



Brothers in business

FEATURE / 1B

Sooper Bowl time

The Old Perdictor makes his pick

SPORTS / 9A



The Times RECORD

THURSDAY, JANUARY 29, 2015 • SPENCER, W.VA.

Armacell investing in Spencer facility

By DAVID HEDGES
Publisher

Armacell is planning to invest about half a million dollars in its manufacturing facility in Spencer.

Plant Manager Kenneth Carr spoke to Roane Board of Education members at their meeting Thursday to request an easement to install a new transformer.

Carr, who recently took over as

manager of the Spencer facility, said Armacell first thought it owned the small parcel of property on Chapman Avenue, next to the plant.

Carr said an electrical substation on the roof needs to be replaced with a ground-mounted transformer and the company hoped to put it on a concrete pad on a parcel of .002 acre that is actually owned by the school board.

Officials with MonPower ac-

companied Carr to the school board meeting.

Carr said the work needed to be done as soon as possible to keep the plant operating.

"There's about 70 jobs at risk," he said of what might happen if the plant's electrical system were to go down.

Carr said Armacell was willing to buy the property from the school board, but prosecuting attorney Josh Downey, who was

in attendance, said in order for the board to transfer the property to a private entity there would have to be a public auction.

Carr said the project could replace several overhead lines and make the area near Spencer Middle School more attractive.

"It will be better for everybody," he said.

He said the transformer on the ground would be surrounded

► ARMACELL / 2A

DOUBLE-EDGED SWORD

Falling gas, oil prices good for consumers, bad for business

By SANDY VECCHI
Staff Reporter

The forecast for natural gas and oil prices is looking good for consumers, but the overall industry outlook isn't quite so rosy.

With oil prices falling to about \$45 per barrel, a drop of more than 50 percent since mid-2014, consumers are seeing the effect at the pump as well as feeling some relief in their wallets as gas prices hover around \$2 nationwide.

Industry experts also expect consumers to soon see a reduction in their utility bills with natural gas near \$3 per thousand cubic feet, the lowest it's been since it fell below \$3 in mid-2012.

But, unfortunately, what's good for the consumer isn't good for the natural gas and oil industry.

And the reason is simple: Supply and demand.

"We have a glut of oil, a glut of natural gas liquids and a glut of natural gas," R. Dennis Xander, past president of the Independent Oil and Gas Association of West Virginia said. "It's really just supply and demand."

As a result of this surplus in the market, several companies across the Marcellus and Utica shale region have begun cutting their drilling plans for this year and some producers and service companies have already announced layoffs.

As of the second quarter of 2014, the most recent data

"We just laid off six people. That's the first time we've had to do this in 62 years."

► SWORD / 7A



A pileated woodpecker stops for a snack at a backyard bird feeder in Spencer.

SANDY COOPER PHOTO

Race set for Reedy mayor

By DAVID HEDGES
Publisher

While there is a shortage of candidates for town council and recorder, Reedy will have a race for the mayor's job.

Chris Phillips filed Monday for the mayor's position, joining Andrew McKenzie, who filed earlier.

Current mayor Frank Vannoy

has said he does not plan to seek re-election.

Phillips, 44, is a Main Street resident who works as a logger. He has not previously held office.

McKenzie, 34, of Locust Street is an insurance agent and currently serves on the town council.

The only candidate to file for one of the five council positions is incumbent Donna Pitts, a Mill Street resident.

There are no candidates for recorder.

The last day to file for any of the positions on the ballot for the June 9 election is this Saturday, Jan. 31. Candidates may file in person at the Reedy Waterworks office or by mail. If done by mail, the document must be post-marked no later than Saturday.

The last day the waterworks office will be open is Friday,

when the hours are 8 a.m. to 1 p.m. Last-minute candidates should be aware that the filing forms must be notarized, and there is no notary at the waterworks office.

Candidate filing forms can be picked up at the waterworks office at 118 Main St. or downloaded from the W.Va. Secretary of State's website at sos.wv.gov.

Airport authority financial reports still missing

By JIM COOPER
Editor

The Roane County Airport Authority has not been submitting quarterly financial reports as required by state code.

"Not to my knowledge," Melissa O'Brien, president of the Roane County Commission, said as to whether any of the documents had been made available to commissioners.

After Tuesday's commission meeting, Commissioner Gary Mace said financial statements dating to 1997 were currently being prepared for submission. Roane Economic Development Authority administrative assistant Kim Davis is doing the work, according to Mace.

Tommy Jackson, a Spencer resident whose family had property condemned as a possible

ROANE COUNTY COMMISSION

airport site in 1982, was told he could get copies of the records when they were ready by filing a Freedom of Information Act request.

Jackson has appeared at previous commission meetings to discuss 4.14 acres of property that was condemned, as well as the missing financial statements.

During Tuesday's meeting, Prosecuting Attorney Josh Downey reviewed the airport authority's responsibilities, including the requirement to submit financial reports to the

commission and the authority's ability to hold property.

"How would you feel if you were in my shoes, to have your home condemned and then they never used it?" Jackson asked.

Mace has previously said the commission would help Jackson get the records he wanted, but said Mark Whitley had said a FOIA request would be necessary. Whitley is the economic development director for Roane and Jackson counties.

In other business, commissioners Mace, O'Brien and Merlin Shamblin voted to allow the Roane County Emergency Squad to replace an ambulance that was recently destroyed by fire. The purchase will not be subject to the usual bidding process because the situation is being

► AIRPORT / 7A



An abundant supply of oil and gas has some companies cutting plans for more drilling. This photo was taken of a current active drilling site near Clover.

