

Jefferson County Public Service District

Jefferson County Public Service District Special Board Meeting September 11, 2012

The special board meeting of the Jefferson County Public Service District was held at 7:00PM on Tuesday, September 11, 2012 at the District's office in Kearneysville. Those in attendance included: Chairman, Jim Cummins; Secretary, Peter Appignani; Treasurer, Bill Strider; PSD General Manager, Susanne Lawton; District Legal Counsel, Jim Kelsh (speakerphone); from Pentree Engineering, John Tuggle and Zane Summerfield (speakerphone); Administrative Assistant, Ashley Stottlemyer; Operations Manager, Joe Freeze; and liaison for the County Commission, Commissioner Lyn Widmyer.

Chairman Cummins called the meeting to order at 7:02PM.

Public Comment

Jacquelyn Milliron, Breckenridge resident, reiterated the choice of the District to pursue alternatives for the sewer collection system was not part of the final order of the Public Service Commission in the Flowing Springs Wastewater Treatment Plant case. Mrs. Milliron also stated her concern that the PSD staff and Board are not being considerate of the high customer rates, but more in favor of supporting the developers.

Discuss and Consider Alternate Mainline Extension Agreement with Aspen Greens

Mr. Kelsh has drafted an agreement with Aspen Greens which is consistent with his concerns and Mr. Gladhill's requests.

Action: Motion made by Mr. Strider and seconded by Mr. Appignani to approve the Alternate Mainline Extension Agreement with Aspen Greens as presented.

The Board held a discussion on the motion before the vote. Mr. Cummins found the agreement to be in good order. He stated that by granting the agreement, the District is approving the developer to move forward on their project for which he is paying. Mr. Appignani has the concern that if upgrades are later made to this line then the PSD customers will be covering the costs. He questioned why the costs are always falling back onto the ratepayers rather than having the developers of future developments pay for upgrades. Mr. Appignani stated for profit developer should be taking the risk, not the ratepayer. If the ratepayers pay, then developers that follow, and there are several, get a "free ride". He described the Berkeley County approach, where developers who follow pay for the improvements.

Mr. Appignani commends Mr. Gladhill and Mr. Gates for attending the meetings and doing whatever is necessary to move their project forward.

Action: The motion was unanimously approved.

Discuss and Choose Alternatives for the Preparation of a New Preliminary Engineering Report by Pentree for Sewer Collection Project

The last couple of months, the Board has been supplied with information on a range of alternatives they could direct Pentree to explore in the form of an engineering report for the Districts current sewer collection system. If the Board decides to pursue options 1-4, it will cost a combined total of \$10,000 for Pentree to explore or options 5-9 costing \$2,500 each to explore. Mr. Cummins explained that the Board would be approving Pentree to explore further option(s) through a preliminary engineering report. The Board is not choosing the alternative that will actually be completed. Commissioner Widmyer had questioned whether capacity issues would be addressed in Pentree's investigations and Mr. Tuggle assured her that they would.

Mr. Strider was in favor of Pentree further investigating alternatives 1-4, 5, 8, and 9. Mr. Cummins agreed with Mr. Strider and suggested Pentree also explore option 6. Mr. Appignani disagrees with Pentree exploring these options any further without a strategic plan in place first. He stated that pursuing alternatives for sewer collection was not part of the final order in the Flowing Springs wastewater treatment plant case, as previously alluded to, so there is no rush for choosing different options at this time. He also stated that the District was doing the

same thing over and over again and expecting a different outcome. Mr. Cummins disagreed and stated the District needs to deal with the much needed upgrades to the system and is fearful the current system could contaminate the community's source water due to a failure to act in a timely manner.

Todd Milliron, Breckenridge resident, had reviewed the alternatives and had a couple of questions regarding the different options.

Jacquelyn Milliron, Breckenridge resident, asked the Board what their opinion was of what's considered a reasonable rate for sewer. She also reiterated that the District is required to act in the best interest of the customer.

Action: Motion made by Mr. Strider and seconded by Mr. Cummins to direct Pentree to look at options 1-4, 5, 6, 8, and 9 totaling \$20,000. Approved 2-1. Mr. Appignani opposed.

Discuss Capacity Improvement Fees

Mr. Appignani suggested this item be discussed to request Mr. Kelsh initiate conversations with the County about possibly having a County impact fee for sewer.

Action: Motion made by Mr. Appignani and seconded by Mr. Strider to direct Counsel to discuss with the County a possible County impact fee for sewer. Unanimously approved.

Discuss Negotiations in the Jefferson Utilities General Investigation Case, PSC Case 11-0235-W-GI-SC

Action: Motion made by Mr. Strider and seconded by Mr. Cummins to convene in executive session for the purpose of discussing litigation and contract negotiations. Approved 2-0. Mr. Appignani had excused himself from the meeting.

Mr. Appignani excused himself from the discussions on the Jefferson Utilities, Inc General Investigation case currently at the Public Service Commission.

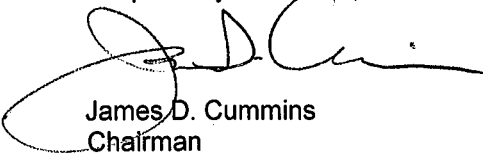
Action: Motion made by Mr. Cummins and seconded by Mr. Strider to return to public session. Approved 2-0.

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

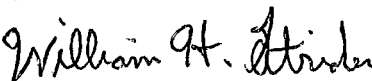
There being no further business at this time, the meeting was adjourned at 9:18PM

The next regular meeting is scheduled for October 1, 2012 at 7:00pm at 340 Edmond Road, Suite A at the Districts office in Kearneysville.

Respectfully Submitted,



James D. Cummins
Chairman



Bill H. Strider
Treasurer