

HARDY COUNTY PUBLIC SERVICE DISTRICT  
FEBRUARY 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 4:34 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the December 8, 2021 regular meeting minutes as presented. Justin Basye seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***Baker WTP Upgrade Project*** – Logan Moyers gave an update on the progress of this project. Moyers reported that MIEX ion exchange equipment is fully operational following the completion of the work that increased the elevation of the contactor tanks. The increased elevation of the tanks allowed the flow rate leaving the MIEX building and entering the main water treatment plant to reach the plant's full operating capacity of 350 gpm, however the normal operating rate is around 200 gpm. The only work remaining on this project is to add telemetry to the Dover Hollow pump station and that work is scheduled to be completed later this month unless there are further delays in the telemetry equipment's arrival. Moyers said he is hopeful that the final drawdown, for expenses to be paid with project contingency funds, could be presented for approval at the next board meeting.

***New PSD Facility Project*** – Logan Moyers reported that while the District continues to wait for authorization to advertise for bids from project lender USDA-RUS, he is hopeful to receive authorization and begin bid advertisements later this month. Moyers told board members that the bidding climate is not favorable at the moment due to the increasing cost of construction materials but he felt the District should proceed with advertising and opening bids as soon as possible. Moyers told the board the District does not have to accept the low bidder if the bid amount exceeds available funding. He also said that if bids come in over the project budget, the District had options to seek grant funds from USDA-RUS to make up the difference in cost without increasing the District's debt on the project.

***WVPSC Rate Case*** – Logan Moyers provided an update on the status of the District's 42R rate case with the Public Service Commission of West Virginia. The District increased its water rates to customers in September 2021 following a 120% increase in purchased water costs from the Town of Moorefield as a result of the Town's new water plant project. The District hired a CPA to assist in determining what would be an appropriate rate increase to cover the increased costs and began charging those rates to its water customers six months ago. The Public Service Commission has recently indicated as part of the ongoing rate case that it may choose to modify those rates previously put in place by the District, to rates it feels are more appropriate. Specifically, the PSC has indicated it feels the rate for the lowest usage block should be increased and the rate for each of the three higher usage blocks should be reduced. Those changes to the rate structure would result in higher bills for residential customers. Moyers discussed this possibility with the board and said that the District is working with its attorney to challenge the PSC's attempt to alter the rates currently in place. Moyers said the District is arguing the rates it put in place six months ago are appropriate and were carefully developed with the best interests of Hardy County and its residents in mind and should not be altered. Moyers pointed out to the board that PSD customers were given the opportunity to protest the rates the District put in place but that not one protest has been filed and that alone should indicate to the PSC that the residents and businesses of Hardy County agree with the rate block distributions imposed by the District. Moyers said he feels sure if the PSC modifies the District's rates now, after six months with no protests, and imposes higher rates to residential customers, the PSC will be flooded with complaints. The District sought and has received letters of support from the Hardy County Commission and representative Bryan Ward from the West Virginia House of Delegates for keeping the current rates from being modified. Moyers said the District will continue to work with its attorney to argue its position that the current rates should not be altered. The Public Service Commission's deadline to provide its proposal for the District's rate structure is March 3, 2022 and a final decision, ultimately setting the rates, is due no later than May 20, 2022.

***Carla Acres #2 Water Storage Tank*** – Logan Moyers reported that funding has been secured for the Carla Acres #2 water storage tank which will be located adjacent the existing Carla Acres water tank on the District's US 220 North water system. The project will be funded with a \$500,000 appropriation from the West Virginia Infrastructure and Jobs Development Council and a \$500,000 appropriation from the America Recovery Plan Act fund through the Hardy County Commission for a total project cost of \$1 million. Moyers said the next step is to conduct a geotechnical study to determine if the site will support the construction of the proposed water tank. Moyers told board members the proposed 423,000 gallon tank would be the District's largest water storage tank in the County. Following completion of the geotechnical study, if the results show the site will support the tank, the District will proceed with the purchase of the property. Amendment #1 of the Engineering Services Agreement for this project was presented for board approval in the amount of \$141,000. This increase includes \$85,000 in engineering & design fees, \$25,000 for construction inspection, \$16,000 for survey and mapping and \$15,000 for the geotechnical analysis. Justin Basye made a motion to approve the amendment to the engineering services agreement. Robert Harper seconded the motion. It was unanimously approved. A project checking account for this project will be opened at Pendleton Community Bank. Rose Helmick made a motion to proceed with opening the account. Robert Harper seconded the motion. It was unanimously approved.

***Hampshire County Water Purchase Agreement*** – A final draft of the water purchase agreement with Central Hampshire PSD was presented for approval at the meeting. This agreement will allow Central Hampshire PSD to purchase water from the District at a rate of \$4.95 per 1,000 gallons. The selling of this water to Central Hampshire PSD at the Hardy/Hampshire line will provide Central Hampshire with the water it needs to be able to complete a project to bring public water to residents in the Purgitsville area of Hampshire County. This will be the District's first resale water customer. Logan Moyers told the board he worked with representatives from the Region VIII Planning & Development Council and the attorneys for both utilities to develop the agreement. Moyers told board members a previous version of this agreement had been approved by the board in December 2020, but this current version, which had only a few minor changes at the request of Central Hampshire PSD's attorney, would supersede that previously approved version. Robert Harper made a motion to approve the agreement as presented. Rose Helmick seconded the motion. It was unanimously approved.

***New Business:***

***Baker Secondary Water Source Project*** – Logan Moyers reported that the District received \$100,000 in American Recovery Act funds from the Hardy County Commission for the study and report phase for a project that would develop groundwater wells as a secondary water source for the Baker Water Plant. A hydrogeologic study will be performed on property adjacent to the existing water plant to determine if the location would provide adequate flow from groundwater wells to be used as a secondary water source. Following the results of the study, the District would need to secure funding for the project to develop groundwater wells and the construction of a water storage tank to store the water, so that it would be available, as needed, in an instance when the plants' primary water source could not be used. An engineering services agreement in the amount of \$97,500 was presented. This agreement includes \$40,000 for engineering work associated with the study and report phase, \$40,000 for test well drilling, \$10,000 for the hydrogeologic study and \$7,500 for survey and mapping. Justin Basye made a motion to approve the engineering services agreement as presented. Robert Harper seconded the motion. It was unanimously approved. A project checking account will be opened at Pendleton Community Bank for this project. Rose Helmick made a motion to open the checking account. Justin Basye seconded the motion. It was unanimously approved.

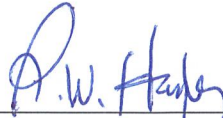
***Miscellaneous Business:***

***2021 Financial Statements*** – Fiscal year 2021 financial statements were provided to each board member for review. The document will be put on the agenda for approval at the March board meeting.

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 5:25 p.m.

The next regular scheduled board meeting will be held ***March 2, 2022, 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 February 2, 2022. 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  
MARCH 2, 2022  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

Present: Rob Harper, Logan Moyers, Rose Helmick, Justin Basye, Connie Sherman, Kevin Markwood - HCPSD.

The meeting was called to order at 4:33 p.m. by Chairman Robert Harper. Rose Helmick made a motion to approve the minutes of the February 2, 2022 regular meeting minutes following a change in the language from "grant" funds to "appropriation". Justin Basye seconded the motion. The motion was unanimously approved with the correction to the minutes.

