

DRAFT MINUTES
SHEPHERDSTOWN, WEST VIRGINIA
WATER & SANITARY BOARDS

May 20, 2021

Attendees: **Water Board** – J. Auxer (Mayor), J. Bresland, S. Kemnitzer (Chair), M. Godfrey, A. Slater
Sanitary Board – J. Auxer (Chair), H. Heyser
Town Staff –A. Boyd, C. Coe, C. Painter, D. Nickerson, K. Shipley, F. Welch,
Engineer – J. Ekstrom, Ghosh Engineering
Town Council- C. Stroech (Water Board)

Visitors: Chris Rebar and Jim Hunt, Home Serve Program
Greg Welter, resident

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 12:30 pm.

2. MINUTES FROM PRIOR MEETING.

The proposed minutes of the April 22, 2021, regular meeting was reviewed. H. Heyser inquired of the meaning of item #.3 “advance warning on hydrant use”, and clarification on item #8 “Jefferson Utilities ordinance” which were satisfactorily clarified by C. Coe and F. Welch, respectively. Upon motion duly made and seconded, the minutes were approved as presented.

3. VISITORS-HOME SERVE PROGRAM.

J. Auxer introduced Chris Rebar and Jim Hunt of the Home Serve Program (HSP). Messrs. Rebar and Hunt proceeded to share details of their home warranty program which covers certain water line, sewer line, and home plumbing failures. J. Hunt shared that he was formerly Mayor of Clarksburg, WV, President of the Municipal League, and now works with the HSP, partnering with communities like Shepherdstown to cover customer exposure to costly water and sewer line repairs. Messrs. Rebar and Hunt advised that there are no costs or liability for the Town should we elect to endorse their program. They do request the Town enter into a marketing agreement, endorse the HSP program, and allow HSP to use our Town logo in their marketing materials. The HSP representatives shared that the monthly warranty fee a homeowner would pay is \$6.25 for water, \$7.25 for sewer, and \$9.49 for in-home plumbing. The warranty covers up to \$8,500 of qualifying losses. It was clarified that this program will extend to all customers, not only Town residents. Billings would be direct to the customer by HSP. H. Heyser inquired whether HSP could simply solicit our customers on their own without our involvement, to which the HSP representatives advised that approach often causes confusion, emphasizing that the marketing agreement delineates responsibilities. Following further discussion and questions, the HSP representatives agreed to provide the Boards a copy of the marketing agreement and detailed program materials. The matter was tabled for further consideration and receipt of materials from HSP. Chris Rebar and Jim Hunt were excused from the meeting.

4. Finances

4.a. Financial Statements

The financial statements were reviewed.

4.b BUDGET APPROVAL- WATER and SEWER

With both the FY 2022 water and sanitary budgets having been previously submitted for the board's consideration, J. Auxer noted that both are zero deficit/profit proposals. He further noted that the recommendations of the Wage & Salary study (item 6.d. on the agenda) were included in the proposed budgets for a total annual increase of \$90,000, allocating \$60,000 to sewer and \$30,000 to water; he further advised the Wage & Salary Study will be taken up separately in Executive Session. A detailed discussion ensued regarding the proposed Water Department FY 2022 budget, following which:

ACTION ITEM: M. GODFREY MOVED AND A. SLATER SECONDED THAT THE WATER BOARD APPROVE THE PROPOSED FY 2022 WATER DEPARTMENT BUDGET AS SUBMITTED; UNANIMOUSLY ADOPTED BY THE WATER BOARD.

Discussion regarding the Sewer Department proposed FY 2022 budget continued. H. Heyser found the presentation of the budget difficult to compare to current year budget and actual. J. Auxer directed staff to provide a columnar side-by-side account level presentation in the future of: Proposed Budget, Current Budget, and Current Actual. H. Heyser also inquired about account 718, Chemical Supplies as being adequately funded. F. Welch responded that Staff is working diligently to mitigate chemical costs by soliciting more vendors and striving for bulk purchases. Following discussion:

ACTION ITEM: H. HEYSER MOVED THAT THE SANITARY BOARD APPROVE THE PROPOSED FY 2022 SANITARY DEPARTMENT BUDGET; UNANIMOUSLY ADOPTED BY THE SANITARY BOARD.

5. FLOW AND QUALITY REPORTS.

5.a WATER - NO VIOLATIONS.

C. Coe stated that all the water-related reports were negative, therefore no violations. He noted that no Bac-T was detected in water samples. C. Coe also reported that the Customer Confidence Report (CCR) has been mailed to all customers, feedback to date has been positive. H. Heyser complimented C. Coe on the CCR observing the fine professional quality of the report.

5.b. SANITARY REPORTS – NO VIOLATIONS.

Results for April were reviewed, no violations. H. Heyser inquired on the column labeled for Fecal reporting, as apparently blank. F. Welch responded the report actually shows less than 4, which is excellent.

6. UNFINISHED BUSINESS.

6.a FIRE HYDRANTS

A. Slater referred to and discussed the details contained in his Memorandum to the Board contained in the monthly packet regarding efforts to inventory fire hydrants in need of repair, coordination meeting with Shepherdstown Fire Department (SFD) officials, and the resulting spreadsheet of fire hydrant tasks to be performed. John Bresland inquired if this list included hydrants outside of Town limits, which A. Slater advised it did. K. Shipley updated the board on his and C. Coe's successful efforts to recruit repair

contractors to quote 'time and materials' proposals. The board concluded that this project appeared to be on track and requested monthly updates.

6.b. WATER DISTRIBUTION SYSTEM IMPROVEMENT PROJECT.

