

HARDY COUNTY PUBLIC SERVICE DISTRICT  
MARCH 1, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Rob Harper, Logan Moyers, Rose Helmick, Connie Sherman -HCPD and Kylea Radcliff, The Thrasher Group.

The meeting was called to order at 4:39 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the December 14, 2022 regular meeting minutes as presented. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers provided an update on the status of the District’s new facility project. The construction period for the contract begins on April 1, 2023 and groundwork on the property should begin soon thereafter. The construction contract is a one-year contract with a substantial completion date of April 1, 2024 and a final completion date of May 1, 2024.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that bids for the project were opened in December and the low bid for the Carla Acres II storage tank project came in over budget by \$321,000.00. In response to the low bid exceeding the available project budget, the District applied for and received bid overrun funds from WVIJDC in the form of a Water Development Authority grant in the amount of the overrun. Once the overrun funds had been obtained and the project was fully funded, project engineer, The Thrasher Group, recommended to award the contract to low-bidder Mid Atlantic Storage Systems, Inc. in the amount of \$1,036,558.00. Robert Harper made a motion to award the contract to Mid Atlantic Storage Systems, Inc. Rose Helmick seconded the motion. It was unanimously approved. The project is funded with 100% debt-free grant funds in the form is a \$500,000 ARPA grant from the Hardy County Commission, a \$500,000 WVIJDC grant and \$321,000 WVWDA grant. A pre-construction meeting will take place on March 8, 2023 with construction scheduled to begin in early spring 2023.

Grant agreements with WVIJDC and WVWDA were presented for approval and execution. Rose Helmick made a motion to approve and execute the \$500,000 WVIJDC grant agreement. Robert Harper seconded the motion. It was unanimously approved. Rose Helmick then made a motion to approve the \$321,000 WVWDA grant agreement. Robert Harper seconded the motion. It was unanimously approved. Pay Requisition #1 for the WVIJDC funds was presented for review and approval in the amount of \$61,000, which covered engineering fees in the amount of \$38,500, legal fees in the amount of \$20,000 and accounting fees in the amount of \$2,500.00. Robert Harper made a motion to approve the pay requisition. Rose Helmick seconded the motion. It was unanimously approved. Pay requisition #2 for ARPA funds from the HCC was presented for review and approval in the amount of \$80,472.04, which covered \$80,000 in engineering fees and \$472.04 reimbursement to the HCPD. Robert Harper made a motion to approve the requisition as presented. Rose Helmick seconded the motion. It was unanimously approved.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District’s ongoing efforts to establish a secondary water source for the Baker water system. The District along with consulting engineer, The Thrasher Group, and consulting groundwater hydrologist, Moody & Associates, has finalized and submitted the large amount information that was requested by the West Virginia Conservation Agency in regard to the District’s request to establish groundwater wells on WVCA property next to the Baker water plant. The District hopes to schedule a meeting with WVCA and other impacted parties regarding the request but at this time no date has been set. Moyers said he was recently contacted by WVCA engineer, Gene Saurborn, who informed him that WVCA director, Brian Farkas, had retired and that Mr. Saurborn would be the contact at WVCA for this matter going forward. The District is hopeful to receive authorization from WVCA to drill test wells on the property in the near future to determine the feasibility of using groundwater as a secondary water source for the Baker water system.

**Town of Wardensville Rate Increase** – Logan Moyers informed the board that the Town of Wardensville has completed its class cost of service study and based on the determinations made in that study had developed new rate ordinance that included a new proposed resale rate for the District. In September 2022, the Town had proposed an across the board increase of 72.5% in rates to the District and all other customer classes. The District requested that a cost of service study be performed to determine if the rate schedule being proposed by the Town was appropriate. The newly calculated rate ordinance, which was based on determinations made in the cost of service study, now proposes a 175% increase in the resale rate from its current amount of \$3.69 per thousand gallons to \$10.12 per thousand gallons purchased. Questions were raised as to the determinations made in the study that resulted in a much higher proposed increase in the resale rate. It was decided to forward the cost of service study to the District’s accountant for review and evaluation to see if he agreed with the determinations made in the study. The Town of Wardensville will hold the final reading of the rate ordinance on March 13, 2023 at which time the rate ordinance will likely be adopted and subject to implementation pending review and approval of the WV Public Service Commission. Moyers said the District’s case with WVPSC objecting to the original increase would carry over to the newly proposed increase and would ensure that the proposed rate will be reviewed by WVPSC before it could begin being charged. Moyers told board members he would continue to provide updates as the process moved forward.

***New Business:***

***FY23 Financial Statements*** – The fiscal year 2023 financial statements were handed out to board members to take with them to review with a plan to take action to approve the documents at the next board meeting.

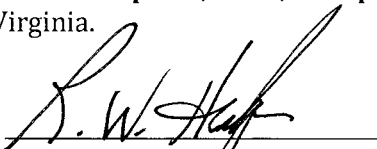
***Miscellaneous Business:***

Logan Moyers informed the board of potential changes to PEIA health insurance coverage for PSD employees that could include premium increases and coverage changes as a result of proposed legislative action. If approved, the bill would significantly increase the cost to the District to cover health care premiums for its employees, spouses and families. Moyers said the District would discuss this matter further at the April board meeting when more would be known about the potential changes. He also said discussion will be held regarding how the changes would affect future operating budgets of the District.

No members of the general public were present at the meeting.

There being no further business, Robert Harper made a motion that the meeting be adjourned. Rose Helmick seconded the motion. The meeting was adjourned at 5:28 p.m.

The next regular scheduled board meeting will be held **April 5, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman

HARDY COUNTY PUBLIC SERVICE DISTRICT  
APRIL 5, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Rob Harper, Logan Moyers, Rose Helmick, Connie Sherman -HCPSD.

The meeting was called to order at 4:50 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the March 1, 2023 regular meeting minutes as presented. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers informed the board that site work began this week on the District's new facility project. The construction contract is a one-year contract with a substantial completion date of April 1, 2024 and a final completion date of May 1, 2024. The contractor has discovered that an underground electric line serving the Hardy County Child Care Center is located on the development site and will need to be relocated to a greater depth to avoid issues at the entrance road to the building. The estimated cost to relocate the line is \$25,000. Logan said a portion of that cost will be covered by cost savings from some other changes to the original contract, such as removing manholes from the sewer line that will serve the building and replacing them with 4" cleanouts. No changes to the buildings layout or entrance road will be needed as a result of the electric line relocation.

Pay Requisition #2 in the amount of \$6,830.00 was presented. The invoice was from The Thrasher Group for engineering services. Logan said that all costs on the requisition were in line with the project's budget. Rose Helmick made a motion to approve the pay requisition as presented. Robert Harper seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that the contract for the Carla Acres II storage tank project has been awarded and site work is scheduled to begin by the subcontractor this summer with tank construction likely taking place in the fall. It is anticipated the tank project will be complete and operational by no later than spring 2024.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District's ongoing efforts to establish a secondary water source for the Baker water system. The District engaged engineers at the Thrasher Group and groundwater hydrologists at Moody & Associates to develop a proposal to install up to three wells on a small piece of property owned by the State Conservation Committee (SCC) between Parker Hollow Impoundment and the Baker water plant. The proposal was submitted to representatives at the West Virginia Conservation Agency (WVCA) in early February and the District received a response from the WVCA on the final day of March. The response was a collection of 45 comments (7 pages) from engineers at the Natural Resource Conservation Service's (NRCS) federal office in Fort Worth, TX. It was NRCS engineers at the Fort Worth office who did the original design for the Parker Hollow Impoundment, which serves as the District's water source for the Baker water system. The comments ranged from simple correction of clerical errors in the District's proposal to requests for extensive additional engineering and geologic information including a request for complete stamped engineered design of the project including the wells, storage tank and associated infrastructure. WVCA informed the District all comments must be addressed and full design completed and provided for review before any determination is made in regard to authorization to move forward with the drilling of test wells to determine the projects feasibility. Additionally, the NRCS comments stipulated that if the District is allowed to proceed with the drilling of test wells, those wells must be either be abandoned, if the yield isn't sufficient to provide a secondary water source, or be fully cased and developed into full-scale production wells within a matter of weeks following test well drilling. As such, the District will need to work with its consulting engineers and the well driller to have everything lined up and ready for complete well development or abandonment at the outset of test well drilling. Logan reported that he will be attending the next Potomac Valley Conservation District meeting to ask the PVCD to submit a

