

The Minutes of the Regular Meeting of the Parkersburg Utility Board

May 12, 2020

CALL TO ORDER

Pursuant to the call of its Chairman Tom Joyce, the Parkersburg Utility Board met in the Parkersburg Utility Board Administration Building, at 125 19th Street on the 12th day of May, 2020. Chairman Joyce called the meeting to order at 9:00 a.m. Due to the ongoing Coronavirus pandemic this meeting was held by telephone conference.

Roll Call

Present:

Tom Joyce, Chairman
John Lutz, Vice Chairman
Gregory Herrick, Board Member
Paul Hoblitzell, Board Member
Robert Wright, Board Member
Jeff Reed, Counsel
Eric Bennett, Manager
Erin Hall, Comptroller
Christopher Pauley, Assistant Comptroller

Absent:

Others in Attendance:

Evan Bevins, Parkersburg News & Sentinel

Consideration of Minutes

Chairman Joyce requested the Board consider the minutes of the April 14, 2020 regular Board meeting for acceptance into the record.

Motion and Vote

Paul Hoblitzell moved to dispense with the reading of the minutes and approve the minutes of the April 12th meeting as presented to the Board. Robert Wright seconded the motion and it was approved by a unanimous vote of the Board members.

Presentation of Budget

For Fiscal Year Ending June 30, 2021

Hall stated that Board members were provided with a copy of the draft budget for review along with a cover letter reviewing some changes and assumptions that were made in developing the budget. Hall further stated the budget is being presented today for review and discussion only and we will request approval at the next meeting.

Hall stated the O&M budget increased by \$15,229.00 from last year's budget. Included in the budget is a payroll adjustment of 1.6% for the annual COLA increase for all employees. Hall stated we have experienced a decrease in consumption throughout the year of approximately 1.5%. Hall also stated we will also see a decrease in debt service payments of approximately \$1.2 million dollars with the majority being from the water system.

Lutz questioned if we have seen a difference between residential and commercial consumption since the pandemic precautions were put in place. Hall stated there has been an increase in residential and decrease in commercial but the increase in residential does not offset the decrease in commercial usage. Hall stated we have experienced a decrease in consumption of 8% on the April 30 billing.

Presentation of Parkersburg Utility Board Bylaws

Bennett stated Board members were provided a draft copy of Bylaws that were written utilizing other entities bylaws as a guide. Bennett stated he felt they are needed because in recent years questions have been asked that a definitive answer could not be provided because no written policies were in place and they would be best covered in a set of Bylaws for the organization.

Bennett stated they were written by him and reviewed by Jeff Reed and have been adjusted to include Mr. Reed's thoughts and comments. Bennett further stated that staff believes the Bylaws are appropriate but they are the Bylaws of the Board and Board members need to review them closely and insure they believe them to be appropriate for the organization.

Bennett stated the Bylaws are only being presented at today's meeting to provide Board members ample time to review them prior to taking action at a subsequent meeting.

Lutz recited language in the membership section of the ordinance that allowed for at least one customer outside the corporate boundaries may be selected as a Board member. Lutz questioned if this was already approved by City Council. Bennett responded that language was approved by City Council approximately 2 years ago.

Herrick questioned if the Health Department or Public Service Commission still required at least one member to be a registered professional engineer. Bennett stated that he was unsure of their requirements but it is a requirement of the ordinance creating the Board.

Consideration of Resolution and Agreement for Reinvestment of CD's with People's Bank

Hoblitzell questioned if a third signatory could not be added to the bank accounts with only two signatures required and the third person is available in the event something happens to one of the primary signatories. Hall stated that there are only two authorized signers on all PUB accounts. Hoblitzell stated he did not have a problem with that but the addition of a third provides an additional approved person to act in the absence of one of the others.

Hoblitzell questioned what Reed's opinion was on the matter. Reed stated that it was not a legal issue but a practical issue. Reed stated that he believed it was wise to add a third person to be authorized to sign in the event one of the others was on vacation or in the hospital or for some reason unavailable to sign a bank document.

Joyce stated he has served on other Boards and it has been standard to have three individuals authorized to sign with only two signatures required. Bennett stated he would recommend that they add either Assistant Comptroller or the General Manager as the alternate. Hoblitzell stated he would suggest the General Manager be added as the alternate.

