$619,888
MEADOW CREEK
PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

Closing Date: January 12, 2016

JACKSONKELLY SM
ATTORNEYS AT LAW PLLC

4844-8267-4213.v1-1/8/16

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

Closing Date: January 12, 2016

TRANSCRIPT OF PROCEEDINGS

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State of West Virginia
WATER DEVELOPMENT AUTHORITY
1009 Bullitt Street, Charleston, WV 25301
(304)414-6500 – (304)414-0865 (Fax)
Internet: www.wvwda.org – Email: contact@wvwda.org

Date 1/11/16 Time 1:00 LGA Meadow Creek PSD Program IJC

NAME	COMPANY, AGENCY, OR ORGANIZATION	TELEPHONE	FAX	E-MAIL
Sheila Miller	WDA	304-414-6500	304-414-0865	smiller@wvwda.org
Sammie Gee	Jacksonkelly PLLC	304-340-1318	304-340-1272	sgee@jacksonkelly.com

The Authority requests that they following information concerning the individual who will be responsible for sending Debt Service Payments to the Municipal Bond Commission be provided. (If that individual is in attendance, he/she should also sign above.) Please Print:

Name Shirley Richmond Telephone (304) 466-4429 E-Mail SjRichmond@outlook.com

Address P.O. Box 64, Meadow Creek, WV 25977-0064

REMINDER: As a participant in this program, the Local Governmental Agency (LGA) agrees and is required to submit annually to the WDA a copy of its audited financial statements and a copy of its adopted budget. Also, pursuant to the Loan Agreement and the Non-Arbitrage Certificate (both of which are contained in the bond transcript) you are to provide annually to the WDA a rebate calculation certificate or an exception opinion showing whether a rebate amount is due to the US Government under arbitrage requirements in Section 148(f) of the US Internal Revenue Code 1986 as amended.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 22C, ARTICLE 2 OF THE WEST VIRGINIA CODE, AND CHAPTER 22C, ARTICLE 2 OF THE 2015 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
January 7, 2016

Natalie E Tennant

Secretary of State

ARTICLE 2

WATER POLLUTION CONTROL REVOLVING FUND ACT

Section

22C–2–1. Definitions.
22C–2–2. Designation of division of environmental protection as state instrumentality for purposes of capitalization agreements with the United States environmental protection agency.
22C–2–3. West Virginia water pollution control revolving fund; disbursement of fund moneys; administration of the fund.
22C–2–4. Annual audit.
22C–2–5. Collection of money due to the fund.
22C–2–6. State construction grants program established; special fund.
22C–2–7. Environmental review of funded projects.
22C–2–8. Conflicting provisions.

§ 22C–2–1. Definitions

Unless the context in which used clearly requires a different meaning, as used in this article:

(a) "Authority" means the water development authority provided for in section four, article one of this chapter.

(b) "Cost" as applied to any project financed under the provisions of this article means the total of all costs incurred by a local entity that are reasonable and necessary for carrying out all works and undertakings necessary or incident to the accomplishment of any project including:

(1) Developmental, planning and feasibility studies, surveys, plans and specifications;

(2) Architectural, engineering, financial, legal or other special services;

(3) Acquisition of land and any buildings and improvements on the land or buildings, including the discharge of any obligations of the sellers of the land, buildings or improvements;

(4) Site preparation and development, including demolition or removal of existing structures, construction and reconstruction, labor, materials, machinery and equipment;

(5) The reasonable costs of financing incurred by the local entity in the course of the development of the project, carrying charges incurred before placing the project in service, interest on funds borrowed to finance the project to a date subsequent to the estimated date the project is to be placed in service, necessary expenses incurred in connection with placing the project in service, and the funding of accounts and reserves which the authority may require; and

(6) Other items that the division of environmental protection determines to be reasonable and necessary.

(c) "Fund" means the state water pollution control revolving fund provided for in this article as it may be expanded or modified from time to time pursuant

to the clean water act, as amended, the federal safe drinking water act, as amended or by the executive order of the governor issued to comply with federal laws relating to the acts.

(d) "Instrumentality" means the division of environmental protection or the agency designated by an order of the governor as having the primary responsibility for administering the fund pursuant to the federal clean water act, as amended, and the federal safe drinking water act, as amended, or other federal laws.

(e) "Local entity" means any county, city, town, municipal corporation, authority, district, public service district, commission, banking institution or political subdivision in West Virginia.

(f) "Project" means any public water or wastewater treatment facility located or to be located in or outside this state by a local entity and includes:

(1) Sewage and wastewater collection, treatment and disposal facilities;

(2) Public water transportation, treatment and distribution facilities;

(3) Drainage facilities and projects;

(4) Administrative, maintenance, storage and laboratory facilities related to the facilities delineated in subdivisions (1), (2) and (3) of this subsection;

(5) Interests in land related to the facilities delineated in subdivisions (1), (2), (3) and (4) of this subsection; and

(6) Other projects allowable under federal law.

Acts 1994, c. 61; Acts 1996, c. 257, eff. 90 days after March 8, 1996.

United States Code Annotated

Water Pollution Prevention and Control,
Generally, see 33 U.S.C.A. § 1251 et seq.
Effluent limitations, see 33 U.S.C.A. § 1311 et seq.
Water Pollution, Waste Treatment Management, grants, see 33 U.S.C.A. § 1281 et seq.

§ 22C-2-2. Designation of division of environmental protection as state instrumentality for purposes of capitalization agreements with the United States environmental protection agency

The division of environmental protection shall act as the instrumentality that is empowered to enter into capitalization agreements with the United States environmental protection agency, to accept capitalization grant awards made under the federal clean water act, as amended, the safe drinking water act, as amended, and other federal laws and to otherwise manage the fund provided for in this article in accordance with the requirements of said federal laws.

Acts 1994, c. 61.

Library References

Environmental Law ⚷216.
Westlaw Topic No. 149E.
C.J.S. Health and Environment §§ 130, 172.

§ 22C-2-3. West Virginia water pollution control revolving fund; disbursement of fund moneys; administration of the fund

(a) Under the direction of the division of environmental protection, the water development authority shall establish, administer and manage a permanent and perpetual fund, to be known as the "West Virginia Water Pollution Control Revolving Fund." The fund shall be comprised of moneys appropriated to the fund by the Legislature, moneys allocated to the state by the federal government expressly for the purposes of establishing and maintaining a state water pollution control revolving fund, all receipts from loans made from the fund to local entities, all income from the investment of moneys held in the fund, and all other sums designated for deposits to the fund from any source, public or private. Moneys in the fund shall be used solely to make loans to local entities to finance or refinance the costs of a project: Provided, That moneys in the fund shall be utilized to defray the costs incurred by the authority and the division of environmental protection in administering the provisions of this article: Provided, however, That moneys in the fund shall be used to make grants for projects to the extent allowed or authorized by federal law.

(b) The director of the division of environmental protection, in consultation with the authority, shall promulgate legislative rules in accordance with the provisions of article three, chapter twenty-nine-a of this code, to:

(1) Govern the disbursement of moneys from the fund; and

(2) Establish a state water pollution control revolving fund program to direct the distribution of grants or loans from the fund to particular local entities and establish the interest rates and repayment terms of the loans.

(c) In order to carry out the administration and management of the fund, the authority is authorized to employ officers, employees, agents, advisers and consultants, including attorneys, financial advisers, engineers, other technical advisers and public accountants and, notwithstanding any provisions of this code to the contrary, to determine their duties and compensation without the approval of any other agency or instrumentality.

(d) The authority shall promulgate legislative rules in accordance with the provisions of article three, chapter twenty-nine-a of this code to govern the pledge of loans to secure bonds of the authority.

(e) All moneys belonging to the fund shall be kept in appropriate depositories and secured in conformance with this code. Disbursements from the fund shall be authorized for payment by the director of the authority or the director's designee. Any depository or officer of the depository to which moneys of the fund are paid shall act as trustee of the moneys and shall hold and apply them solely for the purposes for which the moneys are provided under this article. Moneys in the fund shall not be commingled with other money of the authority. If not needed for immediate use or disbursement, moneys in the fund may be invested or reinvested by the authority in obligations or securities which are considered lawful investments for public funds under this code.

Acts 1994, c. 61; Acts 1996, c. 257, eff. 90 days after March 8, 1996.

Administrative Code References

Program rules, see W. Va. Code St. R. § 47–31–1 et seq.

Library References

Environmental Law ⚷179, 180, 216.
States ⚷127.
Westlaw Topic Nos. 149E, 360.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 386 to 387.

§ 22C–2–4. Annual audit

The authority shall cause an audit of its books and accounts to be made at least once each fiscal year by certified public accountants, and the cost thereof may be defrayed as a part of the cost of construction of a project or as an administrative expense under the provisions of subsection (a), section three of this article.

Acts 1994, c. 61.

Library References

Environmental Law ⚷179, 180, 216.
States ⚷121.
Westlaw Topic Nos. 149E, 360.
C.J.S. Health and Environment §§ 130, 172.
C.J.S. States §§ 322 to 323, 372.

§ 22C–2–5. Collection of money due to the fund

In order to ensure the timely payment of all sums due and owing to the fund under a revolving fund loan agreement between the state and a local entity, and notwithstanding any provisions of this code to the contrary, the authority has and may, at its option, exercise the following rights and remedies in the event of any default by a local entity under a loan agreement:

(a) The authority may directly impose, in its own name and for its own benefit, service charges upon all users of a project funded by a loan distributed to a local entity pursuant to this article, and may proceed directly to enforce and collect the service charges, together with all necessary costs of the enforcement and collection.

(b) The authority may exercise, in its own name or in the name of and as the agent for a particular local entity, all of the rights, powers and remedies of the local entity with respect to the project or which may be conferred upon the local entity by statute, rule, regulation or judicial decision, including all rights and remedies with respect to users of the project funded by the loan distributed to that local entity pursuant to this article.

(c) The authority may, by civil action, mandamus or other judicial or administrative proceeding, compel performance by a local entity of all of the terms and conditions of the loan agreement between the state and that local entity including:

(1) The adjustment of service charges as required to repay the loan or otherwise satisfy the terms of the loan agreement;

(2) The enforcement and collection of service charges; and

(3) The enforcement by the local entity of all rights and remedies conferred by statute, rule, regulation or judicial decision.

The rights and remedies enumerated in this section are in addition to rights and remedies conferred upon the authority by law or pursuant to the loan agreement.

Acts 1994, c. 61; Acts 1996, c. 257, eff. 90 days after March 8, 1996.

Library References

Environmental Law ⚷221.
Westlaw Topic No. 149E.

C.J.S. Health and Environment §§ 130, 150, 172.

§ 22C-2-6. State construction grants program established; special fund

(a) The director of the division of environmental protection shall promulgate rules in accordance with the provisions of chapter twenty-nine-a of this code to establish a state construction grants program that is designed to complement and supplement the state water pollution control revolving fund program established pursuant to subsection (b), section three of this article.

(b) The special fund designated "The West Virginia Construction Grants Fund" established in the state treasury is continued. The special fund shall be comprised of moneys appropriated to said fund by the Legislature, assessments on existing wastewater treatment facilities, and all other sums designated for deposit to the special fund from any source, public or private: Provided, That such assessments shall be made and collected in accordance with fee schedules to be established by legislative rules promulgated by the director of the division of environmental protection, in accordance with chapter twenty-nine-a of this code. Moneys in the special fund shall be used solely for the state construction grants program established under subsection (a) of this section: Provided, however, That moneys in the special fund may be utilized to defray the costs incurred by the division of environmental protection in administering the provisions of this section.

Acts 1994, c. 61.

Administrative Code References

Construction grants program rules, see W. Va. Code St. R. § 47-33-1 et seq.

Library References

Environmental Law ⚷180, 217.
States ⚷127.
Westlaw Topic Nos. 149E, 360.

C.J.S. Health and Environment §§ 130, 133, 172.
C.J.S. States §§ 386 to 387.

§ 22C-2-7. Environmental review of funded projects

(a) The division of environmental protection shall conduct an environmental review on each project funded under this article. The director of the division of environmental protection shall promulgate legislative rules in accordance with the provisions of article three, chapter twenty-nine-a of this code to implement the environmental review of funded projects: Provided, That the rules shall be

consistent with the regulations promulgated by the United States environmental protection agency pursuant to the federal clean water act, as amended.

(b) The director of the division of environmental protection is authorized to direct a local entity, or its agent, to implement all measures that, in the judgment of the director, are necessary in order to mitigate or prevent adverse impacts to the public health, safety or welfare or to the environment that may result from a project funded under this article. The director is further authorized to require all projects to comply with all other appropriate federal laws and regulations that are required of the projects under the federal clean water act, as amended.

Acts 1994, c. 61; Acts 1996, c. 257, eff. 90 days after March 8, 1996.

Library References

Environmental Law ⚷179, 180, 574, 595(3).
Westlaw Topic No. 149E.

C.J.S. Health and Environment §§ 105 to 106, 111, 113 to 114, 116, 125, 172.

§ 22C–2–8. Conflicting provisions

The provisions of this article shall be liberally construed to the end that its beneficial purposes may be effectuated. Insofar as the provisions of this article are inconsistent with the provisions of any other general, special or local law, the provisions of this article are controlling.

Acts 1994, c. 61.

Library References

Environmental Law ⚷167, 170, 575.
Westlaw Topic No. 149E.

C.J.S. Health and Environment §§ 106, 111, 172.

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

Chapters 22B to 23

2015

Cumulative Annual Pocket Part

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ARTICLE 2
WATER POLLUTION CONTROL REVOLVING FUND ACT

Section

22C-2-1. Definitions.
22C-2-5. Collection of money due to the fund.

§ 22C-2-1. Definitions

Unless the context in which used clearly requires a different meaning, as used in this article:

(a) "Authority" means the Water Development Authority provided for in section four, article one of this chapter.

(b) "Cost" as applied to any project financed under the provisions of this article means the total of all costs incurred by a local entity that are reasonable and necessary for carrying out all works and undertakings necessary or incident to the accomplishment of any project including:

(1) Developmental, planning and feasibility studies, surveys, plans and specifications;

(2) Architectural, engineering, financial, legal or other special services;

(3) Acquisition of land and any buildings and improvements on the land or buildings, including the discharge of any obligations of the sellers of the land, buildings or improvements;

(4) Site preparation and development, including demolition or removal of existing structures, construction and reconstruction, labor, materials, machinery and equipment;

(5) The reasonable costs of financing incurred by the local entity in the course of the development of the project, carrying charges incurred before placing the project in service, interest on funds borrowed to finance the project to a date subsequent to the estimated date the project is to be placed in service, necessary expenses incurred in connection with placing the project in service and the funding of accounts and reserves which the authority may require; and

(6) Other items that the Department of Environmental Protection determines to be reasonable and necessary.

(c) "Fund" means the State Water Pollution Control Revolving Fund provided for in this article as it may be expanded or modified, from time to time, pursuant to the Clean Water Act, 33 U.S.C. § 1251, *et seq.*, as amended, the Federal Safe Drinking Water Act 42 U.S.C. § 300f through § 300j-26, inclusive, as amended, or by the executive order of the Governor issued to comply with federal laws relating to the acts.

(d) "Instrumentality" means the Department of Environmental Protection or the agency designated by an order of the Governor as having the primary responsibility for administering the fund pursuant to the Clean Water Act, 33 U.S.C. § 1251, *et seq.*, as amended, and the Federal Safe Drinking Water Act 42 U.S.C. § 300f through § 300j-26, inclusive, as amended, or other federal laws.

(e) "Local entity" means any county, city, town, municipal corporation, authority, district, public service district, commission, banking institution, political subdivision, regional governmental authority, state government agency, interstate agency or not-for-profit association or corporation in West Virginia.

(f) "Project" means any water or wastewater treatment facility located or to be located in or outside this state by a local entity and includes:

(1) Sewage and wastewater collection, treatment and disposal facilities;

(2) Public water transportation, treatment and distribution facilities;

(3) Drainage facilities and projects;

(4) Administrative
delineated in subdivis

(5) Interests in lan
this subsection; and

(6) Other projects
Acts 1994, c. 61; Acts 1

Environmental law,
Clean water
state certifica

§ 22C-2-2. Desig
stru
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Environmental law,
Clean water
state certifica

§ 22C-2-5. Collec

(a) In order to ensu
revolving fund loan
provisions of this cod
following rights and
agreement:

(1) The authority
charges upon all users
this article and may pr
all necessary costs or

(2) The authority
particular local entity
the project or which
judicial decision, inclu
by the loan distributed

(3) The authority
proceeding, compel pe
agreement between

(A) The adjustment
the terms of the loan

(B) The enforceme

(b) The enforcemen
rule, regulation or jud
in addition to rights a
agreement.

(c) For loans made
article, at the direction
take a security or othe
a default to secure loans

Acts 1994, c. 61; Acts 19

(4) Administrative, maintenance, storage and laboratory facilities related to the facilities delineated in subdivisions (1), (2) and (3) of this subsection;

(5) Interests in land related to the facilities delineated in subdivisions (1), (2), (3) and (4) of this subsection; and

(6) Other projects allowable under federal law.

Acts 1994, c. 61; Acts 1996, c. 257, eff. 90 days after March 8, 1996; Acts 2007, c. 132, eff. June 8, 2007.

United States Supreme Court

Environmental law,
Clean water, dams, discharge potential, state certification requirement under
Clean Water Act, see S.D. Warren Co. v. Maine Bd. of Environmental Protection, 2006, 126 S.Ct. 1843.

§ 22C-2-2. Designation of division of environmental protection as state instrumentality for purposes of capitalization agreements with the United States environmental protection agency

United States Supreme Court

Environmental law,
Clean water, dams, discharge potential, state certification requirement under
Clean Water Act, see S.D. Warren Co. v. Maine Bd. of Environmental Protection, 2006, 126 S.Ct. 1843.

§ 22C-2-5. Collection of money due to the fund

(a) In order to ensure the timely payment of all sums due and owing to the fund under a revolving fund loan agreement between the state and a local entity, and notwithstanding any provisions of this code to the contrary, the authority has and may, at its option, exercise the following rights and remedies in the event of any default by a local entity under a loan agreement:

(1) The authority may directly impose, in its own name and for its own benefit, service charges upon all users of a project funded by a loan distributed to a local entity pursuant to this article and may proceed directly to enforce and collect the service charges, together with all necessary costs of the enforcement and collection.

(2) The authority may exercise, in its own name or in the name of and as the agent for a particular local entity, all of the rights, powers and remedies of the local entity with respect to the project or which may be conferred upon the local entity by statute, rule, regulation or judicial decision, including all rights and remedies with respect to users of the project funded by the loan distributed to that local entity pursuant to this article.

(3) The authority may, by civil action, mandamus or other judicial or administrative proceeding, compel performance by a local entity of all of the terms and conditions of the loan agreement between the state and that local entity including:

(A) The adjustment of service charges as required to repay the loan or otherwise satisfy the terms of the loan agreement;

(B) The enforcement and collection of service charges; and

(b) The enforcement by the local entity of all rights and remedies conferred by statute, rule, regulation or judicial decision. The rights and remedies enumerated in this section are in addition to rights and remedies conferred upon the authority by law or pursuant to the loan agreement.

(c) For loans made for projects defined in subdivision (6), subsection (f), section one of this article, at the direction of the Department of Environmental Protection, the authority shall take a security or other interest in real or personal property with the right to foreclose upon a default to secure loans made from the fund.

Acts 1994, c. 61; Acts 1996, c. 257, eff. 90 days after March 8, 1996; Acts 2007, c. 132, eff. June 8, 2007.

§ 22C-2-7. Environmental review of funded projects

United States Supreme Court

Environmental law,
Clean water, dams, discharge potential, state certification requirement under Clean Water Act, see S.D. Warren Co. v. Maine Bd. of Environmental Protection, 2006, 126 S.Ct. 1843.

ARTICLE 4

COUNTY AND REGIONAL SOLID WASTE AUTHORITIES

Section
22C-4-10. Mandatory disposal; proof required; penalty imposed; requiring solid waste management board and the Public Service Commission to file report.

§ 22C-4-10. Mandatory disposal; proof required; penalty imposed; requiring solid waste management board and the Public Service Commission to file report

(a) Each person occupying a residence or operating a business establishment in this state shall either:

(1) Subscribe to and use a solid waste collection service and pay the fees established therefor; or

(2) Provide proper proof that said person properly disposes of solid waste at least once within every thirty-day period at approved solid waste facilities or in any other lawful manner. The Secretary of the Department of Environmental Protection shall promulgate rules pursuant to chapter twenty-nine-a of this code regarding an approved method or methods of supplying such proper proof. A civil penalty of one hundred fifty dollars may be assessed to the person not receiving solid waste collection services in addition to the unpaid fees for every year that a fee is not paid. Any person who violates the provisions of this section by not lawfully disposing of his or her solid waste or failing to provide proper proof that he or she lawfully disposes of his or her solid waste at least once a month is guilty of a misdemeanor. Upon conviction, he or she is subject to a fine of not less than fifty dollars nor more than one thousand dollars or sentenced to perform not less than ten nor more than forty hours of community service, such as picking up litter, or both fined and sentenced to community service.

(b) The Solid Waste Management Board, in consultation and collaboration with the Public Service Commission, shall prepare and submit, no later than the first day of October, one thousand nine hundred ninety-two, a report concerning the feasibility of implementing a mandatory fee for the collection and disposal of solid waste in West Virginia: *Provided*, That such plan shall consider such factors as affordability, impact on open dumping and other relevant matters. The report shall be submitted to the Governor, the President of the Senate and the Speaker of the House of Delegates.

(c) The Public Service Commission, in consultation and collaboration with the Division of Human Services, shall prepare and submit, no later than the first day of October, one thousand nine hundred ninety-two, a report concerning the feasibility of reducing solid waste collection fees to individuals who directly pay such fees and who receive public assistance from state or federal government agencies and are therefore limited in their ability to afford to pay for solid waste disposal. This report shall consider the individual's health and income maintenance and other relevant matters. This report shall also include recommended procedures for individuals or households to qualify for and avail themselves of a reduction in fees. This report shall be submitted to the Governor, the President of the Senate and the Speaker of the House of Delegates.

Acts 1994, c. 61; Acts 2007, c. 216, eff. March 10, 2007.

State of West Virginia

Certificate

I, Natalie E. Tennant, Secretary of State of the State of West Virginia, hereby certify that

THIS IS A TRUE COPY OF CHAPTER 16, ARTICLE 13A OF THE WEST VIRGINIA CODE, AND CHAPTER 16, ARTICLE 13A OF THE 2015 SUPPLEMENT TO THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.

Given under my hand and the Great Seal of the State of West Virginia on
January 7, 2016

Natalie E Tennant
Secretary of State

ARTICLE 13A

PUBLIC SERVICE DISTRICTS

Section

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16-13A-3a. Removal of members of public service board.
16-13A-4. Board chairman; members' compensation; procedure; district name.
16-13A-5. General manager of board.
16-13A-6. Employees of board.
16-13A-7. Acquisition and operation of district properties.
16-13A-8. Acquisition and purchase of public service properties; right of eminent domain; extraterritorial powers.
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16-13A-25. Borrowing and bond issuance; procedure.

§ 16-13A-1. Legislative findings

The Legislature of the state of West Virginia hereby determines and finds that the present system of public service districts within the state has provided a valuable service at a reasonable cost to persons who would otherwise have been

unable to obtain public utility services. To further this effort, and to insure that all areas of the state are benefiting from the availability of public service district utility services and to further correct areas with health hazards, the Legislature concludes that it is in the best interest of the public to implement better management of public service district resources by expanding the ability and the authority of the public service commission to assist public service districts by offering advice and assistance in operational, financial and regulatory affairs.

In addition to the expanded powers which shall be given to the public service commission, the Legislature also concludes that it is in the best interest of the public for each county commission to review current technology available and consider consolidating existing public service districts where it is feasible and will not result in the interference with existing bond instruments. Further, if such consolidation is not feasible, the Legislature finds that it is in the best interest of the public for each county commission to review current technology available and consider consolidating or centralizing the management of public service districts within its county or multi-county area to achieve efficiency of operations. The Legislature also finds that additional guidelines should be imposed on the creation of new public service districts and that county commissions shall dissolve inactive public service districts as hereinafter provided. The Legislature also finds that the public service commission shall promulgate rules and regulations to effectuate the expanded powers given to the commission relating to public service districts.

Acts 1953, c. 147; Acts 1980, c. 60; Acts 1986, c. 81.

Cross References

County courts, authority to make grants for water and sewer systems, see § 7–1–3t.

Administrative Code References

Sewer utilities regulations, see W. Va. Code St. R. § 150–5–1 et seq.

Library References

Counties ⟹18.
Municipal Corporations ⟹5, 6.
Public Utilities ⟹145.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

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1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6,

§ 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5)

Statute authorizing creation of public service districts violates no provision of State Constitution, nor is it violative of Fourteenth Amendment to United States Constitution. Act 1953, c. 147; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4056; Municipal Corporations ⟹ 4

In statute authorizing creation of public service districts, provision for delinquent fixed rates and charges for services rendered to be lien on premises served was not unconstitutional as depriving owners of property without due process of law or as violating Fourteenth Amendment of United States Constitution or applicable provisions of State Constitution. Acts 1953, c. 147, § 1 et seq.; Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4416; Municipal Corporations ⟹ 408(1)

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2355; Municipal Corporations ⟹ 4

2. In general

A public service district may be created for the purpose of furnishing water or sewer services, or both water and sewer services. Code, 16-13A-1. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⟹ 5

Creation and operation of water or sanitary districts or authorities by issuance of revenue bonds payable from revenues are authorized. Code, 16-13A-1 et seq. State ex rel. Appalachian Power Co. v. Gainer, 1965, 143 S.E.2d 351, 149 W.Va. 740. Health ⟹ 369; Waters And Water Courses ⟹ 183.5

A county court may use Federal Revenue Sharing Funds for ordinary and necessary maintenance and operating expenses for sewage disposal, sanitation, and pollution abatement, and ordinary and necessary capital expenditures authorized by law but may not use such funds for matching purposes under any other federal-aid program. 55 W.Va. Op.Atty.Gen. 116 (June 27, 1973) 1973 WL 159152.

3. Construction and application

A public service district is a public corporation and does not come within constitutional provision which in substance provides that all corporations shall be created by general laws and which is applicable to private corporations. Acts 1953, c. 147, § 1 et seq.; Const. art. 11, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 80(3)

4. Eminent domain powers

Where notice, hearing and order with respect to creation of public service district considered only the question of furnishing water, such district was created only for the purposes of furnishing water services, and had no power to condemn real estate for sewerage facilities. Code, 16-13A-1, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Eminent Domain ⟹ 32

Condemnation by public service district is not a taking of private property for private use in violation of applicable constitutional provision. Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Eminent Domain ⟹ 13

5. Property of public service district

Property of public service district is public property used for public purposes, and, under constitutional provision that public property shall be exempt from taxation, statute authorizing creation of public service districts and granting tax exemption was not violative of constitutional provision requiring that taxation be equal and uniform throughout state. Acts 1953, c. 147, § 1 et seq.; Const. art. 10, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Taxation ⟹ 2289

6. Rates and charges for service

Relief under Federal Securities Act of 1933 was not adequate or sufficient remedy for relief sought by corporations holding sewer revenue bonds of public service district in mandamus proceeding to compel district to establish and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariff reflecting such charges with Public Service Commission, and any relief afforded under provisions of federal statute could not supersede relief which could be granted in mandamus proceeding. Securities Act of 1933, § 1 et seq., 15 U.S.C.A. § 77a et seq.; Code, 16-13A-1 et seq. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 3(8)

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operation-

al and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

It was ministerial duty of chairman of public service board of public service district to sign revenue bonds and to assist in effectuating their issuance, and in view of constitutionality of statute authorizing creation of the public service board, relator's showing of legal right to require performance of such duty, was sufficient and writ of mandamus would issue. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⟹ 103

7. Creation and enforcement of liens

Public service district's failure to docket notice of lien prior to date purchaser recorded deed of trust prevented district from enforcing sewer lien against purchaser. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Municipal Corporations ⟹ 712(7)

Public service district liens must be docketed to be enforceable against purchaser of property for valuable consideration, without notice. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Gas ⟹ 14.6; Municipal Corporations ⟹ 712(7); Waters And Water Courses ⟹ 203(14)

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

8. Admissibility of evidence

Extrinsic evidence relating to background and negotiations with regard to forming a public service district were not admissible in regard to construction of a contract for furnishing of water, where contract language was clear and unambiguous that district was to furnish water as customer should require. Berkeley County Public Service Dist. v. Vitro Corp. of America, 1968, 162 S.E.2d 189, 152 W.Va. 252. Evidence ⟹ 448

9. Costs

Costs of proceeding whereby constitutionality of statute authorizing creation of public service districts was tested would not be taxed against defendant who was chairman of public service board and who, honestly and in good faith, though mistakenly, endeavored to perform his duty in refusing to sign revenue bonds, and each litigant would pay his own costs. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⟹ 190

§ 16–13A–1a. Jurisdiction of the public service commission

The jurisdiction of the public service commission relating to public service districts shall be expanded to include the following powers and such powers shall be in addition to all other powers of the public service commission set forth in this code:

(a) To study, modify, approve, deny or amend the plans created under section one-b of this article for consolidation or merger of public service districts and their facilities, personnel or administration;

(b) To petition the appropriate circuit court for the removal of a public service district board member or members; and

(c) To create by general order a separate division within the public service commission to provide assistance to public service districts in technological, operational, financial and regulatory matters.

Acts 1986, c. 81.

Library References

Public Utilities ⟹145. Westlaw Topic No. 317A.

C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

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1. In general

Statute clearly and unambiguously gives Public Service Commission (PSC) power to reduce or increase utility rates whenever it finds that existing rate is unjust, unreasonable, insufficient, or unjustly discriminatory or otherwise in violation of any provision of legislation governing Commission. Code, 24-1-1 et seq., 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⟹ 123

Legislature sought to establish in Public Service Commission (PSC) governmental entity which would protect public from unfair rates and practices by public utilities and also ensure that public utilities are given competitive return for their stockholders. Code, 24-2-3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⟹ 123; Public Utilities ⟹ 129

§ 16-13A-1b. County commissions to develop plan to create, consolidate, merge, expand or dissolve public service districts

Each county commission shall conduct a study of all public service districts which have their principal offices within its county and shall develop a plan relating to the creation, consolidation, merger, expansion or dissolution of such districts or the consolidation or merger of management and administrative services and personnel and shall present such plan to the public service commission for approval, disapproval, or modification: Provided, That within ninety days of the effective date of this section each county commission in this state shall elect either to perform its own study or request that the public service commission perform such study. Each county commission electing to perform its own study has one year from the date of election to present such plan to the public service commission. For each county wherein the county commission elects not to perform its own study, the public service commission shall conduct a study of such county. The public service commission shall establish a schedule for such studies upon a priority basis, with those counties perceived to have the greatest need of creation or consolidation of public service districts receiving the highest priority. In establishing the priority schedule, and in the performance of each study, the bureau of public health and the division of environmental protection shall offer their assistance and cooperation to the public service commission. Upon completion by the public service commission of each study, it shall be submitted to the appropriate county commission for review and comment. Each county commission has six months in which to review the study conducted by the public service commission, suggest changes or modifications thereof, and present such plan to the public service commission. All county plans, whether conducted by the county commission itself or submitted as a result of a public service commission study, shall, by order, be approved, disapproved or modified by the public service commission in accordance with rules promulgated by the public service commission and such order shall be implemented by the county commission.

