

**Jefferson County Public Service District  
Special Board Meeting  
October 15, 2009**

The special meeting of the Jefferson County Public Service District was held at 7:00PM on Thursday, October 15, 2009 at the District's office in Kearneysville. Those in attendance included: Chairman, Joe Hankins; Secretary, Jim Cummins; Treasurer, Jack Lantzy; PSD General Manager, Susanne Lawton; Administrative Assistant, Ashley Wilt, District Legal Counsel, Jim Kelsh and Commission Liaison to the Public Service District, Commissioner Lyn Widmyer.

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

Consider approval of sewer rate analysis by Cox Hollida Price relating to a non-project related sewer rate increase application to be filed with the W.Va. Public Service Commission

Chuck Young from Cox Hollida Price had drafted a Rule 42 Exhibit for a non-project related sewer rate increase. He recommended a 9.28% or \$1.10 per thousand gallon increase which would go from the current rate of \$11.85 per thousand gallons to \$12.95 per thousand gallons. The District must have 115% debt service coverage, but the District is currently at 105% so a rate increase for all District customers is needed. Mr. Kelsh will be filing this application to the PSC in November with the rates possibly going in affect in March 2010. The filing of this application is a 2-part process. First the District will file for this short term rate increase to go in effect within 30 days knowing the PSC could suspend for 4 months and then file a post project rate increase for after the wastewater treatment plant project is complete. The non-project related rate increase notice will be published in the Spirit by the PSC and in all customer bills by the District once filed.

**Action: Motion made by Mr. Lantzy and seconded by Mr. Cummins to direct staff to submit to the W.Va. Public Service Commission the Rule 42 Exhibit prepared by Cox Hollida Price which shows an increase of 9.28% for proposed rates. Unanimously approved.**

Discuss funding proposal to be filed with the W.Va. Infrastructure and Jobs Development Council for funding the Mountain Water Project

The Board had Mr. Tuggle by speakerphone to discuss this item. Mr. Tuggle provided the Board with an outline of a potential funding approach for the mountain water project which showed the revised estimated total project cost at \$13 million instead of the original \$16.5 million with about 5 million coming from possible grant money. The primary goal is to keep rates at a reasonable level for Jefferson Utilities customers, but a slight rate increase for the project may be required. Mr. Tuggle is waiting for the hydrogeologic study being done by Golder Associates Inc before he submits the IJDC application. The study is supposed to be done by November 10<sup>th</sup> and if the results of the study show no problems, Mr. Tuggle will submit the IJDC application that same day to IJDC. Mr. Cummins was concerned the District or Pentree has not yet received the study and will not have time to review the results before Mr. Tuggle submits the application to IJDC. Mr. Cummins felt the application would be incomplete without all the "known's" and having several alternatives listed in the application would be extremely important. Mr. Tuggle assured the Board that changes can be made to the application once it is submitted to the IJDC. Submitting just gets the project known and the council to look for technical feasibility. He also assured Mr. Cummins that it is a requirement to have alternatives listed in the application which will done.

**Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to accept the potential project funding approach as outlined by Pentree and for staff to complete the Infrastructure and Jobs Development Council application with a request that the application also consider an alternatives analysis. Unanimously approved.**

Consider new elementary school Mainline Extension Agreement

Jim Kelsh spoke with attorneys representing the Board of Education and they would like to get a copy of the draft Mainline Extension Agreement for review. Mr. Kelsh will send them the agreement.

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

Consider Breckenridge East Alternate Mainline Extension Agreement

Jim Kelsh has been working with Jerry Connelly from B.C. Partners on drafting an agreement that both parties are satisfied with. Mr. Connelly is comfortable with the draft agreement being presented to the Board. Mr. Kelsh reviewed the agreement highlighting the changes made since last month. The Board would like to add a sentence to the end of section 2.01 as follows, "The parties shall enter into addenda to this Agreement for each portion of the extension". The Board also had a brief discussion on section 3.03 regarding Utility Easements.

**Action: Motion made by Mr. Cummins and seconded by Mr. Lantzy to approve the Alternate Mainline Extension Agreement with Breckenridge East as presented with the additional language under section 2.01. Unanimously approved.**

**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 8:55PM

The next regular meeting is scheduled for November 2, 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