

LUBECK PUBLIC SERVICE DISTRICT

March 11, 2004

Lee Johnson, Chairman
Paul W. Smith, Secretary-Treasurer

Attending: Lee Johnson, Paul Smith, James Cox, Richard Hayhurst,
Craig Richards, Rodney Holbert, Jimmy McCumbers,
Phil Postlewait, Charles Flinn, Judith Ann Boston,
Mike Wright, James C. Smith, Juistin B. Smith,
Ellen L. Smith, Betty R. Smith, Donald E. Vaughn,
Marvin Bradley, Virginia Sines, and Nancy Vaughn.

NO. OF CUSTOMERS:	Section		Sewer	Water
	1	Lake Washington Road	311	485
	2	Lubeck	334	430
	3	Riverhill - Blenn. Heights	277	373
	4	DuPont Road	227	290
	5	Larkmead Road	101	326
	6	LMH - Homewood Road	0	274
	7	Washington Bottom	300	362
	8	New England Ridge	177	315
	9	Lubeck South	211	323
	10	Larkmead Area - Marrtown	46	302
	11	Route 68 South - Hopewell	0	209
	12	Mitchell's	50	72
		Total Customers	2034	3,761

TREASURER'S REPORT:

Revenue Fund - United National Bank	\$266.84
Operations & Maintenance Fund - Wesbanco	(\$44,943.49)
Prudential Securities Water Fund	\$0.00
Series 1999 Sewerage Bonds Account	\$24,183.89
WesBanco Trust Fund	\$165,275.65

Transfer From Revenue to Operation & Maintenance Checking Account	\$24,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$3,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$6,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$7,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$2,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$5,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$5,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$11,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$13,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$53,500.00
Transfer From Revenue to Operation & Maintenance Checking Account Held	\$4,000.00
Transfer From Revenue to Operation & Maintenance Checking Account Held	\$3,500.00
Transfer From Revenue to Operation & Maintenance Checking Account Held	\$4,000.00
Transfer From Revenue to Operation & Maintenance Checking Account Held	\$7,500.00
Transfer From Revenue to Operation & Maintenance Checking Account Held	\$8,000.00
Transfer From Revenue to Operation & Maintenance Checking Account Held	\$22,000.00
Transfer From Revenue to Operation & Maintenance Checking Account	\$0.00
Transfer From Water Revenue to Sewer Projection Construction	\$0.00
Transfer From Investment Account to Operation & Maintenance Account	\$0.00
Transfer From Investment Account to Operation & Maintenance Account	\$0.00

The following transfers were made to cover payroll since the last Board meeting:

Transfer From Revenue to Operation & Maintenance Checking	\$15,000.00
Transfer From Revenue to WesBanco Tax Account	\$5,505.14
Transfer From Revenue to Operation & Maintenance Checking	\$14,900.00
Transfer From Revenue to WesBanco Tax Account	\$5,512.15

BUSINESS: Prayer by Paul Smith.

- A) Moved by Paul Smith, seconded by Lee Johnson that Richard Hayhurst be appointed as this meetings temporary Chairman. Passed unanimously.
- B) Lee Johnson noted that he was resigning as Treasurer of Lubeck Public Service District effective immediately.
- C) Moved by Lee Johnson that Paul Smith be the new Treasurer and interim Secretary until a replacement Commissioner is named to the Lubeck Public Service District Board, seconded by Paul Smith. Passed unanimously.
- D) Moved by Paul Smith that Lee Johnson be the new Chairman of the Lubeck Public Service District, seconded by Lee Johnson. Passed unanimously.
- E) The temporary Chairman, Richard Hayhurst, then turned the meeting over to the new Chairman, Lee Johnson.
- F) The Board hereby presents to Betty Smith the attached Resolution which is hereby adopted by motion of Paul Smith and seconded by Lee Johnson citing the significance of the service of Jim Smith to the Lubeck Public Service District's overall being. Passed unanimously.
- G) Moved by Paul Smith, seconded by Lee Johnson that the minutes of the Board meeting of February 12, 2004, the two Special Board meetings of February 17, 2004 and the cancellation of the February 26, 2004 meeting be approved. Passed unanimously.

DISCUSSION OF DISTRICT HAPPENINGS:

It was reported what has been happening in the District:

- A) Installed 2 water taps since the last Board meeting. There are 3 water taps to be installed. This gives us 5 water taps for 2004. The District has installed 0 sewer taps since the last Board meeting. There is 1 sewer tap to be installed. This gives us 3 sewer taps for 2004.
- B) Sealed and capped the test wells in the well field.
- C) Did employee evaluations and worked in shop.
- D) Men worked in water plant cleaning pipes to paint and painting of those pipes.
- E) Reset high service pump #4 that Mueller rebuilt at no cost to us.