Acts 1986, c. 81; Acts 1994, c. 61.

Cross References

Public Service Commission, participation in studies, see § 24-1-1b.

Library References

Counties ⚷18, 47.
Westlaw Topic No. 104.
C.J.S. Counties §§ 31, 70 to 73.

§ 16-13A-1c. General purpose of districts

Any territory constituting the whole or any part of one or more counties in the state so situated that the construction or acquisition by purchase or otherwise and the maintenance, operation, improvement and extension of properties supplying water, sewerage or stormwater services or gas distribution services or all of these within such territory, will be conducive to the preservation of the public health, comfort and convenience of such area, may be constituted a public service district under and in the manner provided by this article. The words "public service properties," when used in this article, shall mean and include any facility used or to be used for or in connection with: (1) The diversion, development, pumping, impounding, treatment, storage, distribution or furnishing of water to or for the public for industrial, public, private or other uses (herein sometimes referred to as "water facilities"); (2) the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (herein sometimes referred to as "sewer facilities" or "landfills"); (3) the distribution or the furnishing of natural gas to the public for industrial, public, private or other uses (herein sometimes referred to as "gas utilities or gas system"); or (4) the collection, control or disposal of stormwater (herein sometimes referred to as "stormwater system" or "stormwater systems"), or (5) the management, operation, maintenance and control of stormwater and stormwater systems (herein sometimes referred to as "stormwater management program" or "stormwater management programs"). As used in this article "stormwater system" or "stormwater systems" means a stormwater system in its entirety or any integral part thereof used to collect, control or dispose of stormwater, and includes all facilities, structures and natural water courses used for collecting and conducting stormwater to, through and from drainage areas to the points of final outlet including, but not limited to, any and all of the following: Inlets, conduits, outlets, channels, ponds, drainage easements, water quality facilities, catch basins, ditches, streams, gulches, flumes, culverts, siphons, retention or detention basins, dams, floodwalls, pipes, flood control systems, levies and pumping stations: Provided, That the term "stormwater system" or "stormwater systems" does not include highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways. As used in this article "stormwater management program" or "stormwater management programs" means those activities associated with the management, operation, maintenance and control of stormwater and stormwater systems, and includes, but is not limited to, public education, stormwater and surface runoff water quality improvement, mapping, planning, flood control, inspection, enforce-

ment and any other activities required by state and federal law: Provided, however, That the term "stormwater management program" or "stormwater management programs" does not include those activities associated with the management, operation, maintenance and control of highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways without the express agreement of the commissioner of highways.

Acts 1986, c. 81; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐18.
Gas ⇐12.
Municipal Corporations ⇐5, 6.
Waters and Water Courses ⇐183.5.
Westlaw Topic Nos. 104, 190, 268, 405.

C.J.S. Counties § 31.
C.J.S. Gas §§ 43 to 45.
C.J.S. Municipal Corporations § 11.
C.J.S. Waters §§ 483, 543 to 581.

§ 16-13A-2. Creation of districts by county commission; enlarging, reducing, merging, or dissolving district; consolidation; agreements, etc.; infringing upon powers of county commission; filing list of members and districts with the Secretary of State

(a) The county commission of any county may propose the creation, enlargement, reduction, merger, dissolution, or consolidation of a public service district by any of the following methods: (1) On its own motion by order duly adopted, (2) upon the recommendation of the Public Service Commission, or (3) by petition of twenty-five percent of the registered voters who reside within the limits of the proposed public service district within one or more counties. The petition shall contain a description, including metes and bounds, sufficient to identify the territory to be embraced therein and the name of such proposed district: *Provided,* That after the effective date of this section, no new public service district shall be created, enlarged, reduced, merged, dissolved or consolidated under this section without the written consent and approval of the Public Service Commission, which approval and consent shall be in accordance with rules promulgated by the Public Service Commission and may only be requested after consent is given by the appropriate county commission or commissions pursuant to this section. Any territory may be included regardless of whether or not the territory includes one or more cities, incorporated towns or other municipal corporations which own and operate any public service properties and regardless of whether or not it includes one or more cities, incorporated towns or other municipal corporations being served by privately owned public service properties: *Provided, however,* That the same territory shall not be included within the boundaries of more than one public service district except where the territory or part thereof is included within the boundaries of a separate public service district organized to supply water, sewerage services, stormwater services or gas facilities not being furnished within such territory or part thereof: *Provided further,* That no city, incorporated town or other municipal corporation shall be included within the boundaries of the proposed district

except upon the adoption of a resolution of the governing body of the city, incorporated town or other municipal corporation consenting.

(b) The petition shall be filed in the office of the clerk of the county commission of the county in which the territory to constitute the proposed district is situated, and if the territory is situated in more than one county, then the petition shall be filed in the office of the clerk of the county commission of the county in which the major portion of the territory extends, and a copy thereof (omitting signatures) shall be filed with each of the clerks of the county commission of the other county or counties into which the territory extends. The clerk of the county commission receiving such petition shall present it to the county commission of the county at the first regular meeting after the filing or at a special meeting called for the consideration thereof.

(c) When the county commission of any county enters an order on its own motion proposing the creation, enlargement, reduction, merger, dissolution or consolidation of a public service district, as aforesaid, or when a petition for the creation is presented, as aforesaid, the county commission shall at the same session fix a date of hearing in the county on the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed public service district, which date so fixed shall be not more than forty days nor less than twenty days from the date of the action. Within ten days of fixing the date of hearing, the county commission shall provide the Executive Secretary of the Public Service Commission with a copy of the order or petition and notification of the time and place of the hearing to be held by the county commission. If the territory proposed to be included is situated in more than one county, the county commission, when fixing a date of hearing, shall provide for notifying the county commission and clerk thereof of each of the other counties into which the territory extends of the date so fixed. The clerk of the county commission of each county in which any territory in the proposed public service district is located shall cause notice of the hearing and the time and place thereof, and setting forth a description of all of the territory proposed to be included therein to be given by publication as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, and the publication area for the publication shall be by publication in each city, incorporated town or municipal corporation if available in each county in which any territory in the proposed public service district is located. The publication shall be at least ten days prior to the hearing.

(d) In all cases where proceedings for the creation, enlargement, reduction, merger, dissolution or consolidation of the public service districts are initiated by petition as aforesaid, the person filing the petition shall advance or satisfactorily indemnify the payment of the cost and expenses of publishing the hearing notice, and otherwise the costs and expenses of the notice shall be paid in the first instance by the county commission out of contingent funds or any other funds available or made available for that purpose. In addition to the notice required herein to be published, there shall also be posted in at least five conspicuous places in the proposed public service district, a notice containing

the same information as is contained in the published notice. The posted notices shall be posted not less than ten days before the hearing.

(e) All persons residing in or owning or having any interest in property in the proposed public service district shall have an opportunity to be heard for and against its creation, enlargement, reduction, merger, dissolution or consolidation. At the hearing the county commission before which the hearing is conducted shall consider and determine the feasibility of the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed district. If the county commission determines that the construction or acquisition by purchase or otherwise and maintenance, operation, improvement and extension of public service properties by the public service district will be conducive to the preservation of public health, comfort and convenience of such area, the county commission shall by order create, enlarge, reduce, merge, dissolve or consolidate such public service district. If the county commission, after due consideration, determines that the proposed district will not be conducive to the preservation of public health, comfort or convenience of the area or that the creation, enlargement, reduction, merger, dissolution or consolidation of the proposed district as set forth and described in the petition or order is not feasible, it may refuse to enter an order creating the district or it may enter an order amending the description of the proposed district and create, enlarge, reduce, merge, dissolve or consolidate the district as amended.

(f) If the county commission determines that any other public service district or districts can adequately serve the area of the proposed public service district, whether by enlargement, reduction, merger, dissolution or consolidation, it shall refuse to enter the order, but shall enter an order creating, enlarging, reducing, merging, dissolving or consolidating the area with an existing public service district, in accordance with rules adopted by the Public Service Commission for such purpose: *Provided,* That no enlargement of a public service district may occur if the present or proposed physical facilities of the public service district are determined by the appropriate county commission or the Public Service Commission to be inadequate to provide such enlarged service. The clerk of the county commission of each county into which any part of such district extends shall retain in his office an authentic copy of the order creating, enlarging, reducing, merging, dissolving or consolidating the district: *Provided, however,* That within ten days after the entry of an order creating, enlarging, reducing, merging, dissolving or consolidating a district, such order must be filed for review and approval by the Public Service Commission. The Public Service Commission may provide a hearing in the affected county on the matter and may approve, reject or modify the order of the county commission if it finds it is in the best interests of the public to do so. The Public Service Commission shall adopt rules relating to such filings and the approval, disapproval or modification of county commission orders for creating, enlarging, merging, dissolving or consolidating districts. The provisions of this section shall not apply to the implementation by a county commission of an order issued by the Public Service Commission pursuant to this section and section one-b, of this article.

(g) The county commission may, if in its discretion it deems it necessary, feasible and proper, enlarge the district to include additional areas, reduce the area of the district, where facilities, equipment, service or materials have not been extended, or dissolve the district if inactive or create or consolidate two or more such districts. If consolidation of districts is not feasible, the county commission may consolidate and centralize management and administration of districts within its county or multi-county area to achieve efficiency of operations: *Provided,* That where the county commission determines on its own motion by order entered of record, or there is a petition to enlarge the district, merge and consolidate districts, or the management and administration thereof, reduce the area of the district or dissolve the district if inactive, all of the applicable provisions of this article providing for hearing, notice of hearing and approval by the Public Service Commission shall apply. The Commission shall at all times attempt to bring about the enlargement or merger of existing public service districts in order to provide increased services and to eliminate the need for creation of new public service districts in those areas which are not currently serviced by a public service district: *Provided, however,* That where two or more public service districts are consolidated pursuant to this section, any rate differentials may continue for the period of bonded indebtedness incurred prior to consolidation. The districts may not enter into any agreement, contract or covenant that infringes upon, impairs, abridges or usurps the duties, rights or powers of the county commission, as set forth in this article, or conflicts with any provision of this article.

(h) A list of all districts and their current board members shall be filed by the county commission with the Secretary of State and the Public Service Commission by the first day of July of each year.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1967, c. 105; Acts 1975, c. 140; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1995, c. 125, eff. 90 days after March 11, 1995; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2005, c. 195, eff. 90 days after April 9, 2005.

Library References

Counties ⟹47.
Municipal Corporations ⟹6.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 70 to 73.
C.J.S. Municipal Corporations § 11.

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1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5).

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24.

State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⇐ 2355; Municipal Corporations ⇐ 4

2. Creation of public service districts

Where notice, hearing and order with respect to creation of public service district considered only the question of furnishing water, such district was created only for the purposes of furnishing water services, and had no power to condemn real estate for sewerage facilities. Code, 16-13A-1, 16-13A-2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Eminent Domain ⇐ 32

Where public service district was created for purpose of furnishing water services, county court had authority to add sewerage services to the facilities of the district under appropriate proceedings. Code, 16–13A–2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 270

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⇐ 222; Municipal Corporations ⇐ 225(1)

3. District boundaries

Public service district statute that allowed county commission to designate district's boundaries did not also empower commission to make service territories exclusive, displacing Public Service Commission's (PSC) authority to determine service rights. Code, 16–13A–2. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Counties ⇐ 47

4. Notice of hearing

Provisions of statute, with respect to creation of public service districts, which relate to the filing of the petition or motion of the county court, the description of the territory to be embraced, and like provisions are mandatory; but, despite use of the word "shall," the requirements for posting and publication of notice and the time of setting the hearing are directory and require only substantial compliance. Code, 16–13A–2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 12(3); Municipal Corporations ⇐ 12(6)

Though record with respect to creation of public service district was silent with respect to posting of notice of hearing and as to whether hearing was not more than 40 nor less than 20 days after his fixing the date for hearing as provided by statute, there was substantial compliance with statute where hearing was set some time prior to the date of the hearing, there was publication of notice more than ten days prior to the date of the hearing as required, and there were no objections either before, during or after the hearing to the creation of the district or to the procedures employed in its creation. Code, 16–13A–2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 12(6)

5. Number of voters within district

Public service district was not void because there were not 100 legal voters owning property within the district. Code, 16–13A–2. Canyon Public Service Dist. v. Tasa Coal Co., 1973, 195 S.E.2d 647, 156 W.Va. 606. Municipal Corporations ⇐ 6

6. Costs

Costs of proceeding whereby constitutionality of statute authorizing creation of public service districts was tested would not be taxed against defendant who was chairman of public service board and who, honestly and in good faith, though mistakenly, endeavored to perform his duty in refusing to sign revenue bonds, and each litigant would pay his own costs. Acts 1953, c. 147. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Mandamus ⇐ 190

7. Referendum

A public service district, once created by county court, not subject to referendum on issue to continue or be abolished. 52 W.Va. Op.Atty. Gen. 33 (August 11, 1966) 1966 WL 87428.

§ 16–13A–3. District to be a public corporation and political subdivision; powers thereof; public service boards

From and after the date of the adoption of the order creating any public service district, it is a public corporation and political subdivision of the state, but without any power to levy or collect ad valorem taxes. Each district may acquire, own and hold property, both real and personal, in its corporate name, and may sue, may be sued, may adopt an official seal and may enter into

contracts necessary or incidental to its purposes, including contracts with any city, incorporated town or other municipal corporation located within or without its boundaries for furnishing wholesale supply of water for the distribution system of the city, town or other municipal corporation, or for furnishing stormwater services for the city, town or other municipal corporation, and contract for the operation, maintenance, servicing, repair and extension of any properties owned by it or for the operation and improvement or extension by the district of all or any part of the existing municipally owned public service properties of any city, incorporated town or other municipal corporation included within the district: Provided, That no contract shall extend beyond a maximum of forty years, but provisions may be included therein for a renewal or successive renewals thereof and shall conform to and comply with the rights of the holders of any outstanding bonds issued by the municipalities for the public service properties.

The powers of each public service district shall be vested in and exercised by a public service board consisting of not less than three members, who shall be persons residing within the district, who possess certain educational, business or work experience which will be conducive to operating a public service district. Each board member shall, within six months of taking office, successfully complete the training program to be established and administered by the public service commission in conjunction with the division of environmental protection and the bureau of public health. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the district nor shall a former board member be hired by the district in any capacity within a minimum of twelve months after board member's term has expired or such board member has resigned from the district board. The members shall be appointed in the following manner:

Each city, incorporated town or other municipal corporation having a population of more than three thousand but less than eighteen thousand is entitled to appoint one member of the board, and each city, incorporated town or other municipal corporation having a population in excess of eighteen thousand shall be entitled to appoint one additional member of the board for each additional eighteen thousand population. The members of the board representing such cities, incorporated towns or other municipal corporations shall be residents thereof and shall be appointed by a resolution of the governing bodies thereof and upon the filing of a certified copy or copies of the resolution or resolutions in the office of the clerk of the county commission which entered the order creating the district, the persons so appointed become members of the board without any further act or proceedings. If the number of members of the board so appointed by the governing bodies of cities, incorporated towns or other municipal corporations included in the district equals or exceeds three, then no further members shall be appointed to the board and the members so appointed are the board of the district except in cases of merger or consolidation where the number of board members may equal five.

If no city, incorporated town or other municipal corporation having a population of more than three thousand is included within the district, then the county commission which entered the order creating the district shall appoint three members of the board, who are persons residing within the district and residing within the state of West Virginia, which three members become members of the board of the district without any further act or proceedings except in cases of merger or consolidation where the number of board members may equal five.

If the number of members of the board appointed by the governing bodies of cities, incorporated towns or other municipal corporations included within the district is less than three, then the county commission which entered the order creating the district shall appoint such additional member or members of the board, who are persons residing within the district, as is necessary to make the number of members of the board equal three except in cases of merger or consolidation where the number of board members may equal five, and the member or members appointed by the governing bodies of the cities, incorporated towns or other municipal corporations included within the district and the additional member or members appointed by the county commission as aforesaid, are the board of the district. A person may serve as a member of the board in one or more public service districts.

The population of any city, incorporated town or other municipal corporation, for the purpose of determining the number of members of the board, if any, to be appointed by the governing body or bodies thereof, is the population stated for such city, incorporated town or other municipal corporation in the last official federal census.

Notwithstanding any provision of this code to the contrary, whenever a district is consolidated or merged pursuant to section two of this article, the terms of office of the existing board members shall end on the effective date of the merger or consolidation. The county commission shall appoint a new board according to rules promulgated by the public service commission. Whenever districts are consolidated or merged no provision of this code prohibits the expansion of membership on the new board to five.

The respective terms of office of the members of the first board shall be fixed by the county commission and shall be as equally divided as may be, that is approximately one third of the members for a term of two years, a like number for a term of four years, the term of the remaining member or members for six years, from the first day of the month during which the appointments are made. The first members of the board appointed as aforesaid shall meet at the office of the clerk of the county commission which entered the order creating the district as soon as practicable after the appointments and shall qualify by taking an oath of office: Provided, That any member or members of the board may be removed from their respective office as provided in section three-a of this article.

Any vacancy shall be filled for the unexpired term within thirty days; otherwise successor members of the board shall be appointed for terms of six

years and the terms of office shall continue until successors have been appointed and qualified. All successor members shall be appointed in the same manner as the member succeeded was appointed. The district shall provide to the public service commission, within thirty days of the appointment, the following information: The new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board. The public service commission shall notify each new board member of the legal obligation to attend training as prescribed in this section.

The board shall organize within thirty days following the first appointments and annually thereafter at its first meeting after the first day of January of each year by selecting one of its members to serve as chair and by appointing a secretary and a treasurer who need not be members of the board. The secretary shall keep a record of all proceedings of the board which shall be available for inspection as other public records. Duplicate records shall be filed with the county commission and shall include the minutes of all board meetings. The treasurer is lawful custodian of all funds of the public service district and shall pay same out on orders authorized or approved by the board. The secretary and treasurer shall perform other duties appertaining to the affairs of the district and shall receive salaries as shall be prescribed by the board. The treasurer shall furnish bond in an amount to be fixed by the board for the use and benefit of the district.

The members of the board, and the chair, secretary and treasurer thereof, shall make available to the county commission, at all times, all of its books and records pertaining to the district's operation, finances and affairs, for inspection and audit. The board shall meet at least monthly.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1983, c. 166; Acts 1986, c. 81; Acts 1994, c. 61; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Law Review and Journal Commentaries

The Scope of Title Examination in West Virginia: Can Reasonable Minds Differ? John W. Fisher, II, 98 W. Va. L. Rev. 449 (1996).

"Yes, West Virginia, there is a special priority for the purchase money mortgage:" The recognition of purchase money mortgage priority in West Virginia. Abraham M. Ashton, 107 W. Va. L. Rev. 525 (2005).

Library References

Counties ⟹18.
Municipal Corporations ⟹6.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

In general 1
Criminal responsibility of members 5
Ministerial officers, generally 3
Removal of members 4
Sale of water 6
Standard of care 2
Tort Claims Act 7

1. In general

Board members of the Mt. Zion Public Service District cannot be compensated for performing the duties of treasurer and/or secretary

for the Mt. Zion Public Service District; furthermore, a board member may not be compensated for reading meters for the Mt. Zion Public Service District. 63 W.Va. Op.Atty.Gen. 2 (July 14, 1988) 1988 WL 483329.

2. Standard of care

Public service district owes duty of reasonable care to avoid damage to property of others with respect to maintenance of water lines. McCloud v. Salt Rock Water Public Service Dist., 2000, 533 S.E.2d 679, 207 W.Va. 453. Waters And Water Courses ⇐ 205

3. Ministerial officers, generally

Public policy of West Virginia, as evidenced by statute making it unlawful for county or district board member or officer to be or become pecuniarily interested in proceeds of any contract or service over which he might have any voice, influence, or control, is not directed against actual fraud or collusion but is for purpose of preventing those acts and eliminating any opportunity therefor, and purpose of statute is to protect public funds and give official recognition to fact that person cannot properly represent public in transacting business with himself. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Courts ⇐ 55; Judges ⇐ 21

4. Removal of members

Public Service District board member can be removed by majority vote of registered voters. 51 W.Va. Op.Atty.Gen. 564 (November 10, 1965) 1965 WL 92492.

5. Criminal responsibility of members

County commissioner's conviction for being or becoming pecuniarily interested in contract over which he might have some voice or influence was supported by evidence of his continued performance of contract maintenance work for public service district after his election to commission. Code, 61-10-15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⇐ 60

6. Sale of water

Public Service Districts may sell, at wholesale, bulk water to other municipal corporations. 51 W.Va. Op.Atty.Gen. 739 (March 16, 1966) 1966 WL 87469.

7. Tort Claims Act

Tort Claims Act's protection extended to public service districts, under the Act's definition of political subdivision, which included the term "public service districts," despite general authorization for public service districts to "sue and be sued," in the Public Health statutes. Zirkle v. Elkins Road Public Service Dist., 2007, 655 S.E.2d 155. Waters And Water Courses ⇐ 183.5

§ 16-13A-3a. Removal of members of public service board

The county commission or the public service commission or any other appointive body creating or establishing a public service district under the provisions of this article, or any group of five percent or more of the customers of a public service district, may petition the circuit court of the county in which the district maintains its principal office for the removal of any member of the governing board thereof for consistent violations of any provisions of this article, for reasonable cause which includes, but is not limited to, a continued failure to attend meetings of the board, failure to diligently pursue the objectives for which the district was created, or failure to perform any other duty either prescribed by law or required by a final order of the public service commission or for any malfeasance in public office. Any board member charged with a violation under this section who offers a successful defense against such charges shall be reimbursed for the reasonable costs of such defense from district revenues. Such costs shall be considered as costs associated with rate determination by the public service district and the public service commission. If the circuit court judge hearing the petition for removal finds that the charges are frivolous in nature, the judge may assess all or part of the court costs, plus the reasonable costs associated with the board member's defense, against the party or parties who petitioned the court for the board member's removal.

Acts 1963, c. 75; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1986, c. 81.

Library References

Counties ⟹45.
Public Utilities ⟹145.
Westlaw Topic Nos. 104, 317A.

C.J.S. Counties § 67.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Notes of Decisions

Criminal responsibility of members 1
Ministerial officers, generally 2
Sufficiency of evidence 3

1. Criminal responsibility of members

Upon becoming member of county commission, person who is pecuniarily interested in proceeds of any contract or service with public service district violates criminal conflict of interest statute; by virtue of that position, that person has some voice, influence, or control over continuation of contract. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

2. Ministerial officers, generally

Public policy of West Virginia, as evidenced by statute making it unlawful for county or district board member or officer to be or become pecuniarily interested in proceeds of any contract or service over which he might have any voice, influence, or control, is not directed against actual fraud or collusion but is for purpose of preventing those acts and eliminating any opportunity therefor, and purpose of statute is to protect public funds and give official recognition to fact that person cannot properly represent public in transacting business with himself. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Courts ⟹ 55; Judges ⟹ 21

3. Sufficiency of evidence

County commissioner's conviction for being or becoming pecuniarily interested in contract over which he might have some voice or influence was supported by evidence of his continued performance of contract maintenance work for public service district after his election to commission. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

Conflict of interest indictment against county commissioner was sufficient even though it did not characterize commissioner's interest as pecuniary, and commissioner was not entitled to bill of particulars. Code, 61–10–15. State v. Neary, 1987, 365 S.E.2d 395, 179 W.Va. 115. Counties ⟹ 60

§ 16–13A–4. Board chairman; members' compensation; procedure; district name

(a) The chairman shall preside at all meetings of the board and may vote as any other member of the board. If the chairman is absent from any meeting, the remaining members may select a temporary chairman and if the member selected as chairman resigns as such or ceases for any reason to be a member of the board, the board shall select one of its members as chairman to serve until the next annual organization meeting.

(b) Salaries of the board members are:

(1) For districts with fewer than six hundred customers, up to seventy-five dollars per attendance at regular monthly meetings and fifty dollars per attendance at additional special meetings, total salary not to exceed fifteen hundred dollars per annum;

(2) For districts with six hundred customers or more but fewer than two thousand customers, up to one hundred dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at additional special meetings, total salary not to exceed two thousand five hundred fifty dollars per annum;

(3) For districts with two thousand customers or more, up to one hundred twenty-five dollars per attendance at regular monthly meetings and seventy-five

dollars per attendance at additional special meetings, total salary not to exceed three thousand seven hundred fifty dollars per annum; and

(4) For districts with four thousand or more customers, up to one hundred fifty dollars per attendance at regular monthly meetings and one hundred dollars per attendance at additional special meetings, total salary not to exceed five thousand four hundred dollars per annum.

The public service district shall certify the number of customers served to the Public Service Commission beginning on the first day of July, one thousand nine hundred eighty-six, and continue each fiscal year thereafter.

(c) Public service districts selling water to other water utilities for resale may adopt the following salaries for its board members:

(1) For districts with annual revenues of less than fifty thousand dollars, up to seventy-five dollars per attendance at regular monthly meetings and fifty dollars per attendance at additional special meetings, total salary not to exceed fifteen hundred dollars per annum;

(2) For districts with annual revenues of fifty thousand dollars or more, but less than two hundred fifty thousand dollars, up to one hundred dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at special meetings, total salary not to exceed two thousand five hundred fifty dollars per annum;

(3) For districts with annual revenues of two hundred fifty thousand dollars or more, but less than five hundred thousand dollars, up to one hundred twenty-five dollars per attendance at regular monthly meetings and seventy-five dollars per attendance at additional special meetings, total salary not to exceed three thousand seven hundred fifty dollars per annum; and

(4) For districts with annual revenues of five hundred thousand dollars or more, up to one hundred fifty dollars per attendance at regular monthly meetings and one hundred dollars per attendance at additional special meetings, total salary not to exceed five thousand four hundred dollars per annum.

The public service district shall certify the number of customers served and its annual revenue to the public service commission beginning on the first day of July, two thousand, and continue each fiscal year thereafter.

(d) Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties as provided for by the rules of the board.

(e) The board shall by resolution determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meetings may be called. Public notice of meetings shall be given in accordance with section three, article nine-a, chapter six of this code. Emergency meetings may be called as provided for by said section. A majority of the members constituting the board also constitute a quorum to do business.

(f) The members of the board are not personally liable or responsible for any obligations of the district or the board, but are answerable only for willful

misconduct in the performance of their duties. The county commission which created a district or county commissions if more than one created the district may, upon written request of the district, adopt an order changing the official name of a public service district: *Provided,* That such name change will not be effective until approved by the public service commission of West Virginia and the owners of any bonds and notes issued by the district, if any, shall have consented, in writing, to the name change. If a district includes territory located in more than one county, the county commission or county commissions changing the name of the district shall provide any county commission into which the district also extends with a certified copy of the order changing the name of the district. The official name of any district created under the provisions of this article may contain the name or names of any city, incorporated town or other municipal corporation included therein or the name of any county or counties in which it is located.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2000, c. 199, eff. 90 days after March 11, 2000; Acts 2005, c. 196, eff. 90 days after April 8, 2005.

Library References

Counties ⟹68, 87.
Municipal Corporations ⟹161.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 107 to 118, 128.
C.J.S. Municipal Corporations §§ 372 to 390.

Notes of Decisions

In general 1

1. In general

Board members of the Mt. Zion Public Service District cannot be compensated for performing the duties of treasurer and/or secretary for the Mt. Zion Public Service District; furthermore, a board member may not be compensated for reading meters for the Mt. Zion Public Service District. 63 W.Va. Op.Atty.Gen. 2 (July 14, 1988) 1988 WL 483329.

§ 16–13A–5. General manager of board

The board may employ a general manager to serve a term of not more than five years and until his or her successor is employed, and his or her compensation shall be fixed by resolution of the board. Such general manager shall devote all or the required portion of his or her time to the affairs of the district and may employ, discharge and fix the compensation of all employees of the district, except as in this article otherwise provided, and he or she shall perform and exercise such other powers and duties as may be conferred upon him or her by the board.

Such general manager shall be chosen without regard to his or her political affiliations and upon the sole basis of his or her administrative and technical qualifications to manage public service properties and affairs of the district and he or she may be discharged only upon the affirmative vote of two thirds of the board. Such general manager need not be a resident of the district at the time he or she is chosen. Such general manager may not be a member of the board but shall be an employee of the board.

The board of any public service district which purchases water, sewer or stormwater service from a municipal water, sewer or stormwater system or

another public service district may, as an alternative to hiring its own general manager, elect to permit the general manager of the municipal water, sewer or stormwater system or public service district from which such water, sewer or stormwater service is purchased provide professional management to the district, if the appropriate municipality or public service board agrees to provide such assistance. The general manager shall receive reasonable compensation for such service.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹65, 68.
Municipal Corporations ⟹149, 161.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties §§ 101 to 103, 107 to 118.
C.J.S. Municipal Corporations §§ 361 to 366, 368, 372 to 390.

§ 16–13A–6. Employees of board

The board may in its discretion from time to time by resolution passed by a majority vote provide for the employment of an attorney, fiscal agent, one or more engineers and such other employees as the board may determine necessary and expedient. The board shall in and by such resolution fix the term of employment and compensation and prescribe the duties to be performed by such employees.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⟹65, 68, 87.
Municipal Corporations ⟹149, 161, 170.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties §§ 101 to 103, 107 to 118, 128.
C.J.S. Municipal Corporations §§ 361 to 366, 368, 372 to 405.

§ 16–13A–7. Acquisition and operation of district properties

The board of such districts shall have the supervision and control of all public service properties acquired or constructed by the district, and shall have the power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those activities necessary to comply with all federal and state requirements, including water quality improvement activities. All contracts involving the expenditure by the district of more than fifteen thousand dollars for construction work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after notice inviting bids shall have been published as a Class I legal advertisement in compliance with the provision of article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in section two of this article in the county or counties in which the district is located. The publication shall not be less than ten days prior to the making of any such contract. To the extent allowed by law, in-state contractors shall be given first priority in awarding public service district contracts. It shall be the duty of the board to ensure that local in-state labor shall be utilized to the greatest extent

possible when hiring laborers for public service district construction or maintenance repair jobs. It shall further be the duty of the board to encourage contractors to use American made products in their construction to the extent possible. Any obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the meaning of any of the provisions or limitations of the constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the public service properties of the district or from proceeds of bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies, or for furnishing the district with electrical energy or power shall be entered into for a longer period than fifteen years.

