

HARDY COUNTY PUBLIC SERVICE DISTRICT
JANUARY 10, 2024
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 4:33 p.m. by Chairman Robert Harper. The minutes of the December 13, 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 is ahead of schedule on the construction of the District’s new facility and is hopeful that construction will be complete by the end of March. The interior drywall work is complete and interior painting has begun. Change Order #4 in the amount of \$12,198.87 was presented. This change order is for additional blocking and shelving at a cost of \$11,004, adding separation fabric to the gravel parking lot at a cost of \$4,425 and the cost of the generator connection which will be split between the subcontractor, contractor and architect in the amount of \$813 each. The cost of engineering fees as noted last month was credited in the amount of \$4,043.13. This change order will increase the total contract amount to \$2,068,980.85. Robert Harper made a motion to approve the change order as presented. Rose Helmick seconded the motion. It was unanimously approved. Pay Requisition #10 in the amount of \$115,987.50 was presented for approval. The lone recipient of payment from this requisition is to the contractor, Lantz Construction of Winchester, for construction work performed. There was no invoice for engineering services this period. The requested payment is in accordance with the project budget. Rose Helmick made a motion to approve pay requisition #10. Robert Harper seconded the motion. It was unanimously approved.

Carla Acres II Water Storage Tank Project – Logan Moyers reported that the Carla Acres II tank has been erected. The water line tie-in work and the installation of hydro-dynamic mixing systems in the new and existing Carla Acres tank is scheduled to take place in the coming weeks. It is anticipated the tank will be put into service in March 2024. Pay requisition #5 in the amount of \$389,655.11 was presented for approval for work completed by Mid-Atlantic Storage Systems, Inc. as part of this project. The requested payment is in accordance with the project budget. Robert Harper made a motion to approve pay requisition #5 as presented. Rose Helmick seconded the motion. It was unanimously approved. This pay requisition will draw the last of the WVIJDC grant funds. All remaining payments will be paid with the ARPPA funds provided by the Hardy County Commission. Pay Requisition #3 in the amount of \$130,297.16 to request HCC ARPPA funds was presented for approval. Robert Harper made a motion to approve the pay request. Rose Helmick seconded the motion. It was unanimously approved.

Baker Secondary Water Source Project– Logan Moyers reported that the District is still waiting to receive final written approval from the State Conservation Committee (SCC) and the Natural Resources Conservation Service (NRCS) for permission to begin work on drilling test wells for the Baker secondary source project. An SCC meeting was held on January 9th, so it is hoped that written authorization to proceed with test well drilling will be received soon. An updated cost estimate for the test wells phase of the project was developed by The Thrasher Group and totaled over \$400,000, however after reviewing cost breakdowns with the District, Thrasher has agreed to reduce some costs and defer other costs to later phases of the project, which resulted in a reduction in the cost of the test wells phase to \$300,000. Moyers attended the January 9th meeting of the Hardy County Commission (HCC) to request additional funding to cover the test wells phase of the project. The HCC previously allocated \$100,000 of ARPPA funds for the project, and following the request, agreed to provide an additional \$50,000, bringing the HCC’s total allocation to \$150,000. The District will now seek \$150,000 of matching grant funds from the WVIJDC in order to fully fund the test wells phase of the project. It is hoped that test well drilling and evaluation can take place in the Spring of 2024.

Transfer of District Investment Accounts – Following approval at last month’s board meeting to transfer a majority of funds currently held by the District at local banks to a higher interest account with the WV State Treasurer’s Office, Logan Moyers presented a Resolution Authorizing Investment with the State Treasurer’s Office. District funds being transferred to Treasury will be deposited in The WV Government Money Market account, which invests in government bonds and securities and is considered to be the safest and most stable option. Interest rates for money invested in this account with the WV State Treasurer’s Office, currently 5.3%, are significantly higher than any local bank which will result in an increase in the District’s interest income. All interest from these investment accounts will be transferred to the District’s operating account. Robert Harper made a motion to adopt the resolution as presented. Rose Helmick seconded the motion. It was unanimously approved.

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 has completed the final work on the short extension to reach the Hardy County/Hampshire County line, including the installation of a vault to house the master meter at the point of sale to Central Hampshire PSD. Robert Harper inquired as to when Central Hampshire would begin purchasing water from the District. Moyers told board members that while the contractor for Central Hampshire PSD had installed all of the main water line for the project, they are currently waiting on backordered meter installation materials before the work to install individual meter settings can be completed. It is anticipated that Central Hampshire will begin purchasing water from the District in mid-2024. The District will be reimbursed for all costs incurred on this extension project with funds from Central Hampshire PSD’s project funding. Moyers said he is preparing to submit all invoices to be reimbursed to Region VIII, the project administrator, so that the reimbursement funds can be included in Central Hampshire PSD’s next pay requisition for the project.

New Business:

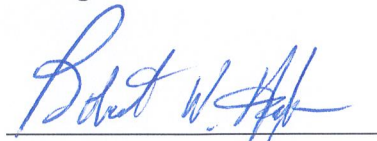
Legal Retainer PFAS Polluter’s Settlement – Logan Moyers told board members the District has an opportunity to participate in a class-action settlement with water systems nationwide who have detected PFAS chemicals in their water systems. PFAS chemicals are used throughout the world in waterproofing and stain repellent applications and have only recently been discovered to be a potentially hazardous contaminant in drinking water. PFOA, one of the chemical compounds in the PFAS family, was detected in the Baker Water System during testing completed by the US Geological Service (USGS) at the behest of the West Virginia Bureau for Public Health. Because the District had a PFAS finding, it is eligible to for inclusion in the class action settlement against the corporations who manufactured and were ultimately responsible for PFAS pollution. There are 17 corporations who have been identified as PFAS polluters that will be paying out awards as part of the settlement. To date, two of the larger polluting corporations, 3M and Dupont, have reached settlement agreements under which they will be paying out billions of dollars to be distributed among water systems who have been contaminated with PFAS chemicals. The remaining 15 corporations are still negotiating settlement agreements. The amount of award paid to each water system will be calculated using a formula that is based on the amount of PFAS that was detected in each participating water system’s source water. The District’s detection level was very small, at 7 parts per trillion, which means the payout the District will ultimately receive as part of the settlement will be on the low end on the range of awards. However, any money received as part of a settlement will be welcomed and will be used to offset some of the costs incurred by the District including water testing and other expenses related to PFAS contamination in the Baker water system. In order to participate in the settlement, the District must retain the services of a law firm who will represent the District as a participant in the settlement. Moyers told board members he reached out to the WV Rural Water Association for guidance on selecting a law firm to represent the District and was informed that the National Rural Water Association had engaged the law firm of Napoli Shkonik in New York City to represent water systems nationwide who are members of their State’s rural water association. Moyers then contacted a consultant for Napoli Shkonik about representation for the District and was provided with a retainer agreement. Moyers presented the retainer agreement to the board for discussion and suggested the District complete the agreement and engage the firm to represent the District in the settlement. There are no fees associated with the retainer agreement, however the agreement

stipulates that the law firm will be entitled to 25% of whatever award the District receives as part of the settlement. Robert Harper made a motion to execute the retainer agreement with Napoli Schkonik. Rose Helmick seconded the motion. It was unanimously approved. The agreement will be returned along with other required documentation detailing the PFAS test results for the Baker Water system. More information will be provided at future meetings as the lawsuit progresses.

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 5:22 p.m.

The next regular scheduled board meeting will be held **February 7, 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 January 10, 2024. 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.