***Unfinished Business:***

***Baker WTP Upgrade Project*** – Logan Moyers gave an update on the progress of this project. Moyers reported that a representative from Citco Water has started the work to add telemetry to the Dover Hollow pump station but due to issues with the communication contact ports the work was not completed. After discussion with a representative from EFI, the manufacturer of the booster pump station, it was determined that additional work will be needed. The work is scheduled to be completed during the week of March 14<sup>th</sup>. If there are no further delays, the final drawdown, for expenses to be paid with project contingency funds, will be presented for approval at April's board meeting and the project can then be closed out.

***New PSD Facility Project*** – Logan Moyers had good news to report to the board as it regards the District's new facility. We have received authorization to advertise for bids from project lender USDA-RUS and the bid advertisements will be ran for two weeks beginning with next week's newspaper. A bidding and construction schedule was provided to the board showing an anticipated construction start date of July 2022 and a completion date of June 2023. The deadline for the FEMA grant funds is July 2023.

***WVPSC Rate Case*** – Logan Moyers provided an update on the status of the District's 42R rate case with the Public Service Commission of West Virginia. Moyers informed the board that letters of support from the Hardy County Commission, both State Senators, Bryan Ward from the West Virginia House of Delegates, West Virginia Rural Water Association and Janie Berg owner of Loudoun Heights, the District's largest industrial customer, have been filed on the record with WVPSC in the District's 42R rate case. Moyers feels that the letters made an impact on the case because immediately following receipt of the letters, WVPSC issued two orders in the case. The first order rescinded the matter from PSC staff and retained the case to be heard by the Commission itself rather than being decided by a PSC judge. The second order directed PSC staff to proceed with the filing of their recommendation of the rates by March 3, 2022. The order further directed the District to file a response to the staff's recommendation by March 14, 2022. A public hearing was also set to be held at the Hardy County courthouse in the circuit court on April 5, 2022 at 1:30 pm. Members of the public will have the opportunity to express their support that the District's recommended rates be approved at this public meeting. PSC staff has recommended that the rate for the lowest usage block should be increased and the rate for each of the three higher usage blocks should be reduced. Those changes to the rate structure would result in higher bills for residential customers. The District is challenging the PSC's recommended rate structure due to the fact that no complaints have been issued and the District's recommended rates have been in place for the past six months.

***New Business:***

***Equipment Purchase*** – Logan Moyers informed the board of maintenance issues and repairs to the District's dump truck due to age and mileage. There are funds set aside in an equipment replacement account to be used to purchase equipment in this instance. Following discussion, Rose Helmick authorized the use of funds in the equipment replacement funds up to \$75,000 for the purchase of a dump truck. Justin Basye seconded the motion. It was unanimously approved. The District's dump truck will be sold or traded in and any proceeds will be deposited into the equipment replacement fund.

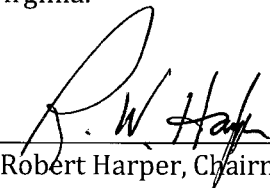
**Miscellaneous Business:**

**Lead Service Line Survey** – All customers of the District were notified on their most recent water bill to contact the office of the District regarding lead service lines. Due to revisions in the EPA’s Lead and Copper Rule, the District is required to work with its customers to compile an inventory of lead service lines within their water system. Due to the age of the District’s water systems and the date that lead was banned from being used in construction, the District’s water systems do not contain lead. The inventory will be based on the type of material of the customer’s private water service lines. If a customer does not know the material of their service line, additional inspections will need to be conducted at the residence in the future in order to comply with the EPA’s October 16, 2024 deadline.

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 5:32 p.m.

The next regular scheduled board meeting will be held **April 6, 2022, 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 March 2, 2022. 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  
APRIL 6, 2022  
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 4:31 p.m. by Chairman Robert Harper. Rose Helmick made a motion to approve the minutes of the March 2, 2022 regular meeting minutes as presented. Robert Harper seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***Baker WTP Upgrade Project*** – Logan Moyers gave an update on the progress of this project. Moyers reported that all work has been completed on the Baker Upgrade project including adding the Dover Hollow pump station to the SCADA telemetry system. Pay Requisition #16 was presented for approval in the amount of \$47,350.32. This is the final drawdown for the project and includes items to be paid from project contingency funds. These funds will reimburse the District for expenses incurred for the installation of telemetry at the Dover Hollow pump station, meter reading equipment upgrade, materials for fire hydrants on Trough Road and a backup pump for the Dover Hollow pump station. Rose Helmick made a motion to approve the pay requisition as presented. Robert Harper seconded the motion. It was unanimously approved. This project will be fully closed out following USDA's approval and issuance of the final pay requisition.

***New PSD Facility Project*** – Logan Moyers reported that the bid advertisement for the District's new facility was published in the newspaper for two weeks beginning March 9, 2022. A pre-bid meeting was held on March 24, 2022. Following the pre-bid meeting, we anticipate that at least three companies will be submitting bids for the project. Bid opening is scheduled for April 14, 2022 at 2 p.m. at the meeting room of the Hardy County Public Library. Kevin Markwood will attend the bid opening on behalf of the District due to Logan Moyers attending a training on the new lead and copper rule that same day in Kearneysville, WV. Moyers told board members that he anticipated the bids to come in over the project budget due to the significant increase in building material costs since the time the funding was acquired for the project over one year ago. Moyers said if the bids do come in over budget, the District will seek bid overrun funds in the form of grant funds from the primary project lender, USDA Rural Development.

***WVPSC Rate Case*** – Logan Moyers provided an update on the status of the District's 42R rate case with the Public Service Commission of West Virginia. Moyers informed the board that following the submission of the letters of support from the Hardy County Commission, both State Senators, Delegate Bryan Ward, the West Virginia Rural Water Association and Janie Berg owner of the District's largest water customer, WVPSC staff changed course from their original position and recommended the rate block distributions previously put in place by the District be kept as is. WVPSC staff however did recommend reducing the amount of each rate block tier by amounts ranging from \$0.29 cents per thousand gallons on the lowest tier to \$0.06 on the two largest tiers. Moyers said the reductions proposed by WVPSC staff would result in less than a \$1.00 savings on the average customer's bill but would make a noticeable difference on the District's income when those reductions are spread across the District's entire customer base. The District responded to the WVPSC staff recommendation thanking staff for their reconsideration of the District's preferred rate block distributions but opposed staff's recommendation to reduce the rate tiers by a few cents each. The District's basis for keeping the dollar amounts of each tier at the levels originally proposed by the District is based on the fact the test year used to determine the District's annual expenses was 2020, a year that contained a worldwide pandemic during which time the District's operating expenses were drastically reduced. The District feels their true operating costs are not fully represented in the 2020 test year and therefore, the rates proposed by the District should be approved. Moyers also told board members that the public hearing that was scheduled for April 5 at the Hardy County Courthouse was cancelled and has been rescheduled for May 2 in Charleston at the WVPSC headquarters. Moyers and David Glover, the District's attorney, will attend the hearing representing the District.

**FY21 Financial Statement** – The fiscal year 2021 financial statements were presented for approval. Board members were previously provided with a copy of the financial statement for their review. Logan Moyers noted that no deficiencies or irregularities of any kind were included in the financial statement. Rose Helmick made a motion to approve the financial statement for fiscal year 2021. Robert Harper seconded the motion. It was unanimously approved.