ROB DUNN PHOTO

Happy Groundhog Day • February 2



DEATHS, 6A

JoEllen Brannon, 85
Douglas Eugene Cottrell, 44
Garland G. Deweese, 82
Thomas Lovell Fields, 86
Gypsy June Lane, 82

Eleanor M. Miller, 81
Esther Jane Polin, 91
Ethel Faustine Shue, 93
Leona T. Sinnett, 82
Harold C. White, 84
Franklin E. Wine, 74

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TODAY'S WEATHER



45°/27°
Rain

75¢

Two sections



SWORD

collected from WorkForce West Virginia, approximately 294 Roane County residents were employed in the natural resources and mining industries.

However, according to two local oil and gas company owners, this number, like oil and gas prices, is on a decline.

Sam McKown, president of C.I. McKown & Son Inc., whose office is at Left Hand, said that conventional drilling companies, like his, are feeling the impact of lower prices.

"It's definitely affecting our business. We are already making some cuts," the 30-year oil and gas industry veteran said.

"Natural gas prices are very low

— cheaper than they've been in 27 years...and that's unadjusted for inflation," he added.

The company typically operates with about 25 employees. But, due to the recent reduction in drilling, the company has already begun making cuts.

"Our product is down. There's nothing going on in conventional drilling," he said. "I do foresee some layoffs. We've already had two."

But, McKown remains the optimist.

"This is a cyclical business. It's happened before. We will get through it," he concluded.

The story is the same for longtime Spencer oil and gas producer, Roy

G. Hildreth & Son Inc.

"We just laid off six people. That's the first time we've had to do this in 62 years," Jon Hildreth, the company's vice president, said.

"We typically have 12-20 (drilling) permits and this year we've had zero," he added.

Hildreth said that 80 percent of his company's business is in natural gas and 20 percent is in oil. But, this ratio flipped when gas started to decline.

"Our oil business was subsidizing the gas losses. But, now that's come down, too," he said.

"This is the perfect storm — a decline in both natural gas and oil prices and an onslaught of legisla-

tion. Every aspect of our business is being affected," the 50-year industry veteran and vice president of IOGA added.

Hildreth said that he didn't expect to see a break even point in natural gas prices until 2019 but hopes to see oil prices rebound over the next 12-18 months.

"This will definitely have a trickle-down effect though our community. I think we are going to see a lot of mergers and acquisitions," he said.

"In the next 12-18 months I don't think you'll recognize the gas and oil industry here."

From 1A

Smoke, but no fire at apartment

By DAVID HEDGES
Publisher

Members of the Spencer-Roane Volunteer Fire Dept. found smoke but no fire when they responded to an apartment building west of Spencer last Wednesday.

Seven firefighters in private vehicles responded at 5:45 p.m. to the apartment occupied by Melissa Browning. A fire department spokesman said the apartment building at 1924 Ripley Rd. is owned by Don Gill of Spencer.

Firefighters found a heating element in the kitchen range was filling the room with smoke. They turned off power to the stove but did not find any fire.

Firefighters were called out again just after 8 a.m. Saturday when a truck

stuck on an icy patch was blocking U.S. 33 in the Scott Miller Hill area west of Spencer.

Firefighters stopped traffic until a tow truck could remove the 2004 GMC Sierra driven by Steve Kyer. The W.Va. Department of Highways was contacted to treat the road.

At 9:49 a.m. Sunday, Spencer firefighters were dispatched to 185 Egypt Ridge Rd. where a man was trapped inside his pickup truck that had gone off the road and over an embankment.

Fireman used the Jaws of Life to remove Brandon Martin from a 1975 Dodge Dakota. Martin was transported by ambulance to the Roane General Hospital emergency room for treatment of injuries.

There were no passengers in the vehicle.

AIRPORT

deemed emergency in nature.

Shawn King was hired as a law enforcement deputy at the request of Sheriff Todd Cole. King, currently a Spencer city patrolman, will start Feb. 1 at an annual salary of \$27,056.

Cole's request to move money from a salary contingency fund to the law enforcement budget was denied. Mace said there was ample money in the current budget to cover salaries without the change.

Zach Bailey, who resigned his full-time job as deputy 911 director effective Jan. 15 so he could attend paramedic school, will remain in a part-time capacity. County 911 director Melissa Gilbert reported the change, which will see Bailey

ROANE COUNTY COMMISSION

work more than 20 hours per week in order to keep his benefits. His rate will be \$11.50 an hour.

Commissioners also:

- Heard a report from Downey about a December letter from a national organization's complaining about nativity scenes displayed on courthouse property. He said he had received several letters about the situation from the public, but no further correspondence from the Freedom from Religion Foundation. More comments from the public would be welcome, he said,

including by mail to his office at 200 Main St., Spencer WV 25276.

- Voted to support efforts to toughen certain traffic penalties in honor of a Mason County woman who was killed in an auto accident.

- Heard a sales presentation from West Virginia Your Way, a company proposing to develop a searchable database for the county that would include government, tourism, business and other categories. Commissioners said the initial price tag of approximately \$34,000 and a \$9,812 annual fee was too much for the county budget.

- Heard from Spencer resident Darol Lowe, who questioned the need for a proposed ordinance to deal with buildings in the county

identified as safety or health hazards.

"Why go out and start picking on people for something that isn't necessary?" he asked.

Lowe spoke during a public comment session prior to the official meeting because the ordinance was not on the agenda. He said some property owners would not be able to make required changes and that the definition of an eyesore is different for different people.

"I'm just upset over it and I'm going to fight it," Lowe concluded. "I guarantee I'll get a lot of backers."

The next commission meeting is scheduled for Tuesday, Feb. 10 at 6:30 p.m.

From 1A



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