

# HARDY COUNTY PUBLIC SERVICE DISTRICT

APRIL 4, 2018

4:00 P.M.

2094 US 220 South, Moorefield, West Virginia

Present: Matthew Gapp, Rob Harper, Rose Helmick, Logan Moyers, Connie Sherman, HCPSD; Jean Flanagan, Media.

The meeting was called to order at 4:10 p.m. by Chairman Matthew Gapp. Robert Harper made a motion to approve the minutes of the March 7, 2018 regular meeting minutes as presented. Rose Helmick seconded the motion. The motion was approved.

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## ***Unfinished Business:***

***Upcoming Water Project Update*** – Logan Moyers provided an update on the upcoming water project including the organics removal system at the Baker water plant and the water line extensions. The funding application to USDA has been submitted requesting a \$1.75 million loan and a \$500,000 grant. The current poverty level interest rate with USDA is 2.375% and Hardy County qualifies for this rate based on the county-wide MHI. Work on the necessary permitting process for the project is ongoing and will continue as plans and specifications are finalized.

Mr. Moyers reported that Ixom, manufacturers of the organics removal system, provided a detailed report on all testing that was done as part of the pilot project. A copy of this report was included in the board packet for review prior to the meeting. In reviewing the report with board members, Mr. Moyers pointed out the drastic increase in the percentage of DOC removal from raw water with the use of the MIEX system. Mr. Moyers also reported that he has received an updated draft process performance agreement from Ixom, in which they will guarantee that the District will have disinfection by-product levels within the allowable limits as defined by the US-EPA for a period of five years as long as the raw water coming into the plant is within the parameters outlined in the agreement. After reviewing this latest draft of the process performance guarantee, Mr. Moyers knows that a wider range is needed for several of the raw water parameters defined in the guarantee and will work with Ixom to get those parameters adjusted to a suitable level for both the District and Ixom. Mr. Moyers will review the agreement with the board members at next month's meeting.

The District continues to work with WVDEP to get authorization for Hardy County DOH to use the salt brine waste from the MIEX system for roadway treatment. Mr. Moyers does not anticipate any issues with being able to dispose of the salt brine waste.

Thrasher engineers and surveyors spent several days in March working to finalize mapping, layout and design for the extensions and line upgrades included in this project. Preliminary mapping was reviewed and final mapping should be completed soon. Mr. Moyers reported that during the engineers' visit to the extension areas it was determined that an additional easement is needed on the Trout Run Cut-Off Road. Mr. Moyers has already contacted those property owners and was successful in acquiring that easement. Of the 44 total easements needed for the project, only one easement as yet to be obtained which is located at the end of the Fort Run Road extension project. The District has recently been in contact with that property owner who indicated they intend to provide the easement. By having all easements acquired prior to closing on funding for the project, the District will realize some savings on attorney fees by being able to complete one final title opinion rather than having the attorney complete preliminary title opinions that are typically required as part of the funding and permitting process for projects. This should also help with the lender requirements and the PSC process.

**Sewer Rate Increase** – Logan Moyers gave an update on the Baker sewer rate case with WVPSC. As was discussed at last month's meeting, the District was waiting for a case report to be filed by the WVPSC engineer assigned to the case before officially dismissing the rate case. The deadline with WVPSC to dismiss the case was March 15, 2018. After not seeing any report being filed by the staff engineer in the time frame that had been identified, Mr. Moyers contacted the WVPSC engineer who informed him that he had drafted a report and as part of the report recommended that "a rate differential between residential and commercial users is appropriate in this instance". However, because his report, which supported the District's request of a split sewer rate for residential and commercial customers, goes against the existing WVPSC policy, his superiors would not allow him to file the report as part of the case. Facing the March 15<sup>th</sup> deadline the District requested dismissal of the case and the case was officially dismissed by WVPSC on March 16, 2018. The District will continue to operate with the current rate structure. Robert Harper asked if the District could resubmit a request for a sewer rate increase at any time. Mr. Moyers stated that while the District could request a sewer rate increase at any time, until there has been a change in WVPSC policy allowing a split rate structure for sewer rates, most likely the results of a resubmitted case would be the same as the recently dismissed case and the District would not receive approval for a split rate.

