

DRAFT MINUTES
SHEPHERDSTOWN, WEST VIRGINIA
WATER & SANITARY BOARDS

October 29, 2020

Attendees: **Water Board** – J. Auxer (Mayor), J. Bresland, J. Ford, S. Kemnitzer (Chair), A. Slater
 Sanitary Board – J. Auxer (Chair), H. Heyser, R. Keller
 Town Staff –C. Coe, D. Nickerson, K. Shipley, F. Welch
 Engineer – J. Ekstrom, Ghosh Engineering

Visitors:

Note: this was a virtual meeting held on the Zoom platform as a health precaution due to the COVID-19 pandemic.

1. CALL TO ORDER.

The Water and Sanitary Boards meeting was called to order by J. Auxer at 12:30pm.

2. MINUTES FROM PRIOR MEETING.

The proposed minutes of the September 24, 2020 regular meeting were reviewed. Upon motion duly made and seconded, the minutes were approved as submitted.

3. VISITORS.

There were no visitors.

4. FINANCIAL STATEMENTS.

D. Nickerson asked for questions.

H. Heyser observed that sanitary expenses were under budget and complimented staff on their successful efforts to control expenditures. J. Breslund echoed those comments on the water operations.

R. Keller inquired about a parenthetical note on S-4, account 133.43 (need \$480,000). D. Nickerson responded this is only a note and makes reference to reserving funds for two membrane replacements at \$240,000 each. R. Keller repeated his desire to understand the source of funds for the membrane replacement. D. Nickerson was directed to contact the external accountant David Decker for a report on this accounting treatment, including the related journal entries. R. Keller then asked about \$30,000 in Other Expenses appearing under account 401.61 on S-8. D. Knickerson responded this represents sewer capacity payments made by customers and ties to total expenses on S-15.

5. FLOW AND QUALITY REPORTS.

W. Coe commented on various reports included in the Commission meeting package. J. Auxer observed that flows were down relating to the pandemic and reduced activity at the Town's largest customer the University and reduced activity at other schools and businesses.

J. Breslund requested a brief, bulleted, exception-styled report narrative that would comment on any deviations from normal ranges. Coe agreed to include this report in future meeting packages.

6. UNFINISHED BUSINESS.

6.a WATER PLANT IMPROVEMENT PROJECTS.

J. Ekstrom (Engineer) updated the commission members on the progress of the water treatment plant improvement project. J. Ekstrom has engaged Cam Seachrist (Bond Counsel), Hoy Shingleton (Regulatory Counsel), and David Decker (accountant) to prepare the necessary filings for financing and WV PSC project and rate approvals. Ekstrom advised that total project costs are estimated to be \$1,997,000, with funding coming from three sources: (1) contribution by the Corporation of Shepherdstown: \$550,000, (2) WDA Depreciation Fund: \$488,000, and (3) Financing: \$939,000. J. Ekstrom advised that servicing the \$939,000 in financing will require a 5% increase in water rates. A "Rule 42" filing will need be filed with the WV PSC, which demonstrates adequate cash-flow, operating and maintenance expenses coverage, and other financial details for the project assuming the aforementioned 5% rate increase.

J. Ekstrom reviewed the project particulars, noting that the plant is aged and outdated. This \$1,977,000 improvement plans include rehabilitating the filters, a more efficient sludge collection system (automatically controlled with timers), installation of an ultra-violet disinfection system that will achieve EPA compliance, an emergency back-up generator, and equipment to increase the capacity to tap the alternate Town Run water source, including a new raw water pump with Variable Speed Drive, and all filing, legal and accounting expenses.

ACTION ITEM: J. BRESLUND MOVED AND A. SLATER SECONDED THAT THE WATER BOARD APPROVE THE RECOMMENDED 5% INCREASE IN WATER RATES NECESSARY TO SUPPORT THE WATER PLANT IMPROVEMENT PROJECT. BY ROLL-CALL VOTE THIS MEASURE WAS UNANIMOUSLY APPROVED BY THE WATER BOARD.

