HARDY COUNTY PUBLIC SERVICE DISTRICT

OCTOBER 5, 2016

10:00 A.M.

2094 US 220 South, Moorefield, West Virginia

Present: Matthew Gapp, Melvin Shook, Clyde See, Logan Moyers, Connie Sherman, HCPSD; Jean Flanagan, Media and Kylea Radcliff, The Thrasher Group; Rob Steptoe, Crews & Associates; Barbara Ratcliff, Jim Crowe, Grady Bradfield and Martha Bradfield, Town of Wardensville.

 The meeting was called to order at 10:05 a.m. by Chairman Matthew Gapp. Melvin Shook made a motion to approve the minutes of the September 7, 2016 regular meeting minutes as presented. Clyde See seconded the motion. It was unanimously approved.

***New Business:***

 ***Town of Wardensville*** – Barbara Radcliff, Mayor of the Town of Wardensville, along with other representatives from Wardensville attended the meeting to address the board regarding the possibility of the District assuming operation and maintenance responsibilities for their water and sewer systems due to the lack of a certified operator or if the District preferred, to assume complete ownership of the existing systems. Mayor Radcliff had contacted Logan Moyers prior to the meeting and provided some historical and physical information on the systems. Mayor Radcliff wanted to see if the District’s board was interested in pursuing this proposal before additional time is spent and further information is exchanged between the District and the Town of Wardensville. She stated that if the District decides to move forward with the proposal, the Town will seek the assistance of Terry Lively, Region VIII Planning & Development Council for guidance throughout the process on their behalf. Clyde See stated that the District would have to do its “due diligence” in evaluating a potential transfer of ownership. Logan Moyers told Mayor Radcliff genuine interest is there but a significant amount of evaluation was still necessary. Mr. Moyers suggested that the District take the next 60 days to evaluate the potential takeover and that the District’s board would take action on the matter at the December board meeting. Following discussion, Clyde See made a motion to table any action on this request until such time a 60 day evaluation of the systems has been complete. Melvin Shook seconded the motion. It was unanimously approved. Mr. Moyers will use a team of resources including the District’s accountant, engineer, bond counsel, etc. to evaluate completely all aspects of both systems. The District would like to conduct smoke testing in the sewer system and pressure testing on the water system soon to determine the condition of the distribution and collection systems. Additional evaluations will continue throughout the 60 day evaluation period.

***Unfinished Business:***

***Bonding Refinance Proposal*** – Rob Steptoe, Crews & Associates, was in attendance at the meeting to discuss the bond refinancing proposal for the District’s outstanding bonds. By taking advantage of historically low interest rates, the District has an opportunity to refinance most of its outstanding debt and save significant money over the life of the bonds. Discussion was held regarding the forfeiture of the District’s current reserve funds as part of the refinance process. Mr. Steptoe explained that the District’s current reserves would be included in the refinancing to provide additional savings. Mr. Moyers told the board that the real decision at hand is to weigh the potential savings from a public bond issuance against the flexibility the District has with its current reserves. Logan Moyers asked about any additional administrative work and the costs to the District that would result from a public bond issuance. Mr. Steptoe stated both the additional work and additional costs were minor. No action was taken at this time. The District’s board will consider the refinancing proposal and may take action on this matter at a later date.

 ***Emergency Preparedness Project*** – Logan Moyers presented Pay Requisition #1 in the amount of $62,616.00 for the Emergency Preparedness Project. Clyde See questioned if the requested amount coincides with the work that has been completed. Logan Moyers reported that 10 of the 15 facilities have been completed. Following discussion, Clyde See made a motion to approve the pay requisition. Melvin Shook seconded the motion. It was unanimously approved.

***Town of Moorefield Rate Increase*** – Following the denial by the WVPSC to reopen the District’s complaint case against the Town of Moorefield and force the Town to repay the District for costs paid above the approved resale rates in early 2016, the District requested the Town issue half the amount of the overpayment. Logan Moyers was contacted via email by Lucas Gagnon regarding the decision of the Moorefield Town Council to the District’s request. The Council was open to the proposal, but in exchange requested the District and Town renegotiate the water purchase contract between the two utilities and agree to declare the District is a tariff customer rather than a contract purchaser which in turn would eliminate the ability of the District to petition WVPSC for a ruling if the District was in disagreement with proposed rates of the Town. Clyde See made a motion to table action on this matter. Melvin Shook seconded the motion. It was unanimously approved.

 ***Baker Water Quality Issues*** – Logan Moyers provided an update on the status of the nanofiltration pilot study. Logan and Kylea Radcliff have been working with Tom Stanton, Water Membrane Systems, and are scheduled to meet with him immediately following the meeting at the water plant. The target date for starting the pilot project is December 2016. More information and direction will be provided at the next board meeting.

***Miscellaneous Business:***

 ***Source Water Protection Plan*** *–* The public hearing for the District’s Source Water Protection Plan is scheduled for October 5, 2016 at 5:00 p.m. at Region VIII’s office in Petersburg. The District’s plan along with the Town of Moorefield, Town of Petersburg and Grant County Public Service Districts’ will be reviewed and discussed at this meeting.

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

There being no further business, Clyde See made a motion that the meeting be adjourned at 11:15 a.m. The meeting was adjourned.

The next regular scheduled board meeting will be held ***November 2, 2016, 10:00 a.m.*** in the conference room of the HCPSD office located at 2094 US 220 South, Moorefield, West Virginia.

 Matthew Gapp, Chairman

*These minutes represent a summary of the subject discussed and the actions taken by the members of the*

 *Hardy County Public Service District for the regular meeting held on October 5, 2016. The meeting and proceedings were electronically recorded. In the event there may be discrepancies or contradictions between the written minutes and the audio recording, the audio recording shall take precedence.*