Acts 1953, c. 147; Acts 1967, c. 105; Acts 1981, c. 124; Acts 1982, c. 24; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹107.
Municipal Corporations ⟹711.
Public Utilities ⟹114.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 147.
C.J.S. Municipal Corporations § 1535.
C.J.S. Public Utilities §§ 5 to 9, 202 to 207.

§ 16–13A–8. Acquisition and purchase of public service properties; right of eminent domain; extraterritorial powers

The board may acquire any publicly or privately owned public service properties located within the boundaries of the district regardless of whether or not all or any part of such properties are located within the corporate limits of any city, incorporated town or other municipal corporation included within the district and may purchase and acquire all rights and franchises and any and all property within or outside the district necessary or incidental to the purpose of the district.

The board may construct any public service properties within or outside the district necessary or incidental to its purposes and each such district may acquire, construct, maintain and operate any such public service properties within the corporate limits of any city, incorporated town or other municipal corporation included within the district or in any unincorporated territory within ten miles of the territorial boundaries of the district: Provided, That if any incorporated city, town or other municipal corporation included within the district owns and operates either water facilities, sewer facilities, stormwater facilities or gas facilities or all of these, then the district may not acquire, construct, establish, improve or extend any public service properties of the same kind within such city, incorporated towns or other municipal corporations or the adjacent unincorporated territory served by such cities, incorporated towns or other municipal corporations, except upon the approval of the public service commission, the consent of such cities, incorporated towns or other municipal corporations and in conformity and compliance with the rights of the holders of any revenue bonds or obligations theretofore issued by such cities, incorporated towns or other municipal corporations then outstanding

and in accordance with the ordinance, resolution or other proceedings which authorize the issuance of such revenue bonds or obligations.

Whenever such district has constructed, acquired or established water facilities, sewer facilities, a stormwater system, stormwater management program or gas facilities for water, sewer, stormwater or gas services within any city, incorporated town or other municipal corporation included within a district, then such city, incorporated town or other municipal corporation may not thereafter construct, acquire or establish any facilities of the same kind within such city, incorporated town or other municipal corporation without the consent of such district.

For the purpose of acquiring any public service properties or lands, rights or easements deemed necessary or incidental for the purposes of the district, each such district has the right of eminent domain to the same extent and to be exercised in the same manner as now or hereafter provided by law for such right of eminent domain by cities, incorporated towns and other municipal corporations: Provided, That the power of eminent domain provided in this section does not extend to highways, road and drainage easements, or stormwater facilities constructed, owned or operated by the West Virginia division of highways without the express agreement of the commissioner of highways: Provided, however, That such board may not acquire all or any substantial part of a privately owned waterworks system unless and until authorized so to do by the public service commission of West Virginia, and that this section shall not be construed to authorize any district to acquire through condemnation proceedings either in whole or substantial part an existing privately owned waterworks plant or system or gas facilities located in or furnishing water or gas service within such district or extensions made or to be made by it in territory contiguous to such existing plant or system, nor may any such board construct or extend its public service properties to supply its services into areas served by or in competition with existing waterworks or gas facilities or extensions made or to be made in territory contiguous to such existing plant or system by the owner thereof.

Acts 1953, c. 147; Acts 1980, c. 60; Acts 1981, c. 124; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐103, 104.
Eminent Domain ⇐6, 16.
Municipal Corporations ⇐221, 224.
Westlaw Topic Nos. 104, 148, 268.

C.J.S. Counties §§ 143 to 144, 147.
C.J.S. Municipal Corporations §§ 873 to 880.
C.J.S. Property § 17.

Notes of Decisions

In general 2
Connections with sewers or drains 6
Eminent domain powers 3
Environmental assessment 5
Public corporation 7
Validity 1
Valuation of property 4

1. Validity

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying wa-

ter and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5)

Property of public service district is public property used for public purposes, and, under constitutional provision that public property shall be exempt from taxation, statute authorizing creation of public service districts and granting tax exemption was not violative of constitutional provision requiring that taxation be equal and uniform throughout state. Acts 1953, c. 147, § 1 et seq.; Const. art. 10, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Taxation ⟹ 2289

2. In general

Statute providing that private property may be taken or damaged for a number of specified purposes amounts to legislative declaration of public purposes within meaning of laws, and it is a judicial question whether such declaration is consonant with organic law. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2510

3. Eminent domain powers

Although construction of new facility proposed by utility will often require taking of private property through eminent domain, absent express statutory language Public Service Commission (PSC) has no duty to review and decide issues that are inherent in eminent domain proceeding. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Public Utilities ⟹ 114

Statute providing that private property may be taken or damaged for a number of specified purposes is consonant with organic law and is constitutional. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Eminent Domain ⟹ 3

4. Valuation of property

Although landowner is competent to give estimate of value of property in eminent domain proceeding, that valuation is not conclusive; government agency may rely on appraisal report concerning estimated value of property to be taken. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Evidence ⟹ 568(4)

5. Environmental assessment

Whether construction of sewage lagoons would constitute "nuisance" does not defeat Public Service Commission's (PSC) jurisdiction to issue certificate of public convenience and necessity; while PSC may assess environmental considerations, chief inquiry by PSC is need of public for project. Code, 24-2-11. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305. Municipal Corporations ⟹ 708

6. Connections with sewers or drains

City, rather than sewer and water districts, was entitled to provide sewer and water services to newly developed tract that was within districts' boundaries, but was annexed to city, where such services were not previously furnished to tract. Code, 16-13A-8. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Municipal Corporations ⟹ 712(1); Waters And Water Courses ⟹ 201

If a tract of real estate located within a public service district has been annexed into a municipality, then, as between the municipality and the public service district, the municipality has the superior right to extend water and/or sewer service which were not being previously furnished to the tract by the public service district, and under those circumstances, a public service district would need the consent of the municipality and the Public Service Commission (PSC) in order to provide such service. Code, 16-13A-8. Berkeley County Public Service Sewer Dist. v. West Virginia Public Service Com'n, 1998, 512 S.E.2d 201, 204 W.Va. 279. Municipal Corporations ⟹ 712(1); Waters And Water Courses ⟹ 201; Waters And Water Courses ⟹ 202

7. Public corporation

A public service district is a public corporation and does not come within constitutional provision which in substance provides that all corporations shall be created by general laws and which is applicable to private corporations. Acts 1953, c. 147, § 1 et seq.; Const. art. 11, § 1. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 80(3)

§ 16-13A-9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees

(a)(1) The board may make, enact and enforce all needful rules in connection with the acquisition, construction, improvement, extension, management,

maintenance, operation, care, protection and the use of any public service properties owned or controlled by the district. The board shall establish rates, fees and charges for the services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other law or laws, to pay the cost of maintenance, operation and depreciation of the public service properties and principal of and interest on all bonds issued, other obligations incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration domestic, commercial, industrial and public use of water and gas;

(B) The number and kind of fixtures connected with the facilities located on the various premises;

(C) The number of persons served by the facilities;

(D) Any combination of paragraphs (A), (B) and (C) of this subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises served and the nature and extent of the services and facilities furnished. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia division of highways.

(2) Where water, sewer, stormwater or gas services, or any combination thereof, are all furnished to any premises, the schedule of charges may be billed as a single amount for the aggregate of the charges. The board shall require all users of services and facilities furnished by the district to designate on every application for service whether the applicant is a tenant or an owner of the premises to be served. If the applicant is a tenant, he or she shall state the name and address of the owner or owners of the premises to be served by the district. Notwithstanding the provisions of section eight, article three, chapter twenty-four of this code to the contrary, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage of the applicant's specific customer class or fifty dollars, with the district to secure the payment of service rates, fees and charges in the event they become delinquent as provided in this section. If a district provides both water and sewer service, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage for water service or fifty dollars and the greater of a sum equal to two twelfths of the average annual usage for wastewater service of the applicant's specific customer class or fifty dollars. In any case where a deposit is forfeited to pay service rates, fees and charges which were delinquent at the time of disconnection or termination of service, no reconnection or reinstatement of service may be made by the district until another deposit equal to the greater of a sum equal to two twelfths of the average usage for the applicant's specific customer class or fifty dollars

has been remitted to the district. After twelve months of prompt payment history, the district shall return the deposit to the customer or credit the customer's account at a rate as the public service commission may prescribe: *Provided,* That where the customer is a tenant, the district is not required to return the deposit until the time the tenant discontinues service with the district. Whenever any rates, fees, rentals or charges for services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The board may, under reasonable rules promulgated by the public service commission, shut off and discontinue water or gas services to all delinquent users of either water or gas facilities, or both, ten days after the water or gas services become delinquent.

(b) In the event that any publicly or privately owned utility, city, incorporated town, other municipal corporation or other public service district included within the district owns and operates separately either water facilities or sewer facilities, and the district owns and operates the other kind of facilities either water or sewer, as the case may be, then the district and the publicly or privately owned utility, city, incorporated town or other municipal corporation or other public service district shall covenant and contract with each other to shut off and discontinue the supplying of water service for the nonpayment of sewer service fees and charges: *Provided,* That any contracts entered into by a public service district pursuant to this section shall be submitted to the public service commission for approval. Any public service district providing water and sewer service to its customers has the right to terminate water service for delinquency in payment of either water or sewer bills. Where one public service district is providing sewer service and another public service district or a municipality included within the boundaries of the sewer district is providing water service, and the district providing sewer service experiences a delinquency in payment, the district or the municipality included within the boundaries of the sewer district that is providing water service, upon the request of the district providing sewer service to the delinquent account, shall terminate its water service to the customer having the delinquent sewer account: *Provided, however,* That any termination of water service must comply with all rules and orders of the public service commission.

(c) Any district furnishing sewer facilities within the district may require, or may by petition to the circuit court of the county in which the property is located, compel or may require the division of health to compel all owners, tenants or occupants of any houses, dwellings and buildings located near any sewer facilities where sewage will flow by gravity or be transported by other methods approved by the division of health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code, from the houses, dwellings or buildings into the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from the houses, dwellings and buildings where

there is gravity flow or transportation by any other methods approved by the division of health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code and the houses, dwellings and buildings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the sewer facilities provided for in this paragraph is necessary and essential for the health and welfare of the inhabitants and residents of the districts and of the state. If the public service district requires the property owner to connect with the sewer facilities even when sewage from dwellings may not flow to the main line by gravity and the property owner incurs costs for any changes in the existing dwellings' exterior plumbing in order to connect to the main sewer line, the public service district board shall authorize the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, installation, operation, maintenance and purchase of a pump or any other method approved by the division of health. Maintenance and operation costs for the extra installation should be reflected in the users charge for approval of the public service commission. The circuit court shall adjudicate the merits of the petition by summary hearing to be held not later than thirty days after service of petition to the appropriate owners, tenants or occupants.

(d) Whenever any district has made available sewer facilities to any owner, tenant or occupant of any house, dwelling or building located near the sewer facility and the engineer for the district has certified that the sewer facilities are available to and are adequate to serve the owner, tenant or occupant and sewage will flow by gravity or be transported by other methods approved by the division of health from the house, dwelling or building into the sewer facilities, the district may charge, and the owner, tenant or occupant shall pay the rates and charges for services established under this article only after thirty-day notice of the availability of the facilities has been received by the owner, tenant or occupant. Rates and charges for sewage services shall be based upon actual water consumption or the average monthly water consumption based upon the owner's, tenant's or occupant's specific customer class.

(e) Whenever any district has made available a stormwater system to any owner, tenant or occupant of any real property located near the stormwater system and where stormwater from real property affects or drains into the stormwater system, it is hereby found, determined and declared that the owner, tenant or occupant is being served by the stormwater system and it is further hereby found, determined and declared that the mandatory use of the stormwater system is necessary and essential for the health and welfare of the inhabitants and residents of the district and of the state. The district may charge, and the owner, tenant or occupant shall pay the rates, fees and charges for stormwater services established under this article only after thirty-day notice of the availability of the stormwater system has been received by the owner.

(f) All delinquent fees, rates and charges of the district for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, school and munici-

pal taxes. In addition to the other remedies provided in this section, public service districts are granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of delinquent water, sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its customer or other responsible party, the district shall pay to the magistrate the normal filing fee and reasonable costs which were previously deferred. In addition, each public service district may exchange with other public service districts a list of delinquent accounts: *Provided,* That an owner of real property may not be held liable for the delinquent rates or charges for services or facilities of a tenant, nor may any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of the real property, unless the owner has contracted directly with the public service district to purchase the services or facilities.

(g) Anything in this section to the contrary notwithstanding, any establishment, as defined in section three, article eleven, chapter twenty-two, now or hereafter operating its own sewage disposal system pursuant to a permit issued by the division of environmental protection, as prescribed by section eleven, article eleven, chapter twenty-two of this code, is exempt from the provisions of this section.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1989, c. 174; Acts 1994, c. 61; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2003, c. 183, eff. 90 days after March 8, 2003.

Law Review and Journal Commentaries

The Scope of Title Examination in West Virginia: Can Reasonable Minds Differ? John W. Fisher, II, 98 W. Va. L. Rev. 449 (1996).

"Yes, West Virginia, there is a special priority for the purchase money mortgage:" The recognition of purchase money mortgage priority in West Virginia. Abraham M. Ashton, 107 W. Va. L. Rev. 525 (2005).

Library References

Gas ⟹14.6.
Municipal Corporations ⟹712.
Waters and Water Courses ⟹203.
Westlaw Topic Nos. 190, 268, 405.

C.J.S. Gas §§ 64, 84 to 85.
C.J.S. Municipal Corporations § 1535.
C.J.S. Waters §§ 483, 666 to 732.

Notes of Decisions

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Validity 1

1. Validity

In statute authorizing creation of public service districts, provision for delinquent fixed rates and charges for services rendered to be lien on premises served was not unconstitutional as depriving owners of property without due process of law or as violating Fourteenth Amendment of United States Constitution or applicable provisions of State Constitution. Acts 1953, c. 147, § 1 et seq.; Const. art. 3, §§ 9, 10; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4416; Municipal Corporations ⟹ 408(1)

2. Takings

Public service district's requiring property owner to connect onto its sewer system and to abandon private sewer system located on property was not a taking of private property without just compensation. Const. Art. 3, § 9; Code, 16-13A-9; U.S.C.A. Const.Amend. 5. Kingmill Valley Public Service Dist. v. River-

view Estates Mobile Home Park, Inc., 1989, 386 S.E.2d 483, 182 W.Va. 116. Eminent Domain ⟹ 2.18

Statute providing that private property may be taken or damaged for a number of specified purposes amounts to legislative declaration of public purposes within meaning of laws, and it is a judicial question whether such declaration is consonant with organic law. Acts 1949, c. 59; Const. art. 3, § 9. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2510

3. Public service district liens

Public service district liens must be docketed to be enforceable against purchaser of property for valuable consideration, without notice. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Gas ⟹ 14.6; Municipal Corporations ⟹ 712(7); Waters And Water Courses ⟹ 203(14)

Public service district's failure to docket notice of lien prior to date purchaser recorded deed of trust prevented district from enforcing sewer lien against purchaser. Code, 16–13A–9, 38–10C–1. McClung Investments, Inc. v. Green Valley Community Public Service Dist., 1997, 485 S.E.2d 434, 199 W.Va. 490. Municipal Corporations ⟹ 712(7)

If owner, tenant or occupant of garage apartment did not receive notice that public service district's sewer facilities were available for apartment, district would have been without statutory authority to impose charges and a lien against apartment for sewer services, though the apartment was on a lot containing another dwelling which was properly subject to sewer service charges. Code, 16–13A–9, 16–13A–21. Rhodes v. Malden Public Service Dist., 1983, 301 S.E.2d 601, 171 W.Va. 645. Municipal Corporations ⟹ 712(7)

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

4. Rates and charges for service

Statute clearly and unambiguously gives Public Service Commission (PSC) power to reduce or increase utility rates whenever it finds that existing rate is unjust, unreasonable, insufficient, or unjustly discriminatory or otherwise in violation of any provision of legislation governing Commission. Code, 24–1–1 et seq., 24–2–3. State ex rel. Water Development Authority v. Northern Wayne County Public Service Dist., 1995, 464 S.E.2d 777, 195 W.Va. 135. Public Utilities ⟹ 123

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

Duty imposed on public service district, a public corporation and political subdivision of state, to establish rates and charges sufficient to pay cost of maintenance, operation and depreciation of properties of district and principal of and interest on all bonds issued by district is nondiscretionary duty which may be enforced by mandamus. Code, 16–13A–9. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 80

5. Notice of availability of sewer service

Issue of fact as to whether owner or tenant had received notice that public service district's sewer services were available for garage apartment, so as to allow imposition of sewer service charges and a lien against apartment, was not appropriate for resolution in mandamus proceeding. Code, 16–13A–9, 16–13A–21. Rhodes v. Malden Public Service Dist., 1983, 301 S.E.2d 601, 171 W.Va. 645. Mandamus ⟹ 174

§ 16–13A–9a. Limitations with respect to foreclosure

No public service district shall foreclose upon the premises served by such district for delinquent fees, rates or charges for which a lien is authorized by sections nine or nineteen of this article except through the bringing and maintenance of a civil action for such purpose brought in the circuit court of the county wherein the district lies. In every such action, the court shall be required to make a finding based upon the evidence and facts presented that

the district prior to the bringing of such action had exhausted all other remedies for the collection of debts with respect to such delinquencies. In no event shall foreclosure procedures be instituted by any such district or on its behalf unless such delinquency had been in existence or continued for a period of two years from the date of the first such delinquency for which foreclosure is being sought.

Acts 1982, c. 74.

Library References

Gas ⟹14.6.
Municipal Corporations ⟹712.
Waters and Water Courses ⟹203.
Westlaw Topic Nos. 190, 268, 405.

C.J.S. Gas §§ 64, 84 to 85.
C.J.S. Municipal Corporations § 1535.
C.J.S. Waters §§ 483, 666 to 732.

§ 16–13A–10. Budget

The board shall establish the beginning and ending of its fiscal year, which period shall constitute its budget year, and at least thirty days prior to the beginning of the first full fiscal year after the creation of the district and annually thereafter the general manager shall prepare and submit to the board a tentative budget which shall include all operation and maintenance expenses, payments to a capital replacement account and bond payment schedules for the ensuing fiscal year. Such tentative budget shall be considered by the board, and, subject to any revisions or amendments that may be determined by the board, shall be adopted as the budget for the ensuing fiscal year. Upon adoption of the budget, a copy of the budget shall be forwarded to the county commission. No expenditures for operation and maintenance expenses in excess of the budget shall be made during such fiscal year unless unanimously authorized and directed by the board.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⟹154.5.
Municipal Corporations ⟹879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

§ 16–13A–11. Accounts; audit

The general manager, under direction of the board, shall install and maintain a proper system of accounts, in accordance with all rules, regulations or orders

pertaining thereto by the public service commission, showing receipts from operation and application of the same, and the board shall at least once a year cause such accounts to be properly audited: Provided, That such audit may be any audit by an independent public accountant completed within one year of the time required for the submission of the report: Provided, however, That if the district is required to have its books, records and accounts audited annually by an independent certified public accountant as a result of any covenant in any board resolution or bond instrument, a copy of such audit may be submitted in satisfaction of the requirements of this section, and is hereby found, declared and determined to be sufficient to satisfy the requirements of article nine, chapter six of this code pertaining to the annual audit report by the state tax commission. A copy of the audit shall be forwarded within thirty days of submission to the county commission and to the public service commission.

The treasurer of each public service district shall keep and preserve all financial records of the public service district for ten years, and shall at all times have such records readily available for public inspection. At the end of his term of office, the treasurer of each public service district shall promptly deliver all financial records of the public service district to his successor in office. Any treasurer of a public service district who knowingly or willfully violates any provision of this section is guilty of a misdemeanor, and shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned in the county jail not more than ten days, or both.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81.

Library References

Counties ⇐154.5.
Municipal Corporations ⇐879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

§ 16-13A-12. Disbursement of district funds

No money may be paid out by a district except upon an order signed by the chairman and secretary of such board, or such other person or persons authorized by the chairman or secretary, as the case may be, to sign such orders on their behalf. Each order for the payment of money shall specify the purposes for which the amount thereof is to be paid, with sufficient clearness to indicate the purpose for which the order is issued, and there shall be endorsed thereon the name of the particular fund out of which it is payable and it shall be payable from the fund constituted for such purpose, and no other. All such orders shall be reflected in the minutes of the next meeting of the board.

Acts 1953, c. 147; Acts 1981, c. 124.

Library References

Counties ⇐158.
Municipal Corporations ⇐883.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 198.
C.J.S. Municipal Corporations §§ 1626, 1635.

§ 16–13A–13. Revenue bonds

For constructing or acquiring any public service properties for the authorized purposes of the district, or necessary or incidental thereto, and for constructing improvements and extensions thereto, and also for reimbursing or paying the costs and expenses of creating the district, the board of any such district is hereby authorized to borrow money from time to time and in evidence thereof issue the bonds of such district, payable solely from the revenues derived from the operation of the public service properties under control of the district. Such bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times not exceeding forty years from their respective dates, may bear interest at such rate or rates not exceeding eighteen percent per annum payable at such times, may be in such form, may carry such registration privileges, may be executed in such manner, may be payable at such place or places, may be subject to such terms of redemption with or without premium, may be declared or become due before maturity date thereof, may be authenticated in any manner, and upon compliance with such conditions, and may contain such terms and covenants as may be provided by resolution or resolutions of the board. Notwithstanding the form or tenor thereof, and in the absence of any express recital on the face thereof, that the bond is nonnegotiable, all such bonds shall be, and shall be treated, as negotiable instruments for all purposes. Bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding for all purposes notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be such officers. Notwithstanding the requirements or provisions of any other law, any such bonds may be negotiated or sold in such manner and at such time or times as is found by the board to be most advantageous, and all such bonds may be sold at such price that the interest cost of the proceeds therefrom does not exceed nineteen percent per annum, based on the average maturity of such bonds and computed according to standard tables of bond values. Any resolution or resolutions providing for the issuance of such bonds may contain such covenants and restrictions upon the issuance of additional bonds thereafter as may be deemed necessary or advisable for the assurance of the payment of the bonds thereby authorized.

Acts 1953, c. 147; Acts 1970, c. 11; Acts 1970, c. 12; Acts 1970, 1st Ex. Sess., c. 2; Acts 1980, c. 33; Acts 1981, 1st Ex. Sess., c. 2; Acts 1989, c. 174.

Library References

Counties ⟹174.
Municipal Corporations ⟹911.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1647 to 1649.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⟹ 110

Two acts amending same Code section in same manner except as to maximum interest rate of bonds, enacted on same date at same legislative session, and impossible to determine which passed after the other, that having lower maximum interest rate will govern. 53 W.Va. Op.Atty.Gen. 418 (April 8, 1970) 1970 WL 116579.

§ 16–13A–14. Items included in cost of properties

The cost of any public service properties acquired under the provisions of this article shall be deemed to include the cost of the acquisition or construction thereof, the cost of all property rights, easements and franchises deemed necessary or convenient therefor and for the improvements and extensions thereto; for stormwater systems and associated stormwater management programs, those activities which include, but are not limited to, water quality improvement activities necessary to comply with all federal and state requirements; interest upon bonds prior to and during construction or acquisition and for six months after completion of construction or of acquisition of the improvements and extensions; engineering, fiscal agents and legal expenses; expenses for estimates of cost and of revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the construction or acquisition of the properties and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof.

Acts 1953, c. 147; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹154.5.
Municipal Corporations ⟹879.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1621 to 1622.

§ 16–13A–15. Bonds may be secured by trust indenture

In the discretion and at the option of the board such bonds may be secured by a trust indenture by and between the district and a corporate trustee, which may be a trust company or bank having powers of a trust company within or without the State of West Virginia, but no such trust indenture shall convey, mortgage or create any lien upon the public service properties or any part thereof. The resolution authorizing the bonds and fixing the details thereof may provide that such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of bondholders as may be reasonable

and proper, not in violation of law, including covenants setting forth the duties of the district and the members of its board and officers in relation to the construction or acquisition of public service properties and the improvement, extension, operation, repair, maintenance and insurance thereof, and the custody, safeguarding and application of all moneys, and may provide that all or any part of the construction work shall be contracted for, constructed and paid for, under the supervision and approval of consulting engineers employed or designated by the board and satisfactory to the original bond purchasers, their successors, assignees or nominees, who may be given the right to require the security given by contractors and by any depository of the proceeds of bonds or revenues of the public service properties or other money pertaining thereto be satisfactory to such purchasers, their successors, assignees or nominees. Such indenture may set forth the rights and remedies of the bondholders and such trustee.

Acts 1953, c. 147.

Library References

Counties ⟹183.
Municipal Corporations ⟹950(15).
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 222.
C.J.S. Municipal Corporations §§ 1708 to 1709.

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

§ 16-13A-16. Sinking fund for revenue bonds

At or before the time of the issuance of any bonds under this article the board shall by resolution or in the trust indenture provide for the creation of a sinking fund and for monthly payments into such fund from the revenues of the public service properties operated by the district such sums in excess of the cost of maintenance and operation of such properties as will be sufficient to pay the accruing interest and retire the bonds at or before the time each will respectively become due and to establish and maintain reserves therefor. All sums which are or should be, in accordance with such provisions, paid into such sinking fund shall be used solely for payment of interest and for the retirement of such bonds at or prior to maturity as may be provided or required by such resolutions.

Acts 1953, c. 147.

Library References

Counties ⟹186.5.
Municipal Corporations ⟹951.
Westlaw Topic Nos. 104, 268.

C.J.S. Municipal Corporations §§ 1704 to 1705.

§ 16-13A-17. Collection, etc., of revenues and enforcement of covenants; default; suit, etc., by bondholder or trustee to compel performance of duties; appointment and powers of receiver

The board of any such district shall have power to insert enforceable provisions in any resolution authorizing the issuance of bonds relating to the collection, custody and application of revenues of the district from the operation of the public service properties under its control and to the enforcement of the covenants and undertakings of the district. In the event there shall be default in the sinking fund provisions aforesaid or in the payment of the principal or interest on any of such bonds or, in the event the district or its board or any of its officers, agents or employees, shall fail or refuse to comply with the provisions of this article, or shall default in any covenant or agreement made with respect to the issuance of such bonds or offered as security therefor, then any holder or holders of such bonds and any such trustee under the trust indenture, if there be one, shall have the right by suit, action, mandamus or other proceeding instituted in the circuit court for the county or any of the counties wherein the district extends, or in any other court of competent jurisdiction, to enforce and compel performance of all duties required by this article or undertaken by the district in connection with the issuance of such bonds, and upon application of any such holder or holders, or such trustee, such court shall, upon proof of such defaults, appoint a receiver for the affairs of the district and its properties, which receiver so appointed shall forthwith directly, or by his agents and attorneys, enter into and upon and take possession of the affairs of the district and each and every part thereof, and hold, use, operate, manage and control the same, and in the name of the district exercise all of the rights and powers of such district as shall be deemed expedient, and such receiver shall have power and authority to collect and receive all revenues and apply same in such manner as the court shall direct. Whenever the default causing the appointment of such receiver shall have been cleared and fully discharged and all other defaults shall have been cured, the court may in its discretion and after such notice and hearing as it deems reasonable and proper direct the receiver to surrender possession of the affairs of the district to its board. Such receiver so appointed shall have no power to sell, assign, mortgage, or otherwise dispose of any assets of the district except as hereinbefore provided.

Acts 1953, c. 147.

Library References

Counties ⟹188.
Municipal Corporations ⟹937, 955.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1707, 1711.

Notes of Decisions

In general 1

1. In general

Corporations holding sewer revenue bonds of public service district, a public corporation and political subdivision of state, had right by mandamus to enforce and compel district and members of the Public Service Board to establish, charge and collect rates for services rendered by district sufficient to provide for all operational and maintenance expenses, to pay, when due, principal and interest of revenue bonds issued by district, and to file tariffs reflecting such charges with Public Service Commission. Code, 16–13A–1 et seq., 16–13A–9, 16–13A–10, 16–13A–13, 16–13A–17. State ex rel. Allstate Ins. Co. v. Union Public Service Dist., 1966, 151 S.E.2d 102, 151 W.Va. 207. Mandamus ⚷ 110

§ 16–13A–18. Operating contracts

The board may enter into contracts or agreements with any persons, firms or corporations for the operation and management of the public service properties within the district, or any part thereof, for such period of time and under such terms and conditions as shall be agreed upon between the board and such persons, firms or corporations. The board shall have power to provide in the resolution authorizing the issuance of bonds, or in any trust indenture securing such bonds, that such contracts or agreements shall be valid and binding upon the district as long as any of said bonds, or interest thereon, are outstanding and unpaid.

Acts 1953, c. 147.

Library References

Counties ⚷114.
Municipal Corporations ⚷328.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 161.
C.J.S. Municipal Corporations §§ 1027 to 1029.

§ 16–13A–18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds

In any case where a public service district owns a water, sewer, stormwater or gas system, and a majority of not less than sixty percent of the members of the public service board thereof deem it for the best interests of the district to sell, lease or rent such water, sewer, stormwater or gas system to any municipality or privately-owned water, sewer, stormwater or gas system, or to any water, sewer, stormwater or gas system owned by an adjacent public service district, the board may so sell, lease or rent such water, sewer, stormwater or gas system upon such terms and conditions as said board, in its discretion, considers in the best interests of the district: Provided, That such sale, leasing or rental may be made only upon: (1) The publication of notice of a hearing before the board of the public service district, as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, in a newspaper published and of general circulation in the county or counties wherein the district is located, such publication to be made not earlier than twenty days and not later than seven days prior to the hearing; (2) approval by the county commission or commissions of the county or counties in which the district operates; and (3) approval by the public service commission of West Virginia.

In the event of any such sale, the proceeds thereof, if any, remaining after payment of all outstanding bonds and other obligations of the district, shall be ratably distributed to any persons who have made contributions in aid of construction of such water, sewer, stormwater or gas system, such distribution not to exceed the actual amount of any such contribution, without interest, and any balance of funds thereafter remaining shall be paid to the county commission of the county in which the major portion of such water, sewer, stormwater or gas system is located to be placed in the general funds of such county commission.