J. Ekstrom advised the next step will be to file the application with the WV PSC and then bid the project to qualified construction and equipment firms. W. Coe noted that the plant will run continuously during the upgrade by alternately shutting down only half of the plant at a time for work, while the other side continues running, and by extending scheduled operation times.

6.b. MECKLENBURG HEIGHTS- WATER IMPROVEMENT PLAN

J. Ekstrom reported that further analysis of needed improvements and costs are ongoing, adding the replacement of nine fire hydrants currently out of service in town. F. Welch advised that the project scope has increased to include not only the fire hydrants needed around town but, deferring to S. Kemnitzer's recommendation, to include all underserved areas in the service on the system. J. Ekstrom advised that the latest updated cost projection including the hydrants and the four underserved areas totals \$2,051,440. Staff discussed timing of this project as best following completion of the water treatment plant project, as staff attention will necessarily be devoted to that major overhaul. J. Ekstrom advised that the next step will be a preliminary engineering report and examination of special funding. As a starting point, a potential source of funding includes the Drinking Water Revolving Fund (DW TRF).

6.c SEWER USE ORDINANCE – REVISION AND COMMENTS.

R. Keller submitted a detailed Memorandum covering various facts, observations, findings and issues related to his examination of revising the sewer use ordinance. That Memorandum is made a part of these minutes.

R. Keller discussed in detail questions surrounding the grease traps in town restaurants. Monitoring of these traps is thought to be under the jurisdiction of the Jefferson County Health Department, although J. Breslund reported on contact with the health department's staff that disputes this conclusion. Albeit J. Breslund shared that due to COVID the health department is woefully understaffed and incapable of conduction inspections at this time. H. Heyser suggested we consider employing a third party inspection service should the grease traps be contributing to blockage. J. Breslund suggested a meeting of the Sanitary Commission and the Jefferson County Health Department to discuss this issue of mutual concern.

It was the consensus of the board that given the significant adverse impact on local restaurants from COVID it would be ill-advised to layer additional burdens on them at this time. Consequently it was largely concluded to forestall any ordinance changes at this time.

The Sanitary Board received R. Keller's memorandum with appreciation and has taken it under advisement. J. Auxer and J. Breslund will reach out to the Jefferson County Health Department regarding a joint meeting.

6.d MAIN PUMP STATION.

F. Welch presented an update on the list of maintenance projects previously approved by the Sanitary Commission. They include: (1) the Variable Frequency Drive has been ordered at a cost of \$25,000; \$25,000 in installation costs are expected; (2) stairs for the third level have been ordered at a cost of \$10,500; the following projects are pending: (3) replace obsolete hoist (\$8,470); (4) replace lift pumps at a cost of \$56,000; (5) purchase a sludge press (\$5,800). F. Welch noted that adequate budget funds exist to fund these expenditures.

7. NEW BUSINESS.

7.a LETTER OF AVAILABILITY

A letter of availability for water and sewer was presented by Alpha Engineers for the proposed Shepherdstown Professional Center on Kearneysville Pike. Staff advised that the engineers failed to follow procedure and file the appropriate application. The Commissioners directed staff to advise Alpha Engineers to resubmit the request utilizing the appropriate forms.

8. MAYOR'S REPORT.

J. Auxer discussed the new water analytics made a part of the monthly package. He also discussed continuing virtual meetings.

J. Breslund discussed a multi-group meeting he attended concerning regional water quality and related coverage by WDVM.

J. Auxer advised the Commissioners that he and Water Board Chairman S. Kemnitzer have tasked A. Slater and J. Breslund with conducting a wage comparison for the water and sanitary plant positions. Comparable regional utilities will be contacted to participate. Results will be reported to the Boards.

9. ADJOURNMENT. J. Auxer adjourned the meeting at 1:48pm. The next regular meeting is scheduled for Thursday December 3, 2020 and will be conducted on the Zoom virtual platform.

Respectfully Submitted: Austin J. Slater, Jr.