**Sewer Service Territory** – Logan Moyers provided an update on the District's efforts, in conjunction with the Moorefield/Hardy County Wastewater Authority, to establish a defined boundary for the two entities sewer service territories. Mr. Moyers reported that although the District board previously adopted a resolution, as did the Wastewater Authority, in which boundaries were established that defined the separate sewer service territories between the two utilities, there is an additional process that must be completed to officially establish the boundaries at the state level. The additional process includes getting consent from the District's bondholders to establish the new boundary and then having the Hardy County Commission hold a public hearing and issue an order establishing the new boundary between the two entities. The District is currently working to get consent from our existing bondholders and then will begin work with the County Commission to complete the process.

#### ***New Business:***

**HCPSD Insurance Matters** – Logan Moyers report that at the Board's request, the District has been looking into options for potential savings in our worker's compensation coverage. Our current provider, Brickstreet which is administered by Bill Bailey Insurance, informed us that in the past 5 years we have had only 2 minor claims totaling \$285.00 and that both claims are closed and there are no reserves attached to those claims. We also have an experience modification (emod) factor which provides a 16% discount on our base premium which is very good. We contacted two additional potential carriers requesting a quote for worker's compensation coverage. One agency was unable to provide a stand alone quote for worker's compensation coverage and we are waiting to hear back from the other. The District's current policy will expire on April 24, 2018 which is prior to the next scheduled board meeting. If the District would get a cheaper rate from the quote we are awaiting, we would need to make the switch prior to the expiration date of our current policy. If the quote comes back cheaper than our current coverage, Mr. Moyers will contact all board member and poll each member as to whether they feel we should switch carriers. If a majority of board members vote to switch carriers we will make the change effective on the date our current coverage expires.

As part of the process for renewing our existing coverage or switching carriers, the District board must decide if they want to be included or excluded from the District's worker's compensation coverage. In the past, the District board members have been excluded from the District's policy. Board member Rose Helmick disagrees with board members being excluded from the policy. Mrs. Helmick requested that the District get additional information regarding the increase in the District's policy if the board members would be included. Logan Moyers and Connie Sherman will work on getting that information and will pass it onto board members and poll them to determine if we will extend coverage to cover board members or not.

Underinsured and Uninsured auto insurance coverage was also discussed. The District's current property/auto/liability insurance carrier has asked the Board to execute a form which waives coverage for damages resulting from uninsured or underinsured motorists. The District has not had this type of coverage in the past and the increase in the auto insurance premium if the District would choose to add this coverage would be \$5,832.00. Rose Helmick raised the issue of being "double" covered by worker's compensation and auto insurance if there was to be an auto accident involving an uninsured or underinsured party. Logan Moyers and Connie Sherman will contact our carrier, Bill Bailey Insurance Agency, regarding this issue also and will report the information to the Board and get direction from them as to how they wish to proceed.

**Postage Costs** - At the request of board member Robert Harper, the District looked into ways for potentially saving money on postage costs. District staff contacted other county offices and the local post office to ask about potential options for saving money on postage. The District has a postage permit for the monthly water bill postcards and this is the cheapest rate possible. We also looked into postage meters and found out that while we could save approximately \$.03 per first class letter, the lease on the machine is around \$20.00 per month which would eliminate any potential savings. We were unable to identify any ways to reduce postage costs at this time.

**Miscellaneous Business:**

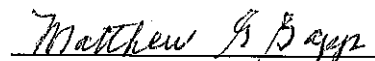
**Summer Employment** - For the past several years, the District has hired college students to assist during the summer months. Having additional staff helps to cover employee vacations and this year will be beneficial due to the extended medical absence of an office employee. Logan Moyers requested to advertise in the local newspaper for 2 part-time/summer employees to work for approximately 12 weeks from early May to early August. Rose Helmick requested that the applicants be reviewed by the Board before any hiring for those positions occurred. The District will solicit applications and consult with board members before filling those positions.

**Hardy County Commission Request** - On behalf of the Hardy County Commission, Rose Helmick asked Mr. Moyers to begin submitting a quarterly financial report and provided an example of the format for such from another County agency. The District will begin providing the Commission with the requested information beginning with the second quarter of 2018.

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

There being no further business, Rose Helmick made a motion that the meeting be adjourned. Robert Harper seconded the motion. The meeting was adjourned at 5:10 p.m.

The next regular scheduled board meeting will be held **May 2, 2018, 4:00 p.m.** in the conference room of the HCPSPD office located at 2094 US 220 South, Moorefield, West Virginia.

  
Matthew Gapp, Chairman