Acts 1963, c. 75; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 160, eff. 90 days after April 10, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⟹110.
Municipal Corporations ⟹225.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 147.
C.J.S. Municipal Corporations §§ 882 to 892.

§ 16-13A-19. Statutory mortgage lien created; foreclosure thereof

There shall be and is hereby created a statutory mortgage lien upon such public service properties of the district, which shall exist in favor of the holders of bonds hereby authorized to be issued, and each of them, and the coupons attached to said bonds, and such public service properties shall remain subject to such statutory mortgage lien until payment in full of all principal of and interest on such bonds. Any holder of such bonds, of any coupons attached thereto, may, either at law or in equity, enforce said statutory mortgage lien conferred hereby and upon default in the payment of the principal of or interest on said bonds, may foreclose such statutory mortgage lien in the manner now provided by the laws of the State of West Virginia for the foreclosure of mortgages on real property.

Acts 1953, c. 147.

Library References

Counties ⟹188.
Municipal Corporations ⟹937, 955.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 226.
C.J.S. Municipal Corporations §§ 1707, 1711.

Notes of Decisions

In general 1

1. In general

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

§ 16-13A-20. Refunding revenue bonds

The board of any district having issued bonds under the provisions of this article is hereby empowered thereafter by resolution to issue refunding bonds of such district for the purpose of retiring or refinancing such outstanding

bonds, together with any unpaid interest thereon and redemption premium thereunto appertaining and all of the provisions of this article relating to the issuance, security and payment of bonds shall be applicable to such refunding bonds, subject, however, to the provisions of the proceedings which authorized the issuance of the bonds to be so refunded.

Acts 1953, c. 147.

Library References

Counties ⟹175.
Municipal Corporations ⟹913.
Westlaw Topic Nos. 104, 268.
C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1647 to 1648, 1651.

§ 16–13A–21. Complete authority of article; liberal construction; district to be public instrumentality; tax exemption

This article is full and complete authority for the creation of public service districts and for carrying out the powers and duties of same as herein provided. The provisions of this article shall be liberally construed to accomplish its purpose and no procedure or proceedings, notices, consents or approvals, are required in connection therewith except as may be prescribed by this article: Provided, That all functions, powers and duties of the public service commission of West Virginia, the bureau of public health, the division of environmental protection and the environmental quality board remain unaffected by this article. Every district organized, consolidated, merged or expanded under this article is a public instrumentality created and functioning in the interest and for the benefit of the public, and its property and income and any bonds issued by it are exempt from taxation by the state of West Virginia, and the other taxing bodies of the state: Provided, however, That the board of any such district may use and apply any of its available revenues and income for the payment of what such board determines to be tax or license fee equivalents to any local taxing body and in any proceedings for the issuance of bonds of such district may reserve the right to annually pay a fixed or computable sum to such taxing bodies as such tax or license fee equivalent.

Acts 1953, c. 147; Acts 1986, c. 81; Acts 1994, c. 61.

Library References

Counties ⟹18.
Municipal Corporations ⟹5.
Taxation ⟹2316, 3519.
Westlaw Topic Nos. 104, 268, 371.
C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

Notes of Decisions

In general 2
Validity 1

1. Validity

Statute authorizing creation of public service districts violates no provision of State Constitution, nor is it violative of Fourteenth Amendment to United States Constitution. Act 1953, c. 147; U.S.C.A.Const. Amend. 14. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 4056; Municipal Corporations ⟹ 4

Statute authorizing creation of public service districts does not, in so far as it requires County Court to define territory to be included in public service district and appoint a board to govern same in first instance, involve unconstitutional

delegation of judicial functions to the County Court, Acts 1953, c. 147; Const. art. 8, § 24. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Constitutional Law ⟹ 2355; Municipal Corporations ⟹ 4

2. In general

Statute authorizing creation of public service districts confers upon public service board authority to create mortgage lien on the property of public service district, and action of legislature conferring such authority was within the legislature's power. Acts 1953, c. 147; Const. art. 10, § 8. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Municipal Corporations ⟹ 222; Municipal Corporations ⟹ 225(1)

Title of act authorizing creation of public service districts in connection with acquisition, construction, maintenance, operation, improvement and extension of properties supplying water and sewerage services, clearly defines object and purposes of act and powers of governing board, and is sufficient to meet constitutional requirements. Acts 1953, c. 147; Const. art. 6, § 30. State ex rel. McMillion v. Stahl, 1955, 89 S.E.2d 693, 141 W.Va. 233. Statutes ⟹ 123(3); Statutes ⟹ 123(5)

§ 16–13A–22. Validation of prior acts and proceedings of county courts for creation of districts, inclusion of additional territory, and appointment of members of district boards

All acts and proceedings taken by any county court of this State purporting to have been carried out under the provisions of this article which have been taken, prior to the date this section takes effect, for the purpose of creating public service districts or for the purpose of subsequent inclusion of additional territory to existing public service districts, after notice published by any such county court having territorial jurisdiction thereof of its intention to include such additional territory after hearing thereon, are hereby validated, ratified, approved and confirmed notwithstanding any other lack of power (other than constitutional) of any such county court to create such public service districts or to include additional territory to existing public service districts or irregularities (other than constitutional) in such proceedings, relating to the appointment and qualification of more than three members to the board of any such public service district or the subsequent appointment of successors of any or all of such members, notwithstanding that no city, incorporated town or other municipal corporation having a population in excess of three thousand is included within the district, and the appointment and qualification of such members, and further including any irregularities in the petition for the creation of any public service district, irregularities in the description of the area embraced by such district, and irregularities in the notice and publication of notice for the hearing creating such district, prior to the date this section takes effect, is hereby validated, ratified, approved and confirmed; and, further, in such cases where more than three members of the board of such districts have been so appointed prior to the date this section takes effect then such county court shall appoint, and they are hereby authorized and empowered to appoint, successors to such members in the manner as otherwise provided by this article.

Acts 1958, c. 14; Acts 1960, c. 19.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

Library References

Counties ⟹18.
Municipal Corporations ⟹5.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties § 31.
C.J.S. Municipal Corporations § 11.

§ 16–13A–23. Validation of acts and proceedings of public service boards

All acts and proceedings taken by any public service board the members of which were appointed, prior to the date this section takes effect, by any county court of this State having territorial jurisdiction thereof, are hereby validated, ratified, approved and confirmed, as to defects and irregularities which may otherwise exist on account of their appointment and qualification: Provided, however, That nothing herein contained shall be construed to excuse a criminal act.

Acts 1958, c. 14; Acts 1960, c. 19; Acts 1965, c. 134.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

Library References

Counties ⟹47.
Municipal Corporations ⟹166.
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 70 to 73.
C.J.S. Municipal Corporations §§ 369 to 371.

§ 16–13A–24. Acceptance of loans, grants or temporary advances

Any public service district created pursuant to the provisions of this article is authorized and empowered to accept loans or grants and procure loans or temporary advances evidenced by notes or other negotiable instruments issued in the manner, and subject to the privileges and limitations, set forth with respect to bonds authorized to be issued under the provisions of this article, for the purpose of paying part or all of the cost of construction or acquisition of water systems, sewage systems, stormwater systems or stormwater management systems or gas facilities, or all of these, and the other purposes herein authorized, from any authorized agency or from the United States of America or any federal or public agency or department of the United States or any private agency, corporation or individual, which loans or temporary advances, including the interest thereon, may be repaid out of the proceeds of the bonds authorized to be issued under the provisions of this article, the revenues of the said water system, sewage system, stormwater system or associated stormwater management system or gas facilities, or grants to the public service district from any authorized agency or from the United States of America or any federal or public agency or department of the United States or from any private agency, corporation or individual or from any combination of such sources of payment, and to enter into the necessary contracts and agreements to carry out the purposes hereof with any authorized agency or the United States of America or any federal or public agency or department of the United States, or with any private agency, corporation or individual. Any other provisions of this article to the contrary notwithstanding, interest on any such loans or temporary

advances may be paid from the proceeds thereof until the maturity of such notes or other negotiable instrument.

Acts 1958, c. 14; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 118; Acts 2002, c. 272, eff. 90 days after March 9, 2002.

Library References

Counties ⇐149.
Municipal Corporations ⇐864(3).
Westlaw Topic Nos. 104, 268.

C.J.S. Counties §§ 185, 187.
C.J.S. Municipal Corporations §§ 1583 to 1585, 1587.

Notes of Decisions

In general 1

1. In general

The borrowing by PSD's of money from counties and/or municipalities, as evidenced by a note, is permissible borrowing under this section. 62 W.Va. Op.Atty.Gen. 27 (May 6, 1988) 1988 WL 483331.

§ 16–13A–25. Borrowing and bond issuance; procedure

(a) Notwithstanding any other provisions of this article to the contrary, a public service district may not borrow money, enter into contracts for the provision of engineering, design or feasibility studies, issue or contract to issue revenue bonds or exercise any of the powers conferred by the provisions of section thirteen, twenty or twenty-four of this article without the prior consent and approval of the Public Service Commission: *Provided,* That approval of funding set forth in section eleven, article two, chapter twenty-four of this code or this section is not required if the funding is for a project which has received a certificate of public convenience and necessity after the eighth day of July, two thousand five, from the commission and where the cost of the project changes but the change does not affect the rates established for the project.

(b) The Public Service Commission may waive the provision of prior consent and approval for entering into contracts for engineering, design or feasibility studies pursuant to this section for good cause shown which is evidenced by the public service district filing a request for waiver of this section stated in a letter directed to the commission with a brief description of the project, a verified statement by the board members that the public service district has complied with chapter five-g of this code, and further explanation of ability to evaluate their own engineering contract, including, but not limited to:

(1) Experience with the same engineering firm; or

(2) Completion of a construction project requiring engineering services. The district shall also forward an executed copy of the engineering contract to the commission after receiving approval of the waiver.

(c) An engineering contract that meets one or more of the following criteria is exempt from the waiver or approval requirements:

(1) A contract with a public service district that is a Class A utility on the first day of April, two thousand three, or subsequently becomes a Class A utility as defined by commission rule;

(2) A contract with a public service district that does not require borrowing and that can be paid out of existing rates;

(3) A contract where the payment of engineering fees are contingent upon the receipt of funding, and commission approval of the funding, to construct the project which is the subject of the contract; or

(4) A contract that does not exceed fifteen thousand dollars.

(d) Requests for approval or waivers of engineering contracts shall be deemed granted thirty days after the filing date unless the staff of the Public Service Commission or a party files an objection to the request. If an objection is filed, the Public Service Commission shall issue its decision within one hundred twenty days of the filing date. In the event objection is received to a request for a waiver, the application shall be considered a request for waiver as well as a request for approval in the event a waiver is not appropriate.

(e) Unless the properties to be constructed or acquired represent ordinary extensions or repairs of existing systems in the usual course of business, a public service district must first obtain a certificate of public convenience and necessity from the Public Service Commission in accordance with the provision of chapter twenty-four of this code when a public service district is seeking to acquire or construct public service property.

Acts 1969, 1st Ex. Sess., c. 6; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1996, c. 213, eff. 90 days after March 9, 1996; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2003, c. 184, eff. 90 days after March 7, 2003; Acts 2005, c. 193, eff. 90 days after April 9, 2005; Acts 2006, c. 190, eff. 90 days after March 10, 2006.

Library References

Counties ⟹114.
Municipal Corporations ⟹270.
Public Utilities ⟹145.
Westlaw Topic Nos. 104, 268, 317A.

C.J.S. Counties § 161.
C.J.S. Public Utilities §§ 26 to 32, 159 to 167, 169 to 171, 177 to 178.

Research References

ALR Library

101 ALR 5th 287, Remedies for Sewage Treatment Plant Alleged or Deemed to be Nuisance.

Notes of Decisions

In general 1
Certificate of public convenience and necessity 2

1. In general

Proposed sewage treatment project complied with buffer zone requirements where all parties acknowledged that distance of proposed sewage lagoons from property owners' home was further than minimum buffer-zone requirement of 300 feet; Public Service Commission relied on ample evidence in record to support claim that proposed location was both cost-effective and environmentally sound. Code, 16-13A-25, 24-2-11, 24-2-11(a). Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305.
Municipal Corporations ⟹ 708

2. Certificate of public convenience and necessity

Public Service district must obtain certificate of public convenience and necessity before it can acquire or construct public service property. Code, 16-13A-25. Sexton v. Public Service Com'n, 1992, 423 S.E.2d 914, 188 W.Va. 305.
Public Utilities ⟹ 113

West's

Annotated Code of West Virginia

Using the Classification and Numbering System of the 1931 Code of West Virginia, as Amended

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action, as long as such actions are not contrary to any rules or orders of the Public Service Commission.

(n) A municipality which has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community shall prepare an annual report detailing the collection and expenditure of rates, fees or charges and make it available for public review at the place of business of the governing body and the stormwater utility main office.

Acts 1955, c. 135; Acts 1967, c. 105; Acts 1994, c. 61; Acts 2001, c. 212, eff. 90 days after April 14, 2001; Acts 2008, c. 202, eff. March 8, 2008.

ARTICLE 13A.

PUBLIC SERVICE DISTRICTS.

Section
16-13A-1a. Jurisdiction of the Public Service Commission.
16-13A-3. District to be a public corporation and political subdivision; powers thereof; public service boards.
16-13A-4. Board chairman, members compensation; procedure; district name.
16-13A-7b. Acquisition and operation of district properties.
16-13A-9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.
16-13A-18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds.
16-13A-25. Borrowing and bond issuance; procedure.

§ 16-13A-1a. Jurisdiction of the Public Service Commission.

The jurisdiction of the Public Service Commission relating to public service districts shall be expanded to include the following powers and the powers shall be in addition to all other powers of the Public Service Commission set forth in this code:

(a) To study, modify, approve, deny or amend the plans created under section one-b of this article for consolidation or merger of public service districts and their facilities, personnel or administration;

(b) To petition the appropriate circuit court for the removal of a public service district board member or members; and

(c) To create by general order a separate division within the Public Service Commission to provide assistance to public service districts in technological, operational, financial and regulatory matters, including, upon written request of the public service board, assistance to the board in deliberations regarding a proposed rate change or project.

Acts 1986, c. 81; Acts 2015, c. 196, eff. June 12, 2015.

§ 16-13A-3. District to be a public corporation and political subdivision; powers thereof; public service boards.

From and after the date of the adoption of the order creating any public service district, it is a public corporation and political subdivision of the state, but without any power to levy or collect ad valorem taxes. Each district may acquire, own and hold property, both real and personal, in its corporate name, and may sue, may be sued, may adopt an official seal and may enter into contracts necessary or incidental to its purposes, including contracts with any city, incorporated town or other municipal corporation located within or without its boundaries for furnishing wholesale supply of water for the distribution system of the city, town or other municipal corporation, or for furnishing storm water services for the city, town or other municipal corporation, and contract for the operation, maintenance, servicing, repair and extension of any properties owned by it or for the operation and improvement or extension by the district of all or any part of the existing municipally owned public service properties of any city, incorporated town or other municipal corporation included within the district: *Provided*, That no contract shall extend beyond a maximum of forty years, but provisions may

be included therein for a renewal or successive renewals thereof and shall conform to and comply with the rights of the holders of any outstanding bonds issued by the municipalities for the public service properties.

The powers of each public service district shall be vested in and exercised by a public service board consisting of not less than three members who shall be persons residing within the district who possess certain educational, business or work experience which will be conducive to operating a public service district. In the event the public service district is providing any utility service and billing rates and charges to its customers, at least one board member shall be a rate-paying residential customer of the public service district: *Provided*, That if an existing public service board does not have a member who is a rate-paying residential customer of the public service district on July 1, 2013, the next following appointment to the board shall be a rate-paying residential customer of that public service district. For purposes of this section, "rate-paying residential customer" means a person who:

(1) In the case of a water or sewer public service district, is physically connected to and actively receiving residential public service district utility services; or

(2) In the case of a storm water public service district, has storm water conveyed away from the residential property by a utility owned system; and

(3) Has an active account in good standing and is the occupier of the residential property which is on the public service district utility service account.

Each board member shall, within six months of taking office, successfully complete the training program to be established and administered by the Public Service Commission in conjunction with the Department of Environmental Protection and the Bureau for Public Health. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the district nor shall a former board member be hired by the district in any capacity within a minimum of twelve months after board member's term has expired or such board member has resigned from the district board. The members shall be appointed in the following manner:

Each city, incorporated town or other municipal corporation having a population of more than three thousand but less than eighteen thousand is entitled to appoint one member of the board, and each city, incorporated town or other municipal corporation having a population in excess of eighteen thousand shall be entitled to appoint one additional member of the board for each additional eighteen thousand population. The members of the board representing such cities, incorporated towns or other municipal corporations shall be residents thereof and shall be appointed by a resolution of the governing bodies thereof and upon the filing of a certified copy or copies of the resolution or resolutions in the office of the clerk of the county commission which entered the order creating the district, the persons so appointed become members of the board without any further act or proceedings. If the number of members of the board so appointed by the governing bodies of cities, incorporated towns or other municipal corporations included in the district equals or exceeds three, then no further members shall be appointed to the board and the members so appointed are the board of the district except in cases of merger or consolidation where the number of board members may equal five.

If no city, incorporated town or other municipal corporation having a population of more than three thousand is included within the district, then the county commission which entered the order creating the district shall appoint three members of the board, who are persons residing within the district and residing within the State of West Virginia, which three members become members of the board of the district without any further act or proceedings except in cases of merger or consolidation where the number of board members may equal five.

If the number of members of the board appointed by the governing bodies of cities, incorporated towns or other municipal corporations included within the district is less than three, then the county commission which entered the order creating the district shall appoint such additional member or members of the board, who are persons residing within the district, as is necessary to make the number of members of the board equal three except in

cases of merger or consolidation where the number of board members may equal five, and the member or members appointed by the governing bodies of the cities, incorporated towns or other municipal corporations included within the district and the additional member or members appointed by the county commission as aforesaid, are the board of the district. A person may serve as a member of the board in one or more public service districts.

The population of any city, incorporated town or other municipal corporation, for the purpose of determining the number of members of the board, if any, to be appointed by the governing body or bodies thereof, is the population stated for such city, incorporated town or other municipal corporation in the last official federal census.

Notwithstanding any provision of this code to the contrary, whenever a district is consolidated or merged pursuant to section two of this article, the terms of office of the existing board members shall end on the effective date of the merger or consolidation. The county commission shall appoint a new board according to rules promulgated by the Public Service Commission. Whenever districts are consolidated or merged no provision of this code prohibits the expansion of membership on the new board to five.

The respective terms of office of the members of the first board shall be fixed by the county commission and shall be as equally divided as may be, that is approximately one third of the members for a term of two years, a like number for a term of four years, the term of the remaining member or members for six years, from the first day of the month during which the appointments are made. The first members of the board appointed as aforesaid shall meet at the office of the clerk of the county commission which entered the order creating the district as soon as practicable after the appointments and shall qualify by taking an oath of office: *Provided*, That any member or members of the board may be removed from their respective office as provided in section three-a of this article.

Any vacancy shall be filled for the unexpired term within thirty days; otherwise successor members of the board shall be appointed for terms of six years and the terms of office shall continue until successors have been appointed and qualified. All successor members shall be appointed in the same manner as the member succeeded was appointed. The district shall provide to the Public Service Commission, within thirty days of the appointment, the following information: The new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board. The Public Service Commission shall notify each new board member of the legal obligation to attend training as prescribed in this section.

The board shall organize within thirty days following the first appointments and annually thereafter at its first meeting after January 1 of each year by selecting one of its members to serve as chair and by appointing a secretary and a treasurer who need not be members of the board. The secretary shall keep a record of all proceedings of the board which shall be available for inspection as other public records. Duplicate records shall be filed with the county commission and shall include the minutes of all board meetings. The treasurer is lawful custodian of all funds of the public service district and shall pay same out on orders authorized or approved by the board. The secretary and treasurer shall perform other duties appertaining to the affairs of the district and shall receive salaries as shall be prescribed by the board. The treasurer shall furnish bond in an amount to be fixed by the board for the use and benefit of the district.

The members of the board, and the chair, secretary and treasurer thereof, shall make available to the county commission, at all times, all of its books and records pertaining to the district's operation, finances and affairs for inspection and audit. The board shall meet at least monthly.

Acts 1953, c. 147; Acts 1965, c. 134; Acts 1971, c. 72; Acts 1981, c. 124; Acts 1983, c. 166; Acts 1986, c. 81; Acts 1994, c. 61; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2013, c. 163, eff. July 1, 2013.

§ 16-13A-4. Board chairman; members' compensation; procedure; district name

(a) The chairman shall preside at all meetings of the board and may vote as any other member of the board. If the chairman is absent from any meeting, the remaining members

may select a temporary chairman and if the member selected as chairman resigns as such or ceases for any reason to be a member of the board, the board shall select one of its members as chairman to serve until the next annual organization meeting.

(b) Salaries of the board members are:

(1) For districts with fewer than six hundred customers, up to $100 per attendance at regular monthly meetings and $75 per attendance at additional special meetings, total salary not to exceed $2,000 per annum;

(2) For districts with six hundred customers or more but fewer than two thousand customers, up to $125 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $3,250 per annum;

(3) For districts with two thousand customers or more, but fewer than four thousand customers, up to $150 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $4,500 per annum; and

(4) For districts with four thousand or more customers, up to $200 per attendance at regular monthly meetings and $150 per attendance at additional special meetings, total salary not to exceed $6,400 per annum.

The public service district shall certify the number of customers served to the Public Service Commission on July 1 of each fiscal year.

(c) Public service districts selling water to other water utilities for resale or public service districts which provide sewer treatment for other sewer utilities may adopt the following salaries for its board members:

(1) For districts with annual revenues of less than $50,000, up to $100 per attendance at regular monthly meetings and $75 per attendance at additional special meetings, total salary not to exceed $2,000 per annum;

(2) For districts with annual revenues of $50,000 or more, but less than $250,000, up to $125 per attendance at regular monthly meetings and $100 per attendance at special meetings, total salary not to exceed $3,250 per annum;

(3) For districts with annual revenues of $250,000 or more, but less than $500,000, up to $150 per attendance at regular monthly meetings and $100 per attendance at additional special meetings, total salary not to exceed $4,500 per annum; and

(4) For districts with annual revenues of $500,000 or more, up to $200 per attendance at regular monthly meetings and $150 per attendance at additional special meetings, total salary not to exceed $6,400 per annum.

The public service district shall certify the number of customers served and its annual revenue to the Public Service Commission on July 1 of each fiscal year.

(d) Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties as provided by the rules of the board. Notwithstanding any other provision of this code to the contrary, board members are not eligible for salary payment or reimbursement for expenses incurred prior to the public service district initiating service to its first customer. Salary and reimbursement for expenses may be incurred only at meetings occurring after the public service district initiated service to customers.

(e) The board shall by resolution determine its own rules of procedure, fix the time and place of its meetings and the manner in which special meetings may be called. Public notice of meetings shall be given in accordance with section three, article nine-a, chapter six of this code. Emergency meetings may be called as provided by that section. A majority of the members constituting the board also constitute a quorum to do business.

(f) The members of the board are not personally liable or responsible for any obligations of the district or the board, but are answerable only for willful misconduct in the performance of their duties. The county commission which created a district or county commissions if more than one created the district may, upon written request of the district, adopt an order changing the official name of a public service district. *Provided*, That the name change will not be effective until approved by the Public Service Commission of West Virginia and the

owners of any bonds and notes issued by the district, if any, shall have consented, in writing, to the name change. If a district includes territory located in more than one county, the county commission or county commissions changing the name of the district shall provide any county commission into which the district also extends with a certified copy of the order changing the name of the district. The official name of any district created under the provisions of this article may contain the name or names of any city, incorporated town or other municipal corporation included therein or the name of any county or counties in which it is located.

Acts 1953, c. 147; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2000, c. 199, eff. 90 days after March 11, 2000; Acts 2005, c. 196, eff. 90 days after April 8, 2005; Acts 2013, c. 163, eff. July 1, 2013.

§ 16-13A-7. Acquisition and operation of district properties.

The board of these districts shall have the supervision and control of all public service properties acquired or constructed by the district and shall have the power, and it shall be its duty, to maintain, operate, extend and improve the same, including, but not limited to, those activities necessary to comply with all federal and state requirements, including water quality improvement activities. All contracts involving the expenditure by the district of more than $25,000 for construction work or for the purchase of equipment and improvements, extensions or replacements, shall be entered into only after notice inviting bids shall have been published as a Class I legal advertisement in compliance with the provision of article three, chapter fifty-nine of this code, and the publication area for such publication shall be as specified in section two of this article in the county or counties in which the district is located. The publication shall not be less than ten days prior to the making of any such contract. To the extent allowed by law, in-state contractors shall be given first priority in awarding public service district contracts. It shall be the duty of the board to ensure that local in-state labor shall be utilized to the greatest extent possible when hiring laborers for public service district construction or maintenance repair jobs. It shall further be the duty of the board to encourage contractors to use American made products in their construction to the extent possible. Any obligations incurred of any kind or character shall not in any event constitute or be deemed an indebtedness within the meaning of any of the provisions or limitations of the Constitution, but all such obligations shall be payable solely and only out of revenues derived from the operation of the public service properties of the district or from proceeds of bonds issued as hereinafter provided. No continuing contract for the purchase of materials or supplies or for furnishing the district with electrical energy or power shall be entered into for a longer period than fifteen years.

Acts 1953, c. 147; Acts 1967, c. 105; Acts 1981, c. 124; Acts 1982, c. 24; Acts 1986, c. 81; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2011, c. 147, eff. June 9, 2011.

§ 16-13A-9. Rules; service rates and charges; discontinuance of service; required water and sewer connections; lien for delinquent fees.

(a)(1) The board may make, enact and enforce all needful rules in connection with the acquisition, construction, improvement, extension, management, maintenance, operation, care, protection and the use of any public service properties owned or controlled by the district. The board shall establish, in accordance with this article, rates, fees and charges for the services and facilities it furnishes, which shall be sufficient at all times, notwithstanding the provisions of any other law or laws, to pay the cost of maintenance, operation and depreciation of the public service properties and principal of and interest on all bonds issued, other obligations incurred under the provisions of this article and all reserve or other payments provided for in the proceedings which authorized the issuance of any bonds under this article. The schedule of the rates, fees and charges may be based upon:

(A) The consumption of water or gas on premises connected with the facilities, taking into consideration domestic, commercial, industrial and public use of water and gas;

(B) The number and kind of fixtures connected with the facilities located on the various premises;

(C) The number of persons served by the facilities;

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(D) Any combination of paragraphs (A), (B) and (C) of this subdivision; or

(E) May be determined on any other basis or classification which the board may determine to be fair and reasonable, taking into consideration the location of the premises served and the nature and extent of the services and facilities furnished. However, no rates, fees or charges for stormwater services may be assessed against highways, road and drainage easements or stormwater facilities constructed, owned or operated by the West Virginia Division of Highways.

(2) The board of a public service district with at least four thousand five hundred customers and annual combined gross revenue of $3 million or more from its separate or combined services may make, enact and enforce all needful rules in connection with the enactment or amendment of rates, fees and charges of the district. At a minimum, these rules shall provide for:

(A) Adequate prior public notice of the contemplated rates, fees and charges by causing a notice of intent to effect such a change to be specified on the monthly billing statement of the customers of the district for the month next preceding the month in which the contemplated change is to be before the board on first reading;

(B) Adequate prior public notice of the contemplated rates, fees and charges by causing to be published as a Class I legal advertisement of the proposed action in compliance with the provisions of article three, chapter fifty-nine of the code. The publication area for publication shall be all territory served by the district. If the district provides service in more than one county, publication shall be made in a newspaper of general circulation in each county that the district provides service;

(C) The public notice of the proposed action shall state the current rates, fees and charges and the proposed changes to said rates, fees and charges, the date, time and place of both a public hearing on the proposal and the proposed final vote on adoption, and the place or places within the district where the proposed rates, fees and charges may be inspected by the public. A reasonable number of copies of the proposal shall be kept at the place or places and be made available for public inspection. The notice shall also advise that interested parties may appear at the public hearing before the board and be heard with respect to the proposed rates, fees and charges;

(D) The proposed rates, fees and charges shall be read at two meetings of the board with at least two weeks intervening between each meeting. The public hearing may be conducted with or following the second reading;

(E) Rates, fees and charges approved by an affirmative vote of the board shall be forwarded in writing to the county commission appointing the approving board. The county commission shall publish notice of the proposed rates, fees and charges by a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of the code. Within forty-five days of receipt of the proposed rates, fees and charges, the county commission shall take action to approve or reject the proposed rates, fees and charges. After forty-five days, the proposed rates, fees and charges shall be effective with no further action by the board or county commission. In any event, this 45-day period shall be mandatory unless extended by the official action of both the board proposing the rates, fees and charges, and the appointing county commission;

(F) Enactment of the proposed rates, fees and charges shall follow an affirmative vote by the county commission and shall be effective no sooner than forty-five days following action. The 45-day waiting period may be waived by public vote of the county commission only if the commission finds and declares the district to be in financial distress such that the 45-day waiting period would be detrimental to the ability of the district to deliver continued and compliant public services.

(3) Where water, sewer, stormwater or gas services or any combination thereof are all furnished to any premises, the schedule of charges may be billed as a single amount for the aggregate of the charges. The board shall require all users of services and facilities furnished by the district to designate on every application for service whether the applicant is a tenant or an owner of the premises to be served. If the applicant is a tenant, he or she shall state the name and address of the owner or owners of the premises to be served by the district. Notwithstanding the provisions of section eight, article three, chapter twenty-four of

this code to the contrary, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage of the applicant's specific customer class or $50, with the district to secure the payment of service rates, fees and charges in the event they become delinquent as provided in this section. If a district provides both water and sewer service, all new applicants for service shall deposit the greater of a sum equal to two twelfths of the average annual usage for water service or $50 and the greater of a sum equal to two twelfths of the average annual usage for wastewater service of the applicant's specific customer class or $50. In any case where a deposit is forfeited to pay service rates, fees and charges which were delinquent at the time of disconnection or termination of service, no reconnection or reinstatement of service may be made by the district until another deposit equal to the greater of a sum equal to two twelfths of the average usage for the applicant's specific customer class or $50 has been remitted to the district. After twelve months of prompt payment history, the district shall return the deposit to the customer or credit the customer's account at a rate as the Public Service Commission may prescribe: *Provided*, That where the customer is a tenant, the district is not required to return the deposit until the time the tenant discontinues service with the district. Whenever any rates, fees, rentals or charges for services or facilities furnished remain unpaid for a period of twenty days after the same become due and payable, the user of the services and facilities provided is delinquent and the user is liable at law until all rates, fees and charges are fully paid. The board may, under reasonable rules promulgated by the Public Service Commission, shut off and discontinue water or gas services to all delinquent users of either water or gas facilities, or both, ten days after the water or gas services become delinquent: *Provided, however*, That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the board to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(b) In the event that any publicly or privately owned utility, city, incorporated town, other municipal corporation or other public service district included within the district owns and operates separately water facilities, sewer facilities or stormwater facilities and the district owns and operates another kind of facility, either water or sewer, or both, as the case may be, then the district and the publicly or privately owned utility, city, incorporated town or other municipal corporation or other public service district shall covenant and contract with each other to shut off and discontinue the supplying of water service for the nonpayment of sewer or stormwater service fees and charges: *Provided*, That any contracts entered into by a public service district pursuant to this section shall be submitted to the Public Service Commission for approval. Any public service district which provides water and sewer service, water and stormwater service or water, sewer and stormwater service has the right to terminate water service for delinquency in payment of water, sewer or stormwater bills. Where one public service district is providing sewer service and another public service district or a municipality included within the boundaries of the sewer or stormwater district is providing water service and the district providing sewer or stormwater service experiences a delinquency in payment, the district or the municipality included within the boundaries of the sewer or stormwater district that is providing water service, upon the request of the district providing sewer or stormwater service to the delinquent account, shall terminate its water service to the customer having the delinquent sewer or stormwater account: *Provided, however*, That any termination of water service must comply with all rules and orders of the Public Service Commission: *Provided further*, That nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the public service districts to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill.

