

MINUTES
CORPORATION OF SHEPHERDSTOWN, WEST VIRGINIA
WATER & SANITARY BOARDS

June 29, 2023

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

1. CALL TO ORDER.

The Water and Sanitary Boards meeting was called to order by J. Auxer at 1:02 p.m.

2. MINUTES FROM PRIOR MEETING.

The proposed minutes of the May 23, 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.

M. Godfrey noted the the format of the Budget vs Actual numbers was different than it usually is.

S. Grove explained that an error was encountered when importing data into Quickbooks and that the format will be corrected in future reports. She also reported that she is currently investigating switching from Quickbooks to a software product that is made to support municipal accounting.

M. Godfrey noted significant discrepancies in 2 accounts of the Water Budget vs Actuals: Water Plant Expense (401.4) is underspent and Water Depreciation Expense (403) is overspent.

Re 401.4: F. Welch stated that he thinks our improved equipment has resulted in lower expenses in this area.

Re 403: S. Grove explained that at the time the budgets are created the estimated depreciation expense is not known, so it should be updated when it becomes known. That was not done in the recent past but will be in the future.

S. Kemnitzer suggested that the monthly Financial statements should include trend analyses. She offered to provide examples.

ACTION ITEM: S. KEMNITZER TO PROVIDE EXAMPLES OF TREND ANALYSIS REPORTS AND S. GROVE TO EVENTUALLY INCLUDE TREND ANALYSES IN THE MONTHLY REPORTS.

4.b AUDIT REPORT.

J. Auxer stated that there will be a separate meeting on July 11th at 5:00 p.m. to review the Audit Report.

S. Kemnitzer had some questions regarding the audit which were discussed at this point - see section 7.a below for details.

5. FLOW AND QUALITY REPORTS.

5.a WATER REPORTS.

F. Welch reported that everything is in good order.

M. Godfrey asked what our maximum water production capacity is.

J. Ekstrom replied that we can produce 800 gal/min or 1.2M gal/24 hr. He also stated that we have 1.4M gal of storage capacity.

J. Auxer asked why the average water flow on the Flow Report is 586,339 while the average on the Fluoridation Report is 753,113.

J. Ekstrom checked the reports and noted that the flow for 5/27 on the Fluoridation Report was 5,744,400. That is an obvious typographical error and should have been 574,440. When that change is made the averages agree.

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 Control Panel had been received and was being installed and that the Raw Water Pumps are scheduled to ship next week. He said that the project is on schedule to finish by the end of August.

6.b UPDATE ON WATER DISTRIBUTION PROJECT.

J. Ekstrom reported that the Army Corps of Engineers has sent the agreement to J. Auxer for signature. J. Auxer stated that the agreement has been signed and sent back to the ACE.

J. Ekstrom also reported that H. Shingleton is in the process of filing the required certificate with the Public Service Commission.

6.c ARMY CORPS OF ENGINEERS PARTNERSHIP AGREEMENT.

S. Kemnitzer stated that, according to the agreement, we have to submit invoices before we get any payment from the ACE and she inquired as to what our plan is to ensure that we get access to our financing in a timely manner.

J. Ekstrom explained that he has worked with Amy Boyd in the past on projects whose financing worked this way and that their system has worked well. He delivers the contractors' invoices to Amy and she transmits the invoices and request for payment to the financing organization. He further explained that all the contractors understand that the ultimate payment is coming from the ACE and that they will generally have to wait 30 to 45 days for their payments.

7. NEW BUSINESS.

7.a S. KEMNITZER'S QUESTIONS.

S. Kemnitzer stated that her questions had generally been answered by S. Grove and D. Decker and that she was especially pleased by the information presented regarding bonds.

One remaining question was why our available funds are not being applied to the bond with the highest interest rate. There was some discussion but it was suggested that the board members did not have a deep enough understanding of bonds to make the decision. It was decided that we should try to get the answer from Decker.

ACTION ITEM: S. GROVE TO ASK D. SWEENEY/D. DECKER WHY OUR AVAILABLE FUNDS ARE NOT BEING APPLIED TO THE BOND WITH THE HIGHEST INTEREST RATE.

J. Bresland asked if the board could get a presentation on bonds.

ACTION ITEM: J. AUXER TO ASK D. SWEENEY TO ARRANGE FOR A PRESENTATION ON BONDS.

8. OLD BUSINESS.

8.a HYDRANT REPORT - ENCLOSURE IN PACKET.

K. Shipley stated that the work was progressing and that there was nothing to add to the information in the enclosure.

K. Shipley reported that the owner of the contracting company doing the hydrant work is thinking of retiring, in which case we would need to find a new contractor. He has talked with a contractor working on the Toll House building project and he thinks they would be a possible replacement if our current contractor closes.

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

M. Godfrey reported that he had difficulty in coming up with example reports because the historical data he had to work with was reported very inconsistently.

This item seems to have been superseded by the Action Item noted in section 4.a above.

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

S. Kemnitzer reported that she has received no response from the EPA. This action item remains open.

ACTION ITEM: S. KEMNITZER TO CONTINUE COMMUNICATION WITH THE EPA ON LEAD SERVICE LINE RESEARCH PROJECT .

9. MAYOR'S REPORT.

F. Welch invited everyone to schedule a time to see the new press in action. K. Shipley and J. Ekstrom echoed the sentiment and stated that it was performing very well.

H. Heyser requested that a list of R/R capital improvements be included in the package in the future.

ACTION ITEM: F. WELCH TO ENSURE THAT A LIST OF R/R CAPITAL IMPROVEMENTS IS INCLUDED IN FUTURE PACKAGES .

R. Keller and M. Godfrey requested that the Quality reports included in the package be done by exception rather than including all the reports since they often contain no exceptional information and sometimes are completely blank. It was decided that this should be included as an agenda item for discussion at the next meeting.

ACTION ITEM: F. WELCH TO ENSURE AGENDA OF NEXT MEETING HAS AN ITEM TO DISCUSS THE REQUEST TO INCLUDE QUALITY REPORTS ONLY BY EXCEPTION .

10. NEXT MEETING DATE.

Our next regular meeting will be Thursday, 27 July at 1:00 PM.

11. SUMMARIZE ACTION ITEMS FROM THIS MEETING.

4.a: S. Kemnitzer to provide examples of trend analysis reports and S. Grove to eventually include trend analyses in the monthly reports.

7.a: S. Grove to ask D. Sweeney/D. Decker why our available funds are not being applied to the bond with the highest interest rate.

7.a: J. Auxer to ask D. Sweeney to arrange for a presentation on bonds.

8.b.2: S. Kemnitzer to continue communication with the EPA on lead service line research project.

9: F. Welch to ensure that a list of R/R Capital Improvements is included in future packages.

9: F. Welch to ensure agenda of next meeting has an item to discuss the request to include quality reports only be exception.

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

13. **ADJOURNMENT.** J. Auxer adjourned the meeting at 2:05 p.m.

Respectfully Submitted: J. Ford