**Equipment Purchase** – Logan Moyers provided an update on the District’s purchase of a dump truck following the discussion at last month’s meeting. Kevin Markwood has been looking at several dump trucks and has found a truck located in Texas that is a new truck with a complete warranty. This truck doesn’t currently have a dump bed on it, but the bed from the District’s current dump truck could be transferred to the new truck locally at an affordable cost. The District continues to have issues with the current dump truck preventing it from being used and therefore feels this is an emergency purchase situation. There are funds set aside in an equipment replacement account to be used to purchase equipment in this instance. Board members had approved the expenditure for a new dump truck at last month’s meeting and suggested the District pursue purchase of the truck in Texas as soon as possible due to this being an emergency situation.

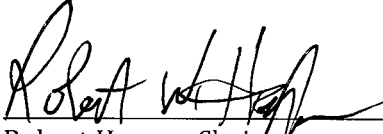
**Miscellaneous Business:**

**Public Notice** – Moyers informed the board that District customers on the WV SR 55 and South Fork water systems received a public notice informing them that during the month of January 2022, the District failed to collect a bacteriological sample as scheduled.

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 5:03 p.m.

The next regular scheduled board meeting will be held **May 4, 2022, 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 4, 2022  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

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

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 April 6, 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 bids were opened on April 14, 2022 for the District's new facility project. The District received only one bid, which came in at an amount much higher than the \$1.6 million estimated construction budget. Breckenridge Corporation placed a bid of \$3.39 million for a metal building and an alternate bid of \$3.7 million for a block building. Moyers provided board members with a letter from the project architect recommending that the District "reject all bids" and to re-bid the facility later in the year. Justin Basye made a motion that the District reject all bids for the facility and rebid at a later date. Rose Helmick seconded the motion. It was unanimously approved. Moyers told board members the anticipated revised project schedule is to re-advertise for bids in July 2022, open bids in August 2022 and to close on the loan in October 2022. In the meantime, the District will work with its architect to complete "value engineering" on the construction plans, which essentially means to cut material costs where feasible. The District and the architect will also work to expand the distribution area for the bid advertisement in efforts to solicit additional contractors who may be interested in bidding on the project in hopes of increasing the number of bids received. Moyers also said by delaying the project schedule it will be necessary to get an extension on the project completion deadline from FEMA who is contributing a portion of the funds for this project. Moyers will submit the extension request and anticipates receiving approval of a one-year time extension citing a bid overrun due to the increase in building materials and other factors which are out of the District's control. The District will also work with USDA-Rural Development, the primary lender for the project, to obtain additional funding for the project in the form of grants that can be used for the anticipated overrun of the original project budget.

***WVPSC Rate Case*** – Logan Moyers informed the board that he and David Glover, the District's attorney, attended a hearing in Charleston, WV on Monday, May 2 heard by WVPSC commissioners as part of the District's ongoing rate case. During the hearing, the District accepted a settlement agreement with the Public Service Commission that will bring this case to a close. To recap, during last month's board meeting Moyers informed the board that following the District's submission of several letters of support from local politicians, WVPSC staff changed course from their original position and recommended the rate block distributions proposed by the District eight months ago. However, PSC staff's recommendation also included a slight reduction in the amount of each rate tier within the block distribution and further recommended that the increase be made in stepped increments. The District opposed both Staff's recommended reduction and step increments, necessitating the hearing. The settlement, agreed to by both parties during the hearing, kept PSC's staff's recommendation for a stepped increase but also kept the District's proposed rate structure by making the step 2 rate match the rate originally proposed by the District. Per the settlement agreement, the rate will be slightly reduced under the step 1 increment, with a minimum bill for residential customers of \$43.56. The step 1 rate will be in place until the closing of the loan for the new facility project when the step 2 rate will be instituted putting the minimum bill back at the \$45.00 amount originally proposed by the District. The outcome of the settlement agreement means the District will be required to issue a credit equal to the amount of 3.15% of the total water charges for the past eight months (Sept 21 – May 22) to every active customer (an average of approximately \$15 per customer) and to issue a refund of the same amount to any past customers who were active during that timeframe. The total amount to be refunded by the District is estimated to be approximately \$35,000. Effective with June's billing the "Step 1" rates containing a minimum bill of \$43.56 will be put in place until the closing of the new facility project loan, anticipated in October 2022, at which time the "Step 2" rate containing a \$45.00 minimum bill will be put in place.



***New Business:***

***FY23 Water and Sewer Budgets*** – Copies of a proposed budget for water and sewer for fiscal year 2023 were provided to board members for review prior to the meeting. Following review and discussion, Rose Helmick made a motion to approve the water operating budget of \$1.95 million for fiscal year 2023. Justin Basye seconded the motion. It was unanimously approved. Rose Helmick also made a motion to approve the sewer operating budget of \$61,000 for fiscal year 2023. Justin Basye seconded the motion. It was unanimously approved.

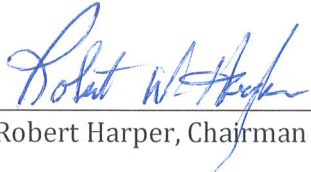
***Miscellaneous Business:***

***Equipment Purchase*** – Logan Moyers informed the board that the District has found a dump truck and has paid a deposit to place the truck on hold. The truck is located in Springfield, Missouri. District field staff manager, Kevin Markwood will travel to Missouri to inspect the truck and to complete the purchase if it meets his approval. The truck is a model year 2016 International that doesn't currently have a dump bed on it, but the bed from the District's current dump truck will be transferred to the new truck locally at an affordable cost. The total cost of the truck, including a two-year full warranty, installation of the dump bed and travel costs will be within the budget previously approved by the board. The District continues to have issues with its current dump truck which is currently inoperable and in the shop for repairs. Funds from the District's equipment replacement reserve account will be used to purchase the truck.

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. Justin Basye seconded the motion. The meeting was adjourned at 5:15 p.m.

The next regular scheduled board meeting will be held **June 1, 2022, 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  
JUNE 4, 2022  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

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

The meeting was called to order at 4:36 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the May 4, 2022 regular meeting minutes as presented. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that following the decision made at last month’s board meeting to reject the sole bid for the construction of the District’s new facility project, he has been in contact the USDA-Rural Development who is the primary lender for the project regarding how to move the project forward. Due to the increase in construction material costs, USDA-RD is seeing nearly all current projects coming in significantly over budget. USDA-RD supports the District’s decision to reject the current bid and to re-bid the project at a later date. USDA-RD has also told the District that they can provide reserve funding that they have set aside for bid overruns should the project again exceed budgeted costs when re-bid. If USDA-RD’s available reserve funds are not sufficient to cover the overrun costs, USDA-RD can provide funding from a future allocation, however the District will have to wait until the next federal fiscal year budget funds are released before that funding is available. The District has been working with The Thrasher Group on possible cost savings in project design before putting it out for re-bid, however, the original design was kept to a minimum from the start in order to keep the cost of the building as low as possible so there isn’t much that can be trimmed. One potential design change would be altering the roof design from its current design of a single slope barn roof to an engineered gable, but this will be looked into in more detail. The material for the exterior of the building may also be changed in an effort to reduce the cost. Moyers told the board the new project schedule will be to re-advertise for bids in July, open bids in August, have a 60-day bid hold and then award the bid in October 2022. Moyers reported that FEMA is open to extending its deadline for expending their portion of funds for the project and he will stay in contact with FEMA representatives to receive formal approval of that time extension request.