request to NRCS engineers for the subsurface investigation findings that were prepared during the initial design and development of the impoundment. The subsurface data will then be used by the District's consulting engineers in developing final design and addressing the comments provided by NRCS. Logan also said that because WVCA and NRCS engineers have requested such a large amount of work be completed, including full-scale engineered design of the project, the District will have to request additional funding from the Hardy County Commission in order to cover the cost of the work to be completed. In the meantime, the District along with the consulting engineers and hydrologists will continue to work on addressing the comments provided by NRCS so that the information can be provided to NRCS for review as soon as possible. It is anticipated it will take several months to complete the final full-scale project design.

***Town of Wardensville Rate Increase*** – Logan Moyers informed the board that the District's attorney submitted a new case filing protesting the latest rate ordinance that was adopted by Wardensville on March 13, 2023. The new rate ordinance proposed a 175% rate increase on the District's purchased water costs. The protest listed several reasons the District believes the proposed rate to be excessive, including the fact the funding package for the project has not been secured and the proposed rates are based a worst-case-scenario interest rates for the projects funding package. The District also objected to the Town's inclusion of its cost to hire a CPA and attorney to perform project-related professional services in the calculations to determine the District's rates; The District feels those are project-related costs and as such should have been included in the project's budget and covered with project funding rather than being assigned to the Town's cost to serve the District. And finally, the District argued the Town's cost to provide service to the District is less than its cost to provide service to other classes and provided multiple examples to that point. Moyers said he and both the District's attorney and accountant feel that District has made several valid points that should result in a lowering of the District's proposed increase by the Public Service Commission. Moyers told board members he would continue to provide updates as the process moves forward.

***Town of Moorefield Water Purchase Contract*** – Logan Moyers reported that he has been working with Lucas Gagnon at the Town of Moorefield regarding the PSD's water purchase contract with the Town. Lucas is working with the Town's attorney to review the proposed agreement as drafted by the District's attorney before the new agreement is put before the Town Council and PSD Board for approval.

***FY23 Financial Statements*** – The fiscal year 2023 financial statements were handed out to board members at last month's board meeting for review. Following brief discussion, Rose Helmick made a motion to approve the FY23 financial statements as presented. Robert Harper seconded the motion. It was unanimously approved.

#### ***New Business:***

***FY24 Budget*** – Moyers informed the board that work to develop an operating budget for fiscal year 2024 has started. He told board members that the District will see several significant increases in its operating costs including an \$18,000 increase in the cost to provide health insurance for employees, a \$7,500 increase in property insurance costs and an estimated \$50,000 increase in purchased water costs as a result of increased rates from the Town of Wardensville and increased purchase volumes from the Town of Moorefield. He also said the District will realize many smaller cost increases due to general inflation on items such as pipe, fittings, chemicals and water sample testing among others. All told, Moyers anticipates an increase in operating expenses of over \$100,000 annually going forward. Board members asked if there would be room in the budget for employee raises since District employees have not had a salary increase over the past three years. Moyers said that given the increases in operating expenses he did not think the budget could support employee raises this year, but he said the District could consider issuing a one-time end-of-year salary increase to employees if the District finished the current year with an operational surplus. Work will continue on the water and sewer budgets and the matter will be discussed further at future meetings.

#### ***Other Business:***


Moyers informed the board of a new regulated water contaminant that the District has just learned has been detected in the Baker water system. PFAS, short for poly and perfluoroalkyl substances, is a class

of over 4,000 chemicals that are being detected in locations all over the world but has mainly been found in water systems near chemical plants and industries who use fire-fighting chemicals. The chemicals, sometimes referred to as forever chemicals due to their inability to break down, are most often used in waterproofing applications and on non-stick cookware as well as fire-fighting foam used to combat industrial fires. Moyers said PFAS chemicals have been unregulated by the government up to this point largely because the existence of these chemicals in drinking water was unknown until very recently, however the EPA is in the process establishing a maximum contaminant level for some of the most commonly found PFAS chemicals. Moyers said the WV Bureau for Public Health hired a consultant to test for these chemicals at every water system in the State to determine where they may be present in drinking water. During preliminary testing, a low level of one PFAS chemical, PFOA, was detected in water in the Parker Hollow Impoundment which the District uses as source water for the Baker water system and was also detected in a lower level in the water being produced at the Baker water plant. The PFOA level detected during preliminary testing of the water in the Impoundment was 7.0 parts per trillion and the level detected in the finished water coming out of the water plant was 2.4 parts per trillion. The EPA's proposed maximum contaminant level for PFOA in finished water is 4.0 parts per trillion and the health advisory level has been set at 1/100<sup>th</sup> of that amount at 0.04 parts per trillion. The level detected in Baker finished water during the preliminary testing does not exceed maximum contaminant level but does exceed the health advisory level. Moyers said the WV Bureau for Public Health has advised systems not to issue public notification of the presence of PFAS chemicals until the quality control procedures have been completed on the preliminary testing and the test results have been deemed final. He said assuming the final levels are in line with the preliminary results, the District will notify all PSD customers in Baker that PFOA has been detected in the finished water in Baker at a level below the MCL but above the health advisory level. It is hoped that the preliminary results will be made final in the coming weeks and public notification can then be issued. District staff members have been participating in a weekly conference call with the Bureau for Public Health and other water systems where PFAS chemicals were detected throughout the state to keep informed of developments in this new on-going issue. The Bureau for Public Health is working to develop a uniform template for public notification for systems dealing with any measurable PFAS level in their water to be sure the public is informed of all pertinent information regarding PFAS in drinking water. Moyers said as soon as the District is provided the final testing results, public notice will be issued to PSD customers in Baker. Moyers said both the District and the Bureau for Public Health were surprised to find the chemical was detected in the Parker Hollow Impoundment due to the small size of the watershed for the Impoundment and the lack of industrial operations in the watershed, but he also said the chemical is being found in remote locations all over the world likely due to the fact that the chemical never breaks down. Moyers did say, on a positive note, it is believed the MIEX ion exchange system at the Baker water plant will be able to assist the District in removing the chemical from the water but a new filter media will need to be used for that purpose in conjunction with the existing media that is used for organic material removal. Moyers will keep the board updated on any developments regarding this new contaminant as they become available.

No members of the general public were present at the meeting.

There being no further business, Robert Harper made a motion that the meeting be adjourned. Rose Helmick seconded the motion. The meeting was adjourned at 5:55 p.m.

The next regular scheduled board meeting will be held **May 3, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman

HARDY COUNTY PUBLIC SERVICE DISTRICT  
MAY 3, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Rob Harper, Logan Moyers, Justin Basye, Rose Helmick, Connie Sherman -HCPD.

