

**HARDY COUNTY PUBLIC SERVICE DISTRICT**  
**NOVEMBER 2, 2022**  
**4:30 P.M.**  
**2094 US 220 South, Moorefield, West Virginia**

Present: Rob Harper, Logan Moyers, Rose Helmick, Justin Basye, 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 October 5, 2022 regular meeting minutes as presented. Justin Basye seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the 60-day bid hold for the low bid on the District's new facility project will expire on November 19, 2022. The District must award the contract before the end of the bid hold period, but can't do that until it has secured \$291,000 to cover the bid overrun. The District is working with the project lender, USDA-RD, to secure the full amount of bid overrun funds, however those funds will not be available to be allocated prior to the bid hold expiration date. It is in the best interest of the District not to have to extend the bid hold period as the contractor could increase their bid amount due to a bid hold extension, thus increasing the overall cost of the project. Following discussions with USDA-RD, the District received permission to obtain a Grant Anticipation Note from the Hardy County Commission. The "note", in the form of a letter, states that the HCC will provide funds to cover the bid overrun amount until such time that the USDA-RD overrun funds are available to be allocated for the project. Once the bid overrun funds from USDA-RD are allocated, the funding committed by the HCC will be returned. Now that the District has a grant anticipation note to cover the full amount of the bid overrun, the contract award can take place prior to the expiration of the bid hold. It is anticipated that the contract award will be scheduled for the latter part of the week of November 14, 2022. It will be necessary to hold a special board meeting to award the contract. The construction contract will be a one-year contract that is anticipated will begin in mid-December. This would put the District in its new facility around the end of the year 2023.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that the bid opening for the Carla Acres II storage tank project was rescheduled from October 19<sup>th</sup> to December 7<sup>th</sup> due to concerns expressed by the site subcontractors. Moyers said that extensive site work is needed on this project due to the steep grade and rocky terrain and in order to avoid the project bids coming in overbudget, it was in the best interest of the District to delay the bid opening until the questions and concerns have been addressed. This project will have a nine-month construction contract. It is hoped that construction on this project will begin by the end in early 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. The District is working to get authorization from the West Virginia Conservation Agency to install a groundwater well(s) on WVCA property adjacent to the Baker water plant to serve as a secondary water source for the Baker water system. Moyers reported that work continues with its consulting engineer, The Thrasher Group, as well as a hydrogeology firm, Moody & Associates, to compile and develop the information that has been requested by the WVCA. Following the conference call with WVCA director, Brian Farkas, and other impacted parties, Moyers said the WVCA appears receptive to granting the District permission to establish a groundwater source on WVCA property if the District can provide the WVCA with assurances the well(s) wouldn't have an adverse impact on the WVCA owned dam structure. Once the requested information is prepared, a follow-up meeting will be scheduled in Morgantown with impacted parties.

***Town of Wardensville Rate Increase*** – Logan Moyers provided an update on the Town of Wardensville's pending rate increase. The Town has proposed a 72.5% increase in rates to all customer classes, including the District's resale class, as part of a project-related rate increase. The District's board previously voted to request that the Public Service Commission perform a class cost of service study to

determine an appropriate increase amount for the resale class. The Public Service Commission granted the District's request and ordered the Town to undertake a class cost of service study. In response to that order, the Town recently filed a request for reconsideration, asking the PSC not to require the Town to perform a cost of service study due to its significant expense. In its request for reconsideration, the Town is asking to either be allowed to conduct an abbreviated cost of service study or that the study be performed by PSC staff so that the Town doesn't incur the expense of the study. The District does not believe the Town should be allowed to conduct an abbreviated study but does support the Town's request to have PSC staff perform the study and will be making a filing to PSC stating such. The District is indifferent as to who will perform the study so long as a study is performed. Moyers said the District is confident that a class cost of study will show the proposed 72.5% increase in the resale rate will be shown to be excessive and would be subsidizing the rates of other customer classes, thus resulting in a reduction to the proposed rate.

***New Business:***

***Town of Moorefield Water Purchase Contract*** – Logan Moyers reported that he is working with the Town of Moorefield to review and update the District's water purchase contract with the Town, now that the Town's new water plant is up and running. Currently the District's contract allows for the purchase of up to 15 million gallons of water per month. The Town is proposing that the new contract not include a cap on the number of gallons purchased per month, and instead require the District to inform the Town anytime an there is a significant increase in demand to ensure the Town has adequate capacity to serve the increased demand. is asking that they be kept informed of any extension projects that would increase the current purchase. The District and the Town are working with their attorney's to draft a revised purchase agreement that must then be approved by both the District board and the Town council.

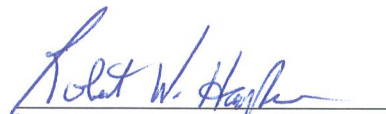
***Miscellaneous Business:***

***Christmas Dinner*** – The District's Christmas dinner is scheduled for Wednesday, December 14, 2022 at O'Neill's Restaurant with appetizers at 6:00 p.m. and dinner at 6:30 p.m.

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 4:57 p.m.

The next regular scheduled board meeting will be held ***December 14, 2022, 4:30 p.m.*** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman