

**MINUTES**  
**WARM SPRINGS PUBLIC SERVICE DISTRICT**  
**March 14, 2012**

A regular meeting of the Public Service Board of the Warm Springs Public Service District was held on Wednesday, March 14, 2012, at the Morgan County Commission meeting room in the Morgan County Courthouse, Berkeley Springs, West Virginia, at 3:30 p.m.

Members present were Paul Zorich, Mike Jenkins, and Joyce Altomare. Also in attendance were Tom Altomare, Brenda and Steve Hutchinson, Terry Cross, Matt Close, Rodney Hovermale, and Ian Gingold, Jeff Bishop and Elaine Hill of City National Bank.

The first matter of business was the approval of the agenda. Mrs. Altomare made a motion to amend the agenda by placing item #14 (discuss pending court actions) after item #25. Mr. Zorich seconded the motion, and it passed 2-1 with Mr. Jenkins opposing.

The next matter of business was the approval of the Minutes of the February 8, 2012, regular and special meetings. The Minutes were unanimously approved upon a motion by Mr. Jenkins.

The next matter of business was the approval of the invoices received. After discussion, the following thirty-four operating invoices out of thirty-six considered were unanimously approved for payment upon a motion by Mr. Jenkins:

**Operating:**

1. Joyce Altomare (Feb; mandatory board member training expenses)	578.80
2. B.S.W.W. (Mar; meter books; Feb; shut offs)	150.00
3. Board of Risk & Management (Liab/prop 4 <sup>th</sup> qtr. prem thru 6/30/12)	3,545.00
4. CNA Surety (WV highway permit 4/16/12-4/16/13)	250.00
5. Scott Crunkleton (Mar; cell phone allowance)	20.00
6. Dawson's Home Center(Feb;orange paint Mar;exterior bulbs BS/GC)	175.93
7. Glenn Francis (Mar; cell phone allowance)	20.00
8. G.H.S. Inc. (Feb; haul sludge 2/24)	370.00
9. Glen's Septic Service (Feb; 2 loads GC to BS)	470.00
10. Golden Equipment (Feb; line camera repair)	305.45
11. Guardian-Bethlehem (Feb; disability insurance admin. fee)	8.00
12. Rodney Hovermale (2/6-3/4 mileage, fire extinguisher)	37.47
13. Hunters Hardware (Feb; drill bits, pipe racks, hose, etc. Mar; rake BS)	134.33
14. Hoffman Construction Serv. (Mar; check/calibrate GC/BS flow mtrs.)	393.80
15. Kauffelt & Kauffelt (Feb; PSC legal fees Graham,rate case,vac house)	758.10
16. Lumos Networks (Feb; phone billing, GC, BS, office)	234.18
17. Miss Utility of WV (Jan; notifications)	11.70
18. Morgan Sanitation (Feb; dumpster rental)	122.12
19. Pifer Office Supply, Inc. (Feb; office supplies & plant paper towels)	125.70
20. Postmaster (Feb 29; billing postage and stamps)	517.16
21. Potomac Auto Parts (Mar; antifreeze & low beam headlight for GMC)	30.48

22. Potomac Edison (Jan; PS#3, Feb; GC/BS-wwtp, BS-ps#2)	7,486.38
23. REIC Lab (Feb; GC & BS water analyses, sludge & Appendix J)	1,457.23
24. Rick's Welding & Machine (Feb; sewer cleaner repair)	508.60
25. Roy's Service Ctr(2/18 can diesel,1/13,2/3,8,10,17,24,3/2&9 gas;3 inspec)	730.38
26. Schreiber (Jan; axle connectors for grit/grease platform)	510.00
27. Town of Bath (Mar; office rent)	750.00
28. USA Bluebook (Feb; sampler maintenance BS)	388.20
29. UPS (Feb; REIC sampling BS & GC, & Appendix J)	231.63
30. Unifirst (2/14, 2/27, 3/5, 3/12 uniforms)	235.96
31. US Cellular (Mar; service)	46.26
32. Winschel Environmental (Jan & Feb; polymer)	3,540.00
33. WV DEP (Mar; WVNPDES annual permit & grdwtr prot fee)	150.00
34. WV Dept. of Health & Human Ser (Feb; IP water bacteria test)	20.00
	24,312.86

Upon a motion by Mrs. Altomare, the invoice for Bank of America (Feb; earthlink, ink cartridges; HP fuser) in the amount of \$314.36 was approved 2-1 (with Mr. Zorich opposing) subject to Mr. Jenkins' inspection of the invoice.

A motion by Mrs. Altomare to disapprove the invoice for Arnold & Bailey (Feb; review and revise employment contract) was seconded by Mr. Jenkins and discussed. It was noted that the legal services were acquired with only the Chairman's authorization. The motion was approved 2-1 with Mr. Zorich opposing.

There were no sewer connection requests to be considered.

A motion by Mr. Jenkins to approve CNB's Net 24 documents with the authorized signatures of the three current Board members and Mr. Hovermale was passed unanimously. These documents allow direct deposit of payroll and online bank account access.

Billing/payment/collection options were discussed with the three representatives of City National Bank. Customer authorized payment withdrawals and credit card acceptance were a couple of the options that could be made available. It was noted that a convenience fee, if approved by the PSC, may be charged for credit card payments. The discussion will be continued at the next Board meeting, and City will plan to return in May.

There were two requests for exceptions to the Leak Adjustment Policy continued from the last meeting. Charles Wilson (Account #71299001) requested an adjustment on his sewer bill for a leak in a plumbing fixture, and the leaking water went into his septic tank since he has not yet connected to the PSD's sewer line. David Acord from the Public Service Commission has opined that there should be no adjustment due to provisions in the Policy and the WV Code. A motion by Mr. Jenkins to deny Mr. Wilson's request was unanimously approved. Hans Peter Moss's (Account #10023701) request for an adjustment for a second water line leak that occurred during the quarter ending December 6, 2011, was revisited due to Mr. Acord's opinion that a sewer adjustment is usually in order if the water utility makes an adjustment. The PSD learned after the

last meeting that an adjustment was granted by the Berkeley Springs Water Department (owned by the Town of Bath), even though they have the same limitation of one occurrence in a twelve month period and an adjustment had already been approved for a leak in the quarter ending June 7, 2011. Since the PSD's Policy limits an adjustment to one occurrence in a twelve month period, the request for an adjustment for the quarter ending December 6, 2011, was unanimously denied upon a motion by Mr. Jenkins.

The WV WARN mutual aid application was discussed. This is an agreement that allows member utilities to request aid/assistance from other member utilities in times of an emergency. All utilities have the right to refuse a request for help. Upon a motion by Mr. Jenkins, Mr. Hovermale was unanimously authorized to complete and submit the application.

The monthly financial reports were reviewed, and the budget comparison reports were discussed. Upon a motion by Mr. Jenkins, the financial statements were approved as presented on a 2-1 vote with Mrs. Altomare opposing.

The proposed general manager employment contract was discussed. Upon a motion by Mrs. Altomare, the contract was tabled until the PSD's revenue and reserve accounts with the Municipal Bond Commission are current and fully funded. The vote was 2-1 with Mr. Jenkins opposing. Since there did not seem to be support for a contract, Mr. Zorich made a motion to terminate the employment of Mr. Hovermale. It was noted that this subject was not on the agenda, and no further discussion ensued.

Mr. Hovermale reported that he had found a potential source of funding for a solar panel project, but learned of the special WV DEP Revolving Fund program several days prior to the deadline to make application to get on the 2013 Priority List. With a rough project description and cost estimate of \$836,000 from MTV Solar, the application was submitted just before the deadline on February 29.

Board member compensation was discussed. WV Code §16-13A-4(b)(2) allows a salary of up to \$100 per attendance at regular monthly meetings and \$75 per attendance at additional special meetings. Since no WSPSD Board member had yet to accept any salary, no policy was in place to determine the amount and method of payment. Mrs. Altomare indicated it was her desire to receive the salary, and Mr. Jenkins noted that he would continue to receive no salary. A motion by Mr. Jenkins was unanimously approved authorizing salary payment at the maximum amount allowed by the Code. The two methods of payment, payroll versus vendor, were discussed with it being noted that both methods are being used by different districts. A motion by Mr. Jenkins was unanimously approved delaying any payments until the proper method is determined in writing. Additionally, his motion stipulated that payment for meeting attendance would be presented at the following meeting.

The Board discussed the potential office space available through the Morgan County Senior Services located in the newly acquired U.S. Silica office building. Mrs. Altomare and Mr. Hovermale had inspected the two available areas and agreed that neither space would be suitable for the PSD business office. It was agreed to continue to look for available office space. Mr. Hovermale felt that the current office space in the Town of Bath Municipal Center was the best location for both and office staff customer convenience.