The meeting was called to order at 4:33 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the April 5, 2023 regular meeting minutes with one wording revision. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers informed the board that site works continues to show progress on the District’s new facility project. The construction contract is a one-year contract with a substantial completion date of April 1, 2024 and a final completion date of May 1, 2024. There is no pay requisition for approval at this month’s meeting. Pay requisition #3 along with Change Order #1 will be presented for approval at next month’s meeting. The change order will include the work to relocate the underground electric line that the contractor discovered during the clearing of the project site. It has been determined that the underground electric line is actually an electric loop installed to provide service to American Woodmark in case of an emergency. Potomac Edison will de-energize the line and pull the electric cable out of the existing conduit and the contractor will install new conduit for the line at a greater depth than is currently situated. Potomac Edison will then re-install the electric line in the new conduit and re-charge the line for future use. The work will take place next week in order to avoid any delay in the construction of the new facility project. The change order will also include several other small changes that have been made including replacing some sewer line manholes with cleanouts and some additional casework in the office layout.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that it is anticipated the site work for the Carla Acres II storage tank is scheduled to be completed by the subcontractor in June and July with the tank construction to be done in August and September. It is hoped that all work included in the tank project contract can be completed and operational by the end of 2023.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District’s ongoing efforts to establish a secondary water source for the Baker water system. As was previously discussed, the District received a lengthy list from NRCS with requests for further evaluations and additional work to be completed before authorization could be given to proceed with test wells to determine the project’s viability. The additional work included significant subsurface evaluations and complete engineered design of the proposed project, should the test wells provide adequate flow to serve as a secondary water source. The list of items requested by NRCS was shared with the consulting engineers and groundwater hydrologists so that a cost for completing the required work could be developed. It was estimated the requested work would cost another \$220,000 in addition to the \$30,000 of work that has already been completed and submitted by the District. General Manager, Logan Moyers met with the Hardy County Commission to discuss the need for additional funding in order to develop the additional information now being required by NRCS engineers. The HCC had previously committed \$100,000 of county funds toward preliminary expenses for the project and now an additional \$150,000 would be needed to provide the information being required by NRCS. Both Moyers and the HCC feel the additional information being requested by NRCS goes beyond what is necessary to make a determination on any potential negative impacts the wells could have on the Impoundment. The HCC is also reluctant to provide \$250,000 in county funds toward the project when there is no guarantee NRCS will allow the project to move forward following their evaluation of the requested information or that the test wells will produce sufficient flow to be used as a secondary water source. Both Moyers and the HCC feel it would be appropriate to provide enough information to NRCS to allow them to feel comfortable that the proposed wells will not negatively impact the Impoundment so that authorization to drill the test wells could be obtained and it can be determined if the project is feasible before spending significant money on

items such as complete engineered design of the project. It was decided that HCC will reach out to Senators Manchin and Capito along with State level representatives and request that they reach out to representatives of the State Conservation Committee (SCC), including WV agricultural commissioner, Kent Leonhardt who is chairman of the SCC, to see if they would allow the District to provide a reduced scope of work in order to get authorization to move forward with the test wells. Logan will also reach out to a contact he knows, Angie Rosser, director of WV Rivers Coalition, who is also a member of the SCC, to see if she can provide any insight or suggestions as to how the District should go about obtaining permission to move forward with the test wells without having to initially complete the full amount of work required by NRCS.

***Town of Wardensville Rate Increase*** – Logan Moyers provided an update on the proposed rate increase from the Town of Wardensville. The Town adopted a rate ordinance in March that proposed a 175% rate increase for the rate paid by the District. The District currently pays \$3.69 per thousand gallons of water used and Wardensville requested that rate be increased to \$10.12. The District protested the increase with the WV Public Service Commission, believing the rate proposed by the Town was excessive and requested that WVPSC make a determination on an appropriate rate. Moyers told board members WVPSC staff has calculated an appropriate increase for the District to be \$7.10, slightly more than half the rate that was proposed by Wardensville. The District was pleased that WVPSC staff determined the rate requested by Wardensville was excessive and feels the rate proposed by WVPSC staff is much more appropriate. Moyers told board members the \$7.10 rate determined by WVPSC is only a proposal and the case will continue with a final rate determined at the conclusion of the case.

***Town of Moorefield Water Purchase Contract*** – Logan Moyers reported that he had no update regarding the PSD's water purchase contract with the Town. The last update from the Town was that they were working with their attorney to review the proposed agreement as drafted by the District's attorney before the new agreement is put before the Town Council and PSD Board for approval.

***FY24 Budget*** – Moyers presented the board a proposed \$2 million operating budget for fiscal year 2024. The board members are to review the proposed budget and bring any questions or discussion to the next board meeting when the budget will need to be approved and adopted. The board will also consider a one-time end-of-year salary increase to employees, if the District finishes the current year with an operational surplus. Moyers will develop options for the one-time increase to be reviewed by the board at the next meeting.

***PFAS Results and Public Notice*** - Moyers told the board that the District has been informed that PFAS chemicals have been detected in the Baker Public Water System. The WV Bureau for Public Health contracted with the US Geological Service (USGS) to test all water systems in WV for PFAS and the chemicals were detected in 38 water systems throughout the State. PFAS chemicals are used throughout the world in waterproofing and stain repellent applications and have only recently been discovered to be a potentially hazardous contaminant in drinking water. PFAS chemicals have been unregulated by the government up to this point, however the EPA is in the process of establishing a maximum contaminant level for some of the most commonly found PFAS chemicals. The EPA has proposed a maximum contaminant level (MCL) of 4.0 parts per trillion with a health advisory level (at 1/100<sup>th</sup> of that amount) of 0.04 parts per trillion. Preliminary results for a sample taken from the Baker water system discovered only one PFAS compound, PFOA, was present at a value of 2.4 parts per trillion; a value below the proposed MCL, but above the health advisory level. Moyers told board members that the District is not required to issue public notice of the presence of PFAS in the Baker water system because it is not yet regulated by the EPA, however in the interest of full public disclosure, the District would be issuing a public notice by mailing information on the presence of PFAS in the water system to all customers in Baker. Moyers also told board members that it is believed the MIEX ion exchange system at the Baker water plant will be able to assist the District in removing the chemical from the water but a new filter media will need to be used for that purpose in conjunction with the existing media that is used for organic material removal. District staff members are participating in bi-weekly conference calls with the Bureau for Public Health and other water systems where PFAS chemicals were detected throughout the State to keep informed of developments in this new on-going issue.

No members of the general public were present at the meeting.

There being no further business, Justin Basye made a motion that the meeting be adjourned. Robert Harper seconded the motion. The meeting was adjourned at 5:46 p.m.

The next regular scheduled board meeting will be held **June 7, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman

*These minutes represent a summary of the subject discussed and the actions taken by the members of the Hardy County Public Service District for the regular meeting held on May 3, 2023.*



HARDY COUNTY PUBLIC SERVICE DISTRICT  
JUNE 7, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Rob Harper, Logan Moyers, Rose Helmick, Connie Sherman -HCPSD.