***WVPSC Rate Case*** – Logan Moyers provided an update on the District’s ongoing rate case. To date, the District has not received a final order for the case from the WVPSC. District staff has worked to calculate the credit amounts for all District customers based on the percentage established during settlement of this case and the District intends to apply this one-time credit as part of its June 2022 billing. The District’s rate structure will also be reduced by approximately 3% to the “step 1” rates established during settlement of the case beginning with the June 2022 billing. The District wants to be sure to put the reduced rate into place and to issue the credits to its customers this month so that the applied credits and the reduction in rates will be encompassed entirely within the current fiscal year which ends June 30, 2022. David Glover, the District’s attorney, will contact WVPSC staff to request that the final order be issued in such a time that will allow the District to include the rate reduction and credits on the District’s June billing. The “step 1” rate will be charged until the District closes on the new facility project loan, which is now expected to occur in October 2022, at which time the rates will revert back to the rate structure the District put in place and began charging in September 2021.

***Carla Acres II Water Storage Tank*** – Logan Moyers updated the board on the Carla Acres II storage tank project. The tank will be constructed immediately adjacent to the District’s existing Carla Acres tank. The existing tank’s capacity is 158,000 gallons and the new tank will have a capacity of over 400,000 gallons. The footprint of the new tank is larger than the existing tank and due to the steep terrain more grading work than was originally anticipated will be necessary to accommodate the larger tank. Moyers told board members the additional grading work meant that some additional land needed to be acquired. It was originally anticipated that a 100’ x 100’ area would be sufficient for the tank site, but with the additional grading, the amount of land needed has tripled and a second property owner is now involved. Moyers said

that both property owners were agreeable to selling the additional property that was needed. The property owner that was initially approached is agreeable to selling an additional 10,000 square feet of property and has requested \$15,000 for the total 100' x 200' parcel. The second property owner is willing to sell the 100' x 100' piece of land that is needed adjacent the existing tank for \$5,000. Robert Harper made a motion to move forward with the purchase of the two parcels of land needed for the construction of the Carla Acres II water storage tank for a total of \$20,000. Rose Helmick seconded the motion. It was unanimously approved. Logan will have the deeds prepared by the District's attorney and hopes to complete the acquisition of the two properties by next month's board meeting.

***New Business:***

***Town of Wardensville Request*** – Logan Moyers was contacted by Betsy Orndorff-Sayers, mayor of the Town of Wardensville, with a request that the District provide a letter to the Hardy County Commission in support of the Town's request for \$400,000 of Hardy County's American Recovery Plan Act (ARPA) funds. The mayor said that the cost estimate for the Town's upcoming water project has risen by approximately \$1.4 million over the original project cost estimate due to the rising cost of construction materials. Orndorff-Sayers explained that the basis for the request was so that the Town could offset a portion of the increased cost and not have to pass all of that cost onto water customers in the form of increased water rates. Orndorff-Sayers provided Moyers with a copy of the letter of request that the Town sent to the Hardy County Commission requesting that the County provide \$400,000 in ARPA funds for this purpose. Moyers pointed out to board members that Orndorff-Sayers' letter stated the increase in project cost would not only result in an increase to Town customers' water rates but would also increase the water rates of the District's customers whose water is produced by the Town of Wardensville, but Moyers said that was not accurate and that no District customers would see an increase in water rates as a result of the increased cost of the Town's project. It was also pointed out that the Town of Wardensville received their own ARPA funds from the federal government, albeit in a much lesser amount than the County, but the Town is not using those funds to offset the increased project cost and instead will use those funds on smaller water/sewer/street maintenance improvements and upgrades. Following discussion, Robert Harper made a motion not to write a letter of support to the Hardy County Commission regarding the Town of Wardensville's request for Hardy County ARPA funds. Rose Helmick seconded the motion. It was unanimously approved. Board members also requested that Moyers attend the June Hardy County Commission meeting where it is anticipated the Town's request to the County will be discussed. Moyers will inform Orndorff-Sayers of the District's decision not to provide a letter of support and will attend the Commission meeting.

***Water Testing Laboratories in WV***- Moyers told board members that the District is experiencing continued issues with Pace Analytical Services, the laboratory the District is using to analyze water samples. Moyers said that while it is expected that mistakes will happen from time to time, the frequency and impact to the District of the mistakes being made by Pace has increased to the point that he feels is unacceptable. He provided examples of specific recent incidents including an issue that is currently ongoing in which the lab mistakenly inverted the location where the two samples were taken on the test results report. This error by the lab resulted in the District being issued a violation from the State for sampling at the incorrect locations, when in fact, the samples were taken at the proper locations and the lab mistakenly reported the incorrect locations. As a result of the error by the lab, the District will have to send a letter to hundred of customers stating it sampled at incorrect locations even though that was not actually the case. Moyers said this problem is not unique to Hardy County PSD and that water systems all over the State are experiencing similar problems. Moyers also told board members that unfortunately, a resolution is not as simple as switching to another lab, as Pace is the only lab available to the District that can test everything the District is required to test and that also provides a courier service to get time sensitive samples from Hardy County to the testing laboratory. Moyers said there are no other labs in West Virginia that can perform all the necessary tests, but that the District could use labs in other parts of the country such as a lab in South Bend, Indiana that some other water systems in West Virginia have recently switched to. The issue with using a lab in another part of the country is that shipping costs for sending time sensitive samples to these far away labs would cost the District as much or more than the actual cost of testing the samples. Moyers said the District will continue to explore all options in looking for a new lab but that all options he is currently aware of are cost prohibitive due to shipping costs. Board member Rose Helmick recommended that Logan Moyers inform the Hardy County Commission of the issues. Moyers said he will discuss it with the Commission at their June meeting.

***Miscellaneous Business:***

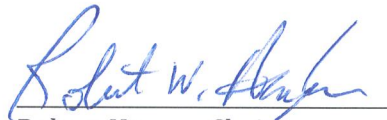
Board member Rose Helmick asked about the status of the installation of the early warning monitoring equipment at the Parker Hollow Impoundment. This equipment is scheduled to be installed next week and will be used to monitor for algae and other water contaminants that may be present in the source water before it enters the water treatment plant.

Logan Moyers informed the board that the District was finally able to find a suitable truck and has purchased a 2016 International truck from a company in Indiana. This truck includes a two year warranty. The dump bed from the District's current truck will be removed and installed on the newer truck later this month. The current truck will then be converted to be used to transport wastewater from the Baker water plant's MIEX system to the Baker sewer plant. The full cost of the truck, warranty, and installation of the dump bed will cost the District approximately \$65,000. The cost of this truck will be covered with funds from the District's equipment replacement fund as had been approved by the District board at the March meeting.

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 5:45 p.m.

The next regular scheduled board meeting will be held **July 6, 2022, 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 June 1, 2022. 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**  
**SPECIAL MEETING**  
**JUNE 16, 2022**  
**1:30 P.M.**  
**2094 US 220 South, Moorefield, West Virginia**

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

The meeting was called to order at 1:30 p.m. by Chairman Rob Harper. The purpose of this special meeting was to discuss and take action following the issuance of the WVPSC final order in the District's rate case and to take action on the reappointment of board chairman Robert Harper.