- F) Testing of water meters.
- G) Two employees went to a seminar on water meters and the computer programming that goes with it.
- H) Did turn offs and turn ons.
- I) Working on cleaning the asphalt off the manholes at Wellesley.
- J) Repaired one main line leak and two service line leaks.
- K) Completed work orders, spotted valves & lines, set meters, etc.

It was reported what Rod and Bill have been working on:

- A) February Water Pumped to System: 22,991,000 Gallons
 Homewood Booster Station: 173,600 Gallons
 New England Booster Station: 2,412,200 Gallons
 High Water Usage and Day: 965,000 on 02/02
 Low Water Usage and Day: 648,000 on 02/06
- B) Have experienced 20,000 gallons in overflows at tanks.

GENERAL BUSINESS:

- A) Moved by Paul Smith, seconded by Lee Johnson that all bills be approved as reviewed by management and the Board, in addition to all fund transfers as presented. Passed unanimously.
- B) The District has received a letter from the Wood County Commission stating that they will be sponsoring a seminar on Ethics issues and Open Meeting Law issues on March 22, 2004 at 7 PM.
- C) The District has received our Letter of Conditions from the Rural Utilities Service for their portion of the project which will replace the Water Development Authority money at a higher interest rate. We now need to sign the paper work for the money. Paul Smith moved that the Board adopt and sign the following forms:
 - Form RD 442-7 - Operating Budget
 - Form RD 1940-1 - Request for Obligation of Funds
 - RUS Bulletin 1780-27 - Loan Resolution (Public Bodies)
 - Form RD 400-1 - Equal Opportunity Agreement
 - Form 400-4 - Assurance Agreement
 - Form AD 1047 - Certification Regarding Disbarment - Primary
 - Form RD 1910-11 - Applicant Certification, Federal Collection Policy

FmHA Instruction 1940-Q, Exhibit A-1, Certification for
Contracts, Grants, and Loans
Certification of Compliance
Form RD 1942-46 - Letter of Intent to Meet Conditions
Lee Johnson seconded the motion. Motion passed unanimously.

- D) Moved by Paul Smith, seconded by Lee Johnson that the Board authorize James Cox, Manager to purchase a Position Fidelity Bond from our insurance carrier or other supplier of said insurance when it is deemed the appropriate time. This policy is to be in the amount of an extra \$900,000 of coverage as required by the Rural Utilities Service. Passed unanimously.
- E) The District needs to open a checking account to run the money for the water project through. Moved by Paul Smith, seconded by Lee Johnson that an account be opened at Wesbanco as per the attached resolution. Passed unanimously.
- F) Jim Cox reported that he had mailed a copy of the cost estimate to Rebecca Wells of Ball School Road for their consideration. He has yet to hear anything back from them.
- G) The District has a dispute with the way the Public Service Commission (PSC) has decided to administer the new Senate Bill 412 having to deal with property owner's responsibility for payment of tenant delinquent bills. The PSC has taken the stance that as of June 8, 2003 the District can no longer require a property owner to pay for any tenant who was a District customer before that date but who was not delinquent before that date. Mr. Hayhurst agrees with Jim Cox's determination that the PSC does not have a right to make the law retro active to cover any current customer. Therefore, the District has received two complaints concerning this situation by one person whom we do not even know and another one by a property owner in the District. The District has responded to the complaints and awaits an answer from the PSC.
- H) The District has received a Procedural Order allowing for initial briefs to be filed by Friday March 12, 2004 and reply briefs to be filed by Friday, March 19, 2004. Upon this happening the Administrative Law Judge will make his determination as to what is going to happen to this case.
- I) The District's attorney continues to answer complaints that have been filed with the Public Service Commission in respect to the Commissioners of the District.

- J) The District has received a copy of a letter sent to Wood County Commission President, Rick Modesitt regarding guidelines to voting by members of boards and commissions. A copy was given to the Commissioners for their future reference.
- K) Moved by Paul Smith, seconded by Lee Johnson that the District accept the January 2004 financial statement as prepared by Philip R. Postlewait, Jr., CPA. Passed unanimously.
- L) Moved by Paul Smith, seconded by Lee Johnson that the District hold the employee evaluations and pay raises until we hear from the Public Service Commission with a final decision or until July 1, 2004 whichever comes first. Passed unanimously.
- N) Mr. Flinn was here to remind us that he is still looking for water to come up his road. The District told him that we were still waiting on the Public Service Commission to make a final ruling and for that ruling to go into effect before we could award the contracts for the construction of the water tank that will serve his area. Once this happens then we can start making plans for his line.
- O) Meeting adjourned.

 APPROVED  ATTESTED