

DRAFT MINUTES
CORPORATION OF SHEPHERDSTOWN, WEST VIRGINIA
WATER & SANITARY BOARDS

August 31, 2023

ATTENDEES: Water Board – J. Auxer (Mayor), J. Bresland, J. Ford, M. Godfrey, S. Kemnitzer (Chair), C. Stroeck
Sanitary Board – J. Auxer (Chair), H. Heyser, R. Keller
Town Staff – B. Bennett, C. Coe, J. Ekstrom, S. Grove, K. Shipley, F. Welch
Visitors: G. Welter

1. CALL TO ORDER.

The Water and Sanitary Boards meeting was called to order by J. Auxer at 1:00 p.m.

2. MINUTES FROM PRIOR MEETING.

The proposed minutes of the July 27, 2023, regular meeting were reviewed and were approved with revisions suggested by S. Kemnitzer and H. Heyser.

3. VISITORS.

No visitor comments.

4. FINANCES.

4.a FINANCIAL STATEMENTS - ENCLOSURE.

S. Kemnitzer thanked S. Grove and B. Bennett for the improved financial reports.

S. Grove summarized the reports and explained that the bond expenses had been moved to a separate section of the report.

S. Kemnitzer noted that at least one bond had enough money accumulated in its reserve account to pay off the bond. She suggested that we should consider paying it off and closing the bond account, noting that doing so would simplify our accounting and financial reporting.

ACTION ITEM: S. GROVE TO DETERMINE WHAT THE REQUIRED ACTIONS ARE TO PAY OFF A BOND AND CLOSE THE ACCOUNT.

M. Godfrey noted that we receive 5% interest on the reserve account and that the bond's closing date is June 2024 and suggested that we continue as we are currently doing until then. R. Keller agreed.

J. Ekstrom suggested that we consult with our bond counsel, Cam Siegrist, on the matter.

H. Heyser noted that the Sewer Total Net Income for July and YTD do not match. S. Grove agreed that they should and that there must be a Quickbooks formula error, which she would correct.

R. Keller noted that, regarding Sewer item 715 (Purchased Power), the July expense was 84% of the amount budgeted for the entire year, \$15,200. S. Grove said that the annual budget is actually \$152,000 and that value in the report would be updated.

R. Keller noted that, regarding Sewer Contractual Services, several of the items were significantly over budget. S. Grove said that she would investigate those items.

ACTION ITEM: S. GROVE TO PROVIDE AN EXPLANATION OF THE SEWER CONTRACTUAL SERVICES ACCOUNTING ITEMS.

R. Keller asked when the new rates are going into effect. A call was made to C. Painter who reported that the next billing cycle will be based on the new rates.

M. Godfrey noted that the YTD % of Budget values for Water items 461 and 474 seem to be incorrect. S. Grove agreed that there appears to be a calculation error there.

Both boards expressed their appreciation on the improvement in the financial reports.

4.b INCOME VS EXPENSES TRENDING REPORTS.

It was noted that these reports were included in last month's packet. S. Kemnitzer suggested that these trends be evaluated each month and that the reports should be included in the packet as appropriate.

5. FLOW AND QUALITY REPORTS.

5.a WATER REPORTS.

C. Coe reported that the issues caused by the algae blooms are seasonal issues, are not unexpected and should be alleviated on or about the end of September when the water temperature decreases. He also noted that the increased pumping time was due to the ongoing water plant upgrade and should be alleviated soon.

R. Keller noted that the flow of the springs that feed Town Run seems to be very low, as is the Potomac river, and asked if we would be able to switch to pumping from Town Run if necessary. C. Coe said that we would have to dam Town Run to create a deeper pool from which to pump.

5.b. SEWER REPORTS.

K. Shipley reported that everything is in good order.

6. UNFINISHED BUSINESS.

6.a WATER PLANT IMPROVEMENT PROJECT.

J. Ekstrom reported that the renovation of the first filter is almost complete and that it should be back on line by Friday. Then the second filter will be renovated - should be done by the end of September.

6.b UPDATE ON WATER DISTRIBUTION PROJECT.

J. Ekstrom reported that they are currently waiting for the Army Corps of Engineers to officially sign-off on the agreement. When that happens they can start the process of procuring bids.