The meeting was called to order at 4:32 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the May 3, 2023 regular meeting minutes with one wording revision. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers informed the board the contractor is currently on schedule and continues to make progress on the construction of the District's new facility. The contractor is preparing to pour the footers for the building and begin the base structure of the building. Amendment #2 to the Engineering Service Agreement with The Thrasher Group was presented for approval. This amendment adds materials testing to The Thrasher Group's scope of work for the project and includes a \$15,000 increase in engineering services fees to cover the cost of performing the testing. This brings the total engineering services agreement amount for the project to \$167,000. Rose Helmick made a motion to accept the amendment as presented. Robert Harper seconded the motion. It was unanimously approved. Change Order #1 in the amount of \$13,307.76 was presented for approval. The change order will increase the amount of contract #1 to include the work by the contractor to relocate the underground electric line that was discovered during the clearing of the project site. Robert Harper made a motion to approve change order #1. Rose Helmick seconded the motion. It was unanimously approved. Pay requisition #3 in the amount of \$122,812 was presented for approval at the meeting. The breakdown for this pay requisition was \$109,033 to the contractor for construction work performed, \$2,742 to The Thrasher Group for engineering services and \$11,037 to Hardy County PSD for reimbursement of project expenses previously paid. Rose Helmick made a motion to approve pay requisition #3. Robert Harper seconded the motion. It was unanimously approved. The engineering agreement amendment, change order and pay requisition will now be passed onto project lender, USDA Rural Development for final review and approval.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that site work for the Carla Acres II storage tank continues to be scheduled to be completed by the subcontractor in late June and July with the tank construction scheduled to be completed in August and September. Hopefully all work included in the tank project contract can be completed and operational by the end of 2023.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District's ongoing efforts to establish a secondary water source for the Baker water system. A conference call was held in May with the West Virginia Conservation Agency (WVCA) and the Natural Resources Conservation Service (NRCS) regarding the District's request for authorization to drill test wells on State Conservation Committee (SCC) property adjacent to the Baker water plant. The proposed test wells will allow the District to determine if groundwater can be utilized as a secondary water source for the Baker public water system. Logan felt that the call went well and is hopeful that the District will receive authorization to move forward with the test wells. During the call, NRCS engineers agreed to allow the District and its consulting engineers at The Thrasher Group to provide a lesser amount of information than had been originally requested by NRCS in order for a determination to be made on the District's request. Previously, NRCS had required that all information relative to the entire proposed project, from the initial test wells phase to the final phase establishing permanent wells and construction of a new raw water storage tank, be provided for review. However, NRCS will now allow the project to be approved in phases, with the first being the establishment of the proposed test wells to determine if the project is even feasible. If the test wells do not produce sufficient volume to be utilized as a secondary source, the project will be abandoned. The District will now work with the Thrasher Group to provide information specific to the test wells phase to NRCS by mid-June so that the information can be review and a determination can made by the SCC at its July 11<sup>th</sup> quarterly meeting.

**Town of Wardensville Rate Increase** – Logan Moyers provided an update on the ongoing case between the District and the Town of Wardensville regarding the Town’s proposed 175% rate increase to the District. The District has protested the Town’s proposed increase and believes it to be excessive. The District is agreeable to WVPSC Staff’s recommended rate of \$7.10 per 1,000 gallons, which is a lesser 97% increase compared to the 175% increase that has been requested by the Town. Moyers told board members that he testified on the District’s behalf at an evidentiary hearing held at WVPSC headquarters in Charleston on May 30<sup>th</sup> where he detailed the District’s position that the Town’s proposed increase is excessive, Moyers believes the hearing went well for the District and is hopeful that WVPSC will determine the proposed 175% increase was indeed excessive and sets the rate at a lesser amount. Both parties now have until June 15<sup>th</sup> to file initial briefs following the evidentiary hearing, with reply briefs then due by June 22<sup>nd</sup>. A final decision from WVPSC on an appropriate rate is due by July 28<sup>th</sup>.

**Town of Moorefield Water Purchase Contract** – Logan Moyers reported that he had no update regarding the PSD’s water purchase contract with the Town. The last update from the Town was that they were working with their attorney to review the proposed agreement as drafted by the District’s attorney before the new agreement is put before the Town Council and PSD Board for approval.

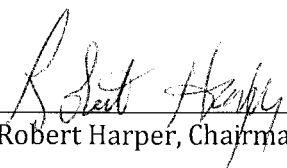
**FY24 Budget** – Moyers presented the board with a proposed \$2 million water operating budget and a \$61,000 sewer operating budget for fiscal year 2024. Rose Helmick made a motion to go into executive session to discuss employee salaries. Robert Harper seconded the motion. The board went into executive session at 5:15 pm. The board exited executive session at 5:31 pm. Following executive session, Rose Helmick made a motion to approve a one-time end of year salary increase in the amount of \$2,500 per tenured employee and \$500 one-time salary increase to the non-tenured employees which totaled \$14,500. Robert Harper seconded the motion. It was unanimously approved. The board wanted to be clear that the basis for the one-time increase, as opposed to a permanent salary increase, is because there were not adequate funds in the operating budget for a permanent increase, and this one-time payment to employees was able to take place as a result of a budget surplus at the end of the current fiscal year. Rose Helmick made a motion to approve the water and sewer operating budgets as presented. Robert Harper seconded the motion. It was unanimously approved.

**Auditing Services** - Logan Moyers informed the board that the CPA firm the District has long used to perform its annual audits, Roth & White, has informed the District that their firm will no longer be performing audit services. This includes the preparation of financial statements which are a requirement of the District’s funding agencies and are also required by the WV Public Service Commission as part of WV state code. The District was informed by the WV State Auditor’s office that it must procure new auditing services by issuing requests for proposals to qualified accounting firms and evaluating which firm to engage for future services. The State Auditor’s office also stipulated that the contract for auditing services from whichever firm the District chooses, must cover the next three fiscal years. Moyers told board members the District has submitted proposals to several qualified firms who were selected from a list provided by the state auditor’s office and a new auditor will need to be chosen at the next board meeting. It is possible that the District may retain Roth & White for other accounting services.

No members of the general public were present at the meeting.

There being no further business, Rose Helmick made a motion that the meeting be adjourned. Robert Harper seconded the motion. The meeting was adjourned at 5:41 p.m.

The next regular scheduled board meeting will be held **July 12, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman

HARDY COUNTY PUBLIC SERVICE DISTRICT  
JULY 12, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Rob Harper, Logan Moyers, Rose Helmick, Connie Sherman -HCPD.

The meeting was called to order at 4:35 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the June 7, 2023 regular meeting minutes as presented. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers informed the board that the contractor continues to make good progress on the construction of the District’s new facility. The contractor has poured the footers for the building and is now working on the base structure of the building. Pay requisition #4 in the amount of \$131,864.96 was presented for approval at the meeting. The breakdown for this pay requisition was \$123,862.50 to the contractor for construction work performed and \$8,002.46 to The Thrasher Group for engineering services. Robert Harper made a motion to approve pay requisition #4. Rose Helmick seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that there are no updates to report regarding the Carla Acres II storage tank project. The subcontractor is scheduled to begin site work in late July or August. All work on the tank project contract should be completed and operational by early 2024.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District’s ongoing efforts to establish a secondary water source for the Baker water system. The State Conservation Committee (SCC) held its quarterly meeting on July 11<sup>th</sup> where it discussed the District’s request to install groundwater wells on SCC property that lies between the Parker Hollow Impoundment and the Baker water treatment plant to serve as a secondary water source. Logan participated in the SCC meeting via Microsoft Teams along with representatives from The Thrasher Group in order to provide additional information or answer any questions that may come up during the meeting. In the months leading up to this meeting, Moyers worked with consulting engineers at The Thrasher Group and hydrologists from Moody & Associates to compile and submit large amount of information relating to the District’s request to develop wells for use as a secondary water source that had been requested by the SCC and other impacted organizations including the West Virginia Conservation Agency (WVCA) and the Natural Resources Conservation Service (NRCS). Moyers was happy to report to board members that the District received authorization from the SCC to proceed with the development of the test wells contingent upon the District agreeing to provide 24 hour constant rate monitoring of the water level in the Parker Hollow Impoundment during well testing to ensure that the wells source water aquifer is not connected to the Impoundment. Moyers told members of the SCC during the meeting that the District was agreeable to completing constant rate monitoring during well testing so that the project could move forward. This stipulation will be added to the final report and the report will be resubmitted for final approval by the Natural Resources Conservation Service (NRCS). Once final approval is received, the District can move forward with the test wells phase of the project. Moyers told board members it is anticipated the approximate cost of the constant rate monitoring is around \$28,000 per well, and the District has proposed to drill up to three wells. While this will add up to \$84,000 to the total project cost, the project would not have been allowed to proceed had the District not agreed to complete the monitoring. Once the wells have been drilled, testing will determine if the groundwater quality is sufficient and if the required flow rate of 200 gallons per minute can be achieved in order for the wells to be used as a secondary source. If the test wells do not produce sufficient volume or the water quality is too poor to be utilized as a secondary source, the project will be abandoned. The District intends to fund this project with funds provided by the Hardy County Commission from their American Rescue Plan Act allocation and from a partnership grant to be obtained through the WVJDC. It is anticipated total project cost will be around \$2,000,000. Logan will meet with the Hardy County Commission to inform them of the need for approximately \$1,000,000 in ARPA funds for the project.