Logan Moyers provided an update on the events surrounding the issuance of the final order from the WVPSC in the District's ongoing rate case. A settlement agreement was reached between the District and WVPSC Staff for this case whereby the District would issue refunds to all customers in the amount of 3.15% of total billings since September 2021, which is when the District began charging their new rate structure. Following the May 2, 2022 hearing at which the settlement was reached, the District has been waiting to receive the final order for the case. It was hoped the final order would be issued before the June bills were sent out so that the District could be sure it was taking the proper action in issuing the refunds to customers on its June billings. The District had previously consulted with its attorney, accountant and auditor all of whom told the District they needed to be sure to issue the refunds as part of their June billing so that the refunds occurred before the end of the District's fiscal year on June 30, 2022. All parties that were consulted felt it was important and necessary that the refunds were issued by the District in the same fiscal year as the billings for which the refunds were based on.

Per PSC rules, monthly water bills must be mailed on or before the 10<sup>th</sup> day of every month. The District waited as long as it could for issuance of the final order, but having not received the order by June 10<sup>th</sup>, District General Manager Logan Moyers made the call to apply the customer refunds agreed upon in the settlement agreement to the June billings and get them to the post office so that they could be postmarked by the District's June 10<sup>th</sup> deadline for issuing monthly bills. June's water bills were delivered to the post office on the afternoon of June 10<sup>th</sup>, meeting the deadline for the issuance of monthly bills. In the hours following close of business on June 10<sup>th</sup>, the WVPSC issued its final order in which they disregarded the settlement agreement that had been reached at the May 2, 2022 hearing and instructed the District that in lieu of issuing a one-time credit to its customers, the District should deposit the total amount of what was to be customer issued credits into the District's water working capital reserve account.

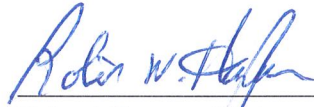
The District's then again consulted with its attorney, accountant and auditor regarding how to proceed after having already issued the customer credits that were ultimately not included as part of the final order in this case. The group determined the District has two options for how it would proceed with this matter. The first option was have the District's attorney inform the WVPSC the credits had already been issued to customers prior to the issuance of the final order in the case and the District was seeking guidance from WVPSC on how they would have the District proceed in this matter. All parties consulted expected that if the District proceeded with this option, WVPSC would require the District to bill customers back for the full amount of the credit received on their June bill in additional to their regular water usage as part of the District's July billing. The second option was that the District would not inform WVPSC that the credits had been issued to customers as part of their June billing, and to then move funds equal to the total amount of credits issued from the District's water plant reserve account to the water working capital reserve account in order to comply with WVPSC's final

order. Following discussion, Robert Harper made a motion to proceed with the second option and to move the total amount of the credit calculations from the District's water plant reserve account to its water working capital reserve account in order to comply with the final order. Rose Helmick seconded the motion. It was unanimously approved.

Logan Moyers told board members Robert Harper's appointment on the District board was set to expire June 30, 2022 and that the District needed to have the Hardy County Commission act on filling that board member seat. Rob Harper said he would like to continue to serve in his role on the District board. Justin Basye then made a motion to submit a request in writing to the Hardy County Commission to reappoint Robert Harper to a six year term on the District board. Rose Helmick seconded the motion. It was unanimously approved.

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 1:42 p.m.

The next regular scheduled board meeting will be held on **July 6, 2022, 4:30 p.m.** in the conference room of the HCPSD office located at 2094 US 220 South, Moorefield, West Virginia.



Robert Harper, Chairman

**HARDY COUNTY PUBLIC SERVICE DISTRICT**  
**AUGUST 3, 2022**  
**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 4:30 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the June 1, 2022 regular meeting minutes and the June 16, 2022 special meeting minutes as presented. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the District will re-advertise for bids for the construction of its new facility beginning next week. The bid publication area for the project has been expanded from the original bid area in an attempt to draw more interest in submitting a bid on the project. The Thrasher Group, consulting engineers for the project, are also directly contacting select contractors who they believe may have an interest in bidding on the project in an effort to bring about more interested bidders. Construction material costs have declined somewhat from the time the previous bids were submitted which should also result in lower bids than were received during the initial bidding. While the District expects to get lower bid totals this time around, it is still anticipated that the project will come in over the original project budget. USDA-RD has communicated to the District that they can provide reserve funding that has been set aside for bid overruns should the project again exceed budgeted costs. The new bidding schedule for the project includes a pre-bid meeting on August 30, 2022 and opening bids on September 13, 2022.

***WVPSC Rate Case*** – Logan Moyers provided an update on the District's ongoing rate case. The Public Service Commission of West Virginia has issued a final order for the case that keeps the rate structure the District put in place in back in September 2021 in place and unchanged. Moyers said those rates will be in place for the foreseeable future. Robert Harper made a motion to approve and execute the water tariff which officially adopts the new rates. Rose Helmick seconded the motion. It was unanimously approved. All copies of the executed tariff will be returned to the PSC executive secretary and the District will receive an approved stamped copy in return. This will finalize the rate case.

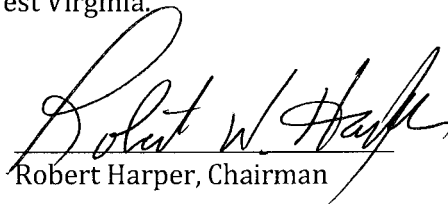
***Carla Acres II Water Storage Tank*** – Logan Moyers updated the board on the Carla Acres II storage tank project. As previously approved, the tank site properties needed for the construction of the new water storage tank have been purchased from the two property owners. The District's attorney has submitted the District's request for a waiver of a WVPSC case proceeding since the project will be funded 100% with grant funds and will have no impact on rates. If the waiver request is approved, it will significantly reduce the time before the project can go to bid. The District plans to submit a request to advertise for bids from WVIJDC this week. Pay requisition #1 to the Hardy County Commission for ARPA funds allocated to this project was presented for approval. This pay requisition is in the amount of \$20,000 and covers the cost of the property acquisitions that were necessary for this project. Rose Helmick made a motion to approve pay requisition #1 in the amount of \$20,000 for the cost of the tank properties. Robert Harper seconded the motion. It was unanimously approved. The requisition will be sent to the HCC for disbursement. A legal services agreement with the District's attorney, David Glover, for legal services on the project was presented in an amount not to exceed \$20,000. Robert Harper made a motion to approve the legal service agreement as presented. Rose Helmick seconded the motion. It was unanimously approved. An accounting agreement with Griffith & Associates in the amount of \$2,500 was presented for accounting work on the project. Rose Helmick made a motion to approve the accounting services agreement for the project as presented. Robert Harper seconded the motion. It was unanimously approved. Moyers said it is hoped this project can be put out to bid this fall and that construction could be completed by this time next year.

