

UNION WILLIAMS PUBLIC SERVICE DISTRICT

Regular Board Meeting

March 21, 2007

Roll Call:

S. L. Nulter, Chairman
R. J. Mullenix, Treasurer
H. E. Seufer, Secretary

Attending:

D. Pauline Lowers, UWPSD
Jim Leach, L & B Development
Keith Pomrenke, L & B Development, LLC
Ken Kupsche, Town of North Hills
Bob High, Town of North Hills
Robert Mason, Town of North Hills
Loren Cullum, Stone Ridge Estates
Scott Jefferson, Stone Ridge Estates
Jim Fordyce, Meadows Mobile Home Park
Pat Stull, Rt 2 North
John & Jana Wiseman, Old St. Marys Pike
Vicki Mason, Stone Ridge Estates
Michael Hiles
Scott Edman, 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 February 21, 2007. R. J. Mullenix moved to accept the minutes. H. E. Seufer second. Unanimous.

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

Discussed Wastewater Project.

John and Jana Wiseman asked when final restoration would be completed on their property. There are still several issues. The contractor's men told them they would be right back to perform the work, but never came back. Steve Nulter explained that the District is in the process of contacting the contractor's bond holder to have the restoration issues satisfied.

MINUTES & TREASURER'S REPORT
APPROVED

BY: Sh. Nulter

DATE: 4-18-07

Jim Leach asked if the District will be providing materials for Stone Ridge Estates as they were told. Jerry Dotson explained the District's financial condition and said there will not be any money available to provide materials for the development. Mr. Leach asked if the Board would mind if he, Mr. Cullum, and Mr. Pomrenke conversed outside for a minute, and let the Board know if they had any more to discuss after that conversation. Mr. Nulter agreed that they could do that. After a couple minutes Mr. Leach came back and said they were done.

Pat Stull was present to discuss the odor problem at the air release valve on her property. Mr. Dotson explained the steps the District is taking to correct the problem.

Mr. Nulter asked Jim Fordyce if he any other concerns. Mr. Fordyce said he also wondered what was happening with the line that slipped out on his property. Mr. Dotson said the District is still trying to contact the WVDOH to make arrangements to relocate the line to the road berm.

Mr. Mason, Mr. High, and Mr. Kupsche were present representing the Town of North Hills Sanitary Board. Mr. Mason provided a letter from the Sanitary Board addressing the telemetry issue. Mr. Mason said the Sanitary Board does not agree with the amount of the total telemetry they are being asked to pay. Jerry Dotson explained that the previous administration agreed to the terms. Mr. High asked if there are minutes from the meeting where this agreement was made. Mr. Dotson explained that it did not take place at a Union Williams PSD Board Meeting, and that it most likely occurred in a meeting between the Town and their consultant. Mr. High said he did not feel the Town could be held to an agreement when there was no written proof of the agreement. Mr. Mason said the Town would like to participate in the telemetry, and as his letter states, is willing to contribute one twelfth of the total amount for the telemetry. However, the Town does not have the money to pay for the equipment up front, and would like to pay over time once the equipment is installed. Mr. Dotson said that the District does not have the funds to pay for the North Hills portion of the telemetry. Mr. Dotson explained that the Town can have equipment installed on the lift station without any relationship with the telemetry equipment used by Union Williams PSD. Mr. Mason said they preferred to be on the same system with Union Williams PSD and wants to participate in the Union Williams PSD wrap loan. Mr. Dotson said the wrap loan budget contains only enough money to pay the Union Williams PSD portion of the telemetry equipment. Without the North Hills money, Union Williams PSD will have to redesign the telemetry.

Discussed John Ash Complaint. Steve Hardman said the Public Service Commission has set the hearing for March 29th at 10:30 at the Parkersburg Municipal Court.

Discussed Bond Payment Deficiencies. Jerry Dotson said since the District is delinquent on sewer loan payments, and the loans are on parity, the District will be required to make prorated payments until the payments are caught up. The West Virginia Bond Commission will do this for the District, but they will require the District to transfer the Reserve Account for the Sewer Revenue Bond Series 1991 with USDA-Rural Development to the Bond Commission. It will go into an interest paying account so that, when Union Williams PSD is deficient in funds to satisfy

all the bond payments, the Bond Commission will use the money in the account to keep the Series 1991 Bond up to date. H. E. Seufer moved to adopt the resolution to transfer the money to the West Virginia Municipal Bond Commission. R. J. Mullenix second. Unanimous.

Discussed Sewer Rate Review. Steve Nulter said that the funding agencies insisted, during a conference call, that the District develop a plan to catch up on the sewer loan payments. Angie Vealey from Smith, Cochran, and Hicks, plans to provide documents at the next board meeting so the District can apply for a rate increase. This will more than satisfy the demands of the funding agencies.

Discussed Liquidated Damages. Discussed the most recent letter from Dominick Cerrone on the subject, the contract, and a proposed letter to Cerrone requesting certification of the liquidated damage amount. Steve Hardman will work with Jerry Dotson to construct such a letter. Steve Nulter suggested that a similar letter be written to deal with the money the District is expecting to be reimbursed from retainage.

Discussed Legal Representation with Bonding Company. International Fidelity, Inc., Diversified Enterprise's bonding company, has informed Steve Hardman that a conflict of interest exists with Bowles, Rice, McDavid, Graff, & Love representing Union Williams PSD. Therefore, the District must obtain other legal counsel for any action involving the bonding company. Steve Hardman suggested the District may want to consider Todd Wiseman for this work. H. E. Seufer moved to have Jerry Dotson contact Todd Wiseman to discuss legal services for this issue. R. J. Mullenix second. Unanimous.

Discussed Wrap Loan. Steve Hardman presented the Bond Resolution for the loan of \$284,652. R. J. Mullenix moved to adopt the resolution. H. E. Seufer second. Unanimous. R. J. Mullenix moved to adopt the Supplemental Resolution which includes a lien of second priority. H. E. Seufer second. Unanimous. Discussed the invoices included in the first draw from the loan, which will be requisition #36 for the project. R. J. Mullenix moved to approve the First Draw of the Wrap Loan. H. E. Seufer second. Unanimous.

Discussed Internet Payments. Wes Harrison was on the agenda for this item, but was not present at the meeting. Discussed ACH payments.

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

Meeting adjourned at 9:00 PM.