**Town of Wardensville Rate Increase** – Logan Moyers provided an update regarding the ongoing case between the District and the Town of Wardensville regarding the Town’s proposed 175% increase in water rates to the District. Following the evidentiary hearing in late May, all parties filed briefs detailing their position. A final decision from WVPSC on an appropriate rate is due by July 28<sup>th</sup>. A final order will be filed as part of the decision and the rates detailed in the final order will become effective at the completion of the Town of Wardensville’s upcoming water project.

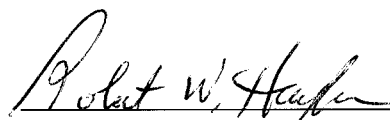
**Town of Moorefield Water Purchase Contract** – Logan Moyers had no updates regarding the PSD’s water purchase contract with the Town. The last update from the Town was that they were working with their attorney to review the proposed agreement as drafted by the District’s attorney before the new agreement is put before the Town Council and PSD Board for approval.

**Auditing Services** - Logan Moyers updated the board on the proposals received by the District in its effort to procure auditing services as stipulated by the state auditor’s office. Two firms responded to the District’s request for bid proposals. Lowe & Associates, located in Milton, WV, and Ferrari & Associates, located in Morgantown. Prior to the meeting, the District’s audit committee completed the proposal score sheet provided by the state auditor’s office for each firm. Following discussion and tabulation of the score sheets, the audit committee recommended that the District procure the auditing services of Lowe & Associates. The District will retain Roth & White for preparation of routine adjusting entries and the end-of-year workup and preparation of the annual PSC reports. That work will then be provided to Lowe & Associates for preparation of the District’s annual financial statements which are a requirement of the District’s funding agencies and are also required by the WV Public Service Commission as part of WV state code. The contract for auditing services will cover fiscal years 2023-2025. Robert Harper made a motion to enter into an auditing contract with Lowe & Associates. Rose Helmick seconded the motion. It was unanimously approved.

No members of the general public were present at the meeting.

There being no further business, Rose Helmick made a motion that the meeting be adjourned. Robert Harper seconded the motion. The meeting was adjourned at 5:15 p.m.

The next regular scheduled board meeting will be held **August 2, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman

*These minutes represent a summary of the subject discussed and the actions taken by the members of the Hardy County Public Service District for the regular meeting held on July 12, 2023. The meeting and proceedings were electronically recorded. In the event there may be discrepancies or contradictions between the written minutes and the audio recording, the audio recording shall take precedence.*

HARDY COUNTY PUBLIC SERVICE DISTRICT

AUGUST 2, 2023

4:30 P.M.

2094 US 220 South, Moorefield, West Virginia

Present: Logan Moyers, Rose Helmick, Connie Sherman and Justin Basye via teleconference -HCPSD.

The meeting was called to order at 4:44 p.m. by General Manager Logan Moyers. No action was taken on the approval of the minutes of the July 12, 2023 regular meeting minutes.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers informed the board that the contractor continues to make progress on the construction of the District’s new facility. The contractor has been working on the foundation and utilities while awaiting arrival of the pre-fabricated steel building components to arrive. A full construction crew will be on site once the building components arrive. A new project manager with The Thrasher Group has replaced the former project manager for this project. Pay requisition #5 in the amount of \$124,747.30 was presented for approval at the meeting. The breakdown for this pay requisition was \$114,474.38 to the contractor for construction work performed, \$2,572.92 to The Thrasher Group for engineering services and \$7,700.00 reimbursement to the HCPSD. Rose Helmick made a motion to approve pay requisition #5. Justin Basye seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that there are no new updates regarding the start of site work on the Carla Acres II storage tank project. The subcontractor should begin site work sometime in August. All work on the tank project contract should be completed and operational by early 2024.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District’s ongoing efforts to establish a secondary water source for the Baker water system. Following preliminary approval from the State Conservation Committee (SCC) at its quarterly meeting, the District was asked to amend its proposal to include a 24-hour constant rate monitoring of the water level in the Parker Hollow Impoundment during well testing to ensure that the wells source water aquifer is not connected to the Impoundment. This has been added to the proposal and the proposal has been resubmitted for final approval. Once final approval has been received, the well drilling contractor can move forward with the first phase of the project which is the drilling of the test wells. Funding has been secured for the first phase of the project, however the funding for the second phase of the project will need to be secured. The District had hoped to fund the project with funds provided by the Hardy County Commission (HCC) from their American Rescue Plan Act allocation, however these funds are no longer available. Logan will meet with the HCC later this week to discuss funding options for the project, which is projected to cost around \$2,000,000. The cost of the project will be significantly lower if testing determines the wells can provide better than 200 gallons per minute, because a raw water storage tank would no longer be needed.

***Town of Wardensville Rate Increase*** – Logan Moyers informed the board that the WVPSC issued a final order late last week for the ongoing rate dispute between the District and the Town of Wardensville regarding the rate the District will pay for water purchased from the Town. The District believes the appropriate amount for the resale rate to be \$7.10 per thousand gallons, however the Town requested a resale rate of \$10.16 per thousand gallons. The WVPSC ruling sided with the District’s position and set the rate at \$7.10 per thousand gallons. Moyers told board members the \$7.10 rate will go into effect once the Town’s upcoming water project has been completed, but that wasn’t anticipated to happen for over a year. He also said the Town cannot appeal the decision because the case was heard by the WVPSC Commission itself rather than assigned to an administrative law judge on staff. Moyers said the District prepared their upcoming budgets planning for the \$7.10 rate and that it would not necessitate the need for a rate increase to HCPSD customers.

***Town of Moorefield Water Purchase Contract*** – There were no updates regarding the PSD’s water purchase contract with the Town.

No members of the general public were present at the meeting.

There being no further business, Rose Helmick made a motion that the meeting be adjourned. Justin Basye seconded the motion. The meeting was adjourned at 4:58 p.m.

The next regular scheduled board meeting will be held ***September 6, 2023, 4:30 p.m.*** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Justin Basye, Vice-Chairman

*These minutes represent a summary of the subject discussed and the actions taken by the members of the Hardy County Public Service District for the regular meeting held on August 2, 2023. The meeting and proceedings were electronically recorded. In the event there may be discrepancies or contradictions between the written minutes and the audio recording, the audio recording shall take precedence.*

HARDY COUNTY PUBLIC SERVICE DISTRICT  
SEPTEMBER 6, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Logan Moyers, Rose Helmick and Robert Harper -HCPDS.