**Baker Secondary Water Source** – Logan Moyers reported that he has spoken to the property owner of the proposed well site in Baker near the water plant that was identified by the hydrogeologist as the potential site for a well that could possibly serve as a secondary water source for the Baker water system. A 30' x 40' (or .02 acre) site is needed for the development of the well. The District has proposed entering into an agreement with the property owner in which the property owner would be paid an initial sum by the District for the right to drill a test well and the District would then have the option to purchase the property if the test well provides sufficient yield to be used as a secondary water source. The District's initial offer included a \$1,000 upfront payment for the right to drill the test well with an option for the District to purchase the property for \$10,000. Should the test well yield prove to be inadequate for use as a secondary water source for the Baker system, the District would opt not to provide the additional payment for purchase of the property and the owner would retain the \$1,000 already paid as well as retaining ownership of the property. Moyers told board members that the owner had contacted him just prior to the board meeting and had rejected the offer made by the District and would be requesting a larger amount for purchase of the property. Following discussion, the District wants to explore other options for potential test well sites on other nearby property, but will also keep open the possibility that it will negotiate further with the property owner of the original proposed site. It was discussed that the only other feasible site for a well near the Baker water plant would be on property owned by the West Virginia Conservation Agency surrounding the Parker Hollow Impoundment. Moyers reminded board members that the District had previously sought an agreement with the WVCA to allow the District to drill test wells on their property in the hope that a permanent well could be established, but that the District had received significant pushback from the WVCA in that regard. Rose Helmick suggested that the District try approaching local members of the Potomac Valley Conservation District to see if they could assist the District in reaching an agreement with the WVCA for the right to drill a test well(s) in the hopes of establishing a permanent well site on the property. Ms. Helmick suggested that board chairman, Rob Harper, reach out to local members of the PVCD with this request. Chairman Harper said that would contact some local members of the PVCD and request their assistance in this matter. Moyers will contact the other property owner to inform that the District plans to investigate other possible sites but is still willing to negotiate with him to reach an agreement.

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 5:21 p.m.

The next regular scheduled board meeting will be held **September 7, 2022, 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 August 3, 2022. 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 7, 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 4:36 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the August 3, 2022 regular meeting minutes as presented. Rose Helmick seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that the pre-bid meeting for the District’s new facility construction project was held on August 30, 2022 and he was pleased with the number of contractors who attended and that they asked a lot of questions. We anticipate that we will have several interested bidders for the project. Bid opening is scheduled for September 20, 2022. Construction material costs have declined somewhat from the time of the previous bids which should result in lower bids than were received during the initial bidding. While the District expects to get lower bid totals this time around, it is still anticipated that the project will come in over the original project budget. USDA-RD has communicated to the District that they can provide reserve funding that has been set aside for bid overruns should the project again exceed budgeted costs.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that at their recent council meeting WVIJDC officially approved their binding commitment of \$500,000 of funds to partner with the \$500,000 of ARPA funds allocated from the Hardy County Commission for the Carla Acres II storage tank project. Robert Harper made a motion to execute the binding commitment letter once it is received from WVIJDC. Justin Basye seconded the motion. It was unanimously approved. The District is prepared to request authorization to bid the project as soon as the required information can be provided to WVIJDC. A pre-bid meeting is tentatively scheduled for September 29, 2022 with bid opening tentatively scheduled for October 19, 2022. Both the pre-bid and the bid opening will be held at the Hardy County Public Library meeting room. Moyers said it is hoped this project can be put out to bid this fall and that construction could be completed by this time next year. Amendment #2 to the engineering agreement was presented for approval. This amendment will make The Thrasher Group responsible for the construction stakeout and videotaping of the project area rather than including that work in the construction contract for the low-bid contractor. This amendment will not alter the project budget. Justin Basye made a motion to approve the amendment to the engineering services agreement as presented. Robert Harper seconded the motion. It was unanimously approved.

***Baker Secondary Water Source*** – Logan Moyers provided an update on the District’s efforts to establish a secondary raw water source for the Baker water system. The District worked with its consulting engineer and a groundwater hydrology firm to identify potential well sites near the water plant in Baker that could serve as a secondary source. A site on private property immediately adjacent to the water plant was identified as potentially being able to provide sufficient quantity to serve as a secondary source. The District made an initial offer to purchase the site for \$10,000 if the test well proved that the site could provide adequate yield. The owner of the property did not accept the District’s offer and made a counter offer that the property could be purchased for \$100,000. Following discussion, Robert Harper made a motion to decline the property owner’s counter offer. Justin Basye seconded the motion. It was unanimously approved. Discussion on other remaining options for developing a secondary source ensued and it was agreed that after evaluating all other possible options the only remaining feasible option was to again approach the WV Conservation Agency, whose property borders the Baker water plant, to reopen discussions about locating a groundwater well on that property to serve as a secondary source. The District has previously engaged with the WVCA in an attempt to get permission to develop wells for a secondary source on the property several years ago when the District was found to be out of compliance on its disinfection by-products levels in the Baker water system, however those discussions were ultimately unsuccessful. District

board members felt that this time around, it would be beneficial to first approach local individuals with ties to the WVCA who could hopefully assist the District in attempting to get permission from WVCA to develop wells on the property. In that regard, board chairman Robert Harper contacted representatives from the Potomac Valley Conservation District in an effort to get their support for the District's request. The PVCD invited District representatives to attend their next board meeting and also put Chairman Harper in touch with Don Whetzel, WVCA's watershed north manager, who oversees the property on which the District would like to develop a well. Mr. Whetzel asked that the District contact WVCA director, Brain Farkas in writing with its request and also saw that this matter was added to the agenda for the upcoming PVCD board meeting. Chairman Harper and General Manager, Logan Moyers, attended the PVCD meeting and requested a letter of support from the PVCD for the District's request to develop a well on WVCA property to act a secondary source the Baker water system. The PVCD board voted unanimously to provide the requested letter of support. The District also submitted the letter detailing its request to the WVCA director. Board members also suggested that the District contact local legislative representatives to request their assistance in getting permission from the WVCA to allow the District to develop a groundwater secondary source on WVCA property. Efforts to obtain permission to develop wells on WVCA property will continue. Pay requisition #1 was presented in the amount of \$17,350 for the completion of the hydrogeologic study, planning and survey work that has been done by The Thrasher Group. This work will be funded from the ARPA funds allocated from the Hardy County Commission for this project. Rose Helmick made a motion to approve the pay requisition as presented. Justin Basye seconded the motion. It was unanimously approved.

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

***Town of Wardensville Rate Increase*** – Logan Moyers informed the board that the Town of Wardensville's water project has increased in cost since it was initially discussed when representatives from the town attended a District board meeting last year and as a result the rate increase associated with the project will be larger than previously thought. The Town is now proposing a 72.5% across the board increase to all customer classes. Because the Town is a municipality, the process to raise their rates only requires that notice of a rate increase be published twice in a local newspaper and for a public hearing to be held, and if there is not substantial protest from customers, the proposed rates will go into effect. General Manager Logan Moyers told the board two things to keep in mind when deciding if the District should protest Wardensville's rates. First, that a single protest from a resale customer is considered substantial protest, so if the District protests the proposed rates with the Public Service Commission, the WVPSA would require Wardensville to go through a rate case proceeding to determine what level of rate increase should be applied to each customer class. Secondly, Moyers said that by proposing an equal increase to each customer class, it was clear the Town did not perform a class cost of service study to determine the appropriate percentage increase that should be applied to each respective customer class. Moyers also said he is confident a class cost of service study would determine that the resale rate be lower than the rate that is being proposed by the Town. Following discussion, Rose Helmick made a motion that the District file a protest on the proposed rates with the WVPSA and request that the PSC perform a class cost of service study to determine an appropriate resale rate for the Town of Wardensville. Justin Basye seconded the motion. It was unanimously approved.

