

MINUTES OF A SPECIAL MEETING OF THE PUBLIC SERVICE BOARD
OF THE MINERAL WELLS PUBLIC SERVICE DISTRICT HELD JOINTLY
WITH THE CLAYWOOD PARK PUBLIC SERVICE DISTRICT BOARD
ON THURSDAY, JULY 1, 2004, IN CLAYWOOD PARK'S DISTRICT
OFFICE LOCATED ON ROUTE 47, PARKERSBURG, WEST VIRGINIA

Mr. Michael Miller, Chairman, Claywood Park Service District, called this part of the meeting to order at 7:00 P.M. He asked everyone present to please sign the attendance roster. Michael Miller, Randy Law, Jack Beck, Todd Grinstead, James Ice, Charles Stewart, Roy Radabaugh, Shayne Brabham and Margaret Batten were present.

Mr. Miller stated if there were no objections, the District would dispense with the reading of the Minutes from the previous meeting. There were no objections. Mr. Miller then turned the meeting over to Jack Beck, General Manager of Claywood Park Public Service District.

Mr. Beck gave a brief review of the original agreement dated January 7, 1980 between the two Districts which was drafted by Mr. D. E. Cerrone, Cerrone Associates, Inc., who is no longer with the firm.

Mr. Ice spoke on behalf of Mineral Wells Public Service District. He explained that there were some items that needed clarification. One of the items that needs clarified is what items are included in the "Fixed Cost-Operation and Maintenance" and what items are in "Variable Costs".

After discussion, Mr. Ice asked that Mineral Wells be provided with a breakdown on the fixed and variable cost items by July 19, 2004 so that each District could better understand what is included in the cost of water production.

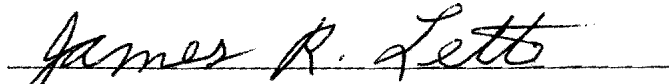
Mr. Beck stated that the new agreement needed signed by September 1, 2004 and that he would contact Cerrone Associates and Bassett & Love Accounting to obtain the necessary information for Mr. Ice and have it to him by July 19, 2004.

All discussion relative to the water agreement having been completed, the Mineral Wells Public Service Board Members and employees asked to be excused from the rest of the meeting. They were excused at 7:45 P. M. (A copy of the Minutes of Claywood Park Public Service District is attached.)

CERTIFICATION

I, James Lett, secretary of the Public Service Board of the Mineral Wells Public Service District, a West Virginia Corporation, do hereby certify that the foregoing and hereto annexed Minutes are a true and accurate record of the Meeting held at the time and place aforesaid.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the District on this the July 15, 2004.



James R. Lett, Secretary of the Public Service Board
of the Mineral Wells Public Service District, Mineral
Wells, West Virginia

CLAYWOOD PARK PUBLIC SERVICE DISTRICT
P.O. BOX 127
PARKERSBURG, WV 26102

DATE: JULY 1, 2004

TIME: 6:00 P.M.

PLACE: CLAYWOOD PARK P.S.D. OFFICE

ATTENDING: Jack Beck, Michael Miller, Randy Lay, Todd Grinstead, Margaret Batten, James Ice, Roy Radabaugh, Shane Brabham, Jim Lett, Charles Stewart, Wanda Strawser.

Michael Miller, Chairman called the meeting to order and said if there were no objections, the District would dispense with the reading of the minutes from the previous meeting. There were no objections. Mike then turned the meeting over to Jack Beck General Manager of the District.

Disbursements- The June disbursements were approved and initialed by the commissioners.

Questions or comments from the Public- No comments were made.

Misc. Improvement Project- Mr. Beck reported we had received a letter granting the District permission to spend some excess funds that were left over from the project, according to a list submitted to the Rural Utility Service last month.

Water Plant Upgrade- Nothing new to report.

Red Hill Sewer- Nothing new to report.

Miscellaneous Items- Mr. Beck reported there was two new water taps this last month, one main water line break, Stillwell Road, and two service line leaks in June.

Managers salary- After a short discussion, a motion made by Randy law to increase the Managers salary and seconded by Mike Miller, motion carried.

At 7:00 pm representatives from the Mineral Wells Public Service District attended the meeting to discuss the water purchase and supply agreement between the two Districts.

Mr. Beck spoke about the original agreement dated January 7, 1980
Mr. Cerrone drafted the original agreement; he is no longer with Cerrone Assoc. firm.

Mr. Ice spoke on behalf of the Mineral Wells District. And stated that there are something's that they would like to have clarified. A question about how Cerrone Assoc. arrived at the percentages used in the new agreement. And they would like to see a break down of the fixed cost as well as the variable, so they can better understand what all is included in the cost of water production.

Mr. Beck stated that the new agreement needed to be signed by September 1, 2004. He will contact Cerrone Assoc. and Bassett & Lowe accounting, to obtain the necessary information for Mr. Ice, and have it for him before the 19th of July.

Next board Meeting- the next regular board meeting will be August 3, 2004 the time will be at 6:00 P.M.

Mr. Miller said if there were no further business, the meeting would be adjourned.
Adjourned at 7:40 P.M. Motion by Randy Law and seconded by Mike Miller to adjourn.

Todd Grinstead, Asst Manager

Michael Miller

Edna Summers

C. Randall Law