J. Ekstrom advised that field work for the water system distribution project is complete. He further advised that a railroad easement is needed and will be pursued. He advised he continues to monitor funding opportunities for 'shovel ready' projects so we may be poised to propose this project for a grant. Both Senator Manchin and Capito are assisting as well as Region 9.

In response to a question by J. Bresland regarding the Water Plant Improvement Project, J. Eckstrom reported that he will likely be advertising for bids next week with bid openings by the end of June, early July. He also noted that although the Certificate of Public Convenience and Necessity (CPCN) is still pending at the WV PSC, we may bid, but we may not begin construction.

6.c SEWER USE ORDINANCE – REVISION AND COMMENTS.

J. Auxer reported that no progress has been made on this project. H. Heyser suggested providing J. Ekstrom copies of the ordinances that have been collected for his comment.

6.d WAGE STUDY.

J. Auxer suspended this item to the end of the meeting in Executive Session.

7. NEW BUSINESS.

7.a RANKIN PROPERTY LLC STEP 2 APPLICATION.

F. Welch reported that the final details of Step 2 are nearly complete, and it looks like a go.

7.b SEWER EMERGENCY

F. Welch reported on a collapsed 8" terra cotta sewer line at the 4-way stop at Duke and German Streets that involved crews to work all night to successfully repair and replace the failed 10' segment of line.

7.b CREDIT CARD CHARGES.

J. Auxer reported that it has come to his attention that all payments by customers on credit cards comes at the cost of 2.4% of the payment to the Town being deducted by the credit card companies, costing the Town \$23,500 this year, and over \$100,000 in the past six-years. J. Auxer suggested a surcharge (% or flat fee) assessed to those respective customers utilizing credit cards to make the Town whole. He noted that there are no legal or regulatory impediments to imposing such a fee. There was discussion about the negative ramifications of imposing such a fee on favorably resolving pending disconnects and possibly delaying imposition until the bill and payment enhancement project is completed. Following discussion:

ACTION ITEM: M. GODFREY MOVED AND J. BRESLAND SECONDED THAT THE WATER BOARD APPROVE A SURCHARGE ON CUSTOMERS PAYING BY CREDIT CARD TO RECOUP THE FEES ASSESSED BY THE CREDIT CARD PROCESSOR; UNANIMOUSLY ADOPTED BY THE WATER BOARD.

ACTION ITEM: J. AUXER MOVED THAT THE SANITARY BOARD APPROVE A SURCHARGE ON CUSTOMERS PAYING BY CREDIT CARD TO RECOUP THE FEES ASSESSED BY THE CREDIT CARD PROCESSOR; UNANIMOUSLY ADOPTED BY THE SANITARY BOARD.

J. Auxer then excused the Staff attending the meeting to consider the proposed Wage and Salary Plan proposals.

6.d WAGE AND SALARY STUDY

ACTION ITEM: A. SLATER MOVED AND S. KEMNITZER SECONDED THAT THE WATER BOARD GO INTO EXECUTIVE SESSION; UNANIMOUSLY ADOPTED BY THE WATER BOARD.

ACTION ITEM: H. HEYSER MOVED THAT THE SANITARY BOARD GO INTO EXECUTIVE SESSION; UNANIMOUSLY ADOPTED BY THE SANITARY BOARD.

A. Slater recapped the study prepared by him and J. Bresland which included a position-by-position comparison of wages and salaries to ten other water and sanitary utilities in the Eastern Panhandle of the state. The comparison showed we have lost competitive position. Consistent with previous studies, the ranges of the surveyed utilities were averaged and the 80th percentile was selected as the recommended rate of pay, given the infrequency of our wage studies. S. Kemnitzer stated her full support with going with the full increase recommended in the proposed rates of pay. J. Auxer warned that rate increases may be necessary going-forward, and that he feels a sanitary rate increase is now warranted. A. Slater noted that the full recommended wage increase was successfully included in the now approved FY 2022 budget, which remains a conservative budget on both revenue and expenses. M. Godfrey stated his support for the full proposed wage increase. Discussion ensued regarding delaying the effective date to lessen the fiscal impact. H. Heyser stated his support for an effective July1, 2021.

ACTION ITEM: M. GODFREY MOVED AND S. KEMNITZER SECONDED THAT THE WATER BOARD ADOPT THE RECOMMENDED WAGE RECOMMENDATIONS, INCLUDING THE SCHEDULE OF “HIRE ON” WAGES, TO BECOME EFFECTIVE JULY 1, 2021; UNANIMOUSLY ADOPTED BY THE WATER BOARD.

ACTION ITEM: H. HEYSER MOVED THAT THE SANITARY BOARD ADOPT THE RECOMMENDED WAGE RECOMMENDATIONS, INCLUDING THE SCHEDULE OF “HIRE ON” WAGES, TO BECOME EFFECTIVE JULY 1, 2021; UNANIMOUSLY ADOPTED BY THE SANITARY BOARD.

(Post meeting note: it was initially believed that the Wage and Salary increase would next go to the Town Council for approval; it was subsequently determined by Mayor Auxer and Town Clerk Boyd that the Water and Sanitary Boards possess the authority to approve the wage increases as a part of the budget approval.)

8. MAYOR’S REPORT.

Mayor Auxer advised that our next meeting will be held in person at the Town Hall.

9. NEXT MEETING DATE.

June 17, 2021, at 12:30PM.

(Post meeting note: the meeting was subsequently rescheduled to June 24, 2021, at 12:30PM in the Town Hall).

13. ADJOURNMENT. J. Auxer adjourned the meeting at 3:00PM.

Respectfully Submitted: A. Slater