Charles Trump arrived to discuss the complaint filed in Circuit Court by former employee Joyce Youngblood. The Board agreed to discuss this issue at this time. Mr. Zorich noted that he had been served with the Summons in the afternoon of February 29, 2012. Insurance coverage for this claim has been denied, so legal services will have to be acquired. Mr. Trump related his prior experience with this issue back in 2008 when then Chairman Andy Jurick brought Mrs. Youngblood to the Trump & Trump offices to discuss the PSD's employee manual regarding the use of unused sick leave upon retirement. The PSD allowed unused leave to be applied to retirement benefits, but not to extend employer paid health insurance as Mrs. Youngblood desired. Mr. Trump offered to represent the PSD in this case at the rate of \$250 per hour, but also noted that there were several large law firms in the panhandle with labor law practices. He would be glad to assist the PSD any way he could, but an answer to the complaint needed to be filed by March 20. Mr. Trump then left the meeting. Mr. Jenkins informed the Board that he had contacted Martinsburg attorney Barry Beck after several referrals. Mr. Beck was available to represent the PSD and his rate would be \$175 per hour. Mr. Beck was unanimously retained as counsel for the PSD upon a motion by Mrs. Jenkins. He will inform Mr. Beck of the decision, and have him contact Mr. Hovermale for information on the case.

Mr. Hovermale noted that the Public Service Commission has been notified of Mrs. Altomare's February appointment to the PSD Board.

Payments to the Municipal Bond Commission for the PSD's bonds and reserve accounts were discussed. As of November 3, 2011, the PSD accounts were deficient by over \$117,000. It was noted that the deficiency has continued to get worse and was the main reason for the request in November 2010 for a rate increase and temporary surcharge.

The PSD's operation of the Rt. 522 Business Park water and sewer systems for the County was discussed. The PSD's expenses, including labor, are reimbursed by the County on a semi-annual basis. The County currently owes the PSD \$11,433 for expenses through December 31, 2011, and payment is expected within the next two weeks. Steps have been taken to try to reduce the labor expenses and Mr. Hovermale will begin quarterly billing so that the invoices will not be so large in the future.

Mrs. Altomare questioned Mr. Hovermale's failure to submit a written vacation request for last week as required in the Employee Handbook. He responded that a written request had never been asked of him prior to this, but that if the Board so desired, he would comply in the future.

Mr. Jenkins passed around a copy of his proposed Cell Phone Usage Policy. The Policy was unanimously adopted as presented upon a motion by Mr. Jenkins. The Policy is attached and made a part of these Minutes. A motion by Mr. Jenkins was unanimously approved offering Mr. Hovermale the same stipend (\$20 per month) as other employees for the use of his personal cell phone instead of having a cell phone in the PSD's name.

The acceptance at the Berkeley Springs WWTP of leachate from the old Morgan County Landfill was discussed. WV DEP has capped the landfill and is in the process of installing a leachate (water that trickles down through the landfill) collection system. Another branch of WV DEP has already issued a permit modification allowing the leachate to be treated at Berkeley Springs. There is a letter of understanding with DEP that WSPSD will accept the leachate at five cents per gallon with a minimum of \$400 for any month that leachate is transported. Transport of


leachate is now anticipated to begin in April 2012. Based on DEP's estimates of initial quantities, the income for the PSD could be significant, on the order of several thousand dollars a month.

Nitrogen trading was discussed. Because of the nutrient (nitrogen and phosphorus) limits imposed on the states as part of the Chesapeake Bay cleanup, various sectors (such as WWTP's and agriculture) have been assigned goals to meet. West Virginia has assigned nutrient limit goals for treatment plants larger than 400,000 gallons per day and for new facilities. The Berkeley Springs plant is the only existing plant in Morgan County that has been assigned a goal. The treatment plant upgrade completed in 2008 has resulted in the PSD being well under the annual load allowed for nitrogen. This difference between the actual amount and the allowed amount of nitrogen discharged creates a potential credit which could be traded to other facilities that are not able to meet their annual load limits. Although State Code requires it, West Virginia DEP does not yet have an approved Nutrient Trading Program. The actual nutrient limits currently are only a goal, but actual numbers will be assigned in the next discharge permit cycle which will be in 2013. The PSD was able to meet the phosphorus goal for the first time in 2011 because of the addition of a special chemical that improves the removal of this nutrient. The capital expenditure so far has been less than \$3,000 for metering pumps and accessories. There is also the ongoing cost of the chemical which so far has only been needed during the late spring through early fall.

Mr. Jenkins passed around a copy of his proposed Travel Reimbursement Policy. Portions of this Policy were table until the next meeting, but the Personal Vehicle Use Policy and Seat Belt Usage Policy were unanimously adopted upon a motion by Mr. Jenkins. Both Policies are attached and made a part of these Minutes.

The meeting was adjourned at 7:10 p.m. upon a motion by Mrs. Altomare.

  
Paul S. Zorich, Chairman

  
Michael Jenkins, Secretary/Treasurer

  
Joyce Altomare, Member