 gallons per month. The District made Charles Town aware of what was going on and they responded to Royal Vendors stating that Charles Town would only allow them to send the liquids to the sewer system if they entered into an agreement with them. The District would like to enter into a pre-treatment agreement with all their customers who are industrial users, including Royal Vendors, DALB, and USDA. The District feels that it is not appropriate for Charles Town to enter into contracts with District Customers.

Action: No action taken by the Board.

City of Martinsburg NPDES permit appeal before WV EQB

The hearing has been rescheduled until August 2009.

Action: No action taken by the Board.

Citizens of Blue Ridge Act v. Jefferson Utilities

The hearing has been scheduled for the end of June 2009. There has been no PSC order yet.

Action: No action taken by the Board.

OTHER BUSINESS

Approval to move forward with Source Water Protection Grant

The District has advertised to DBE's. This same advertisement will be in the local papers for all engineering firms on May 8th. The proposals are due to the District office by May 29th. The District will continue to move forward.

Action: No action taken by the Board.

Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to adjourn. Unanimously approved.

There being no further business at this time, the meeting was adjourned at 10:35PM

The next regular meeting is scheduled for June 1, 2009 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,

Joseph A. Hankins
Chairman

James D. Cummins
Secretary