### ***Miscellaneous Business:***

***Water Testing Laboratories:*** Logan Moyers provided an update on the ongoing issues with the District's existing water testing laboratory. In the past week, two more water samples were not able to be tested due to expiration of hold time after the samples were received in the laboratory in Beaver, WV. This continues to be very frustrating for the District after its staff has collected the samples, completed the paperwork, scheduled a pickup and complied with the schedule mandated by the WVBPH only to have the lab fail to test the samples in the required timeframe. These errors by the lab ultimately result in the District being issued a violation by the Bureau for Public Health for failing to comply with its required sampling and testing schedule. Moyers told board members the District may have found another laboratory that can be used for water analysis testing located near Frederick, MD and the District would soon use the lab for some testing in an experimental basis to see how it goes. The downside to using this lab is their courier

service does not currently come to Hardy County and the District would have to drive samples to Berkeley County, WV to meet the lab's courier for sample delivery. The testing costs are also somewhat higher with the new lab. Moyers said that while there are downsides to using the new lab for testing, if the service the new lab provided was more reliable than the service the District is currently getting, that reliability, in his opinion, outweighed the downsides. The District will soon begin using the new lab for some testing and will make a determination at a later date if any or all testing will be switched to the new lab.

**Poultry Houses** – Logan Moyers reported that the District is now providing water service to the “mega” poultry farm located on US 220 North of Moorefield. The main line extension project needed to serve the poultry houses on Old Fields Road is being completed this week and that farm will also soon begin using public water service.

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 5:35 p.m.

The next regular scheduled board meeting will be held **October 5, 2022, 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 September 7, 2022. 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**  
**OCTOBER 5, 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 4:35 p.m. by Chairman Robert Harper. Robert Harper made a motion to approve the minutes of the September 7, 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 bid opening for the District's new facility project was held on September 20, 2022. Bids were much lower this time around as compared to the first attempt to bid this project in May 2022. Three bids were received with the lowest bid being \$2,012,100, made by Lantz Construction Company of Winchester, VA. The low bid amount exceeded the original project budget, however that budget was developed prior to the pandemic, and it was assumed that bids in the current economy would exceed the original project budget. As a result, the District is seeking bid overrun grant funds in the amount of \$291,000 from project lender, USDA-RD to cover the overrun. Based on discussions with USDA-RD, the District is hopeful they will receive the needed funds in the coming weeks. Moyers told the board that once the remaining funding is in place, there may be a need for a special meeting in mid-November to award the contract to the low-bidder. Assuming that schedule holds true, construction on the District's new facility is anticipated to begin in mid-December 2022. The construction contract will be a one-year contract. Rose Helmick made a motion to accept the best available bid from Lantz Construction of Winchester in the amount of \$2,012,100. Justin Basye seconded the motion. It was unanimously approved.

***Carla Acres II Water Storage Tank*** – Logan Moyers reported that the pre-bid meeting for the Carla Acres II storage tank project was held last week. The lone tank contractor in attendance at the meeting was with Mid Atlantic Tank Company who has been the contractor on all but one of the District's existing tanks. Mid Atlantic manufactures bolted steel tanks with a glass-lined interior. Several excavators were in attendance to get information on the site work that will be needed on the project. Moyers said due to the existing grade at the tank site, there will be extensive site work on this project. The bid opening for the project is scheduled for October 19, 2022. This project will have a nine-month construction contract. It is hoped that construction on this project will begin by the end of 2022.

***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. Moyers said that after investigating all possible options for developing a secondary source, the only feasible option is to develop a groundwater well on property owned by the West Virginia Conservation Agency that is immediately adjacent to the Baker water treatment plant. The District has submitted a request to WVCA for authorization to establish a groundwater secondary source on that property. In response to that request, a conference call is scheduled for next week with WVCA director, Brian Farkas, and other impacted parties to discuss options for developing a secondary source on WVCA property. WVCA provided a checklist of required information that must be compiled by the District and submitted for review before any decision can be made regarding authorization to develop the requested groundwater secondary source. The District will work with its consulting engineer for the project, The Thrasher Group, as well as a hydrogeology firm, Moody & Associates, to compile and develop the required information. The District is hopeful that an agreement can be reached with WVCA for authorization to develop the secondary source not only due to concerns about water quality from the primary water source, but also because the Hardy County Commission has agreed to provide grant funds from its American Rescue Plan Act allocation to fund the project. The HCC approved a letter of support to WVCA for the project at their recent meeting and it will be sending that letter this week. Moyers told board members the opportunity to fulfill the serious need for this project with debt free funding was not likely to present itself again and for that reason the District needed to do everything within its power to see that this project is completed.

***Miscellaneous Business:***

***Town of Wardensville Rate Increase*** – Board member Rose Helmick asked if additional information had been received from the Town of Wardensville regarding their proposed rate increase. Logan Moyers informed the board that, following action taken at last month’s board meeting, the District has submitted a request to the WV Public Service Commission to complete a class cost of study to determine an appropriate rate to be charge for each respective customer class, rather than a flat increase to all customers as the Town has proposed. A single protest from a resale customer is all that is needed for WVPSC to require that a class cost of service study be completed to determine what level of rate increase should be applied to each customer class.

***Water Testing Laboratories*** – Chairman Robert Harper asked for an update on finding a new water testing laboratory. The District is planning to use a new laboratory, Fredricktowne Labs, that is located in Myersville, MD for the next quarterly samples for disinfectant by-products.

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 5:10 p.m.

The next regular scheduled board meeting will be held ***November 2, 2022, 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 October 5, 2022. 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**  
**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.

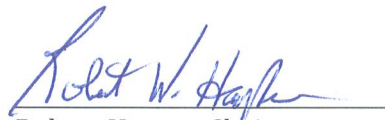
***Miscellaneous Business:***

***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

**HARDY COUNTY PUBLIC SERVICE DISTRICT  
SPECIAL MEETING  
DECEMBER 7, 2022  
2:00 P.M.  
2094 US 220 South, Moorefield, West Virginia**

Present: Rob Harper, Rose Helmick, Justin Basye, Logan Moyers, Connie Sherman, HCPSD and Todd Swanson, Steptoe & Johnson PLLC.

The meeting was called to order at 2:06 p.m. by Chairman Rob Harper. The purpose of this special meeting was to take action regarding entering into a construction contract with Lantz Construction of Winchester, VA, consider and act upon the Bond Resolution, Sweep Resolution and the first Draw Resolution with USDA for the District's new facility project, as well as other USDA forms related to the project.

The first item to be considered was entering into a construction contract with Lantz Construction Company of Winchester, VA (LCW) in the amount of \$2.12 million for construction of the District's new facility. Robert Harper made a motion to enter into a contract LCW. Rose Helmick seconded the motion. It was unanimously approved.

Todd Swanson, Steptoe & Johnson, PLLC, bond counsel for the District's new facility project was in attendance at the meeting to present the bond documents relating to the District's USDA loan in the amount of \$1.46 million, principal and interest payments in the amount of \$4,234 will begin January 2023 as well as the required bond reserve payment of \$423.40. The first document presented for approval was the Bond Resolution which authorizes the construction of the new facility according to the terms of the bond. Justin Basye made a motion to approve the Resolution as presented. Rose Helmick seconded the motion. It was unanimously approved. Pay Requisition #1 was presented in the amount of \$44,800. This drawdown is for the professional service fees for the project including legal, accounting, bond counsel and some engineering fees. Rose Helmick made a motion to approve the requisition as presented. Justin Basye seconded the motion. It was unanimously approved. Mr. Swanson presented the Sweep Resolution which allows for the payments to be made electronically to USDA and the Municipal Bond Commission each month beginning January 2023. Rose Helmick made a motion to approve the Sweep Resolution as presented. Justin Basye seconded the motion. It was unanimously approved.