7. NEW BUSINESS.

7.a J. BRESLAND - SAFE WATER CONSERVATION COLLABORATIVE - UPDATE.

J. Bresland reported that the Collaborative is a network of 25+ water utilities, land conservation organizations and community partners and representatives from 4 of the organizations had a recent meeting at Morgan's Grove where they discussed a grant to Jefferson and Berkeley counties of \$120,000 which is to be used to create riparian buffers to protect critical water sources. He also stated that Morgan's Grove was discussed as a potential site.

M. Godfrey asked whether we should suggest the Toll House Woods as another potential site. K. Shipley stated that the developer already has plans for a buffer, including a walking path, along Town Run.

7.B S. KEMNITZER - EMAIL REGARDING CONSTRUCTION NEAR TOWN RUN.

J. Auxer stated that the contractor for the building project reported that the new portion of the building was 8.5 feet from Town Run.

S. Kemnitzer said that the excavation exposed the concrete block wall that contains town run and that construction activity is taking place within a foot of the wall while it is exposed.

J. Auxer stated that a process has been initiated to add a requirement to the Town's building application that would ensure new building projects do not endanger Town Run.

M. Godfrey suggested that we encourage the Observer to do an article on Town Run in order to inform everyone in the area how important it is to our water supply.

ACTION ITEM: J. AUXER TO MAKE SUGGESTION TO THE OBSERVER ABOUT A TOWN RUN ARTICLE.

8. OLD BUSINESS.

8.a HYDRANT REPORT - ENCLOSURE IN PACKET.

C. Coe stated that there was nothing to add to the information in the enclosure.

K. Shipley reported that he asked the contractor working on the Toll House Woods project to provide pricing for the hydrant work that was scheduled to be done by the contractor who has decided to retire. The contractor agreed to provide prices but stated that he would not be able to schedule the work for at least 6 months.

8.b.1 ACTION ITEMS: M. GODFREY TO CREATE AN EXAMPLE OF A PROFIT AND LOSS TREND REPORT.

This item has been superseded by the work done by the accounting staff and will be closed.

8.b.2 ACTION ITEMS: S. KEMNITZER TO CONTINUE COMMUNICATION WITH THE EPA ON LEAD SERVICE LINE RESEARCH PROJECT.

S. Kemnitzer reported that there has been no response and that this item should be closed.

8.b.3 ACTION ITEMS: D. SWEENEY TO PROVIDE SUPPLEMENTAL WRITTEN MATERIAL ON DEPRECIATION AND BOND EXPENDITURES.

There was general agreement that our bond information is now adequate but that we still needed information regarding depreciation.

9. MAYOR'S REPORT.

S. Kemnitzer inquired about the status of audits. J. Auxer stated that we expect to have the 2021 audit done by the end of September and that the 2022 audit must then be put out for bid because the State requires us to change auditors every few years.

S. Kemnitzer asked that we be provided with a copy of the annual Water Board report that goes to the PSC.

ACTION ITEM: B. BENNETT TO DISTRIBUTE THE WATER BOARD PSC REPORT WHEN IT IS AVAILABLE.

R. Keller stated that our current Sewer PLC system is outdated and asked if we should be looking for a new one. F. Welch said that we would need to get it from the vendor (Aqua).

ACTION ITEM: K SHIPLEY TO CONTACT THE VENDOR (AQUA) AND INQUIRE ABOUT PLC UPGRADE POSSIBILITIES.

J. Ekstrom said the he just received a text message from the ACE that said the final agreement has been signed and that means we should be able to advertise for bids by the middle of September.

10. NEXT MEETING DATE.

Our next regular meeting will be Thursday, 28 September at 1:00 PM.

11. SUMMARIZE ACTION ITEMS FROM THIS MEETING.

4.a: S. Grove to determine what the required actions are to pay off a bond and close the account.

4.a: S. Grove to provide an explanation of the sewer contractual services accounting items.

7.b: J. Auxer to make suggestion to the Observer about a Town Run article.

9: B. Bennett to distribute the Water Board PSC report when it is available.

9: K. Shipley to contact the vendor (Aqua) and inquire about PLC upgrade possibilities.

12. **DRAFT AGENDA FOR NEXT MEETING.**

13. **ADJOURNMENT.** J. Auxer adjourned the meeting at 2:17 p.m.

Respectfully Submitted: J. Ford