The meeting was called to order at 4:34 p.m. by Chairman Robert Harper. The minutes of the July 12, 2023 regular meeting minutes were approved as presented. Robert Harper made a motion to approve the minutes and Rose Helmick seconded the motion. It was unanimously approved. The minutes of the August board meeting will be approved at next month's meeting.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the contractor continues to make progress on the construction of the District's new facility. Photographs showing construction progress at the site were shared with the board. The pre-fabricated steel building components have arrived and should be fully erected in the coming weeks. Once the steel is complete, metal siding will be added to the exterior of the building and the shell of the building will be complete. Change Order #2 was presented for approval. The change order is for office casework additions, change in sanitary sewer line, drains in the garage bay, the addition of electrified hardware on the door between the customer area and the main office and revised fiber optic conduit for an increase of the original contract price by \$9,568.32 making the new contract price \$2,034,876.08. Robert Harper made a motion to approve Change Order #2 as presented. Rose Helmick seconded the motion. It was unanimously approved. Pay requisition #6 in the amount of \$144,289.28 was presented for approval at the meeting. The breakdown for this pay requisition was \$140,467.50 to the contractor for construction work performed and \$3,821.78 to The Thrasher Group for engineering services. Rose Helmick made a motion to approve pay requisition #6. Robert Harper seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that the site subcontractor has started clearing trees and brush from the site of the new water tank. The next step will be to excavate the dirt and rock to level the site. The tank components have been fabricated and ready to be shipped when the site is ready. Pay requisitions for work completed as part of this project will begin at next month's meeting.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District's ongoing efforts to establish a secondary water source for the Baker water system. We continue to wait to receive final approval from the State Conservation Committee (SCC) regarding permission to drill test wells at the Baker Water Plant. Moyers told the board the SCC has again requested some additional information and asked that the original submission be revised to a format preferred by NRCS. The Thrasher Group has made the requested additions and revisions and we will resubmit that information following the meeting. Once final authorization to proceed has been issued, the well drilling contractor can move forward with the first phase of the project which is the drilling of the test wells. Once drilled, the wells will be tested for water quality and flow rate to determine if the wells can be utilized as a secondary water source for the Baker Water system. If it is determined the wells will be suitable for a secondary source, planning will begin to determine the scope of the second phase of the project. Funds provided by the Hardy County Commission will cover the cost of the test wells phase, however funding for the second phase of the project will need to be secured. Moyers recently met with WVDEP representatives to discuss potential funding opportunities for this project. He told board members the project does qualify for a debt-free funding pool available through the clean water state revolving fund and that the District would likely pursue that opportunity should the test wells prove viable as a secondary source.

***Town of Moorefield Water Purchase Contract*** – There were no updates regarding the PSD's water purchase contract with the Town of Moorefield. Moyers said he continues to attempt to get some feedback from the Town regarding an update to water purchase contract but has not gotten any response to date.

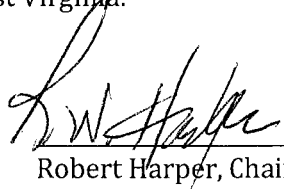
***Miscellaneous Business:***

***Town of Moorefield Water Plant Open House*** – The PSD staff and board received an email invitation to the Town of Moorefield’s Open House for the new water plant to be held Tuesday, September 19, 2023. District field staff intends to attend and tour the new plant.

No members of the general public were present at the meeting.

There being no further business, Robert Harper made a motion that the meeting be adjourned. Rose Helmick seconded the motion. The meeting was adjourned at 5:09 p.m.

The next regular scheduled board meeting will be held ***October 4, 2023, 4:30 p.m.*** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
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Robert Harper, Chairman



HARDY COUNTY PUBLIC SERVICE DISTRICT  
OCTOBER 4, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Logan Moyers, Rose Helmick, Robert Harper and Connie Sherman -HCPSD.

The meeting was called to order at 4:31 p.m. by Chairman Robert Harper. The minutes of the September 6, 2023 regular meeting were presented. Robert Harper made a motion to approve the minutes as presented and Rose Helmick seconded the motion. It was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the contractor continues to make progress on the construction of the District’s new facility. Photographs taken this week showing construction progress were shared with the board. The pre-fabricated steel frame for the building has been erected and work has begun on the exterior of the building including masonry work and the installation of the metal siding. It is hoped that the shell of the building will be complete by the end of the month so the interior work can begin. Pay requisition #7 in the amount of \$303,460.40 was presented for approval at the meeting. The breakdown for this pay requisition was \$295,106.15 to Lantz Construction of Winchester for construction work performed and \$8,354.25 to The Thrasher Group for engineering services. All requested payments were in accordance with the project budget. Rose Helmick made a motion to approve pay requisition #7. Robert Harper seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that site work is ongoing for the new water tank and that work is scheduled to be completed the week of October 23rd. The tank components are scheduled to be shipped the week of November 6<sup>th</sup> and tank erection is scheduled to be completed the week of November 27<sup>th</sup>. Pay requisition #2 in the amount of \$228,596.93 was presented for approval for work completed as part of this project. The breakdown for the pay requisition was \$211,225.05 to Mid-Atlantic Storage Systems, Inc. and \$17,371.88 to The Thrasher Group for engineering services. All requested payments were in accordance with the project budget. Robert Harper made a motion to approve pay requisition #2 as presented. Rose Helmick seconded the motion. It was unanimously approved.

***Baker Secondary Water Source*** – Logan Moyers reported that he had reached out to the West Virginia Conservation Agency (WVCA) for an update on when the District could expect to receive final approval to proceed with test well drilling on the property owned by the State Conservation Committee (SCC) next to the Baker water treatment plant. Moyers said his contact at WVCA informed him that WVCA had completed their portion of the review and had issued final approval on the test well phase of the project. Representatives from the Natural Resources Conservation Service (NRCS) must also issue final approval before the test well phase can proceed. Moyers said he was informed that two of the three NRCS representatives had issued their approval and we are only waiting on final approval from the last of the NRCS representatives. Once final approval has been issued, the District will move forward with the proposed test well drilling. The findings from the test well drilling will then be evaluated so that a determination can be made on the scope of the District’s project to develop a secondary water source for the Baker water system.

***Town of Moorefield Water Purchase Contract*** – Logan Moyers was able to speak with Lucas Gagnon regarding the PSD’s water purchase contract with the Town of Moorefield while attending the open house event for the Town’s new water plant. Gagnon indicated that the attorney for the Town of Moorefield did not feel it was necessary for a new purchase agreement to be developed, however both the Town and the District feel it is in the best interest of both parties to do so. The attorney has been instructed to review the draft agreement that was developed by the District’s attorney and to provide feedback regarding finalizing that agreement so that it can be approved and executed by both groups. The existing purchase agreement allows the District to purchase up to 15 million gallons of water each month from the Town and the District is currently purchasing approximately 13 million gallons monthly. At the Town’s request, the new agreement

will not cap the volume that can be purchased by the District, and instead calls for the District to seek authorization from the Town for any increase in demand that will result in a greater than 10% increase in the District's typical purchase volume.

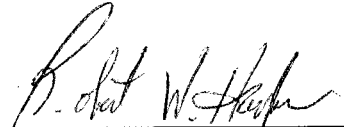
***New Business:***

***Central Hampshire PSD Request*** – The PSD received a request from representatives of Central Hampshire PSD to allow them to provide water service to two residences on Huffman Road along the Hardy/Hampshire line as part of Central Hampshire PSD's Purgitsville water project. The two residences in question are located on property parcels that are partially situated in both counties. Both of the residences have addresses in Hampshire County, as their driveways begin in Hampshire County, however both of the homes are located over the line in Hardy County. Hardy County PSD's 220 North water system, as is currently designed, is not capable of providing service to either of these properties. Moyers noted that the District had a similar situation on Church Road on the Hardy/Hampshire border several years ago in which the scenario was reversed, and several residents whose homes are located in Hampshire County had requested that Hardy County PSD place meters in Hardy County and allow the residents to extend service lines from those meters across the county line to their homes in Hampshire County. The Hampshire County Commission had to give their blessing for Hardy County PSD to be able to serve those residences that are located in Hampshire County. Now that same blessing must be provided by the Hardy County Commission in order for Central Hampshire PSD to be able to serve the residences currently in question. Central Hampshire PSD is first seeking the blessing of Hardy County PSD before approaching the Hardy County Commission with the same request. Moyers said that he did not want to stop anyone from getting public water service and said that he feels the District should allow for Central Hampshire PSD to proceed with its proposal to serve the two residents in question, so long as it would not require an amendment to Hardy County PSD's current service territory. Moyers said that because Hampshire County's main lines and the water meters to serve the two residences would still be located in Hampshire County, he did not believe an amendment to the service territory would be necessary. Robert Harper made a motion to approve Central Hampshire PSD's request so long as it did not require an amendment to the District's service territory. Rose Helmick seconded the motion. It was unanimously approved. Central Hampshire PSD will now present the request to the Hardy County Commission for their approval.

