

**West Virginia Board of Public Works
Wednesday, January 20, 2021 – 10:00 a.m.
Governor’s Cabinet and Conference Room
Minutes**

Attendees:

Members

Attorney General Patrick Morrissey
Secretary of State Mac Warner
Commissioner of Agriculture Kent Leonhardt
State Auditor John B. McCuskey
State Superintendent of Schools Clayton Burch
State Treasurer Riley Moore
Brian Abraham for Governor Justice

Guests:

Commissioner Dale Steager, State Tax Department
Leroy Barker, State Tax Department
Sean Hammond, State Tax Department
Chad Toney, Division of Highways
Berkeley Bentley, Governor’s Office
Russ Rollyson, Auditor’s Office
Kathy Schultz, Attorney General’s Office
Jennifer Greenlief, Comm. Of Agriculture Office
Sarah Canterbury, Treasurer’s Office
Steve Bohman, Treasurer’s Office
Chris Alder, Secretary of State’s Office
Maureen Lewis, Secretary of State’s Office
Julia Morton, Division of Natural Resources, by teleconference line
Kristin Shaffer, WV Housing Development Fund, by teleconference line

The West Virginia Board of Public Works re-convened on Wednesday, January 20, 2021 at 10:00 a.m. in the Governor’s Cabinet and Conference Room, Building 1, Suite 10 of the State Capitol Complex. The meeting was called to order and chaired by Attorney General Morrissey. A quorum of members was established.

The second item on the agenda was the approval of minutes from the December 4, 2020 WV Board of Public Works meeting. Commissioner Leonhardt made a motion to approve the minutes. Secretary Warner seconded. The motion carried.

The next item on the agenda was the consideration and approval of the final tax assessments for public utilities for tax year 2021. Auditor McCuskey asked for an overview of the numbers, particularly the railroad values going up and a large portion of the other values going down. Commissioner Steager addressed the Board. He explained the Property Tax Division of the Tax Department prepares the assessed values. He introduced the Director of the division, Leroy Barker. Mr. Barker stated that the assessments were prepared from the 2019 calendar year values, according to income and review of the profit/loss statements from the businesses.

Railroad values went up due to adding more coal trains and more supply routes for goods and services other than coal. He continued that electric companies went through many changes, including the shuttering of some facilities that brought value down. The biggest loss is in cellular companies due to a lot of the companies combining cell towers. Auditor McCuskey asked if this is based on their profit. Mr. Barker responded that it is based on the income of the entire company as a whole. They look at the entire income of the company and apply it to just what's in West Virginia. As assets come in and go out of West Virginia, the values go up and down accordingly. Commissioner Leonhardt asked what the main cargo was in 2019 for the railroads. Mr. Barker confirmed that it was pipeline material. The Commissioner asked if that is to be expected again. Mr. Barker replied that it will likely be a down turn in future markets. One of the big down turns in the overall listing were the pipelines in 2019. Halfway through the year, the pipeline was shut down. Those assets left the State. Attorney General Morrissey asked if it is correct that the Tax Department evaluates the income of the company to determine value and then applies that to the tax rates set by the Legislature. That limits the flexibility of the Tax Department, and therefore, limits the flexibility of the Board of Public Works. Mr. Barker replied yes.

Auditor McCuskey made a motion to approve the tax assessments as recommended by the Tax Department for tax year 2021. Commissioner Leonhardt seconded the motion. The motion carried.

The next item on the agenda was the certification of tax rates on each class of property according to the provisions of W. Va. Code §11-8-8. Attorney General Morrissey stated there are real limitations. The Legislature actually sets this, which makes decisions pro forma. Commissioner Leonhardt made a motion to approve the tax rates on each class of property. Auditor McCuskey seconded the motion. The motion carried.

The next item on the agenda was the consideration and approval of the following deeds:

1. Between the State of West Virginia, Department of Commerce, Division of Natural Resources and the County Commission of McDowell County, dated November 9, 2020, approved as to form by the Attorney General's office November 25, 2020.
2. Between West Virginia Housing Development Fund and the State of West Virginia, Department of Commerce, Division of Natural Resources, dated January 7, 2021, approved as to form by the Attorney General's office January 4, 2021.
3. Between the WV Department of Transportation, Division of Highways and the Village of Barboursville, dated December 29, 2020, approved as to form by the Attorney General's office January 13, 2021.

Julia Morton addressed the Board concerning deed number 1. She explained that this property has to do with Berwind Lake. The transfer is pursuant to an agreement between the DNR and

the McDowell County Commission. Auditor McCuskey made a motion to approve the deed. Treasurer Moore seconded the motion. The motion carried.

Julia Morton addressed the Board concerning deed number 2. She explained that the property has to do with Premier Trailer Park in McDowell County. One tract was given to the Housing Development Fund for the trailer park after a flood. The Housing Development Fund is retaining part of the tract. DNR is acquiring another part. It's all located in the Tug Fork area. Secretary Warner made a motion to approve the deed. Commissioner Leonhardt seconded the motion. The motion carried.

Chad Toney addressed the Board concerning deed number 3. He explained that DOH is conveying the property for an easement. The Village of Barboursville got funding through the Corp. of Engineers for an emergency slide. Fair market compensation is involved. Secretary Warner made a motion to approve the deed. Commissioner Leonhardt seconded the motion. The motion carried.

Prior to adjourning, Secretary Warner stated that, in the future, he would like to see some additional information on meeting agendas. He would like to see the name of each representative of an agenda item as well as a brief summary.

With no further business, Secretary Warner made a motion to adjourn. Commissioner Leonhardt seconded. The motion carried. The meeting adjourned.



Mac Warner, Secretary of State and Ex-Officio Secretary of the Board of Public Works