

UNION WILLIAMS PUBLIC SERVICE DISTRICT

Regular Board Meeting

December 20, 2006

Roll Call:

S. L. Nulter, Chairman

R. J. Mullenix, Treasurer

H. E. Seufer, Secretary

Attending:

Brad Mason, Burkhart Trucking, Inc.

Billy Burkhart, Burkhart Trucking, Inc.

Jonathan Carpenter, Thrasher Environmental

Loren Cullum, Stone Ridge Estates

Jim Leach, Stone Ridge Estates

Location and Time:

6:30 P.M. District Office

Minutes by:

J. L. Dotson

S. L. Nulter called the meeting to order.

Read minutes of regular board meeting from November 15, 2006. H. E. Seufer moved to accept the minutes. R. J. Mullenix second. Unanimous.

H. E. Seufer moved to approve the financial statement. R. J. Mullenix second. Unanimous.

Discussed Wastewater Project. Brad Mason and Billy Burkhart came to make the District aware of their claim against Diversified Enterprise. Burkhart Trucking was hire by Diversified last spring to complete warranty work on contract #3. Diversified had asked them for a bid to complete certain work. Billy Burkhart met with Jerry Blair and Gale Smith for several hours. Burkhart was not willing to do the work on a bid basis, but agreed to perform the work on an hourly basis. At first, they did one small job and were paid for the work. They then agreed to perform more of the work and did so from August 10th through September 18th 2006. They said they provided a back-hoe, a dump truck, and a three man crew. They provided a large amount of topsoil, seed, and mulch in performance of the work. The comments the Burkhart employees received from the property owners was all very positive. They became concerned when they did not receive payment on two invoices totaling \$36,219.24. They pulled off the job after a conversation with Jack Whittaker. They have contacted International Fidelity, the bonding company for Diversified Enterprise for this project. International Fidelity is still investigating the claim. Mr. Mason and Mr. Burkhart said they came to the meeting to make the District aware of their claim and to ask for any assistance the District might be able to offer to help them collect the

MINUTES & TREASURER'S REPORT

APPROVED

BY: Steph L. Nulter

DATE: 1-17-2007

money they are owed. Their attorney said a letter from the District verifying that they worked on the project, and it is in fact the project they have bonded would help. They have called Steve Hardman and he asked them to have their attorney contact him. Billy Burkhart said he had met with Gale Smith on sight, and all the work they did was under the direct supervision of Jerry Blair, who approved all the invoices they submitted. He also said they paid for the materials they used, and have not received payment for anything. Steve Nulter clarified to Mr. Mason and Mr. Burkhart that the work they performed was not warranty work, it was in fact initial restoration work that Diversified had not performed in a timely manner according to the contract. Mr. Nulter asked if the bonding agency was questioning that Burkhart had even performed the work. Mr. Burkhart said Diversified is disputing the entire claim. He said the agent said they are trying to contact the principal to verify, and was now asking for time sheets from the work. Steve Nulter asked Mr. Mason to describe the conversation they had with Jack Whittaker. Mr. Mason said the conversation lasted about three minutes. They had not received responses from Diversified, so they sent a letter that said if no response was received, they would assume the invoices were accepted. Mr. Whittaker called them, argued about the number of men on the job, and said the dump truck was not on the job. When they responded to his arguments that the men were on the job and that the dump truck was hauling topsoil from Belmont, Mr. Whittaker cussed them out and hung up. Jerry Dotson will discuss this matter with Steve Hardman to determine if the District can draft a letter for Burkhart Trucking. Jonathan Carpenter will get a list from Burkhart and compare it to the properties he has been inspecting to determine if the work has been completed.

Talked to Loren Cullum about Stone Ridge Estates. There are ten houses that were not built when the sewer system was designed but were built when the system was constructed. The District has had a number of discussions about serving these houses, and had hoped to provide the service with contingency money from the project. Mr. Cullum has offered to install the system if the District will provide the six and eight inch pipe, and the grinder pump. Jerry Dotson will try to find funds to provide the materials.

Jonathan Carpenter reviewed the properties on contract #3 that he has inspected where Diversified failed to get signed releases. Steve Nulter will summarize the list as he has the properties on contract #2.

Discussed the update that Dominick Cerrone had faxed to the District.

Discussed wrap loan. The WVIJDC bond council has not provided Cam Siegrist with the details of the language they want to change in the bond resolution.

Reviewed Pay Requisition #35. H. E. Seufer moved to approve the pay requisition. R. J. Mullenix second. Unanimous.

R. J. Mullenix moved to pay Requisitions #1 and #2. H. E. Seufer second. Unanimous.

Discussed Guard Hill water project.

Discussed Bull Run request for water. Jack Ramsey has provided a preliminary cost for the service. Jerry Dotson forwarded the estimate to the Public Service Commission.

Meeting adjourned at 8:50 PM.