No members of the general public were present at the meeting.

There being no further business, Robert Harper made a motion that the meeting be adjourned. Rose Helmick seconded the motion. The meeting was adjourned at 5:11 p.m.

The next regular scheduled board meeting will be held ***November 1, 2023, 4:30 p.m.*** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
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Robert Harper, Chairman

HARDY COUNTY PUBLIC SERVICE DISTRICT  
NOVEMBER 1, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Logan Moyers, Rose Helmick, Robert Harper, Justin Basye via telephone and Connie Sherman - HCPSD.

The meeting was called to order at 4:31 p.m. by Chairman Robert Harper. The minutes of the October 4, 2023 regular meeting were presented. Robert Harper made a motion to approve the minutes as presented and Rose Helmick seconded the motion. It was unanimously approved. The minutes of the August 2, 2023 minutes were presented for approval. Rose Helmick made a motion to approve the minutes as presented. Justin Basye seconded the motion. It was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the contractor continues to make progress on the construction of the District’s new facility and a site visit will be conducted immediately following the meeting so that board members can view construction progress and look at site grading issues that may result in the need for a future change order. The exterior of the building including masonry work and the installation of the metal siding is complete and the contractor plans to finish the roof and install the windows and doors this month. This work will complete the shell of the building and allow for the interior finishing work to begin. The contractor also plans to complete paving of the driveway and parking lot this month before the asphalt plant closes for the season. The contractor is ahead of schedule and is optimistic they will be able to turn over the keys to the new facility in March or April 2024. Pay requisition #8 in the amount of \$236,337.55 was presented for approval. The breakdown for this pay requisition is \$234,523.80 to Lantz Construction of Winchester for construction work performed and \$1,813.75 to The Thrasher Group for engineering services. All requested payments were in accordance with the project budget. Rose Helmick made a motion to approve pay requisition #8. Justin Basye seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that the tank contractor is on site and work to construct the foundation is underway and will be completed later this month. Tank erection is scheduled to take place in December and the piping tie in work in January. It is anticipated the tank will be put into service before the end of January 2024. The deadline for substantial completion of the project is February 1, 2024. Pay requisition #3 in the amount of \$40,175 was presented for approval for work completed as part of this project. The breakdown for the pay requisition was \$33,750 to Mid-Atlantic Storage Systems, Inc. and \$6,425 to The Thrasher Group for engineering services. All requested payments were in accordance with the project budget. Rose Helmick made a motion to approve pay requisition #3 as presented. Robert Harper seconded the motion. It was unanimously approved.

***Baker Secondary Water Source*** – Logan Moyers reported that the District continues to wait to receive final approval from the Natural Resources Conservation Service (NRCS) before test wells can be drilled for the Baker Secondary Water Source project. The West Virginia Conservation Agency, as well as two of the three NRCS representatives who are reviewing the proposal, have issued their approval on the proposed test well drilling, however final approval from the last of the NRCS representatives must be received before the District can drill the test wells. The first phase of the project, which includes the study and reporting work required by NRCS as well as the test well drilling, is being funded with \$100,000 of ARPA funds from the Hardy County Commission. Moyers reported the District is actively pursuing funding for the second phase of the project which will develop the test wells into a permanent secondary water source for the Baker water system, should the test wells determine there is a sufficient volume of water for a secondary source. Moyers participated in a conference call this week to see if the District could be eligible for funding through West Virginia’s Clean Water State Revolving Fund for the second phase of the secondary source project as well as a project to install a PFAS removal system at the Baker water plant.

**Town of Moorefield Water Purchase Contract** – Logan Moyers had no updates on the status of the District’s water purchase contract with the Town of Moorefield.

**New Business:**

**Interest on District accounts** – Logan Moyers informed the board that the District’s new auditor, Jared Gillespie of Lowe & Associates, PLLC, made his first audit visit last week. During the audit review, Mr. Gillespie made the recommendation that the District move its current investment accounts to the State Treasurer’s Office or the Municipal Bond Commission because of the low interest rates that were being paid by the local banks. The District is currently receiving between 0.1% and 0.3% interest on all accounts and the state can offer nearly 5.0% which would result in a significant increase in the District’s interest income each month. The District has reached out to the three local banks in which District funds are being held to determine if they can increase their interest rates to match or at least come close to the rates being offered by the State offices. Information on the rates offered by both the State and local banks will be compiled so that board action can be taken at the next meeting regarding potentially moving District funds so that greater interest income can be realized.

**Uniform Provider** – Logan Moyers reported that the District recently switched the field staff uniform provider from Cintas to Unifirst following poor service and poor quality of the garments that the District has received that last several years. The District is under contract with Cintas until January 2025, however Moyers notified Cintas that the District wished to terminate the remainder of the contract based on poor quality and service. Cintas representatives have since met on several occasions with Moyers in an attempt to repair the relationship, however the District has since entered into a contract with Unifirst and does not wish to continue with Cintas. All Cintas garments have been returned and no further invoices will be paid. If there are repercussions from Cintas, the District is prepared to go to court to settle the matter. The District has photos and other documented evidence of the poor quality and the inconsistencies in billing from Cintas should that be needed in court to prove that Cintas was not providing adequate service to the District.

**US 220 North Upgrade** – Rose Helmick asked for an update on the status of the funding application for the US 220 North project to upgrade the size of the main waterline from 6” to 8”. Moyers said the application for Congressionally Directed Spending funding for this project is still pending review but that the District’s application had passed the initial round of review.

No members of the general public were present at the meeting.

There being no further business, Robert Harper made a motion that the meeting be adjourned. Rose Helmick seconded the motion. The meeting was adjourned at 5:01 p.m.

The next regular scheduled board meeting will be held **December 13, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia. The annual Christmas dinner will be held at 6:00 pm at O’Neill’s Restaurant in Moorefield on the same day.

  
Robert Harper, Chairman

HARDY COUNTY PUBLIC SERVICE DISTRICT  
DECEMBER 13, 2023  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Logan Moyers, Rose Helmick, Robert Harper, Justin Basye and Connie Sherman – HCPD; Kylea Radcliff, The Thrasher Group.