(c) Any district furnishing sewer facilities within the district may require or may, by petition to the circuit court of the county in which the property is located, compel or may require the Division of Health to compel all owners, tenants or occupants of any houses, dwellings and buildings located near any sewer facilities where sewage will flow by gravity or be transported by other methods approved by the Division of Health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one, chapter sixteen of this code, from the houses, dwellings or buildings into the sewer facilities, to connect with and use the sewer facilities and to cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from the

houses, dwellings and buildings where there is gravity flow or transportation by any other methods approved by the Division of Health, including, but not limited to, vacuum and pressure systems, approved under the provisions of section nine, article one of this chapter and the houses, dwellings and buildings can be adequately served by the sewer facilities of the district and it is declared that the mandatory use of the sewer facilities provided for in this subsection is necessary and essential for the health and welfare of the inhabitants and residents of the districts and of the state. If the public service district requires the property owner to connect with the sewer facilities even when sewage from dwellings may not flow to the main line by gravity and the property owner incurs costs for any changes in the existing dwellings' exterior plumbing in order to connect to the main sewer line, the public service district board shall authorize the district to pay all reasonable costs for the changes in the exterior plumbing, including, but not limited to, installation, operation, maintenance and purchase of a pump or any other method approved by the Division of Health. Maintenance and operation costs for the extra installation should be reflected in the users charge for approval of the Public Service Commission. The circuit court shall adjudicate the merits of the petition by summary hearing to be held not later than thirty days after service of petition to the appropriate owners, tenants or occupants.

(d) Whenever any district has made available sewer facilities to any owner, tenant or occupant of any house, dwelling or building located near the sewer facility and the engineer for the district has certified that the sewer facilities are available to and are adequate to serve the owner, tenant or occupant and sewage will flow by gravity or be transported by other methods approved by the Division of Health from the house, dwelling or building into the sewer facilities, the district may charge, and the owner, tenant or occupant shall pay, the rates and charges for services established under this article only after thirty days' notice of the availability of the facilities has been received by the owner, tenant or occupant. Rates and charges for sewage services shall be based upon actual water consumption or the average monthly water consumption based upon the owner's, tenant's or occupant's specific customer class.

(e) The owner, tenant or occupant of any real property may be determined and declared to be served by a stormwater system only after each of the following conditions is met: (1) The district has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community, as defined in 40 C. F. R. § 122.26; (2) the district's authority has been properly expanded to operate and maintain a stormwater system; (3) the district has made available a stormwater system where stormwater from the real property affects or drains into the stormwater system; and (4) the real property is located in the Municipal Separate Storm Sewer System's designated service area. It is further hereby found, determined and declared that the mandatory use of the stormwater system is necessary and essential for the health and welfare of the inhabitants and residents of the district and of the state. The district may charge and the owner, tenant or occupant shall pay the rates, fees and charges for stormwater services established under this article, only after thirty days notice of the availability of the stormwater system has been received by the owner. An entity providing stormwater service shall provide a tenant a report of the stormwater fee charged for the entire property and of appropriate that portion of the fee to be assessed to the tenant.

(f) All delinquent fees, rates and charges of the district for either water facilities, sewer facilities, gas facilities or stormwater systems or stormwater management programs are liens on the premises served of equal dignity, rank and priority with the lien on the premises of state, county, school and municipal taxes. Nothing contained within the rules of the Public Service Commission shall be deemed to require any agents or employees of the public service districts to accept payment at the customer's premises in lieu of discontinuing service for a delinquent bill. In addition to the other remedies provided in this section, public service districts are granted a deferral of filing fees or other fees and costs incidental to the bringing and maintenance of an action in magistrate court for the collection of delinquent water, sewer, stormwater or gas bills. If the district collects the delinquent account, plus reasonable costs, from its customer or other responsible party, the district shall pay to the magistrate the normal filing fee and reasonable costs which were previously deferred. In addition, each public service district may exchange with other public service districts a list of delinquent accounts: *Provided*, That an owner of real property may not be held liable for the delinquent

rates or charges for services or facilities of a tenant, nor may any lien attach to real property for the reason of delinquent rates or charges for services or facilities of a tenant of the real property unless the owner has contracted directly with the public service district to purchase the services or facilities.

(g) Anything in this section to the contrary notwithstanding, any establishment, as defined in section three, article eleven, chapter twenty-two of this code, now or hereafter operating its own sewage disposal system pursuant to a permit issued by the Department of Environmental Protection, as prescribed by section eleven of said article, is exempt from the provisions of this section.

(h) A public service district which has been designated by the Environmental Protection Agency as an entity to serve a West Virginia Separate Storm Sewer System community shall prepare an annual report detailing the collection and expenditure of rates, fees or charges and make it available for public review at the place of business of the governing body and the stormwater utility main office.

Acts 1963, c. 147; Acts 1965, c. 134; Acts 1980, c. 60; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1989, c. 174; Acts 1994, c. 61; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2003, c. 183, eff. 90 days after March 8, 2003; Acts 2008, c. 202, eff. March 8, 2008; Acts 2010, c. 201, eff. June 11, 2010; Acts 2015, c. 196, eff. June 12, 2015.

§ 16-13A-15. Bonds may be secured by trust indenture.

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

§ 16-13A-18a. Sale, lease or rental of water, sewer, stormwater or gas system by district; distribution of proceeds.

In any case where a public service district owns a water, sewer, stormwater or gas system, and a majority of not less than sixty percent of the members of the public service board thereof deem it for the best interests of the district to sell, lease or rent such water, sewer, stormwater or gas system to any municipality or privately-owned water, sewer, stormwater or gas system, or to any water, sewer, stormwater or gas system owned by an adjacent public service district, the board may so sell, lease or rent such water, sewer, stormwater or gas system upon such terms and conditions as said board, in its discretion, considers in the best interests of the district: *Provided*, That such sale, leasing or rental may be made only upon: (1) The publication of notice of a hearing before the board of the public service district, as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of this code, in a newspaper published and of general circulation in the county or counties wherein the district is located, such publication to be made not earlier than twenty days and not later than seven days prior to the hearing; (2) approval by the county commission or commissions of the county or counties in which the district operates; and (3) approval by the public service commission of West Virginia.

In the event of any such sale, the proceeds thereof, if any, remaining after payment of all outstanding bonds and other obligations of the district, shall be ratably distributed to any persons who have made contributions in aid of construction of such water, sewer, stormwater or gas system, such distribution not to exceed the actual amount of any such contribution, without interest, and any balance of funds thereafter remaining shall be paid to the county commission of the county in which the major portion of such water, sewer, stormwater or gas system is located, to be placed in the general funds of such county commission: *Provided*, That no such distribution shall be required in the case of a sale between political subdivisions of the state.

Acts 1963, c. 75; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1997, c. 160, eff. 90 days after April 10, 1997; Acts 2002, c. 272, eff. 90 days after March 9, 2002; Acts 2014, c. 183, eff. June 6, 2014.

§ 16-13A-25. Borrowing and bond issuance; procedure.

A public service district has plenary power to borrow money, enter into contracts for the provision of engineering, design or feasibility studies, issue or contract to issue revenue bonds

or exercise any of the powers conferred by the provisions of section thirteen, twenty or twenty-four of this article. Upon written request of the public service board contemplating such transaction or project, the Public Service Commission shall provide technical support to the public service board, including, but not limited to, engineering, design and financial analysis of the proposed transaction or project.

Acts 1969, 1st Ex. Sess., c. 6; Acts 1981, c. 124; Acts 1986, c. 81; Acts 1996, c. 213, eff. 90 days after March 9, 1996; Acts 1997, c. 159, eff. 90 days after April 12, 1997; Acts 2003, c. 184, eff. 90 days after March 7, 2003; Acts 2005, c. 193, eff. 90 days after April 9, 2005; Acts 2006, c. 190, eff. 90 days after March 10, 2006; Acts 2015, c. 196, eff. June 12, 2015.

Research References

ALR Library

101 ALR 5th 287, Remedies for Sewage Treatment Plant Alleged or Deemed to be Nuisance.

ARTICLE 13D.

REGIONAL WATER AND WASTEWATER AUTHORITY ACT.

§ 16-13D-11. Bonds may be secured by trust indenture.

United States Code Annotated

Trust Indenture Act of 1939, see 15 U.S.C.A. § 77aaa et seq.

ARTICLE 13E.

COMMUNITY ENHANCEMENT ACT.

Section		Section	
16-13E-2.	Definitions.		assessments; report on project completion; credits.
16-13E-4.	Petition for creation or expansion of community enhancement district; petition requirements.	16-13E-10a.	Extension of vesting period for land development plans and plats; approval of phases.
16-13E-8.	Notice to property owners of assessments; correcting and laying		

§ 16-13E-2. Definitions.

For purposes of this article:

(a) "Assessment bonds" means special obligation bonds or notes issued by a community enhancement district which are payable from the proceeds of assessments.

(b) "Assessment" means the fee, including interest, paid by the owner of real property located within a community enhancement district to pay for the cost of a project or projects constructed upon or benefitting or protecting such property, and administrative expenses related thereto, which fee is in addition to all taxes and other fees levied on the property.

(c) "Board" means a Community Enhancement Board created pursuant to this article.

(d) "Community enhancement district" or "district" means a community enhancement district created pursuant to this article.

(e) "Cost" means the cost of:

(1) Construction, reconstruction, renovation and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements and interests acquired or to be acquired by the district;

(2) All machinery and equipment, including machinery and equipment needed to expand or enhance county or city services to the district;

A RESOLUTION AND ORDER CREATING
MEADOW CREEK PUBLIC SERVICE DISTRICT
IN SUMMERS COUNTY, WEST VIRGINIA

WHEREAS, the County Commission of Summers County, West Virginia, did heretofore, by a resolution and order adopted on the 2nd day of February, 1981, and by its further order duly made and entered on the 2nd day of February, 1981, fix a date for a public hearing on the creation of the proposed Meadow Creek Public Service District, and in and by said resolution and orders provided that all persons residing in or owning or having any interest in property in the proposed public service district be given notice and an opportunity to appear before the County Commission at this meeting and have an opportunity to be heard for or against the creation of said public service district; and

WHEREAS, notice of this hearing was duly given in the manner provided and required by said resolution and order, and by Article 13-A of Chapter 16 of the West Virginia Code, as amended, and otherwise as provided by law, and all interested persons have been afforded an opportunity to be heard for or against the creation of said district, but no written protest has been filed by any qualified voter registered and residing within said proposed public service district, and said County Commission was given due consideration to all matters for which such hearing was offered; and

WHEREAS, it is now deemed desirable and proper by said County Commission to adopt a resolution and order creating said public service district;

NOW THEREFORE, Be It and It is Hereby Resolved and Ordered by the County Commission of Summers County, West Virginia, as follows:

SECTION 1. That a public service district within Summers County, West Virginia, be and the same is hereby created, which said public service district shall have the following described boundaries:

> Starting at a point approximately 12,144 feet northwest from Route 20 where Route 7 joins, just south of Jackie Ward's residence. From the center of Route 7, northeast 900 feet; thence northwest paralleling Route 7 in a northerly direction 5,930 feet; thence southwest through Alpha Station 900 feet to Route 7; then 900 feet to Route 7 at Junior Rouse's house. Starting a point 900 feet north of Route 7 going in a westerly direction 530 feet to a point 900 feet north of the N.F. & G new yard crossing. From this point in a westerly direction 900 feet north of the new yard tracks, a distance of 1,800 feet; then from this point in a southwesterly direction to the center of the New River. Follow the center of the New River southeast a distance of approximately 6,986 feet back to the point of BEGINNING.

SECTION 2. That said public serivce district so created shall have the name and corporate title of "Meadow Creek Public Service District", and shall constitute a public corporation and political subdivision of the State of West Virginia, and particularly by Article 13-A of Chapter 16 of the West Virginia Code, as amended.

SECTION 3. That the County Commission of Summers County, West Virginia, has determined that the territory within Summers County, West Virginia, having the hereinabove described boundaries, is so situated that the construction or acquisition by purchase or otherwise, the maintenance, operation, improvement and extension of public service properties supplying water facilities and services and sewer facilities and services within such territory and, also outside such territory to the extent permitted by law, by said public service district is feasible and will be conducive to the perservation of public health, comfort and convenience of such area.

Adopted by the County Commission of Summers County, on this the 17th day of October, 1983.

Billy Joe Edwards
PRESIDENT

ATTEST:

Barbara N. Carr
CLERK

grant from the Governor's Office of Economic and Community Development in the amount of $500,000.00 for Meadow Creek Sewer Project and to sign a resolution for the implementation of this agreement for said project. So ordered.

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A motion was made by John W. Gilbert seconded by Billy Joe Edwards on this 17th day of October, 1983, to establish the boundaries and create a Public Service District as provided in the resolution attached hereto. So ordered.

A RESOLUTION AND ORDER CREATING MEADOW CREEK PUBLIC SERVICE DISTRICT IN SUMMERS COUNTY, WEST VIRGINIA.

WHEREAS, the County Commission of Summers County, West Virginia, did heretofore, by a resolution and order adopted on the 2nd day of February, 1981, and by its further order duly made and entered on the 2nd day of February, 1981, fix a date for a public hearing on the creation of the proposed Meadow Creek Public Service District, and in and by said resolution and orders provided that all persons residing in or owning or having any interest in property in the proposed public service district be given notice and an opportunity to appear before the County Commission at this meeting and have an opportunity to be heard for or against the creation of said public service district; and

WHEREAS, notice of this hearing was duly given in the manner provided and required by said resolution and order, and by Article 13-A of Chapter 16 of the West Virginia Code, as amended, and otherwise/as provided by law, and all interested persons have been afforded an opportunity to be heard for or against the creation of said district, but no written protest has been filed by any qualified voter registered and residing within said proposed public service district, and said County Commission was given due consideration to all matters for which such hearing was offered; and

WHEREAS, it is now deemed desirable and proper by said County Commission to adopt a resolution and order creating said public service district;

NOW THEREFORE, Be It and It is hereby Resolved and Ordered by the County Commission of Summers County, West Virginia, as follows:

SECTION 1. That a public service district within Summers County, West Virginia, be and the same is hereby created, which said public service district shall have the following described boundaries:

Starting at a point approximately 12,144 feet northwest from Route 20 where Route 7 joins, just south of Jackie Ward's residence. From the center of Route 7, northeast 900 feet; Thence northwest paralleling Route 7 in a northerly direction 5,930 feet; thence southwest through Aloha Station 900 feet to Route 7; then 900 feet to Route 7 at Junior Rouse's house. Starting at a point 900 feet north of Route 7 going in a westerly direction 530 feet to a point 900 feet north of the N.F. & G new yard crossing. From this point in a westerly direction 900 feet north of the new yard tracks, a distance of 1,800 feet; then from this point in a southwesterly direction to the center of the New River. Follow the center of the New River southeast a distance of approximately 6,986 feet back to the point of BEGINNING.

SECTION 2. That said public service district so created shall have the name and corporate title of "Meadow Creek Public Service District", and shall constitute a public corporation and political subdivision of the State of West Virginia, and particularly by Article 13-A of Chapter 16 of the West Virginia Code, as amended.

SECTION 3. That the County Commission of Summers County, West Virginia has determined that the territory within Summers County, West Virginia, having the hereinabove described boundaries, is so situated that the construction or acquisition by purchase or otherwise, the maintenance, operation, improvement and extension of public service properties supplying water facilities and services and sewer facilities and services within such territory, and, also outside such territory to the extent permitted by law, by said public service district is feasible and will be conducive to the preservation of public health, comfort and convenience of such area.

Adopted by the County Commission of Summers County, on this the 17th day of October, 1983.

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Billy Joe Edwards
PRESIDENT

ATTEST:

Barbara N. Carr
CLERK

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At 11:15 a.m. Commission recessed for lunch.

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At 1:15 p.m. continuation of Regular Session.with Commissioners Edwards and Gilbert present.

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IN THE MATTER OF NOTARY APPLICATION - NANCY ROSE HARFORD.

STATE OF WEST VIRGINIA, COUNTY OF SUMMERS, TO-WIT:

At a formal, official meeting of the County Commission of Summers County, West Virginia, held on October 17, 1983, before us personally apneared Nancy Rose Harford, who is an applicant for the office of Notary Public in and for this county. It was shown to the complete satisfaction of this Commission that this applicant is, and we hereby certify that she is:

1) A resident and qualified voter of this said county and at least 18 years of age.

2) Competent to perform the quasi-judicial duties of the office of Notary Public.

3) A citizen of good moral character.

NOW, THEREFORE, On motion duly made by Commissioner Billy Joe Edwards and seconded by Commissioner John Gilbert, a majority of the Commission members voting in the affirmative, it was ordered that the name of Nancy Rose Harford be forwarded to the Governor of the State of West Virginia with our solemn and considered recommendation that she be commissioned as a Notary Public for a period of ten (10) years in and for our said county. We certify to the Governor of the State of West Virginia that a true and accurate copy of this order may be found on page 32 of Order Book 15 in the Permanent Records of this Commission.

IT IS SO ORDERED.

Billy Joe Edwards
President of the County Commission

ATTEST: The foregoing is a true and accurate account of the actions of the County Commission of Summers County, taken in formal session, and appearing on the Permanent Records of this Commission on Page 32 of Order Book 15.

GIVEN UNDER MY HAND AND THE OFFICIAL SEAL OF THIS COMMISSION, THIS 17TH DAY OF OCTOBER, 1983,

Seal affixed.

Barbara N. Carr
Clerk of the County Commission

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IN THE MATTER OF NOTARY APPLICATION - NANCY M. CALES.

STATE OF WEST VIRGINIA, COUNTY OF SUMMERS, TO-WIT:

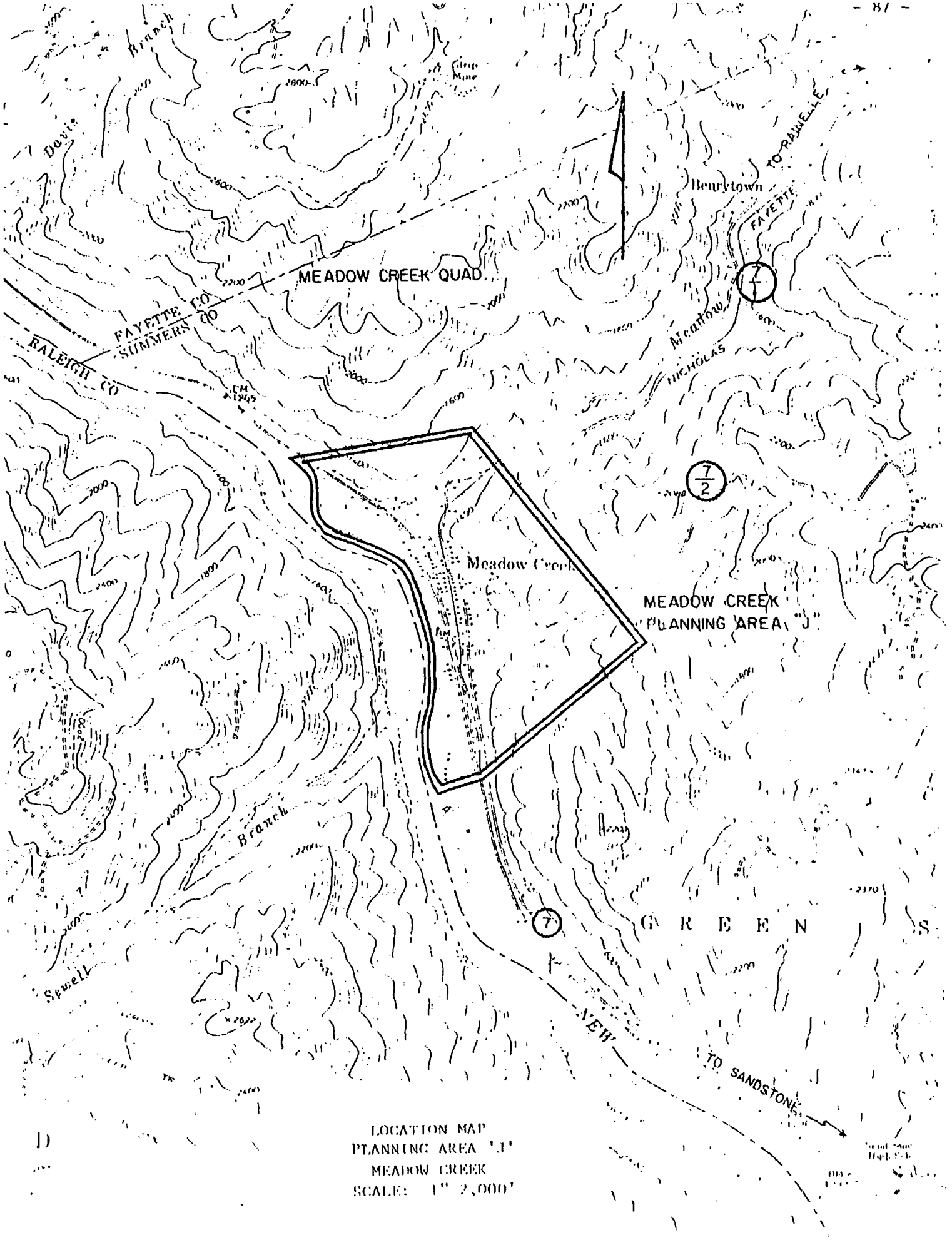
At a formal, official meeting of the County Commission of Summers County, West Virginia, held on October 17, 1983, before us personally appeared Nancy M. Cales, who is an applicant for the office of Notary Public in and for this county. It was shown to the complete satisfaction of this Commission that this applicant is, and we hereby certify that she is:

1) A resident and qualified voter of this said county and at least 18 years of age.

2) Competent to perform the quasi-judicial duties of the office of Notary Public.

3) A citizen of good moral character.

NOW, THEREFORE, on motion duly made by Commissioner John Gilbert and seconded by Commissioner Billy Joe kdwards, a majority of the Commission members voting in the affirmative,



LOCATION MAP
PLANNING AREA 'J'
MEADOW CREEK
SCALE: 1" 2,000'

would have any jurisdiction over hearing the matter. Anna Ziegler, Attorney stated that her client Shayanne Hellems was a minor at that time and is now of age and a possible beneficiary of the estate.

After a discussion regarding if the County Commission would hear the matter or the Circuit Judge, a motion was made by Bill Lightner that was seconded by Jack David Woodrum to close the case as the County Commission involvement because the estate has already been settled and advise the further actions be pursued in Circuit Court; if the Judge would decide it could be handled by the County Commission then and if the Commission would revisit the issue. Motion was unanimously approved. So ordered.

* * * *

Sheriff Garry Wheeler appeared before the Commission regarding the sale of the 2007 Durango to Day Report at a cost of $4,000 and stated that a 2015 demo vehicle fully loaded is available for his department. Commission to review request.

* * * *

The Commission approved bills and reviewed correspondence.

* * * *

A motion was made by Tony Williams that was seconded by Jack David Woodrum to reappoint Jo Anna Burdette to the Meadow Creek Public Service District for a six year term commencing October 1, 2015 and expiring on September 30, 2021 as requested. Motion was unanimously approved. So ordered.

* * * *

The Commission tabled the scheduling of fire service fee ordinance readings, appointment to the Deputy Sheriff Civil Service Board, amendment to the Dilapidated Structure Ordinance and the proposal from Southern Air regarding installing a heat pump in the second floor of the Memorial Building until further information is available.

* * * *

The Commission adjourned at 2:33 p.m.

* * * *

Submitted by: Mary E. Merritt County Clerk

Date of Approval: 10/13/15

Bill Lightner President

0 * * * 0

January 1, 2014 and expiring on December 31, 2017 and Richard Halloran, three year term retroactive to January 1, 2014 and expiring on December 31, 2017. Motion was unanimously approved. So ordered.

* * * *

A motion was made by Jack David Woodrum that was seconded by Tony Williams to reappoint William C. Boyd to a six year term on the Meadow Creek Public Service District, retroactive to October 1, 2013 and expiring on September 30, 2019. Motion was unanimously approved. So ordered.

* * * *

A motion was made by Tony Williams that was seconded by Jack David Woodrum to reappoint Bill Lightner, Summers County Commission President to the Region I Planning and Development Council for a one year term retroactive to January 1, 2014 and expiring on December 31, 2014. Motion was unanimously approved. So ordered.

* * * *

A motion was made by Jack David Woodrum that was seconded by Tony Williams to reappoint Bill Lightner to the Summers County Council on Aging for a one year term retroactive to October 1, 2013 and expiring on September 30, 2014. Motion was unanimously approved. So ordered.

* * * *

A motion was made by Tony Williams that was seconded by Jack David Woodrum to reappoint Tony Williams as Alternate to the Summers County Council on Aging to a one year term retroactive to October 1, 2013 and expiring on September 30, 2014. Motion was unanimously approved. So ordered.

* * * *

A motion was made by Jack David Woodrum that was seconded by Tony Williams to approve Budget Revision #5 for fiscal year 2013-14 as presented. Motion was unanimously approved. So ordered.

* * * *

Upon a motion made by Bill Lightner and a second made by Jack David Woodrum, the Commission approve the Category Priority Ranking for 2014. Motion was unanimously approved. So ordered.

* * * *

A motion was made by Bill Lightner that was seconded by Jack David Woodrum to approve the Community Priority Revisions for 2014 as submitted to Region I P & D Council. Motion was unanimously approved. So ordered.

* * * *

Myra Ziegler, Librarian at the Summers County Public Library presented a budget request to the County Commission for the 2014-15 budget year. The Commission supplied in kind contributions for janitorial and maintenance service for the library last budget year, this arrangement was reviewed and discussed.

* * * *

Jennifer McMeekin with the Community Corrections grant program appeared before the

the Commission reappointed [illegible] to the [illegible] six year term retroactive to October 1, 2011 and expiring on September 30, 2017. Motion was unanimously approved. So ordered.

* * * *

At 10:00 a.m. the Commission has the second reading of the Dilapidated Structure Ordinance of Summers County, West Virginia by title only. No one was in attendance to offer any comments.

* * * *

After two readings of the Dilapidated Structure Ordinance of Summers County, a motion was made by Jack David Woodrum that was seconded by Bill Lightner to approve the ordinance as read. Motion was unanimously approved. So ordered.

* * * *

DILAPIDATED STRUCTURE ORDINANCE
SUMMERS COUNTY, WEST VIRGINIA

An Ordinance, regulating the repair, alteration or improvement or the vacating and closing or removal or demolition, or any combination thereof, of any dwellings or other buildings, except for buildings utilized by farm purposes on land actually being used for farming, unfit for human habitation due to dilapidation, defects increasing the hazard of fire, accidents or other calamities, lack of ventilation, light or sanitary facilities or any other conditions prevailing in any dwelling or building, whether used for human habitation or not, which would cause the dwelling or other buildings to be unsafe, unsanitary, dangerous, or detrimental to the public safety or welfare, whether the result of natural or manmade force or effect.

WHEREAS, the County Commission of Summers County, West Virginia is authorized and empowered by West Virginia State Code § 7-1-3ff to regulate dilapidated structures within Summers County, West Virginia; and

WHEREAS, the County Commission of Summers County, West Virginia finds that there are structures within Summers County which are dilapidated and in need of demolition and removal or repair;

WHEREAS, the adoption of such an ordinance promotes the health, safety and welfare of the citizens of Summers County, West Virginia.

Now, therefore, be it ORDAINED AND ORDERED, by the County Commission of Summers County, West Virginia,

It appearing to the County Commission of Summers County, West Virginia, that said Commission is authorized to regulate the repair, alteration, improvement, vacating, closing, removal or demolition of unsafe or unsanitary structures and the clearance and removal of refuse

SUMMERS County 01:57:05 PM
Instrument No 165843
Date Recorded 11/29/2012
Document Type OATH
Pages Recorded 1
Book-Page 4-405

Oath of Office

STATE OF WEST VIRGINIA,
COUNTY OF SUMMERS, TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of **Member of Meadow Creek PSD** to the best of my skill and judgment, so help me God.

Charles Richmond
Printed Name of Affiant

Signature of Affiant

Subscribed and sworn to before me, in said County and State this **29th** day of **November, 2012**.

Mary E Merritt
Clerk of Summers County Commission

Deborah K. Barsley
Deputy Clerk

Mary E. Merritt
SUMMERS County 10:00:44 AM
Instrument No 165731
Date Recorded 11/20/2012
Document Type OATH
Pages Recorded 1
Book-Page 4-402 401

Oath of Office

STATE OF WEST VIRGINIA,
COUNTY OF SUMMERS, TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of **Member of the Meadow Creek PSD** to the best of my skill and judgment, so help me God.

William C. Boyd
Printed Name of Affiant

William C. Boyd
Signature of Affiant

Subscribed and sworn to before me, in said County and State this **20th** day of **November, 2012**.

Mary E. Merritt
Clerk of Summers County Commission

Deputy Clerk

Oath of Office

STATE OF WEST VIRGINIA,
COUNTY OF SUMMERS, TO-WIT:

I do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia, and that I will faithfully discharge the duties of **Member of Meadow Creek PSD** to the best of my skill and judgment, so help me God.

Joanna Burdette
Printed Name of Affiant

Joanna Burdette
Signature of Affiant

Subscribed and sworn to before me, in said County and State this **29th** day of **September, 2015**.

