

HARDY COUNTY PUBLIC SERVICE DISTRICT
JUNE 7, 2017
10:00 A.M.
2094 US 220 South, Moorefield, West Virginia

Present: Matthew Gapp, Melvin Shook, Rose Helmick, Logan Moyers, Kevin Markwood, Connie Sherman, HCPD; Jean Flanagan, Media.

The meeting was called to order at 10:05 a.m. by Chairman Matthew Gapp. Melvin Shook made a motion to approve the minutes of the May 3, 2017 regular meeting minutes as presented. Matthew Gapp seconded the motion. The motion was approved.

New Board Member – Rose Helmick was appointed to the District board by the Hardy County Commission and was present at her first board meeting.

Unfinished Business:

Baker Water Quality Issues – Logan Moyers reported on the organics removal system to be installed at the Baker Water Plant. This system, once installed and operational, should solve the District's ongoing water quality issues in Baker. Since the last board meeting a final draft of the agreement was completed with Ixom, manufacturer of the organics removal system. The proposed agreement was reviewed by the District's attorney who informed Mr. Moyers that the District could not legally enter into the agreement due to three issues. The first issue was the cost of the pilot project being over the threshold amount which requires public bid. The second issue is that the District cannot commit to a purchase without first having the financing in place and the last issue is that the District cannot commit to a project or purchase that affects customer's rates without completing a certificate case with the WVPSC. In light of these issues, the District intends to proceed with the project without first undertaking a pilot study. In lieu of an onsite pilot study, the District will provide Ixom with numerous water samples over the coming months and Ixom will essentially conduct an in-house pilot study in their lab. Following completion of this lab testing, Ixom will provide the District with a performance guarantee, guaranteeing that the organics removal system will allow the District to be in full compliance with US-EPA's TOC and DBP regulations or the District will receive a full refund of the cost of the system. The District's engineer continues to work on the preliminary engineering report for the project. Mr. Moyers presented a proposed timeline for the project which projected project construction to begin late summer 2018. Melvin Shook made a motion to proceed with the project without a pilot study as long as Ixom provides a performance guarantee of the system. Matthew Gapp seconded the motion. The motion was approved. Rose Helmick raised the question of the possibility of a water plant to be located at Kimsey's Run to tie in with the existing Baker water system. Mr. Moyers stated that this had been looked into in the past and it was not cost effective. He also added that he was informed by representatives from the WVDNR and the WV Conservation Agency that the quality of the water in Kimsey's Run dam was very similar and would likely present the same issues that are present at the Parker Hollow dam. Discussion was held on including the Dover Hollow/Fort Run/Trough Road projects with the Baker project. These projects have not been able to receive funding due to the high cost per customer, and so the District has long anticipated including these projects in the next major project of the District. Following discussion, Melvin Shook made a motion to include the Dover Hollow/Fort Run/Trough Road extension as part of the Baker project. Matthew Gapp seconded the motion. The motion was approved.

New Business:

Sewer Rate Increase – Logan Moyers reported that the Baker Sewer system does not generate enough revenue to cover the expenses of operating the system. The rates set by WVPSC for the original project did not allow for sufficient funds to operate the system. Due to the lack of sewer revenue, the water revenue has subsidized the sewer system and the District's attorney and auditor tell us that this cannot continue. Mr. Moyers recommended asking WVPSC for a rate increase that would place a large majority of the increase on the commercial sewer customers who generate nearly 90% of the total volume of the sewage treated in the Baker system. If the District contacts the WVPSC and requests a 19A rate case the WVPSC would send staff persons to assess the sewer system and make a determination of a rate increase. Mr. Moyers is going to recommend a split-rate for commercial and residential customers due to the large majority of sewage coming from commercial customers on the Baker sewer system. Rose Helmick asked if the District had considered turning the Baker Sewer system over to the Moorefield/Hardy County Wastewater Authority (HCWWA). This possibility has been looked into and the HCWWA indicated to us they were not interested in ownership of the Baker Sewer system. Melvin Shook made a motion to proceed with contacting WVPSC to conduct a 19A rate study to determine the necessary rates for the Baker Sewer system. Matthew Gapp seconded the motion. The motion was approved.

Executive Session:

The board went into executive session to discuss employment and personnel reasons. Melvin Shook made a motion for the District to enter into an employment contract with General Manager, Logan Moyers, ensuring Mr. Moyers' employment for years into the future. Matthew Gapp seconded the motion. The motion was approved. It was also announced that following discussion, it was decided to table the hiring of a new field staff person at this time.

There were no members of the public in attendance for comment.

There being no further business, Melvin Shook made a motion that the meeting be adjourned at 10:50 a.m. The meeting was adjourned.

The next regular scheduled board meeting will be held ***July 6, 2017, 10:00 a.m.*** in the conference room of the HCPSD office located at 2094 US 220 South, Moorefield, West Virginia. Please note the change in the meeting date due to schedule conflicts on July 5, 2017.

Matthew Gapp, Chairman

These minutes represent a summary of the subject discussed and the actions taken by the members of the Hardy County Public Service District for the regular meeting held on June 7, 2017. The meeting and proceedings were electronically recorded. In the event there may be discrepancies or contradictions between the written minutes and the audio recording, the audio recording shall take precedence.