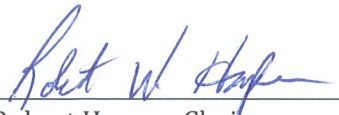
Logan Moyers told board members that USDA had informed him earlier that day that the \$291,000 grant to cover bid overrun had been obtained and was ready to be obligated. Moyers said this meant that money that had been committed by the Hardy County Commission for this project in form of a grant anticipation note was no longer necessary and the HCC would not need to provide that funding for the project. Moyers presented the Request for Obligation of Funds for the bid overrun funds in the amount of \$291,000. Justin Basye made a motion to approve the request. Robert Harper seconded the motion. It was unanimously approved. The Letter of Intent to Meet Conditions of the grant funding was presented. Robert Harper made a motion to approve the Letter of Intent. Justin Basye seconded the motion. It was unanimously approved.

Contract award, loan pre-closing with USDA and a pre-construction meeting for the project is scheduled for Tuesday, December 13, 2022 at the Hardy County Public Library. Official closing date for the USDA funding will be December 15, 2022.

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 2:17 p.m.



The next regular scheduled board meeting will be held on **December 14, 2022, 4:30 p.m.** in the conference room of the HCPSD office 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 special meeting held on December 7, 2022. 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  
DECEMBER 14, 2022  
4:30 P.M.  
2094 US 220 South, Moorefield, West Virginia

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

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 November 2, 2022 regular meeting minutes as presented. Justin Basye seconded the motion. The motion was unanimously approved. Robert Harper made a motion to approve the minutes of the December 7, 2022 special meeting minutes as presented. Justin Basye seconded the motion. The motion was unanimously approved.

***Unfinished Business:***

***New PSD Facility Project*** – Logan Moyers reported that pre-closing was held December 13, 2022 on the District's new facility project. The actual closing date with USDA-RD on the project funding will be December 15, 2022. The District held a special board meeting on December 7, 2022 prior to the pre-closing where the bond documents were approved and executed. Payments on the debt for the new facility project loan will begin in January 2023. The additional grant funds to cover the bid overrun on the project have been allocated by the project lender, USDA-RD. Now that those funds are in place, there will not be a need for the interim funding that was to be provided by the Hardy County Commission to cover the bid overrun. Lantz Construction, Winchester, VA will be the contractor for the project. The contractor has requested a winter shutdown be granted until April 1, 2023 due to an estimated 8-month lead time on the steel components for the building. The contractor provided a letter from the steel supplier documenting the delay in the shipment of the steel material. Board member Rose Helmick asked if granting the contractor's request would jeopardize any funding that has been received on the project. Moyers said the District had previously requested an extension of the FEMA grant funds and based on the initial feedback, it was expected the extension request would be approved. Robert Harper made a motion to approve the winter shutdown request from the contractor. Justin Basye seconded the motion. It was unanimously approved. The approval of the winter shutdown will delay the start of the contract from January 3, 2023 to April 1, 2023. 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 the bid opening for the Carla Acres II storage tank project is scheduled for December 20<sup>th</sup> at the Hardy County Public Library. The bid opening has been delayed due to concerns with the extensive site work that is needed on this project as a result of the steep grade and rocky terrain. The District is hopeful that by providing bidders with additional information regarding grading requirements a more favorable bid will result. It is anticipated board action to approve and enter into a contract with the low-bid contractor for this project will occur at the January 2023 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. Moody & Associates, the hydrogeology firm hired by the District to assist with this project, has completed their analysis and has identified three potential well sites located near the Parker Hollow dam on WV Conservation Agency property. The District is hopeful that the first well site identified will have the capacity that is needed to serve as the secondary water source without having to drill any additional wells. With the completion of Moody's evaluation, the District, along with its consulting engineer, The Thrasher Group, will be able to finalize compilation of additional information as requested by the West Virginia Conservation Agency. Once this information has been finalized, a meeting will be scheduled with WVCA and other impacted parties regarding the potential authorization of the District's request 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.

**Town of Wardensville Rate Increase** – There is no new information regarding the Town of Wardensville’s pending rate increase. The Town has proposed an across the board 72.5% increase in rates to the District and all other customer classes which prompted the District’s board to request that the Public Service Commission perform a class cost of service study to ensure the District receives an appropriate increase in rates. The Public Service Commission granted the District’s request and ordered the Town to complete a class cost of service study. Moyers said the District responded to the PSC order, stating it was the District’s preference to have PSC staff perform the cost of service study so that the Town could avoid the significant expense in hiring an accountant to conduct the study. While the District prefers that PSC staff conduct the study, Moyers said that regardless of who ultimately conducts the study, the District wants to be sure the study takes place so that an appropriate rate is determined.

**Town of Moorefield Water Purchase Contract** – Logan Moyers reported that the District’s attorney has amended the water purchase contract between the District and the Town of Moorefield based upon the changes in language as requested by the Town. The Town will now provide the revised agreement to their attorney who will review the document. Per the Town’s request, the new contract will not include a cap on the number of gallons purchased per month, but will instead require the District to inform the Town anytime there is a projected increase in demand that exceeds a 10% increase in gallons purchased above the District’s average usage. This will allow the Town to ensure they have adequate capacity to serve the increased demand and they will provide a written approval or denial of the request to the District. A new agreement should be available for review and approval by both the District board and the Town council in the near future.

***New Business:***

**2023 Board Officers** – Election of 2023 board officers were held. Rose Helmick made a motion to retain the current board officers for the 2023 year. Justin Basye seconded the motion. It was unanimously approved. The District officers for 2023 will remain Robert Harper, Chairman; Justin Basye, Vice-Chairman; Connie Sherman, Secretary.

**2023 Yearly Meeting Schedule** – The 2023 board meeting schedule was presented for approval prior to the meeting. All board meetings will be held at 4:30 p.m. in the District’s office on the first Wednesday of every month in 2023 except for January, July and December, which will occur on the second Wednesday of the month. Rose Helmick made a motion to approve the meeting schedule as presented. Justin Basye seconded the motion. It was unanimously approved. The notice will be published as a Class I legal ad in the Moorefield Examiner in accordance with requirements.

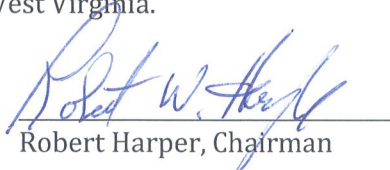
***Miscellaneous Business:***

Logan Moyers informed the board of ongoing grease issues at the EA Hawse nursing home due to an improperly installed grease trap. A letter has been sent by the District informing the facility of additional fees that will begin with January’s billing per the District’s sewer ordinance until such time that the facility has the grease issue under control. Excessive grease entering the sewer plant causes a variety of issues resulting in expenses incurred by the District to treat the sewer discharge from the facility.

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 5:17 p.m.

The next regular scheduled board meeting will be held **January 11, 2023, 4:30 p.m.** at the office of the PSD located at 2094 US 220 South, Moorefield, West Virginia.

  
Robert Harper, Chairman