Mary E Merritt
Clerk of Summers County Commission

Deborah K Bowling
Deputy Clerk

Board Member: Ashby Maddy
P.O. Box 24
Nimitz, WV 25978
Phone# (304) 466-1239
Term began: April 30, 2011 Term Expires: April 30, 2017

Board Member: Mary Newsome
HC 85 Box 37A
Jumping Branch WV 25978
Phone # (304) 253-9843
mmnews56@gmail.com
Term began: July 7, 2014 Term expires: April 30, 2018

Meadow Creek PSD

Board Chairman: C.M. Richmond
P.O. Box 80
Sandstone, WV 25985
Phone# (304) 466-1387
Term began: October 1, 2011 Term Expires: September 30, 2017

Board Member: Jo Ann Burdette
HC 74 Box 33
Sandstone, WV 25985
Phone# (304) 466- 2300
Term began: October 1, 2009 Term Expires: September 30, 2015

Board Member: Dr. William C. Boyd
P.O. Box 91
Sandstone, WV 25985
Phone# (304) 466-4111
Term began: October 1, 2013 Term Expires: September 30. 2019

RULES OF PROCEDURE

MEADOW CREEK PUBLIC SERVICE DISTRICT

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. The name of this Public Service District shall be MEADOW CREEK PUBLIC SERVICE DISTRICT (the "District").

Section 2. The principal office of the District will be located at P.O. Box 64, Meadow Creek, West Virginia.

Section 3. The official seal of the District shall consist of 2 concentric circles between which circles shall be inscribed "MEADOW CREEK PUBLIC SERVICE DISTRICT WEST VIRGINIA", and in the center "CORPORATE SEAL" as follows:

Section 4. The fiscal year of the District shall begin on the 1st day of July in each year and shall end on June 30 of the following year.

ARTICLE II

PURPOSE

Section 1. The District is organized and operated exclusively for the purposes set forth in Chapter 16, Article 13A of the Code of West Virginia, 1931, as amended (the "Act").

ARTICLE III

MEMBERSHIP

Section 1. The members of the Public Service Board of the District (the "Board") shall be those persons appointed by The County Commission of Summers, West Virginia (the "County Commission"), or otherwise appointed pursuant to the Act, who shall serve for such terms as may be specified in the order of the County Commission or otherwise.

Section 2. Should any member of the Board resign or otherwise become legally disqualified to serve as a member of the Board, the District shall immediately notify the County Commission or other entity provided under the Act and request the appointment of a qualified person to fill such vacancy. Prior to the end of the term of any member of the Board, the District shall notify the County Commission or other entity provided under the Act of the pending termination and request the County Commission or other entity provided under the Act to enter

an order of appointment or re-appointment to maintain a fully qualified membership of the Board.

Section 3. The District shall provide to the Public Service Commission of West Virginia, within 30 days of the appointment, the following information: the new board member's name, home address, home and office phone numbers, date of appointment, length of term, who the new member replaces and if the new appointee has previously served on the board, and such other information required under the Act.

Section 4. Each board member shall, within 6 months of taking office, successfully complete the training program established and administered by the Public Service Commission of West Virginia in conjunction with the West Virginia Department of Environmental Protection and the West Virginia Bureau for Public Health.

Section 5. Board members shall not be or become pecuniarily interested, directly or indirectly, in the proceeds of any contract or service, or in furnishing any supplies or materials to the District, nor shall a former board member be hired by the District in any capacity within a minimum of 12 months after such board member's term has expired or after such board member has resigned from the Board.

Section 6. Salaries of the board members shall be established as provided in Chapter 16, Article 13A, Section 4 of the Act. The District shall certify the number of customers served to the Public Service Commission of West Virginia on the first day of July each year. Board members may be reimbursed for all reasonable and necessary expenses actually incurred in the performance of their duties.

Section 7. The members of the Board are not personally liable or responsible for any obligations of the District or the Board but are answerable only for willful misconduct in the performance of their duties.

ARTICLE IV

MEETINGS OF THE BOARD

Section 1. The members of the Board shall hold regular monthly meetings on such days of each month and at such place and hour as the members shall determine from time to time. If the day stated shall fall on a legal holiday, the meeting shall be held on the following day. Special meetings of the Board may be called at any time by the Chairperson or by a quorum of the Board.

Section 2. At any meeting of the Board, a majority of the members of the Board shall constitute a quorum. Each member of the Board shall have one vote at any meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise waived, notice to members of regular meetings shall be by letter or telephone. Unless otherwise waived, notice to members of each special meeting shall

be by letter or telephone not less than 72 hours before the date fixed for such special meeting. The notice of any special meeting shall state briefly the purposes of such meeting and the nature of the business to be transacted at such meeting, and no business other than that stated in the notice shall be transacted at such special meeting.

Section 4. Pursuant to Chapter 6, Article 9A, Section 3 of the Code of West Virginia, 1931, as amended, notice of the date, time, place and agenda of all regularly scheduled meetings of the Board, and the date, time, place and purpose of all special meetings of the Board, shall be made available, in advance, to the public and news media as follows:

Rule No. 1. Notice of Regularly Scheduled Meetings. Immediately after adoption of these Rules of Procedure and in July of each year thereafter, the Board shall instruct the Secretary to, and the Secretary shall, post, and leave posted throughout the year to which it applies, at the regular meeting place of the Board and at the Summers County Courthouse, where notices customarily are posted, a notice setting forth the date, time and place of the Board's regularly scheduled meetings for the ensuing year. In addition, a copy of the agenda for each regularly scheduled meeting shall also be posted at the same location by the Secretary not less than 72 hours before such regular meeting is to be held.

The Board shall also instruct the Secretary to, and the Secretary shall, distribute to each of the newspapers and other news media listed below a notice identical to that posted:

News Media	Address
Hinton News	P.O. Drawer 1000, Hinton, WV 25951 (304) 466-0005

A notice shall be considered distributed to a news medium when it has been addressed to such news medium at the address listed above, or at such other address as the news medium has in writing requested be used, marked or stamped with first class postage and deposited in the United States mail. In July of each year after the adoption of these Rules of Procedure, the Board shall review the above list and shall amend such list as needed, in the opinion of the Board, to reflect properly all the newspapers and other news media that customarily cover news of the area served by the Board. In addition, a copy of the agenda for each regularly scheduled meeting shall also be distributed to the news media by the Secretary not less than 72 hours before such regular meeting is to be held.

In the event of any modification to the date, time, place or agenda of a regularly scheduled meeting of the Board, notice of such modification shall immediately be given to the public and news media by posting at the places and distributing to the news media in the manner set forth above not less than 48 hours before such regular meeting is to be held. A copy of the notice of such modification shall be attached to and made a part of the minutes of the meeting for which such notice was given.

Rule No. 2. Notice of Special Meetings. Not less than 72 hours prior to the date set for any special meeting of the Board, the Board shall instruct the Secretary to, and the

Secretary shall, post at the regular meeting place of the Board and at the Summers County Courthouse, where notices customarily are posted, a notice setting forth the date, time, place and purpose or purposes of such special meeting. Business at such special meeting shall be limited to the purpose or purposes specified in said notice.

As soon as practical after the posting of said notice, but not less than 72 hours prior to the date set for such special meeting, the Secretary shall distribute to each of the newspapers and other news media listed in Rule No. 1 hereof, a notice identical to that posted. Amendments made to such news media list, as provided for in said Rule No. 1, shall be incorporated by reference in this Rule No. 2. A notice shall be considered distributed to a news medium when it has been addressed to such news medium at the address listed in said Rule No. 1, or at such other address as the news medium has in writing requested be used, marked or stamped with first class postage and deposited in the United States mail.

A copy of such notice posted and distributed pursuant to this Rule No. 2 shall be attached to and made a part of the minutes of the meeting for which such notice was given.

Rule No. 3. Emergency Meetings. The Board may hold a meeting without providing the notice to the public and news media required by Rule No. 1 and Rule No. 2 hereof only in the event of an emergency requiring immediate official action. The existence for such an emergency requiring immediate official action shall be determined by the Board and shall be attested to in a certificate by the Secretary describing such emergency and setting forth the reason or reasons immediate official action is required, which certificate shall be attached to and made a part of the minutes of such emergency meeting.

Rule No. 4. Executive Sessions. The Board may hold an executive session during a regular, special or emergency meeting in accordance with Chapter 6, Article 9A, Section 4 of the Code of West Virginia, 1931, as amended. During the open portion of the meeting, prior to convening an executive session, the Chairperson shall identify the authorization under Chapter 6, Article 9A, Section 4 of the Code of West Virginia, 1931, as amended, for holding the executive session and present it to the Board and to the general public, but no decision may be made in the executive session. An executive session may be held only upon a majority affirmative vote of the Board members present. The Board may hold an executive session and exclude the public only when a closed session is required for any of the actions permitted under Chapter 6, Article 9A, Section 4 of the Code of West Virginia, 1931, as amended.

Rule No. 5. Minutes. The Board shall provide for the preparation of written minutes of all of its meetings. Subject to the exceptions set forth in Chapter 6, Article 9A, Section 4 of the Code of West Virginia, 1931, as amended, minutes of all meetings except minutes of executive sessions, if any are taken, shall be available to the public within a reasonable time after the meeting and shall include, at least, the following information:

(1) The date, time and place of the meeting;
(2) The name of each Board member present and absent;

(3) All motions, proposals, resolutions, orders, ordinances and measures proposed, the name of the person proposing the same and their disposition; and

(4) The results of all votes and, upon the request of a Board member, the vote of each Board member, by name.

Rule No. 6. No Actions by Reference. Except as otherwise expressly provided by law, the Board may not deliberate, vote, or otherwise take official action upon any matter by reference to a letter, number or other designation or other secret device or method, which may render it difficult for persons attending a meeting to understand what is being deliberated, voted or acted upon. However, this rule does not prohibit the Board from deliberating, voting or otherwise taking action by reference to an agenda, if copies of the agenda, sufficiently worded to enable the public to understand what is being deliberated, voted or acted upon, are available for public inspection at the meeting. The Board may not vote by secret or written ballot.

Rule No. 7. Broadcasting of Meetings. Except as otherwise provided in this rule, any radio or television station is entitled to broadcast all or any part of a Board meeting required to be open. The Board may regulate the placement and use of equipment necessary for broadcasting, photographing, filming or recording a meeting, so as to prevent undue interference with the meeting. The Board shall allow the equipment to be placed within the meeting room in such a way as to permit its intended use, and the ordinary use of the equipment may not be declared to constitute undue interference; provided, that if the Board, in good faith, determines that the size of the meeting room is such that all the members of the public present and the equipment and personnel necessary for broadcasting, photographing, filming and tape-recording the meeting cannot be accommodated in the meeting room without unduly interfering with the meeting and an adequate alternative meeting room is not readily available, then the Board, acting in good faith and consistent with the purposes of this rule, may require the pooling of the equipment and the personnel operating it.

Rule No. 8. Telephonic Meetings. Board meetings may be held by telephone conference or other electronic means. All Board members participating by telephone or other electronic means must be audible to all those personally present.

Section 5. All meetings of any committee of the Board shall be subject to the Rules of Procedure set forth in Section 4 above.

ARTICLE V

OFFICERS

Section 1. The officers of the Board shall be a Chairperson, Secretary and Treasurer. The Chairperson shall be elected from the members of the Board. The Secretary and Treasurer need not be members of the Board.

Section 2. The officers of the Board shall be elected each year by the members at the first meeting after the first day of January of each year. The officers so elected shall serve until the next annual election by the membership and until their successors are duly elected and

qualified. Any vacancy occurring among the officers shall be filled by the members of the Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the next annual organizational meeting of the Board when their successors shall be elected as hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairperson shall preside as Chairperson at all meetings of the Board. He/She shall, together with the Secretary, sign the minutes of all meetings at which he/she shall preside. He/She shall attend generally to the executive business of the Board and exercise such powers as may be conferred upon him/her by the Board, by these Rules of Procedure, or prescribed by law. He/She shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements, or other documents necessary, requisite, proper or convenient to be executed by or on behalf of the Board when and if directed by the members of the Board.

Section 2. If the Chairperson is absent from any meeting, the remaining members of the Board shall select a temporary chairperson.

Section 3. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. Duplicate records shall be filed with the County Commission and shall include the minutes of all Board meetings. He/She shall, together with the Chairperson, sign the minutes of the meetings at which he/she is present. The Secretary shall have charge of the minute book, be the custodian of deeds and other documents and papers of the Board. He/She shall also perform such other duties as may be required of him/her by law or as may be conferred upon him/her from time to time by the members of the Board.

Section 4. The Treasurer shall be the lawful custodian of all funds of the District and shall pay same out on orders authorized or approved by the Board. The Treasurer shall keep or cause to be kept proper and accurate books of accounts and proper receipts and vouchers for all disbursements made by or through him/her and shall prepare and submit such reports and statements of the financial condition of the Board as the members may from time to time prescribe. The Treasurer shall keep and preserve all financial records of the District for 10 years and shall at all times have such records readily available for public inspection. At the end of his/her term of office, the Treasurer shall promptly deliver all financial records of the District to his successor in office. He/She shall also perform such other duties as may be required of him/her by law or as may be conferred upon him/her from time to time by the members of the Board. The Treasurer shall furnish bond in an amount to be fixed by the Board for the use and benefit of the District.

Section 5. No money may be paid out by the District except upon an order signed by the Chairperson and Secretary, or such other person or persons authorized by the Chairperson or the Secretary, as the case may be, to sign such orders on their behalf. Each order for the payment of money shall specify the purposes for which the amount thereof is to be paid, with sufficient

clearness to indicate the purpose for which the order is issued, and there shall be endorsed thereon the name of the particular fund out of which it is payable and it shall be payable from the fund constituted for such purpose, and no other. All such orders shall be reflected in the minutes of the next meeting of the Board.

Section 6. The members and officers of the Board shall make available to the County Commission, at all times, all of its books and records pertaining to the District's operation, finances and affairs, for inspection and audit.

ARTICLE VII

AMENDMENTS TO RULES OF PROCEDURE

Section 1. These Rules of Procedure may be altered, changed, amended or added to at any regular or special meeting of the Board when a quorum is present and a majority of those present vote for the alteration, change, amendment or addition; but no such alteration, change, amendment or addition shall be made at any special meeting unless notice of the intention to propose such alteration, change, amendment or addition and a clear statement of the substance thereof be included in the written notice calling such special meeting.

Adopted this 6th day of January, 2016.

Chairperson and Member

Member

Member

CERTIFICATION

Certified a true copy of the Rules of Procedure duly adopted by the Board of Meadow Creek Public Service District on January 6, 2016.

Dated this 12th day of January, 2016.

[SEAL]

Shirley Richmond
Secretary

The Meadow Creek Public Service District Board of Directors met on Tuesday, August 4, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular monthly business meeting. There was no meeting in July as the Office Manager's husband passed away on July 5, 2015, which was the week of the meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the June meeting were read and stood approved.

The Treasurer's report was given. There was $3,312.95 in the checking account. There was $550.00 in the Special Checking Account; $7,096.67 in the Regular Savings Account and $1,443.41 in the "Deposits" Saving Account.

Paid out since the June meeting was: Ray Toth – 2 hours pulling pumps - $20.00; HSC – Invoice #126437, rebuild motor and labor - $304.12; Shady Springs PSD, Invoice #61115, bearings, gaskets and labor – 367.48; Analabs – DMR completion - $25.00; Frontier, phone - $28.08; Robert Richmond, plant operator for June - $1,000.00; Robert Richmond, 12 miles - $6.60; Shirley Richmond, office manager for June - $500.00; Analabs, tests for both plants - $240.00; Bill Bailey Ins., increase liability to $2,000,000.00 - $553.03; Public Service Commission, Intrastate Revenue - $9.51; Mon Power, 5 bills - $606.25. Total paid out was $3,660.07.

Paid out was: Frontier, phone bill - $28.00; Shirley Richmond, July Office Manager - $500.00; Robert Richmond, plant operator for July - $1,000.00; Robert Richmond, 12 miles - $6.60; Robert Richmond, 3 trips to lab - $99.00; Shirley Richmond, trip to County Commission meeting on June 23 - $16.50; Gunter Electric, rebuild motor - $328.00; Mon Power, 5 bills - $564.78; Postmaster at Meadow Creek, box rent for 1 year - $50.00; C. M. Richmond for August meeting - $100.00; Jo Anna Burdette for August meeting - $100.00 and W. C. Boyd for August meeting - $100.00. Total paid out was $2,892.88.

Deposits were: $1,931.30; $950.00; $661.78; $351.95. Total deposited was $3,895.03.

Old business consisted of going over past due accounts. On June 20 I sent notices to: Jeff Conner who has since paid for 4 months; Michael Harvey was 3 months and he paid; Jack Ward was 4 months and he has paid; Gary Osborne paid $60.00 and is still behind; haven't heard from Nilon Cales who is 3 months behind. Troy Stiffler missed May, paid in June but check was returned for closed account and didn't pay July. Also wrote O'Dell Bennett. He missed November, December and January. Haven't heard. The Board voted for me to start cut off proceedings on Troy and O'Dell by sending a certified letter.

I brought up the account of Nick Garten. He put a mobile home on his lot. He began living in it around the 1st of June. I wrote him and stated what he owed but haven't heard from him. Mr. Richmond said he would talk to him. He owes $150.00 hook up fee, $50.00 deposit and 3 months bill.

We discussed the bill of Arnold Campbell who has a house in Sandstone but lives in Beckley. He hasn't paid anything since January but his mail has been returned with no forwarding address. We also talked about W.B. Walker who has a camp in Meadow Creek and is never late. I wrote a letter to them checking on them and they paid.

Other business consisted of Region One offering Water Protection Training but no one could attend.

Region One had info concerning the condemnation proceeding pending against the Thomaschek property. A copy is attached.

I had a packet of info from CSX concerning their permit with the PSD. Said info is in file.

The National Park Service has given us a right of way.

The Chairman and I signed Pay Request No. 22 in the amount of $3,878.38 for the SCBG and ARC pay request No. 6 in the amount of $11,079.32. These items were approved by the Board with Mr. Richmond making the motion and Mrs. Burdette seconding.

Mr. Winfrey, our attorney, had submitted 6 copies of a letter dated July 14, 2015, of tariff P. S. C. W. Va. No. 4 reflecting the current rates and charges, with Supplement No. 1 appended thereto reflecting rates and charges approved by Recommended Decision of June 10, 2015, which became final on June 30, 2015, to become effective upon substantial completion of the project. This was reviewed by the Board and signed by the Chairman and returned to Mr. Winfrey. This motion was made by Mr. Boyd, second by Mr. Richmond. Motion carried.

I reported I had received a copy of the deed from James Earl Bennett and his wife.

I had reported that there was a safety seminar being held but no one could attend it.

I had received an order from the PSC concerning tariffs which I showed to the Board. It was on the same order as what Mr. Winfrey had the Chairman sign.

I had received some papers to be filled out from the USDA and Stacy was to send me information to do so.

I had gotten a letter from the PSC wanting out Annual Report. I was to call Mark Bowen concerning this.

I had to call Bill Bailey Insurance to increase our liability to 2 million dollars for CSX.

Mr. Boyd made a motion to sign Drawdown #22 and 23. Also 6 and 7. This was second by Mr. Richmond. #22 was for Lowe & Associates,PLLC for accounting services for $2,111.25; Summers County Clerk for Easement Recording fees for $22.00; The Hinton News for Legal Publication of PSC Cert. for $215.13 and Macel Shortland for easement for $1,530.00 for a total of $3,878.38.

#23 was for Summers County Clerk for Easement recording fee for $16.00; William S. Winfrey for legal for $100.00 and Aleasa L. Bennett for easement for $2,500.00 for a total of $2,616.00.

ARC pay request #6 was for Stafford Consultants, Inc. Engineering for $271.00; Region I PDC for Admin. For $2,808.12 and William S. Winfrey III for Legal Services for $8,000.00 for a total of $11,079.32.

ARC #7 was for Stafford Consultants, Inc. Engineering for $347.35 and Region I PDC for Administration for $1,908.17 for a total of $2,255.52.

Stacy Fowler with Stafford reported that they had responded to comments from the PSC and the PSC has issued their final order. Stafford has secured all known required permits.

During the next couple of months Stafford anticipates to advertise for and receive construction bids; and continue preparing the Asset Management Plan.

There are 2 tasks that need to be performed in order to keep the project moving. They are the District needs to secure the needed easements and the Project Team needs to secure the remaining funding.

As to the Water Project, as of June 2, 2015, Stafford has prepared a SEARCG Grant application for submission to USDA Rural Utilities Service (RUS). RUS has requested additional info to complete the funding application.

In the next 60 days they anticipate performing the following tasks: Provide support info for funding applications and the following tasks need to be performed in order to keep the project moving forward: The project team needs to secure an eligible funding source for the Preliminary Engineering Report (PER).

There being no further business Mr. Richmond made a motion to adjourn, second by Mr. Boyd.

Present were: C. M. Richmond, W. C. Boyd, Jo Anna Burdette, Jason Roberts, Stacy Fowler and Shirley Richmond.

Next meeting will be September 1, 2015.

Region I Planning & Development Council

1439 East Main Street, Suite #5
Princeton, WV 24740

(304) 431-7225
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regionone@regiononepdc.org

August 4, 2015

MEMO

Mrs. Shirley Richmond
General Manager
Meadow Creek Public Service District
PO Box 64
Meadow Creek, WV 25977

RE: Wastewater Treatment Plant Replacement and Line Extension Project Summary

- **Permits**
  - All preconstruction permits obtained
    - DOH, Public Lands, Corps of Engineers, NPDES Storm-water, Health Department, CSX Railroad, DEP

- **Public Service Commission**
  - PSC Final Order of Certificate of Convenience and Necessity has been granted.
  - The PSC also ordered "if the actual cost of the project exceed the approved funding, that the Meadow Creek PSD delete the line extension serving six potential customers situated nearest to and along Meadow Creek."
  - Furthermore the PSC Ordered any changes in project plans, financing or scope must seek Commission approval.

- **Preliminary Title Opinion (PTO)**
  - PTO has been requested in order to request Authorization to Bid.

- **Request Authorization to Bid**
  - Upon receipt of PTO intent is to request authorization to bid by mid-August from WVDO – HUD Small Cities and WV IJDC.
  - Anticipated bid date to be determined for late September.

- **Asset Management Plan**
  - Stafford will be working on the Asset Management Plan more so after loan closing since the plan line item falls under the loan.

- **Drawdown(s)**
  - ARC Drawdown #7 in the amount of $2,255.52.
  - SCBG Drawdown #23 in the amount of $2,616.00.

If you or the District have any questions or need additional information please let me know.

Thank you for your time and attention toward moving this project to construction.

Respectfully,

Eric E. Combs
Project Manager/GIS Specialist

cc: Summers County Commission (via email)
Bill Winfrey, Law Offices of William S. Winfrey II (via email)
Stacy Fowler, Stafford Consultants, Inc. (via email)
Rod Lowe, Lowe and Associates (via email)
Samme Gee, Jackson & Kelly, PLLC (via email)
Lori Shrewsbury, Region I PDC (via email)
Jason Roberts, Region I PDC (via email)
file

- **Right of Ways (ROWs)**
  - Currently 85% of ROWs have been obtained and 100% of lands*.
  - Easements remaining
    - 4-03C Connie Thomaschek & Sharon Cowger
    - 5-01 Connie Thomaschek & Cameron Chico (in process of sale to Linda Woodsen)
  - Easement 4-03C was initially intended to be signed by Mrs. Thomaschek; however, her sister is incorrectly listed on the Title Report and will according to her. Apparently the property is supposed to be in her youngest son's (13 yrs.) name and hers according to a codicil of the will. A copy of the will to confirm the information above was never received. The property is in process of being surveyed and sold to Mrs. Linda Woodsen. Mr. David Hoffman is completing the survey and Mr. David Ziegler, Esq. is working on the deed according to Mrs. Woodsen. Ziegler's office indicated a minimum of 3 months and up to 6 months for a court case since Mrs. Thomaschek's son is now 18 or older. Also, Mrs. Woodsen, in earlier, talks indicated a willingness to donate the easement. A appraisal of this parcel has been completed. **The District authorized, at the June meeting, Right of Entry through Condemnation in order to get this project out to bid while bid prices are still competitive.**
  - With regard to easement 5-01 which includes a grinder station Mrs. Thomaschek said the will stated her and her oldest son Cameron Chico own the acreage portion of the property on a January 20th phone call. However, Mrs. Thomaschek was unsure if she owned the property. In a phone conversation with the surveyor, Mr. David Hoffman who is working for Mrs. Woodsen toward the sale on 4-03C ,it was noted the parcel on easement 5-01 is included within the survey and pending sale to Mrs. Woodsen. As such the same time frame applies for the above mentioned court case in 4-03C.

    The District authorized, at the June meeting, Right of Entry through Condemnation in order to get this project out to bid while bid prices are still competitive. An appraisal of this property is to be conducted for use in the condemnation.

The Meadow Creek Public Service District Board of Directors met on Tuesday, June 2, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The Minutes of the May meeting were read and stood approved.

The Treasurer's report was given. There is $2,725.01 in the checking account; $7,095.53 in the Savings account; $1,494.79 in the "Deposit" savings; and $550.00 in the "Special" checking account.

There were 3 deposits of $556.45; $469.59 and $1,257.60 for a total of $2,283.64.

Paid out was: Chem Tek – 2 bio neut, 1 bio san - $445.50; Chem Tek – 1 bio san - $148.50; Robert Richmond – gloves, WD 40 & Round-up - $120.94; Fischer Auto Parts – belts - $32.85; Analabs – Sandstone test - $120.00; Frontier – phone bill - $29.84; Analabs – Meadow Creek test - $120.00; Bill Bailey Ins. – 1,067.00; Bill Bailey Ins. - $1,090.42; Staples – ink - $112.97; Mon Power – 5 bills - $528.95; USA Bluebook – chlorine reagent - $47.73; Robert Richmond – plant operator for May - $1,000.00; Robert Richmond – 12 miles - $6.60; Shirley Richmond – Office Manager for May - $500.00; Bank of America – computer repair - $499.99; C. M. Richmond – June Board meeting - $100.00; Jo Anna Burdette – June Board meeting - $100.00; W. C. Boyd – June Board meeting. Total paid out was $6,171.29.

Old business consisted of going over past due accounts. I had sent notices on May 20 to James Bragg, O'Dell Bennett, David Hanshew and Gary Osborne. Mr. Bragg paid in full for 4 months and stated he had lost his payment book so I sent him another one. The Board voted for me to start disconnect proceedings on Mr. Osborne as this year he has only paid $45.00. As to the Hanshews, Mr. Boyd said he would talk to them. As to the Bennett account, they always pay right on time but for some odd reason they missed November, December and January. The Board told me to write them another letter and see what happens. Mr. Richmond made these motions, second by Mr. Boyd. Motion carried.

New business was: Nick Garten has put a mobile home on his property on the river so he needs to pay $150.00 hookup fee, $50.00 deposit and start with June 1 paying a sewer bill.

The lady who bought the house from Thomascheks has paid the deposit but they have begun working on the house so she needs to begin paying monthly. Their name is Linda and Richard Brenner.

Had a phone call from Mrs. Shortlands daughter concerning the easement. She stated her brother who lives in Alaska didn't have access to a Notary but he signed it anyway; her other brother who lives in Florida signed one pager but missed one. She wanted to know what to do. The Board said she should call Region One as we know nothing about that.

I had info from Bassett and Associates to be signed concerning using them again this year for our audit at the cost of $2,050.00. Chairman signed this and Board was in agreement.

The Chairman and I signed checks for Stafford Consultants for $2,486.58; CSX Transportation for $17,062.50 and Region One for $2,101.37.

I touched on the Conference Call we had on May 29. The more or less went over what has been done toward the new plant.

I announced that there would be a meeting at the County Commission on June 23 at 11 am.

No one was present from Region One but Mr. Combs had sent me some info the Board need to act on. It concerns a request for authorization for Right of Entry through Condemnation in order to get the project out to bid. This is for the property of Mrs. Thomaschek. This is Easements 4-03C and 5-01. Mr. Richmond made a motion to proceed, second by Mr. Boyd. Motion carried. A copy of Memo is attached.

Mr. Eric Combs and Mr. Jason Roberts were at the PSC hearing at City Hall on June 2.

Mr. Stacy Fowler with Stafford Consultants was with us. He had the Chairman sign Amendment #12, Amendment to Owner-Engineer Agreement. Mr. Richmond made a motion to accept, second by Mrs. Burdette. Motion carried. A copy of said Agreement is attached.

Mr. Fowler also reported they have completed the response to comments from the PSC. They have also secured the CSX Utility Agreement and the Health Department Permit for construction. Stafford has also obtained the Form M Modification.

Within the next 2 months they anticipate advertising for and receiving construction bids; continue working on the Asset Management Plan.

Stacy Fowler attended the PSC hearing at City Hall on June 2.

The District needs to secure the needed easements, pay for the application for the CSX Utility Agreement, and provide the insurance certificate for CSX. The Project Team needs to secure the remaining funds for the project.

As to the water project, Stafford has prepared a SEARCH Grant application for submission to USDA Rural Utilities Service. This grant will be for $30,000.00 and we need $38,000.00.

In the next 60 days they anticipate providing information for funding applications and the Project Team needs to secure an eligible funding source for the Preliminary Engineering Report.

I attended the Public Hearing the PSC held on June 2. Those customers in attendance were Doris Johnson, Joe McMillion, Dan Gillian and Judy Gillian from Sandstone. Margaret Plumley, Earl Roberts, Geraldine Harris, Juanita Phillips, Robert Bennett and Roger Bennett from Meadow Creek. Bill Winfrey represented the Meadow Creek PSD and Ron Robertson was attorney for the PSC. The PSC had Jonathan Fowler and Karen Buckley speak.

There being no further business Mr. Richmond made a motion to adjourn, second by Mr. Boyd. Meeting adjourned at 7 PM.

Present were: C. M. Richmond, Jo Anna Burdette, W. C. Boyd, Stacy Fowler and Shirley Richmomd.

Next meeting will be July 7, 2015.