Hall stated that she would work with the banks to get it done.

Motion and Vote

Paul Hoblitzell moved to make the Chairman, General Manager and Comptroller as signatories on all bank accounts. John Lutz seconded the motion and it was approved with a unanimous vote of the Board members.

Joyce stated we are now on the original item of approval of the resolution and agreement for reinvestment of water and sewer reserve fund CD's with Peoples Bank.

Motion and Vote

Greg Herrick moved to approve the resolution and agreement for reinvestment of reserve funds in CD's at Peoples Bank. Paul Hoblitzell seconded the motion and it was approved with a unanimous vote of the Board members.

Consideration of Agreement for Bond Counsel

Bennett stated Board members were provided with a brief correspondence and a copy of the engagement letter for Bond counsel services with John Stump of Steptoe & Johnson, PLLC. Bennett further stated Bond counsel is required to prepare Bond documents and provide assistance related to loans utilized to fund the proposed water system improvements. Bennett also stated John Stump has performed these services in the past for the City and PUB, and has always provided outstanding service.

Bennett stated the cost for the services is \$50,000.00, and that cost will be taken from the Bond proceeds at the time of closing. Hoblitzell questioned what was the anticipated arrangement for the Bond issue. Bennett responded that currently it was anticipated to utilize WVIJDC funds at 3% interest for 20 years, as Parkersburg's current or anticipated rates do not allow for any of the lower interest loans. Bennett stated that DWTRF does not have enough funds to cover the loan in its entirety so we opted to go solely with IJDC for the simplicity of dealing with a single agency. Hoblitzell questioned the size of the proposed Bond issue. Bennett responded that it is anticipated at 13 to 15 million dollars.

Motion and Vote

Paul Hoblitzell moved to approve the engagement letter for Bond Counsel services and authorize the General Manager to execute the document. John Lutz seconded the motion and it was approved with a unanimous vote of the Board members.

Consideration of Agreement for PSC Counsel

Bennett stated Board members were provided with a brief correspondence and a copy of the engagement letter for PSC counsel services with Todd Swanson of Steptoe & Johnson, PLLC. Bennett further stated PSC counsel is required to prepare project and rate ordinances related to funding the proposed water system improvements. Bennett also stated Todd Swanson has performed services in the past for the PUB, and has always provided outstanding service.

Bennett stated with SB234 that was passed several years ago requiring all utilities to fund a working capital account, it also requires additional notification and public hearing requirements for major improvement projects and this will be the first such project that PUB has undertaken since its passage.

Bennett also stated the fee for services is a flat fee of \$20,000.00, and that fee will be paid from Bond proceeds at the time of closing. Hoblitzell questioned who must approve the ordinance. Bennett responded that it is a project ordinance to be approved by City Council that makes the intent of the project public record and allows for a public comment period with the intent of notifying the public about the proposed project.

Motion and Vote

Paul Hoblitzell moved to approve the engagement letter for PSC Counsel services and authorize the General Manager to execute the document. Robert Wright seconded the motion and it was approved with a unanimous vote of the Board members.

Consideration of Agreement for Accounting Services

Bennett stated Board members were provided with a brief correspondence and a copy of the agreement for accounting services with Griffith & Associates, PLLC. Bennett further stated accounting services are required to prepare cash analysis documentation in the form of a PSC Rule 42 filing to be provided as part of the filing with the WVIJDC funding request for the proposed water system improvements. Bennett also stated Michael Griffith has performed services in the past for the PUB, and has always provided satisfactory service.

Bennett stated the agreement provides for work to be done at specified hourly rates, plus expenses, with a not to exceed limit of \$30,000.00. Bennett further stated the agreement specifies reasons why the costs could exceed \$30,000.00, but any work exceeding the not to exceed limit must be approved by amendment to the agreement prior to the work taking place. Bennett also

stated that he did not envision the need to exceed the limit. Bennett stated the cost of this work is to be paid by PUB upfront and then reimbursed from Bond proceeds at the time of closing.

Hoblitzell questioned if the analysis determines how it will affect the debt service ratio. Bennett responded they do a full cash flow analysis to determine that adequate funds are available to operate and maintain the utility while paying the proposed debt service and maintaining the appropriate debt service ratio.