The meeting was called to order at 4:31 p.m. by Chairman Robert Harper. The minutes of the November 1, 2023 regular meeting were presented. Robert Harper made a motion to approve the minutes as presented and Rose Helmick seconded the motion. It was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the contractor continues to make progress on the construction of the District's new facility. The exterior of the building is mostly complete and the contractor will finish the interior plumbing and electrical work this month so that the interior drywall work can begin. Change Order #3 in the amount of \$21,806 was presented. This change order is for additional survey work and site plan revisions at a cost of \$3,500 which resulted in the need for additional site work by the contractor in the amount of \$18,306. The Thrasher Group will cover the increase for the survey work by reducing the cost of engineering fees for this project in the amount of \$3,500. This change order will increase the total contract amount to \$2,056,682.08. Robert Harper made a motion to approve the change order as presented. Rose Helmick seconded the motion. It was unanimously approved. Pay requisition #9 in the amount of \$322,016.25 was presented for approval. The breakdown for this pay requisition is \$314,617.50 to Lantz Construction of Winchester for construction work performed and \$7,398.75 to The Thrasher Group for engineering services. All requested payments were in accordance with the project budget. Rose Helmick made a motion to approve pay requisition #9. Robert Harper seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that the concrete pad for the tank had been poured and the contractor plans to begin work on the dome roof of the tank next week. Following the holiday shutdown, erection of the tank walls are scheduled to begin in January with the piping tie-in work scheduled for late January and early February. It is anticipated the tank will be put into service in February 2024. The tank will have a hydro-dynamic mixing system installed to reduce the formation of disinfection byproducts in the water inside the storage tank. Pay requisition #4 in the amount of \$139,225 was presented for approval for work completed as part of this project. The breakdown for the pay requisition was \$135,225 to Mid-Atlantic Storage Systems, Inc. and \$4,000 to Hardy County PSD for a reimbursement of project related accounting expenses. All requested payments were in accordance with the project budget. Robert Harper made a motion to approve pay requisition #4 as presented. Rose Helmick seconded the motion. It was unanimously approved.

***Baker Secondary Water Source*** – Logan Moyers reported that the District received verbal final approval from the West Virginia Conservation Agency (WVCA) and the Natural Resources Conservation Service (NRCS) for permission to begin work on drilling test wells for the Baker secondary source project, however final approval in writing must be received before the District can move forward with test well drilling. It is anticipated that written approval will come in early 2024 following a WVCA meeting in mid-January. The Hardy County Commission has already provided \$100,000 for the project, however additional funds must be secured before the test well phase can begin. A cost estimate developed by The Thrasher Group, in excess of \$400,000, was presented for the test well phase of the project which includes drilling and evaluation of up to three test wells. It is hoped that all three potential wells sites will not be necessary to provide the yield required for the development of a secondary source, which would reduce the estimated cost, however that can't be known until the wells are drilled and evaluated one at a time. Logan Moyers has scheduled a meeting with a Hardy County Commissioner to discuss additional funding options for this phase of the project. It is hoped that the HCC can provide additional funds that would then allow the District to apply to the WVJDC for matching grant funds in order to fully fund the project.



***Town of Moorefield Water Purchase Contract*** – There were no updates on the status of the District’s water purchase contract with the Town of Moorefield.

***Hampshire County Extension Project*** – Logan Moyers provided an update on the Hampshire County extension project. District staff recently completed an extension on Church Road which included the installation of a master meter at the point of sale to Central Hampshire PSD. The contractor for Central Hampshire PSD has since installed main water line connecting that system at the purchase point but there is still additional work that must be completed on the Central Hampshire PSD system before they are ready to begin purchasing water. It is anticipated that Central Hampshire will begin purchasing water from the District in mid-2024.

***New Business:***

***Financial Audit FY23*** – The financial audit for fiscal year 2023 as prepared by Jared Gillespie of Lowe & Associates, the District’s new auditor, was included in the board packet for review prior to the meeting. This is the first year Mr. Gillespie has acted as the District’s auditor. The preliminary financial workup needed for the audit was completed by Nancy Roth, the District’s previous auditor of many years. Prior to voting on approval of the audit, discussion was held regarding the deficiencies noted in the audit report. A total of seven deficiencies were noted. Segregation of duties was noted and this deficiency is due to the small number of staff who handle the money and deposits of the District. The segregation of duties deficiency has been noted on all District audits since the District’s creation. A deficiency was noted as a result of some bank accounts of the District exceeding the insured limits of the FDIC without any further securities. This deficiency can be avoided in the future by getting a pledge of securities from the individual banks which will cover any account balance amounts over the FDIC limit. A deficiency relating to improper cash reconciliations was noted. This deficiency was issued because several District accounts are reconciled in accordance with statement dates from the banks who hold those accounts which do not encompass entire calendar months. This deficiency can be avoided in the future if the District is able to change the dates of the monthly bank reconciliation statements to begin and end on the first and last days of each month. The District will contact all of its account holders to request all monthly statements begin and end on the first and last days of each month. Three deficiencies were noted regarding the sewer operation of the District having inadequate sewer rates to cover debt service, reserve accounts and operating expenses. The only way to remedy these deficiencies would be to raise sewer rates for District sewer customers, however the board has opted not to raise sewer rates on its small customer base because the increase needed to resolve these deficiencies would drive rates to a point that is higher than the board is comfortable with charging its customers. The last deficiency noted was in regard to the uniform system of accounts as required by the WVPSA. This deficiency will be remedied by updating the chart of accounts on the District’s accounting software to include the appropriate account codes which were provided by the accountant and will be updated by District office personnel. Following discussion, Justin Basye made a motion to approve the financial statements as presented. Robert Harper seconded the motion. It was unanimously approved.

***Transfer of District Investment Accounts*** – Logan Moyers informed the board that following the recommendation of the District’s new auditor, the District contacted the State Treasurer’s Office regarding options on investment accounts. The State Treasurer’s Office provided two options; The WV Government Money Market account and the WV Money Market account. The WV Government Money Market account only invests in government bonds and securities while the Money Market Account invests in a larger variety of activities. The WV Government Money Market account is considered to be slightly more stable and a little bit safer than the Money Market Account but pays a slightly lower yield on investments. Following discussion, Robert Harper made a motion to transfer all savings accounts of the District, except for those that experience a high number of deposits and withdraws, to the WV Government Money Market Account with the WV State Treasurer’s Office. Justin Basye seconded the motion. It was unanimously approved. Additionally, Moyers reached out to local banks to determine which bank would be best suited to hold the District’s operating accounts. Three local banks provided proposals and following discussion, Justin Basye made a motion to retain the operating water and sewer revenue accounts as well as the water and sewer security deposit accounts with Capon Valley Bank who offered a fixed interest rate of 3.75% on all accounts to be revisited annually. Robert Harper seconded the motion. It was unanimously approved.

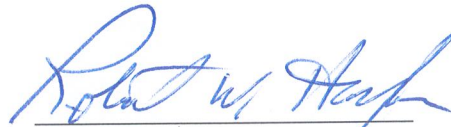
**Election of Officers** – Election of officers for calendar year 2024 took place at the meeting. Justin Basye made a motion to nominate Robert Harper to continue to serve as chairman, Rose Helmick to serve as vice-chairman and Connie Sherman to remain secretary of the District for the 2024 year. Robert Harper seconded the motion. It was unanimously approved.

**2024 Meeting Schedule** – The dates of board meetings for the 2024 calendar year was presented for approval. Justin Basye made a motion to approve the schedule as presented, Rose Helmick seconded the motion. It was unanimously approved. All meetings are held the first Wednesday of each month with the exception of January, July and December which will be held the second Wednesday of the month. Meetings begin at 4:30pm and are held at the office of the District. Meeting dates will be published as a Class I legal ad in the Moorefield Examiner.

No members of the general public were present at the meeting.

There being no further business, Robert Harper made a motion that the meeting be adjourned. Rose Helmick seconded the motion. The meeting was adjourned at 5:43 p.m.

The next regular scheduled board meeting will be held **January 10, 2024, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman

*These minutes represent a summary of the subject discussed and the actions taken by the members of the Hardy County Public Service District for the regular meeting held on December 13, 2023. The meeting and proceedings were electronically recorded. In the event there may be discrepancies or contradictions between the written minutes and the audio recording, the audio recording shall take precedence.*