Region I Planning & Development Council

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June 1, 2015

MEMO

Mrs. Shirley Richmond
General Manager
Meadow Creek Public Service District
PO Box 64
Meadow Creek, WV 25977

RE: Wastewater Treatment Plant Replacement and Line Extension Project Summary

- **Permits**
  - Permits obtained
    - DOH, Public Lands, Corps of Engineers, NPDES Storm-water, Health Department, CSX Railroad, DEP
  - Permits pending
    - National Park Service
      - Chief Ranger/Assistant Superintendent has indicated June 22nd for issuance of the ROW permit but he is trying to push the process for a earlier release.
- **Rule 42**
  - No necessary change at this time, section restated here for informational purposes. Revised Rule 42 has been filed with the PSC in accordance with the IJDC loan for the 2% 30 year $619,888 loan. Which replaced the SRF loan as that program depleted their available funds. As expected the $619,888 loan terms of 2% interest for 30 years caused a higher rate increase projection.
    - A 78% rate increase would be needed equating to a residential monthly flat rate bill of $44.50 and the National Park Service flat rate bill of $1,691.00. In terms of a dollar figure that is an increase of $19.55 for residential and $741.00 for the National Park Service.

- **Public Service Commission**
  - By PSC Order the Administrative Law Judge decision date has been moved to July 12, 2015.
  - **A public hearing has been scheduled by the PSC on <u>June 2, 2015 at 12:00pm in the Hinton Municipal Office Complex, Council Chambers, at 322 Summers Street</u>.**
  - Publication of Notice of the hearing has been sent to the Hinton News by the Law Offices of William S. Winfrey, II. <u>Affidavit of Publication has not been received from Hinton News to present to the PSC.</u>

- **Right of Ways (ROWs)**
  - Currently 69% of ROWs have been obtained and 100% of lands*.
  - Easements remaining
    - 4-03 James & Aleasa Bennett
    - 4-03C Connie Thomaschek & Sharon Cowger
    - 5-01 Connie Thomaschek & Cameron Chico (in process of sale to Linda Woodsen)
    - 8-02 Mrs. Maxine Shortland & children
  - With regard to easement 4-03, Mr. Bennett has agreed to the second offer of $2,500 for the easement as long as the power board is tilted as to minimize view from his porch.
    - Currently, the project attorney is drafting a deed for the grinder pump station portion as is requested by HUD.
    - Once the Deed and Title Report are resent along with a W-9, Mr. Bennett will sign.
  - Easement 4-03C was initially intended to be signed by Mrs. Thomaschek; however, her sister is incorrectly listed on the Title Report and will according to her. Apparently the property is supposed to be in her youngest son's (13 yrs.) name and hers according to a codicil of the will. A copy of the will to confirm the information above was never received. The property is in process of being surveyed and sold to Mrs. Linda Woodsen. Mr. David Hoffman is completing the survey and Mr. David Ziegler, Esq. is working on the deed according to Mrs. Woodsen.

Ziegler's office indicated a minimum of 3 months and up to 6 months for a court case since Mrs. Thomaschek's son is now 18 or older. Also, Mrs. Woodsen, in earlier, talks indicated a willingness to donate the easement. **With this information in mind we would like to request authorization for Right of Entry through Condemnation in order to get this project out to bid while bid prices are still competitive.**

- With regard to easement 5-01 which includes a grinder station Mrs. Thomaschek said the will stated her and her oldest son Cameron Chico own the acreage portion of the property on a January 20th phone call. However, Mrs. Thomaschek was unsure if she owned the property. In a phone conversation with the surveyor, Mr. David Hoffman who is working for Mrs. Woodsen toward the sale on 4-03C ,it was noted the parcel on easement 5-01 is included within the survey and pending sale to Mrs. Woodsen. As such the same time frame applies for the above mentioned court case in 4-03C. **With this information in mind we would like to request authorization for Right of Entry through Condemnation in order to get this project out to bid while bid prices are still competitive.**
- Easement 8-02 appraisal has been completed as requested by Mrs. Maxine Shortland. The appraised Fair Market Value for the 277' by 15' permanent easement was $1,275.00 plus the temporary easement of 277' by 30' was $255.00. A total appraised value of $1,530.00 was offered to Mrs. Shortland and children for the easement. Mrs. Shortland and her children accepted the offer and are in process of obtaining signatures from her children in Kentucky, Florida, and Alaska.

  *Wastewater Treatment Plant land has been received but the Bennett grinder station has not. This would be considered a land, as I understand it since a deed is required. The grinder pump station on 5-01 may also be considered a land going forward.

- **Asset Management Plan**
  - Stafford will be working on the Asset Management Plan more so after loan closing since the plan line item falls under the loan.

- **Drawdown(s)**
  - No drawdown this month.

If you or the District have any questions or need additional information please let me know.

Thank you for your time and attention toward moving this project to construction.

Respectfully,

Eric E. Combs
Project Manager/GIS Specialist

Enclosures

cc: Summers County Commission (via email)
Bill Winfrey, Law Offices of William S. Winfrey II (via email)
Stacy Fowler, Stafford Consultants, Inc. (via email)
Rod Lowe, Lowe and Associates (via email)
Samme Gee, Jackson & Kelly, PLLC (via email)
Lori Shrewsbury, Region I PDC (via email)
Jason Roberts, Region I PDC (via email)
file

This is **EXHIBIT K**, consisting of 3 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated April 27, 2010.

AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 12

1. *Background Data:*

   a. Effective Date of Owner-Engineer Agreement: April 27, 2010

   b. Owner: Meadow Creek Public Service District

   c. Engineer: Stafford Consultants, Inc.

   d. Project: Wastewater treatment plant improvements and collections systems extension

2. *Description of Modifications:*

   a. Engineer shall perform or furnish the following Additional Services:

      NONE

   b. The Scope of Services currently authorized to be performed by Engineer in accordance with the Agreement and previous amendments, if any, is modified as follows:

      Engineer shall modify the plans to include one deductive alternate to remove the six customers on the north end of the project limits. The work to provide for the addition of one deductive alternate shall not be performed unless the final order of the Public Service Commission requires the addition of a deductive alternate.

      Scope is not modified to include services for additional property acquisition or support services for additional funding applications.

   c. The responsibilities of Owner are modified as follows:

      NONE

   d. For the Additional Services or the modifications to services set forth above, Owner shall pay Engineer the following additional or modified compensation:

      01-6677.11 Final Design Increase by $3,366.00

   e. The schedule for rendering services is modified as follows:

      - NONE

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f. Other portions of the Agreement (including previous amendments, if any) are modified as follows:

- NONE

3. *Agreement Summary (Reference only)*

a. Original Agreement amount:	$ 296,438.00
b. Net change for prior amendments:	$ 157,509.87
c. This amendment amount:	$ 3,366.00
d. Adjusted Agreement amount:	$ 457,313.87

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is June 2, 2015.

OWNER:	ENGINEER:
Meadow Creek Public Service District	Stafford Consultants, Inc.
By: C M Richmond	By: Edward L. Shutt
Title: Chairman	Title: President
Date Signed: 6/2/15	Date Signed:

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MEADOW CREEK PUBLIC SERVICE DISTRICT

WASTEWATER TREATMENT PLANT IMPROVEMENTS AND COLLECTIONS SYSTEMS EXTENSION

EXHIBIT K-2

PROJECT NO.: 01-6677
SUMMARY OF ESTIMATED FEES

PROJECT NO.	DESCRIPTION OF SERVICES	CONTRACT TYPE	ESTIMATED COST	PERIOD OF SERVICE
01-6677.02	Study/Report	Lump Sum	$29,500.00	
01-6677.08	Preliminary Design	Lump Sum	$37,492.00	120 Days
01-6677.11	Final Design	Lump Sum	$37,918.00	90 Days following geotechnical investigation
01-6677.15	Bidding or Negotiating	Lump Sum	$12,414.00	
01-6677.17	Administration of Construction Contract	Lump Sum	$72,580.00	
01-6677.25	One Year Warranty	Lump Sum	(1)	
01-6677.26	Record Drawings	Lump Sum	$5,290.00	
01-6677.39	Phase I Archaeological Survey/ HTRW Report	Lump Sum	(1)	
01-6677.03	Engineering Surveying and Mapping	Price Ceiling	$18,726.00	
01-6677.04	Geotechnical (soils) Investigation (for package plant)	Price Ceiling	$12,453.87	60 days following notice to proceed
01-6677.05	Surveying and Mapping	Price Ceiling	$19,980.00	
01-6677.09	Easement Maps	Price Ceiling	$15,570.00	
01-6677.18	Resident Project Representative	Price Ceiling	$124,400.00	10 months
01-6677.43	Funding Applications	Price Ceiling	$15,000.00	
01-6677.20	Special Meetings	Price Ceiling	$3,000.00	
01-6677.46	Asset Management Plan	Price Ceiling	$50,000.00	Within 6 Months of Project completion
01-6677.24	Operation & Maintenance Manuals	Price Ceiling	$2,990.00	By 90% of Project construction

(1) To Be Negotiated

Date: April 27, 2010

Revised: March 4, 2014
June 10, 2014
April 7, 2015
June 2, 2015

The Meadow Creek Public Service District Board of Directors met on Tuesday, May 5, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by the Chairman, C. M, Richmond. The Minutes of the April meeting were read and stood approved.

The Treasurer's Report was given and approved. There is $4,342.92 in the checking account; $1,494.67 in the "Deposit" savings account; $550.00 in the "Special" checking account and $7,095.53 in the regular savings.

Paid out since last meeting: Frontier, phone bill - $28.08; Analabs, $15.00; Denny Durrett, pull pump at Park Service - $10.00; Postmaster, 2 certified letters - $12.00; Mon Power, 5 bills - $620.86; Robert Richmond, plant operator, April - $1,000.00; Robert Richmond, 12 miles - $6.60; Shirley Richmond, office manager, April - $500.00; C. M. Richmond, May Board meeting - $100.00; Jo Anna Burdette, May Board meeting - $100.00 and W. C, Boyd, May Board meeting - $100.00. Total paid out was $2,492.54.

Deposits were: 4/13 - $1,248.05; 4/22 - $868.90 and 5/5 - $649.15. Total $2,766.10.

Old business: We were reminded of the public meeting on June 2 at noon at the City Hall Conference Room.

The PSC is requesting our annual report. Mr. Fowler suggested I call our CPA for that.

I had asked about the permit from the Office of Environmental Health Service. Mr. Fowler said I should get an email from the DEP. Permit #19,571 was received today.

I reported that our computer had crashed and I had to have a whole new windows system installed. This was $499.99. Mr. Richmond made a motion to pay for it, Mr. Boyd second this. Motion passed.

Mr. Fowler said we needed 3 things to complete the permit from the CSX. One is the Board Resolution at the beginning of the project, two is the tax number and three is a copy of our certificate of insurance.

Mr. Fowler went over the complaints from the PSC as to our new sewer system and he said our attorney, Mr. Bill Winfrey, had answered and was waiting to see if they accepted.

He also said Stafford had responded to the PSC.

Stafford has secured the CSX Utiity agreement and the Health Department Permit The CSX permit is $17,062.50.

They (Stafford) has confirmed that the Form M Modification should be issued within the next

week.

He also stated the District needs to secure the remainder of the easements; needs to provide the application fee for the CSX Utility Agreement and the project team needs to secure the remaining project funding.

As to our water project there is no change. Although they need to provide support information for funding applications and needs to secure an eligible funding source for the Preliminary Engineering Report.

Mr. Jason Roberts with Region I had Draw Down #5 to vote on and approve. This was for Stafford Concultants, Inc. $2,486.58; Region I PDC (Admin.) for $2.101.37 and CSX Transportation (Railroad Permit) for $17,062.50. A motion was made by Mr. Richmond, second by Mr. Boyd. Motion carried.

So far no permit has been given by the National Park Service. Electronic copies of surveys have been sent as requested to complete the legal description for right of way permit.

The Meadow Creek Public Service District Board of Directors met on Tuesday, April 7, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the March meeting were read and stood approved.

The treasurer's report was given and approved. There is $4,017.86 in the checking account. There is $7,095.53 in the regular savings account; $1,494.67 in the "Deposits" savings account and $550.00 in the Special checking account. I need to transfer $51.50 out of the Deposits savings to the checking account. I refunded a customer her deposit.

There were 6 deposits this month. On 3/3=716.20; 3/11=$758.60; 3/23=$950.00(direct deposit from the Park Service); 3/19=$339.40; 3/26=$598.85; and 3/31=$411.68 for a total deposits of $3,774.73.

Paid out was: C. M. Richmond, snow removal at Sandstone plant - $100.00; Patricia Gowins, refunded her deposit - $51.50; Chem Tek, 2 buckets of Bio Neut - $297.00; Frontier, phone bill - $27.34; Division of Water & Wastewater Management (Sandstone Plant), permit - $75.00; Computer Pro, had to have computer worked on - $40.00; Staples, ink, (had a $25.00 rebate - $7.99; Robert Richmond, plant operator for March - $1,000.00; Robert Richmond, 12 miles - $6.60; Robert Richmond, take samples, 2 trips - $66.00; Shirley Richmond, office manager for March - $500.00; Bob Richmond, pick up chemicals $27.50; Mon Power, 5 bills - $645.00. This was a total of $2,843.93.

As to the past due bills, I sent past due letters on March 5. This was to Tracie Cales, 2 months; Clark Dunn,2 months; Meadow Creek Post Office, 2 months; A. J. Whiteway/T. C. LeClair, 4 months times 2; Michael Harvey, 2 months; Arnold Campbell, 2 months; Don Dawson, 2 months; Jeff Acord, 8 months; Bruce Clark, 6 months; David Hansen, 2 months; and Gary Osborne, 2 months. So far Tracie Cales, Clark Dunn, Meadow Creek P.O., Michael Harvey, Don Dawson, Jeff Acord, David Hansen and Gary Osborne have paid.

The Board had voted to start disconnect proceedings on Mr, Acord but he paid in full before I could start. As to Mr. Clark, I learned he was in jail so I went to put a lien against his house but found out he was making payments like rent and it wasn't in his name. He has been evicted and don't know where he is living now.

As to the Whiteway/LeClair account I was to write a certified letter to them.

Mr. Jason Roberts was with us from Region One. He reported that Mr. James Bennett had accepted our proposal. Mrs. Maxine Shortland had accepted the offer for the easement. 69 per cent of the easements have been completed. A copy of this memo is attached.

He reported on the meeting that will be held for the public on June 2 at 12 noon at City Municipal Building. This is for the public to air their concern for the tariff raise proposed due to the new sewer plant in Meadow Creek.

If possible, he would like a copy of the survey that David Huffman is doing for the people that bought the property in Medow Creek from Connie Thomaschek.

Mr. Richmond signed Drawdown 21 for legal and acquisition fees. This was for John R. Johnson in the amount of $782.00 and William Winfrey II for the sum of $200.00.

Mr. Stacy Fowler from Stafford Consultants was with us. He had Amendment No. 11. A copy is attached. This was accepted by the Board and signed by the Chairman on April 7, 2015.

There was a conference call on March 30, 2015, concerning requirements of the Public Service Commission. A copy of requirements and answers by Mr. Winfrey is attached.

To make the changes they are requesting will add additional hours to prepare. They want 2 contracts. This will add additional paper work, etc. for 2 separate work contracts.

Stafford recomends not to give in to the process.

The Board wants Stafford to prepare applications to USDA/RUS for funding of the Preliminary Report for the water project.

There being no further business Mr. Richmond made a motion to adjourn. This was second by Mr. Boyd. Motion carried.

Next meeting will be May 5, 2015.

Present were: C. M. Richmond, Jo Anna Burdette, Dr. William Boyd, Jason Roberts, Stacy Fowler and Shirley Richmond.

Region I Planning & Development Council

1439 East Main Street, Suite #5
Princeton, WV 24740

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April 7, 2015

MEMO

Mrs. Shirley Richmond
General Manager
Meadow Creek Public Service District
PO Box 64
Meadow Creek, WV 25977

RE: Wastewater Treatment Plant Replacement and Line Extension Project Summary

- **Permits**
  - Permits obtained
    - DOH, Public Lands, Corps of Engineers, NPDES Storm-water
  - Permits pending
    - CSX Railroad
      - Stafford sent response to CSX for their map request.
    - NPDES
      - Form M portion received, pending Health Department review.
      - Discharge Permit portion pending Health Department issuance.
    - Health Department
      - Stafford is making comments on this week.
    - National Park Service
      - Awaiting response. Calls made by Region I and Stafford. On last conversation with Jeff West the legal description was being edited before ROW permit could be issued.

- **Rule 42**
    - Revised Rule 42 has been filed with the PSC in accordance with the IJDC loan for the 2% 30 year $619,888 loan. Which replaced the SRF loan as that program depleted their available funds. As expected the $619,888 loan terms of 2% interest for 30 years caused a higher rate increase projection.
        - A 78% rate increase would be needed equating to a residential monthly flat rate bill of $44.50 and the National Park Service flat rate bill of $1,691.00. In terms of a dollar figure that is an increase of $19.55 for residential and $741.00 for the National Park Service.

- **Public Service Commission**
    - By PSC Order the Administrative Law Judge decision date has been moved to July 12, 2015.
    - A public hearing has been scheduled by the PSC on June 2, 2015 at 12:00pm in the Hinton Municipal Office Complex, Council Chambers, at 322 Summers Street.
    - Engineering Data Request response was made. Concerns were indicated by the project team over additional design costs, possible jeopardies to the ARC Grant, project delays and a subsequent further increase as the result of WV PSC proposed deductive alternates.

- **Right of Ways (ROWs)**
    - Currently 69% of ROWs have been obtained and 100% of lands.
    - Easements remaining
        - 4-03 James & Aleasa Bennett
        - 4-03C Connie Thomaschek & Sharon Cowger
        - 5-01 Connie Thomaschek & Cameron Chico
        - 8-02 Mrs. Maxine Shortland & children
    - With regard to easement 4-03, Mr. Bennett has agreed to the second offer of $2,500 for the easement as long as the power board is tilted as to minimize view from his porch.
        - Once the Title Report(s) are resent along with a W-9, Mr. Bennett will sign.

Currently, the project attorney is drafting a deed for the grinder pump station portion as is requested by HUD. Pending a map description from the surveyor for the plot.

- Easement 4-03C is intended to be signed by Mrs. Thomaschek; however, her sister is incorrectly listed on the Title Report and will according to her. Apparently the property is supposed to be in her youngest son's (13 yrs.) name and hers according to a codicil of the will. Mrs. Thomaschek is supposed to fax me a copy of the will to confirm. I will send the will to Bill Winfrey if received. Property is currently in process of being sold to Linda Woodsen who is favorable to the project. Mrs. Woodsen mentioned in a January 15th phone call that Mrs. Thomaschek was supposed to get the property surveyed before the sale could be finalized. Awaiting return calls.
- With regard to easement 5-01 which includes a grinder station Mrs. Thomaschek is not sure if she owns the property. Still she did confirm the will stated her and her oldest son Cameron Chico own the acreage portion of the property on a January 20th phone call. Awaiting return calls.
- Easement 8-02 appraisal has been completed as requested by Mrs. Maxine Shortland. The appraised Fair Market Value for the 277' by 15' permanent easement was $1,275.00 plus the temporary easement of 277' by 30' was $255.00. A total appraised value of $1,530.00 was offered to Mrs. Shortland and children for the easement. Several phone calls made, awaiting response.

- **Asset Management Plan**
  - Stafford will be working on the Asset Management Plan more so after loan closing since the plan line item falls under the loan.

- **Drawdown(s)**
  - SCBG drawdown # 21 in the amount of $982.00, for legal and acquisition, will be at the meeting on April 7, 2015 for approval and signature. There is no ARC drawdown this month.

If you or the District have any questions or need additional information please let me know.

Thank you for your time and attention toward moving this project to construction.

Respectfully,

Eric E. Combs
Project Manager/GIS Specialist

Enclosures

cc: Summers County Commission (via email)
Bill Winfrey, Law Offices of William S. Winfrey II (via email)
Stacy Fowler, Stafford Consultants, Inc. (via email)
Rod Lowe, Lowe and Associates (via email)
Samme Gee, Jackson & Kelly, PLLC (via email)
Lori Shrewsbury, Region I PDC (via email)
Jason Roberts, Region I PDC (via email)
file

STAFFORD CONSULTANTS INCORPORATED

Engineering, Design, and Consulting
Planning and Environmental Services

This is **EXHIBIT K**, consisting of 3 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated April 27, 2010.

AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 11

1. *Background Data:*

   a. Effective Date of Owner-Engineer Agreement: April 27, 2010

   b. Owner: Meadow Creek Public Service District

   c. Engineer: Stafford Consultants, Inc.

   d. Project: Wastewater treatment plant improvements and collections systems extension

2. *Description of Modifications:*

   a. Engineer shall perform or furnish the following Additional Services:

      Provide supporting information & documents in order to secure IJDC funding.

   b. The Scope of Services currently authorized to be performed by Engineer in accordance with the Agreement and previous amendments, if any, is modified as follows:

      The Engineer is required to obtain a Bureau for Public Health Construction Permit. Said permit was not previously required. Requirement of the permit is a result of the SRF Program Funding being withdrawn by the WV DEP.

   c. The responsibilities of Owner are modified as follows:

      NONE

   d. For the Additional Services or the modifications to services set forth above, Owner shall pay Engineer the following additional or modified compensation:

01-6677.11	Final Design	$34,552.00
01-6677.43	Funding Applications	$15,000.00

   e. The schedule for rendering services is modified as follows:

      - NONE

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f. Other portions of the Agreement (including previous amendments, if any) are modified as follows:

- NONE

3. *Agreement Summary (Reference only)*

a. Original Agreement amount:	$ 296,438.00
b. Net change for prior amendments:	$ 149,509.87
c. This amendment amount:	$ 8,000.00
d. Adjusted Agreement amount:	$ 453,947.87

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is April 7, 2015.

OWNER:	ENGINEER:
Meadow Creek Public Service District	Stafford Consultants, Inc.
By: C M Richmond	By: Edward L. Shutt
Title: Chairman	Title: President Edward L. Shutt
Date Signed: 4/7/15	Date Signed: 4-7-15

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MEADOW CREEK PUBLIC SERVICE DISTRICT

WASTEWATER TREATMENT PLANT IMPROVEMENTS AND COLLECTIONS SYSTEMS EXTENSION

EXHIBIT K-2

PROJECT NO.: 01-6677
SUMMARY OF ESTIMATED FEES

PROJECT NO.	DESCRIPTION OF SERVICES	CONTRACT TYPE	ESTIMATED COST	PERIOD OF SERVICE
01-6677.02	Study/Report	Lump Sum	$29,500.00	
01-6677.08	Preliminary Design	Lump Sum	$37,492.00	120 Days
01-6677.11	Final Design	Lump Sum	$34,552.00	90 Days following geotechnical investigation
01-6677.15	Bidding or Negotiating	Lump Sum	$12,414.00	
01-6677.17	Administration of Construction Contract	Lump Sum	$72,580.00	
01-6677.25	One Year Warranty	Lump Sum	(1)	
01-6677.26	Record Drawings	Lump Sum	$5,290.00	
01-6677.39	Phase I Archaeological Survey/ HTRW Report	Lump Sum	(1)	
01-6677.40	Environment Report/Clearance	Lump Sum	(1)	
01-6677.03	Engineering Surveying and Mapping	Price Ceiling	$18,726.00	
01-6677.04	Geotechnical (soils) Investigation (for package plant)	Price Ceiling	$12,453.87	60 days following notice to proceed
01-6677.05	Surveying and Mapping	Price Ceiling	$19,980.00	
01-6677.09	Easement Maps	Price Ceiling	$15,570.00	
01-6677.18	Resident Project Representative	Price Ceiling	$124,400.00	10 months
01-6677.43	Funding Applications	Price Ceiling	$15,000.00	
01-6677.20	Special Meetings	Price Ceiling	$3,000.00	
01-6677.46	Asset Management Plan	Price Ceiling	$50,000.00	Within 6 Months of Project completion
01-6677.24	Operation & Maintenance Manuals	Price Ceiling	$2,990.00	By 90% of Project construction

(1) To Be Negotiated

Date: April 27, 2010
Revised: March 4, 2014
June 10, 2014
April 7, 2015

STAFFORD CONSULTANTS INCORPORATED

Engineering, Design, and Consulting
Planning and Environmental Services

MEMORANDUM

TO: William S. Winfrey, II

FROM: Stacy A. Fowler, P.E.

DATE: March 30, 2015

FILE: 01-6677.22

RE: Meadow Creek Public Service District
Sewer Improvements and Plant Replacement
Public Service Commission Request for Revised Contract Documents

---

We are in receipt of the memo from Jonathan M. Fowler, P.E. of the WV PSC - Engineering Division. In the memo Mr. Fowler requests revisions to the contract documents. Prior to making the changes requested, we need additional information in order to render our engineering opinion on the requested revisions.

Please find Mr. Fowler's requested changes below with our request for further information:

1. Revise the plans and contract documents to provide a separate Deductive Alternate for all work on Plan Sheets 4 and 5.
   Please provide the specific engineering documentation used as a basis to identify this work as a deductive alternate and engineering opinion to change the plans. Please provide the specific effect of rates on the customer base following the implementation of the deductive alternate. Also, please provide the effects on the funding sources based on changing the scope of work to remove this alternate. Owner will have to authorize changing the scope of work to perform this additional engineering work and secure funding for the payment.

2. Revise the plans and contract documents to provide a separate Deductive Alternate for work beginning on Sheet 9 at MH309 and extending south along Rt. 7 including all work on Plan Sheets 10 and 11.
   Please provide the specific engineering documentation used as a basis to identify this work as a deductive alternate and engineering opinion to change the plans. Please provide the specific effect of rates on the customer base following the implementation of the deductive alternate. Also, please provide the effects on the funding sources based on changing the scope of work to remove this alternate.

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Owner will have to authorize changing the scope of work to perform this additional engineering work and secure funding for the payment.

3. In order to make the best use of available contractor and vendor resources and thus lower construction costs, revise the plans and contract documents so that the work is divided into at least two (2) separate construction contracts. One contract being dedicated solely for the treatment plant replacement work and at least one additional contract for the remaining work.
Please provide the specific research and engineering documentation utilized in determining that construction costs would be lowered by dividing the project into two separate contracts before this public engineering opinion was rendered. Stafford Consultants, Inc.'s recent experience with bids at the City of Rainelle does not support Mr. Fowler's directive. Also, we had FAMCO, Inc. review the project and their opinion indicates that the construction costs will be increased.

4. Owing to a long history of poor performance and abbreviated service life, the use of carbon steel tanks for publically-owned wastewater treatment plants has been determined, by the WV DEP, SRF Program, to be unacceptable; Commission Staff concurs with this determination. Accordingly, the plans and contract documents should be revised to provide for use of a precast concrete package treatment plant.
Please provide the specific "long history of poor performing and abbreviated service life" documentation utilized to determine that the use of carbon steel tanks is not acceptable. Please provide the specific WVDEP SRF Program analysis relied upon to offer their public engineering opinion.

5. In addition to the above, please provide a revised construction cost for this project showing the costs associated with each of the changes requested herein. Specifically indicate the anticipated savings for the deductive alternatives (Items 1 and 2) and the anticipated cost for the precast concrete package treatment plant (Item 4).
Please provide the specific engineering research and documentation that indicates the existence of an anticipated savings for the revisions requested in items 1, 2, 3, and 4 of Mr. Fowler's memo. Please ensure the anticipated savings include additional costs that will be incurred on the project for construction, construction overhead, engineering during construction, resident field representation, administrative costs, accounting, and legal services. Additionally, identify the expected reduction in user rates following the implementation of items 1, 2, 3, and 4.

If you have any questions, please let me know.

/saf

cc: Shirley Richmond, Meadow Creek Public Service District
Eric Combs, Region One Planning and Development Council

1. Revise the plans and contract documents to provide a separate Deductive Alternate for all work on Plan Sheets 4 and 5.

   ANSWER: The District has reviewed this request, both from a financing and an engineering perspective. The West Virginia Development Office, which is administering the AML funding, states in a letter dated March 27, 2015, a copy of which is attached to these answers, that any decrease in new users will require a recertification of the project's eligibility based on LMI criteria under the Small Cities Block Grant, which is the regulation used to administer the grant. The residents must be 51% LMI to be eligible for the funding. Note that the prior certifications cannot be used; rather, a new survey must be undertaken which could result in the grant funding being lost to the Project. WVDO considers the deductive areas as a major change in scope of the project. The Citizen Participation Process utilized to obtain the SCBG funding would have to be conducted again, resulting in a loss of time which could significantly affect construction cost - if the project would be eligible at all. James Ellers, P.E., Executive Secretary of the WVIJDC, states that WVIJDC must accommodate the Federal regulatory requirements, whatever they may be. From an engineering perspective, this change in the scope of the work requires an amendment by the District to its engineering agreement with the Engineer, resulting in more cost for a re-design. The District has not approved such a change in scope as of the due date of these answers.

2. Revise the plans and contract documents to provide a separate Deductive Alternate for work beginning on Sheet 9 at MH309 and extending south along Rt. 7 including all work on Plan Sheets 10 and 11.

   ANSWER: This Answer incorporates the answer to Request 1 above.

3. In order to make the best use of available contractor and vendor resources and thus lower construction costs, revise the plans and contract documents so that the work is divided into at least two (2) separate construction contracts. One contract being dedicated solely for the treatment plant replacement work and at least one additional contract for the remaining work.

   ANSWER: This request, the District believes, is made to attempt to have construction ready isolations of various cost components of the project. In viewing the WVDO letter attached, loss of the line work would result in the Project being cancelled due to a loss of funding. Futher, Stafford Consultants just had an opposite experience in the Town of Rainelle, with separate contracts resulting in increased, rather than decreased, costs. Further, Dick Smailes of FAMCO, an contractor known to Staff, has generally reviewed these plans and opined that there will be no savings if the construction is divided into two contracts, due to increased mobilization cost and increases in job overhead for utilities, fuel, supervision and equipment. His opinion is that cost will be kept down in a project of this size by having one mobilization and one incidence of job

overhead. While the treatment plant's replacement is the initial need for this area, without the line work adding customers, grant financing is unavailable, and the customers cannot stand a further increase for debt service on borrowing. The Schedule B financing summary shows that the Grant funding of $1.58 million of the $2.4 million project.

4. Owing to a long history of poor performance and abbreviated service life, the use of carbon steel tanks for publically-owned wastewater treatment plants has been determined, by the WV DEP, SRF Program, to be unacceptable; Commission Staff concurs with this determination. Accordingly, the plans and contract documents should be revised to provide for use of a precast concrete package treatment plant.

   ANSWER: Under Current WV DEP regulations, 64 C.S.R 47 5.1.e.3, cathodic protection is required for all steel tanks. Steel Tanks are not unacceptable. Futher, the design of a precast concrete package treatment plant requires an amendment to the engineering agreement between the District and the Engineer. The District has not approved such a change in scope as of the due date of these answers.

5. In addition to the above, please provide a revised construction cost for this project showing the costs associated with each of the changes requested herein. Specifically indicate the anticipated savings for the deductive alternatives (Items 1 and 2) and the anticipated cost for the precast concrete package treatment plant (Item 4).