Motion and Vote

John Lutz moved to approve the agreement for accounting services and authorize the General Manager to execute the document. Paul Hoblitzell seconded the motion and it was approved with a unanimous vote of the Board members.

Consideration of Termination and Late Fee Charges

Bennett stated it is time to determine if late charges will be applied to the April 30 billing and if terminations for past due accounts are to be processed. Bennett questioned if the Board wishes to again waive late fees on the current billing period and continue to suspend terminations for nonpayment.

Hoblitzell stated we should do it again this month. Joyce stated we should continue to review it on a monthly basis and the bottom line is there are still a significant number of people who have not returned to work and many companies that have not yet reopened due to the virus.

Joyce stated there has been money allocated State and Federally to assist citizens to help them pay utility fees. Joyce stated his knowledge was they would be setup as grants to be paid directly to the utility but would likely not be in place until June.

Bennett agreed that recent guidance from the U.S. Treasury relating to the CARES Act funds that each State received could be utilized for grants to customers to insure their utility services were not terminated during this health crisis.

Joyce stated the key will be getting that information to our customers so they all understand what they need to do to gain those funds. Joyce also stated the City has setup a fund for that service and are awaiting approval through HUD. The program will work through United Way and Community Resources and hope by June it should be in place. Bennett agreed that PUB would work with customers to insure they understand the process to get assistance on paying past due utility bills.

Joyce also stated that with some of the organizations it may be necessary to provide termination notices to get assistance. Bennett stated that PUB is still mailing termination notices with a statement that it is for informational purposes, just for the reason stated and to insure that customers understand what they owe and where they stand when termination of services for non-payment resume.

Hoblitzell stated with the sending of the termination notices we could provide notification of any assistance programs to help customers with their payments. Bennett stated that we could add notes to the notice or even send a bill stuffer to provide more in depth information.

Joyce stated there are people in the community that if some restrictions are reduced would be willing to provide workshops or sign up locations to work with individuals to gain assistance in paying all of their utility bills. Bennett requested that as information or programs are put in place that PUB staff is notified so we can get the information out to customers.

Motion and Vote

Paul Hoblitzell moved to waive late fees and suspend terminations during the month of May. John Lutz seconded the motion and it was approved with a unanimous vote of the Board members.

Consideration of Invoices in Excess of \$750

The following invoices totaling \$341,731.96 were considered for approval:

Allmax Software	Operator 10 wastewater annual support- WWTP	2,630.00
Burgess & Niple	Professional services thru March 31, 2020- Review construction standards	3,175.00
Burgess & Niple	Professional services thru March 31, 2020-Water System Improvements- Design	40,941.66
Burgess & Niple	Professional services thru March 31, 2020-Water System Improvements- Report	1,777.13
C & M Fence	Replace fence at Lute Supply- CAC 146- Fire Station #5	950.00
C.I. Thornburg	100- Single port meter transceiver- meter shop	13,500.00
C.I. Thornburg	150- 5/8" meter- meter shop	19,500.00
CDW Government	WatchGuard total security suite subscription license- renewal upgrade- admin	3,969.54
Consolidated Pipe & Supply	25- Curb box with lid- water maint.	1,000.00
Consolidated Pipe & Supply	10- 8" repair clamp- water maint.	1,097.30
Dearborn National Insurance	Employee life insurance- April 2020	845.48
Dominion Energy	WWTP / Administrative Building - April 2020	2,497.41
Dominion Energy	Water Treatment Plant - April 2020	777.24
Duke's Root Control	3035' of 6" pipe sewer root control, 6938' of 8" pipe sewer root control- sewer maint.	16,854.37
Electric Motor & Pumps	Repair #4 motor- Kanawha St. Pump Station	1,805.00
Enecon Corporation	Materials for chemical sump repair- WTP	1,415.00
Environmental Products & Access	2- 1" leader hose, 1" sewer hose, 1" sewer nozzle, 3- 1" extension- sewer maint- truck # 12-004	2,005.63
Ferguson Waterworks	18- 3/4" coupling, 12- 2" brass adaptor- water maint	2,286.18
Ferguson Waterworks	29- valve box top, 3- 6" repair clamp- water maint	1,261.26
Frontier	Phone service - April 2020	968.97
Hach Company	Controller- WTP	2,044.80
Hach Company	Chlorine analyzer and tubing kit- WTP	2,446.14
JCI Jones Chemical	3006 gal of hypochlorite solution- WWTP	2,434.86
Jeffrey Reed	Legal- April 2020	2,020.00
Martin Marietta	19.39 tons #57, and 9.48 tons 1 1/2" limestone- water maint.	766.44
MonPower	6th St. Pump Station - April 2020	4,207.01
MonPower	Neal Run Pump Station - April 2020	918.96
MonPower	1st. Ave. Pump Station - April 2020	3,968.07
MonPower	Water Treatment Plant - April 2020	15,661.19
MonPower	Waste Water Treatment Plant - April 2020	19,859.67
MonPower	Kanawha St. Pump Station - May 2020	1,058.13
MonPower	Sayre Ave. Pump Station - April 2020	1,099.91
Parkersburg Utility Board	Sewer bill - WTP - April 2020	7,749.23
Parkersburg Utility Board	Water bill - WWTP - April 2020	1,019.57
Pipelines, Inc.	20- 20" meter box- water maint.	1,194.00
Pipelines, Inc.	4- 1/2" brass plug, 3- 3/4" brass union, 3-1" brass nipple, 3- 24" meter box, 6- 3/4" coupling- water maint.	1,259.22
Pipelines, Inc.	20- 20" meter box- water maint.	1,219.80
Pipelines, Inc.	8- 20" meter box cover- water maint.	796.00
Pipelines, Inc.	132- various size elbows, 234- various size adaptors- sewer maint.	4,153.02
Pipelines, Inc.	180' of 3/4" pipe, 60' of 1" pipe, 9- 3/4" elbow, 6- 2" brass bushing, 12- 1/2" brass union- water maint.	1,789.06
Retiree Health Benefit Trust Fund	Contribution for retired employee health insurance - April 2020	12,879.26
SmartBill	April postage and service fee- billing	7,857.38
Smith Concrete	8 yds. of 9 bag 2% Hi-Early concrete, 8 yds. cold weather operations - water maint.	1,208.00
Smith Concrete	9.5 yds. of 9 bag 2% Hi-Early concrete, 9.5 yds. cold weather operations - water maint.	1,434.50
State Electric	VFD replacement for north clarifier- WTP	975.00
Strand Associates, Inc.	Professional services thru March 31, 2020 - Misc. & Computer Services	922.58
Strand Associates, Inc.	Professional services thru March 31, 2020 - SSO Abatement Report	10,478.34
Stuart Oil Co.	555 gallons diesel - all depts.	767.01
Stuart Oil Co.	750 gallons unleaded- all depts.	1,002.75
Total Equipment Company	Preventative Maintenance for compressors- WWTP	4,732.72
Univar	4542 gal of sodium hypo- WTP	3,442.84
Valtronics Sales, Inc.	Flow meter for WAS line- WWTP	6,125.18
West View Cunningham	Diaphragm for #1 or #2 sludge pump- WWTP	4,588.32
Willquip	2- 2" trash pumps- water maint.	2,198.00
WVPEIA	Employee Health Insurance - April 2020	59,856.06
WVPERs	Pension expense - April 2020	25,866.77
Xylem	4" pump & fittings rental - 8/23- 9/19/2019 - elevated sewer bypass pumping	2,475.00
	TOTAL APPROVED	341,731.96
Total amount of checks paid from sewer operating fund April 10- May 7, 2020		433,368.46
		Check #82952-83163

Motion and Vote

John Lutz moved the list of invoices over \$750, dated May 12, 2020 in the amount of \$341,731.96 be approved for payment as submitted to the Board. Greg Herrick seconded the motion and it was approved with a unanimous vote of the Board members present.

Other Business

Next Meeting Date

Erin Hall stated the next regular meeting would be May 26, 2020.

Board members agreed to meet in regular session, at the Parkersburg Utility Board Administration Building in the conference room, at 9:00 a.m. on May 26, 2020.

Adjournment

Paul Hoblitzell moved the meeting be adjourned. John Lutz seconded the motion and it was approved by a unanimous vote of the Board members present. The meeting adjourned at 9:31 a.m.

Respectfully Submitted:

Eric Bennett, General Manager