   ANSWER: Please see the answers to Requests 1 through 4. The deductive alternates would require a re-certification of the project for SCBG purposes to maintain eligibility for the ARC grant, and successful re-certification is not guaranteed. In the meantime, construction costs are escalating, causing a real possibility of erosion of the buying power of available financing. Further, there is no regulatory requirement from W. Va. DEP requiring a precast concrete package treatment plant.

The Meadow Creek Public Service District Board of Directors met on Tuesday, March 3, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the February meeting were read and stood approved.

The treasurer's report was given and approved. There is $1,611.76 in the checking account; "Deposits" savings has $1,394.32; regular savings has $7,093.79 and the "Special" checking account has $550.00.

There were 3 deposits: 2/6 - $679.05; 2/12 - $349.35; and 2/23 - $384.60. Total deposits were $1,413.00.

Paid out were: Postmaster - box rent for 6 months - $24.00; Staples - black ink cartridge and a file box - $41.98; Lowe & Associates, PLLC - audit - $2,050.00; Frontier - phone - $27.34; Analabs, Inc. - DMR completion - $25.00; Robert Richmond - plant operator for February - $1,000.00; Robert Richmond - 12 miles - $6.60; Shirley Richmond - office manager for February - $500.00; Mon Power - 5bills - $638.18; Postmaster - stamps - $9.80; C. M. Richmond - Board meeting for February - $100.00; W. C. Boyd - Board meeting for February - $100.00; and Jo Anna Burdette - Board meeting for February - $100.00. Total paid out was $4,622.90.

As to the past due bills, Jackie Ward paid; Melvin McCallister paid; Keri Osborne paid; Ray Toth paid $100.00; O'Dell Bennett paid 1 month; Whiteway/LeClair have not paid; Adam Thomas paid; James Bragg paid; Jessica Drake paid; Bruce Clark has not paid; Paul Gill paid. Have not heard from Gary Osborne. I sent him a payment book. As to Bruce Clark, I was asked to get a lien on his property.

I passed around a Procedural Order dated February 3 from the PSC. A copy is attached. I also had the Board look at our audit. No comments on same.

Jason Roberts was with us from Region One. He reported that Stafford has completed final design; permits have been obtained from DOH, Public Lands, and Corps of Engineers.

Permits pending are: CSX, NPDES, Health Dept., and National Park Service. Rule 42 has been filed. A continuance of the public meeting has been granted. It is to be held June 2, 2015 at noon in the Hinton Municipal Office Complex, Council Chambers, 322 Summers Street. 2014 Annual Report has been filed. 50% of right of ways have been obtained, Stafford is still working on the Asset Management Plan; the PSD Board has agreed to meet on the first Tuesday of each month at 6 PM.

Drawdown #20 in the amount of $1,712.00 was signed. This was to C. N. Kirby Realty Co for appraisal fee - $1,590.00, Summers Co Clerk, easement recording fees - $44.00 and William S.

Winfrey II for legal fees of $78.00. Also, had drawdown #4 in the amount of $5,199.29. This was for Stafford $739.75 and Region 1 PDC (Admin.) for $4,459.54. Mr. Richmond also signed a check for Stafford for $300.00 for WV Dept of Human Resources.

Had a call from Stacy that the PSC is requesting additional engineering information which will add to the cost of funding.

There being no further business Mr. Richmond made a motion to adjourn, second by Mr. Boyd.

Next meeting will be April 7, 2015.

Present were: C. M. Richmond, Jason Roberts, W. C. Boyd, Stacy Fowler, Eric Combs and Shirley Richmond.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Issued: February 3, 2015

CASE NO. 14-1848-PSD-CN

MEADOW CREEK PUBLIC SERVICE DISTRICT
Application for a certificate of convenience
and necessity to provide wastewater extension
and treatment plant replacement in Summers County.

PROCEDURAL ORDER

This Order requires Meadow Creek Public Service District to file its revised Rule 42 Exhibit along with the new proposed rates.

On October 30, 2014, the Meadow Creek Public Service District (District) filed an application for a certificate of convenience and necessity to provide wastewater extension and treatment plant replacement.

On October 31, 2014, the Commission ordered the District to publish notice of its filing in Summers County via newspaper publication and direct mailing.

On November 12, 2014, the Commission referred this matter to the Administrative Law Judges Division for a decision.

On December 1, 2014, the Commission received a letter of protest alleging that the 55% increase being sought by the District was unconscionable.

On December 3, 2014, Commission Staff filed an Initial Joint Staff Memorandum in which Staff noted that the District had yet to provide prove that the District's customers were notified via direct mail.

On December 5, 2014, the District filed a certificate evidencing that it had made newspaper publication as was directed by the Commission.

Also, on December 5, 2014, the Commission received four letters of protest with approximately fifty-seven signatures.

The Meadow Creek Public Service District Board of Directors met on Tuesday, February 3, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the January meeting were read and stood approved.

Paid out: Mon Power - 5 bills - $578.20; Robert Richmond - plant operator for January - $1,000.00; Robert Richmond - 12 miles - $6.60; Shirley Richmond - Office Manager for January - $500.00; Postmaster - postage - $9.83; C. M. Richmond - Board meeting for February - $100.00; Jo Anna Burdette - Board meeting for February - $100.00; W. C. Boyd - Board meeting for February - $100.00.Total paid out $1,774.97.

The Treasurer's report was given and approved. There is $4,821.66; "Deposits" savings has $1,394.32; regular savings has $7,093.79 and the "Special" checking account has $550.00.

Deposits were: 1/30 - $679.05.

Have not heard anything from Jeff Acord since taking him to the Magistrate on Jan. 21. Haven't heard from Mr. Osborne either.

I sent 12 past due notices this month. They were to Jackie Ward - 4 months; Melvin McCallister - 4 months for 2 houses; Keri Osborne - 4 months; Ray Toth - 7 months; O'Dell Bennett - 3 months; Whiteway/LeClair - 3 months for 2 houses; Adam Thomas - 3 months; James Bragg - 2 months' Jessica Drake - 2 months; Bruce Clark - 5 months; Paul Gill - 2 months.

As to James "Butch" Cales renting a house that is on the system, I called the landlord and she said she would be paying the sewer bill.

Also, found out who owns the house across from James E. Bennett. It is Troy Stiffler. Sent him an easement and other info on Jan. 29 and so far haven't heard anything.

Mr. James Earl Bennett has told us at the January meeting that Eric Combs had told him he had put a hold on the condemnation proceeding. Mr. Combs confirmed it at this meeting.

We need to file Rule 42 immediately as it is needed by the 19th. I called Rod Lowe on Feb. 4 and told him the motion had passed. Mr. Richmond had made the motion, second by Mr. Boyd. Motion carried.

The easement for John Johnson is $782.00 and Mrs. Shortland is $1,530.00. Mrs. Burdette made the motion to accept this and was second by Mr. Boyd. Motion carried.

Mr. Bennett agreed to $2500.00. Need to get him to sign easement agreement.

Mr. Stacy Fowler with Stafford Consultants said there was no change in his status report from

January.

He did say the storm water permit was issued on October 31, 2014 and was sent to the PSD office. I was to send Stacy and Eric a copy.

If we decide to take the line out around the road at James Earl Bennwtt's it will cost around $200,000.00. Jonathan Fowler at the PSC in Charleston says he will probably recommend it be taken out. If they recommend it then it won't cost us.

There being no further business Mr. Richmond made a motion to adjourn, second by Mrs. Burdette.

Next meeting will be March 3, 2015.

Present were: C. M. Richmond, Jo Anna Burdette, W. C. Boyd, Stacy Fowler, Eric Combs and Shirley Richmond.

The Meadow Creek Public Service District Board of Directors met on Tuesday, January 20, 2015, at 6 PM at the Green Sulphur Area District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by C. M. Richmond, Chairman. The minutes of the December meeting were read and stood approved.

The treasurer's report was given. There was $6,537.24 in the checking account; $7,093.79 in the regular savings; $1,394.32 in the "Deposits" savings account and $550.00 in the "Special" checking account.

There were 3 deposits this past month. On January 2, I deposited $1,504.75 and $214.60; on January 19, I deposited $1,426.55 for a total of $3,145.90.

Paid out since last meeting was: Shirley Richmond, Office Manager - $500.00; Robert Richmond, plant operator - $1,000.00; Robert Richmond, 12 miles - $6.60; Analabs, Sandstone and Meadow Creek tests - $240.00; Mon Power, 5 bills - $636.66; Staples, box paper & 1099 Misc Forms - $59.22; Frontier, phone - $27.34; Analabs, paper work - $25.00; C. M. Richmond, January Board meeting - $100.00; Jo Anna Burdette, January Board meeting - $100.00; and W. C. Boyd, January Board meeting - $100.00 for a total paid out of $2,794.82.

As of this meeting I hadn't sent any past due notices, but the ones previously, Michael Harvey paid; and the Board had me take Jeff Acord to the Magistrate. Mrs. Janis Boyd sent me $20.00 fron Gary Osborne. I sent him a book but haven't heard from him. He had told Mrs. Boyd that he had never received any letter from the PSD but I know I sent him two.

I reported that I had talked to Wanda Rouse concerning the easement papers I had sent her and she said she didn't know what she was going to do. Was to get back to me before this Board meeting, but didn't.

As to the James E. Bennett easement, he was at the meeting and had a lengthy discussion concerning the location of the grinder pump and any landscaping that could be done. Mr. Stacy Fowler with Stafford Consultants told him he could put any type landscaping as long as it was out of the 20 foot right of way and preferably no large trees because of the roots. He agreed to accept the Board's first offer of $2,500.00 if we will work with him. He (Mr. Bennett) wants the panel moved so it won't block the view of the creek, wants some shrubs to block view of the panel. He said Mr. Combs had pulled the condemnation proceedings, but Mr. Roberts had no info on that.

Mr. Fowler recommended that we give Mr. Bennett the $2,500.00 and don't restrict what he puts outside the easement but nothing inside the easement. Mr. Richmond made this a motion, second by Mr. Boyd. Motion carried.

As to new business, we had to change our meeting date to the 1st Tuesday of each month to correspond with the Summers County Commission meetings. Mr. Boyd made a motion, Mrs. Burdette second. Motion carried.

Mr. Richmond signed the IJDC Binding Committment. At a January 7, 2015 meeting, the WV Infrastructure and Jobs Development Council voted to provide this binding offer of $619,888 Infrastructure Fund Loanf for the Meadow Creek PSD sewer Project with terms of 30 years from date of closing at a 2% interest rate. A copy is attached.

I showed the Board a letter I had received from USDA. They looked over it and decided I didn't need to do anything as it would automatically take care of it self. Jason Roberts with Region I wants a copy of it for his files.

As to the public meeting concerning the raise in tariff to be held in February, the PSC has granted us a 90 day extension in order to get the proper papers filed in the matter.

I had some papers from Bill Bailey Insurance Company to be completed. I was instructed to go to google earth to complete them.

Mr. Richmond signed Drawdown #19. This was for WV Dept of Health and Human Resources for a permit fee in the amount of $300.00.

I had a brochure to Board Members Seminar to be held March 26-28 in Morgantown but no one could attend.

I reported that I was working on getting the 1099 Misc out.

I had received a copy of the CAWV Newsletter from Mr. E. L. Shutt. It had an article about budget cuts and water/sewer was listed. The Chairman read it.

I had the audit papers and the board couldn't help me fill them out as we just don't have the info needed.

There being no further business the meeting adjourned at 7:05 PM. Mr. Richmond made the motion, second by Mr. Boyd. Motion carried.

Next meeting will be February 3, 2015 at 6 PM.

Present: C. M. Richmond, Jo Anna Burdette, W. C. Boyd, Jason Roberts, Stacy Fowler, James E. Bennett, Robert Richmond and Shirley Richmond.

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Sewer Project No. 2011S-1303
Meadow Creek Public Service District

SCHEDULE A

A. Approximate Amount: $619,888 Loan

B. Loan: $619,888

1. Maturity Date: 30 years from date of closing.
2. Interest Rate: 2%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.
5. Special Conditions: None

NOTICE: The terms set forth above are subject to change following the receipt of construction bids.

C. Other Funding:

SCBG design grant	$ 200,000
ARC grant	1,578,112
RUS planning grant	15,000

D. Total Project Cost: $2,413,000

E. Proposed User Rates: Approximately $31.61 / 4000 gallons

The Meadow Creek Public Service District Board of Directors met on Tuesday, December 16, 2014, at 6 PM at the Green Sulphur District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the November meeting werte read and approved. There was one correction. I had stated that SRF could fund us. That should have been IJDC.

The Treasurer's report was given. There is $6,503.56 in checking; Savings has $7,093.15; "Deposits" savings has $1,394.19 and the Special account has $532.14.

There were 3 deposits: 11/25 - $1,021.20; 12/3 - $499.35 and 12/16 - $1,928.20 for a total of $3,448.75.

Paid out for the period: Robert Richmond, plant operator for November - $1,000.00; Robert Richmond, 12 miles - $6.60; Shirley Richmond, office manager for November - $500.00; Postmaster, mail User Agreements to Region I - $2.87; Postmaster, 100 post cards to notify customers of raise in tariff - $38.00; Mon Power, 5 bills - $627.99; J.L. Massie Insurance, highway permit - $100.00; Chemtek, 2 buckets chemicals - $297.00; Robert Richmond, reimburse for vinyl gloves - $12.00; Frontier, phone bill - $27.18; C. M. Richmond, December Board meeting - $100.00; Jo Anna Burdette, December Board meeting - $100.00 and W. C. Boyd, December Board meeting - $100.00. Total paid out was $2,911.64.

As to past due notices, T.C. LeClair/A.J. Whiteway paid as did Arnold Campbell. Did not hear from Michael Harvey nor Jeff Acord. Mr. Acord is 7 months behind and Mr. Harvey is 6 months. The Board voted to take these 2 accounts to the Magistrate for collection. They also discussed the account of Gary Osborne. This has been going on for quite a while as they just don't have any money but the Board finally agreed that it couldn't go on any longer. They have lived there for 18 months. Mr. Richmond made the motion and Ms. burdette second it. Motion carried. I didn't send any past due notices this month.

I reported that I had finally got a copy of the Right of Entry forms mailed to Region I.

As to the SRF loan, I called the Board members and explained what we were facing. It could be 2 years before they could fund us but IJDC could do it right away. The rate was cheaper with SRF but after waiting 2 years expenses will go up so the difference would amount to about the same amount. All members voted to go with IJDC. At the Board meeting this was put in a motion by Mr. Richmond and second by Mr. Boyd to accept this. Motion carried.

As to new business, I reported that Mrs. Georgette Harrah had passed away. Her home is one of the new customers.

The Board wants me to call Wanda Rouse to see what she plans to do with her house on

Claypool Road.

Mr. Stacy Fowler from Stafford Consultants was with us. He reported that most permits are in place. Print out concerning all permits is attached.

He also reported that they have secured the Army Corp of Engineers' Authorization and the Public Lands Right of Entry Permit to do the work shown in the plans related to stream crossings.

In the next 2 months they plan to respond to comments on Final Design and obtain the rest of the permits and continue preparing the Asset Management Plan.

There are no new developments with the water project.

Mr. Eric Combs and Mr. Jason Roberts from Region I was with us also. Mr. Combs expressed that the funding from IJDC was approved and should have it by January 7. The interest rate went from 1/2% with SRF to 1% and upped it to 40 years.

Mr. Combs has called me a few days before the meeting to verify the names on a petition signed by 59 customers. All of them are legitimate home owners or camp owners.

There will be a meeting on February 11 at 12 noon at the Hinton Municipal Building to hear complaints from customers and to hear explanations from officials.

Mr.Richmond asked if the petition would cause problems with the PSC. Mr. Combs said it shouldn't but we would know in February.

The rate increase was made based on median household income. It was based on $27,000.00. The old rate was $20,000.00. Out of 300 some PDS we rank 47th from the bottom. Only 46 pay less than we do.

Mrs. Maxine Shortland said she wouldn't donate a right of way because she had to pay $38.00 for sewer she wanted something. The easement will be surveyed January 14, 2015. The other 2 easements are John Johnson and Charles Gillian.

Mrs. Connie Thomaschek is closing this week on the sale of herproperty here in Meadow Creek to Linda Woodson.

Mr. Roberts said he had talked with James Earl Bennett concerning the grinder pump on his property. He wants it behind his house or even somewhere off his property. He doesn't want to accept the offer Region I made him. He said he had it checked out and he would have to have $3800.00.

Mr. Fowler then got in on the discussion and said maybe they would need to drop that house. the whole line.

It would save having to go across a railroad crossing.

Mr. Bennett was shown pictures of the pump station as to what it will look like but he still won't accept it.

Mr. Combs had 2 draw downs for Mr. Richmond to sign. Drawdown #18 for $1,979.75. This is for legal fees. Drawdown #3 for $3,810.82 is for Engineering Administrative Services.

Mr. Combs also gave us a chart concerning the easements.

Mr. Richmond made a motion to adjourn, second by Mr. Boyd. Meeting adjourned at 7:10 PM.

Next meeting will be January 20, 2015.

Present were: Eric Combs, Stacy Fowler, Jason Roberts, C. M. Richmond, W. C, Boyd, Jo Anna Burdette and Shirley Richmond.

Meadow Creek PSD
Sewer System Improvements
6677
Permit Listing

Updated: 12/16/14

AGENCY	PERMIT REQUIRED	PERMIT DRAFTED	PERMIT SIGNED	PERMIT SENT	PERMIT RECD	COMMENTS/NOTES
DEPT OF HIGHWAYS	Yes	Yes 5/16/2014	Yes 5/20/2014	Yes 7/22/2014	Yes 10/15/2014	See Note #1 FEE = $6,856.02
PUBLIC LAND CORP	Yes	Yes 5/16/2014	Yes 5/20/2014	Yes 5/22/2014	Yes 6/11/2014	
CORP OF ENGINEER'S	Yes	Yes 5/16/2014	Yes 5/20/2014	Yes 5/22/2014	Yes 6/4/2014	
NPDES[1] STORMWATER	Yes	Yes 5/16/2014	Yes 5/20/2014	Yes 9/15/2014	No	See Note #2 FEE = $300.00
NPDES Form M Modification	Yes	Yes 5/16/2014	Yes 5/20/2014	Yes 9/15/2014	No	FEE = $250.00
NPDES Initial Permit	No	No	No	No	No	
HEALTH DEPT	No	No	No	No	No	
CSX Transportation	Yes	Yes 5/19/2014	Yes 6/2/2014	Yes 5/21/2014	No	See Note #3 FEE = $4,850.00
National Park Service	Yes	Yes 6/2/2014	Yes 6/2/2014	Yes 5/21/2014	No	See Note #4

NOTES

1. Permit stated that the WVDOH, expressed concern over the depth of the trenches in relation to the edge of the road and have requested the opportunity to review a trench & roadway shoring plan.

2. (12-16-14) Permit status is "Closed-Issued" on e-permitting system. Still awaiting receipt of permit.

3. (12-16-14) Further Revision of Permit drawing is being completed with comments from Ana McDowell.

4. (12-16-14) Called and left message for Jeff West regarding status of permit.

1. (NPDES) National Pollutant Discharge Elimination System

The Meadow Creek Public Service District Board of Directors met on Tuesday, November 18, 2014, at 6 PM at the Green Sulphur District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the October meeting were read and stood approved with one correction. I had stated we had met at the Meadow Creek Baptist Church when in fact we had met at the Sandstone Baptist Church.

The Treasurer's report was given. There is $5,966.45 in checking; $6,942.61 in savings; $1,394.08 in the "Deposits" savings and $450.00 in the Special savings. This was approved.

Paid out was: Frontier, phone -$27.18; Postmaster, 2 certified letters(James and Troy Stiffler) - $12.00; Shirley Richmond, office manager for October - $500.00; Robert Richmond, plant operator, October - $1,000.00; Robert Richmond, 12 miles - $6.60; Robert Richmond, reimburse Lowes and Federated auto parts - $89.29; Denny Durrett, pull pump and work at plant with help on generator - $20.00; Mon Power, 5 bills - $557.98; Mark A. Bowen, CPA, account work for audit - $750.00; Shirley Richmond, reimburse 3 black ink cartridges - $50.85; Postmaster, 2 certified letters (T.C. LeClair & A. J. Whiteway) - $12.00; Postmaster, mail audit info to Jared Gillespie - $1.82; Frontier, phone - $27.18; Bill Bailey Ins. (4th installment - $1,055.00; C. M. Richmond, Nov. Board meeting - $100.00; Jo Anna Burdette, Nov. Board meeting - $100.00 and W. C. Boyd, Nov. Board meeting - $100.00. Total paid out: $4,409.90.

Deposits: Oct. 15 - $336.85; Oct. 24 - $761.90; $Nov. 6 - $1,023.55 and Nov. 13 - $2,194.55. Total deposited $4,316.85.

Under old business: I had sent past due notices to A.J. Whiteway/T.C. LeClair; Jeff Acord; Arnold Campbell and Michael Harvey.

Since last meeting Connie Thomaschek paid; James Stiffler paid the $150.00 deposit; Jackie Ward paid, James Bragg paid'

Still haven't heard from Wanda Rouse as to the packet for sewer service on Claypool Road. Also, haven't heard from Sara Cromer as to ownership of the house across from James Earl Bennett.

As to the $300.00 hook up fee, it is in all the latest documents. Even the ones of the PSC.

Mr. Stacy Fowler with Stafford Consultants was with us. He reported that there was no change on the water project.

He reported that he is preparing a response to DEP's comments on the final plans and specifications. They are also finishing the modifications to the design of the package plant and is expected to submit it by November 21.

He also said he has completed the final design documents and has submitted all permit applications.

Stafford has also secured the Army Corp of Engineers' Authorization and the public lands Right of Entry Permit to perform work shown in the plans related to the stream crossings.

In the next 2 months Stafford anticipates to ~~comments~~ pursue on Final Design and obtain permits; and continue preparing the Asset Manahement Plan.

The district needs to acquire the user agreements, noting which homeowners request special electrical modifications and secure the needed easements. The Project Team needs to secure the remaining project funding and Stafford needs to continue working on the Asset Managemen t Plan.

Eric Combs with Region I was with us. He explained that DEP couldn't fund us for about 2 years but SRF could do so. The interest with SRF is more but with waiting on DEP the cost of construction goes up so the Board is to discuss this and vote on it.

Region I is still working on the title of Jamie Scott, Georgette Harrah and Leslie Berry.

The check to Kenneth Bennett for $920.00 has been paid. This is for a right of way.

On the SRF priority list, we are 74 out of 97.

Jason Roberts, the new Director with Region I was with us and will be attending the meetings.

Everything is in order except funding.

There being no further business the meeting adjourned at 7 PM. Mr. Richmond made a motion which passed. Next meeting will be December 16. to adjourn

Present were: C. M. Richmond, Jo Anna Burdette, W. C. Boyd, Stacy Fowler, Eric Combs, Jason Roberts and Shirley Richmond.

I J District DSRF
$619,888.00 loan

The Meadow Creek Public Service District Board of Directors met on Tuesday, October 14, 2014, at 6 PM at the Meadow Creek Baptist Church Fellowship Building for its regular monthly business meeting. The meeting place had to be changed due to the railway crossing being torn out.

The meeting was called to order by the Chairman, C.M. Richmond. The minutes of the September meeting were read and stood approved.

The Treasurer's Report was given and stood approved. There was $6,099.50 in the checking account; $6,942.02 in the Savings account and $1,393.96 in the "Deposits" Savings. I had one deposit in this account for $50.00 for James Stiffler.

Paid out was: Postmaster - mail forms to 16 customers for new service - $8.68; USA Bluebook - shredding rotor for grinder pump - $481.64; Postmaster - certified letter with return receipt to Connie Thomaschek - $6.00; Frontier - phone - $27.07; Robert Richmond - plant operator for September - $1,000.00; Robert Richmond - 12 miles - $6.60; Shirley Richmond - office manager - September - $500.00; Mon Power- 5 bills - $494.08; Shirley Richmond - reimburse for ink - $72.44; Analabs - Meadow Creek test - $120.00; DEP - permit for Meadow Creek - $75.00; C.M. Richmond, Jo Anna Burdette and W.C. Boyd, each $100.00 for October Board meeting. Total paid out was $3,091.51.

Deposits were: $1,898.25 on 9/11; $259.65 on 9/17; $324.60 on 9/29; $1,100.00 on 10/6 and $229.70 on 10/8 for a total of $3,812.20.

Under old business: There was no news as to the account of Gary Osborne. Sent certified letter with return receipt to Connie Thomaschek. Return receipt was returned where she had picked up the letter.

As to the Stiffler account where they have never paid for the hook-up fee of $150.00. I was instructed to write Troy and James and send them certified with return receipt.

Other past due accounts are: Jackie Ward - 5 months; Adam Thomas - 5 months; A.J. Whiteway/T.C. LeClair - 5 months; Jeff Acord - 4 months; James Bragg - 4 months; Connie Thomaschek - 9 months; Ray Toth - 3 months; and Michael Harvey - 3 months.

Mr. Fowler still has not checked with Mr. Winfrey concerning the insurance papers.

I reported that I had mailed 16 letters to new customers for the new sewer plant. I had gotten them all back but 1. Mr. Combs said I was to send a packet for new service to Wanda Rouse and another house. I will have to go to tax office to see who owns it.

I didn't get to go to the Managers Seminar on October 14 and 15, which the Board had approved.

I had mentioned to the Board that our auditor suggested that we charge $300.00 for each hookup instead of the present $150.00. The Board had voted ~~had~~ at a previous meeting to charge a business $300.00 and households $150.00. I am to check with Mr. Winfrey, our attorney, about this.

At an earlier meeting it was mentioned by Mr. Fowler and Mr. Combs, that we may have to change our meeting date to correspond with the County Commission pertaining to the Draw Downs. After discussion, Mr. Richmond made a motion to meet on the 3rd Tuesday of each month instead of the 2nd Tuesday. This was second by Mrs. Burdette. Motion carried. Our next meeting will be November 18.

As to the new sewer project, Ms. McPhearson had drawn a map of their proposed camps that are or will be under construction. Mr. Fowler wanted me to fax a copy of it.

Mr. Combs with Region I had Draw Down #17 for the Chairman to sign to Kenneth Bennett for $920.00.He also had ARC Requisition #2in the amount of $10,178.39. This was Stafford Consultants, Inc. $6,265.40 and Region I PDC (Admin.) for $3,912.99.

Seems as though James E. Bennett wants more than we can offer so Mr. Richmond made a motion to start condemnation proceedings against him. This was second by Mr. Boyd. Motion carried. A copy of his requests is attached. Mr. Hazlewood, our appraiser, has said the fair market value of this would be $570.00 and Mr. Bennett wants $2,322.00.

Mr. Fowler with ?Stafford Consultants was with us. They have completed the following tasks: A response to DEP's comments on the finalplans and specifications; Final Design documents and submitted all permit applications and secured the Army Corp of Engineers' Authorization and the Public Lands Right of Entry Permit to perform the work shown in the plans related to the stream crossings.

Within the next 60 days they plan to respond to comments on Final Design and obtain permits andcontinue preparing the Asset Management Plan.

In order to keep the project moving, the following tasks need to be performed: Stafford needs to respond to comments on the Final Design and obtain permits; the District needs to acquire the user agreements, noting which homeowners request special electrical modifications; the District needs to secure the needed easements; the Project Team needs to secure the remaining project funding and Stafford needs to continue preparing the Asset Management Plan.

As to the Water project there is no change in the status.

There being no further business the meeting adjourned at 7 PM. Motion was made by Mr. Richmond, second by Mrs. Burdette. Next meeting will be November 18.

Present were: Stacy Fowler, Eric Combs, C. M. Richmond, W. C. Boyd, Jo Anna Burdette and Shirley Richmond.

REGION I PDC
David/Eric/Lori

September 22, 2014

Region 1 Planning & Development Council
1439 E Main St
Suite #5
Princeton, WV 24740

Attn; Eric Combs

Re: Meadow Creek PSD Wastewater Treatment Plant & Collection Ext. Project Easement #4-03: Tax Map 8, Parcel 27.

Below are two proposals for the easement and grinder pump station site on my property.

Stipulations are from you verbally or pictures that was sent by Stacy Fowler.

1- There will be no fence around the 20X20 section of land.
2- Power to control panel will come in under ground.
3- Grinder pump station will be level with existing yard.

Option one,

$150.00 Tap Fee
$2700.00 This is a minimum proposed cost estimate for basic hook up.
$500.00 This is a minimum overage estimate for rock during installation.
$400.00 Landscaping fee for control panel and pump station
This is a total of $ 3750.00

Option two,

Relocate the pump station and control panel 10 to 12 yards down stream towards the rear of my house. Not in the middle of my yard and 25 feet from my front porch.
On this option I will accept the initial offer of $1428.00.
I feel that option one will de-value my property more than the $2322.00.

Just let me know your decision. These options expire on 10/17/2014.

Regards

James Bennett

The Meadow Creek ublic Service District Board of Directors met on Tuesday, September 9, 2014, at 6 PM at the Green Sulphur District Volunteer Fire Department for its regular monthly business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the August meeting were read with one correction. I had stated that James Earl Bennett was paid $1,428.00 for an easement and grinder pump when in fact he was offered that amount.

The Treasurer's report was given. There is $5,277.81 in checking; $6,941.41 in savings and $1,343.84 in the "Deposits" savings. This was approved.

Paid out was: Chem Tek - 1 bio neut and 1 bio san - $297.00; Bob Richmond - 50 miles to pick up chemicals - $25.00; Brick Street - Workers Comp, full year - $705.00; Frontier - phone bill - $27.07; Bill Bailey Ins. - 3rd installment - $1,067.00; Robert Richmond - plant operator - August $1,000.00; Shirley Richmond - office manager - August - $500.00; Robert Richmond - 12 miles - $6.60; Robert Richmond - 2 trips to take samples - $66.00; Mon Power - 5 bills - $549.88; Postmaster - stamps - $9.80; Analabs - test- Meadow Creek - $120.00; C.M. Richmond - Sept. Board meeting - $100.00; W. C. Boyd - Sept. Board meeting - $100.00; Jo Anna Burdette - Sept. Board meeting - $100.00. Total paid out - $4,673.35.

Deposits: August 14 - $1,227.00; August 20 - $575.00; Sept. 4 - $783.84 for a total of $2,585.84.

Old business: As to the Gary Osborne account, Mr. Boyd said they just didn't have any money. This was tabled.

As to the Connie Thomaschek account, the board told me to check with the magistrate and see if the papers had been served. Just keep trying.

The Heath Ward account was discussed again. He isn't working right now so this was tabled.

As to the Troy/James Stiffler hook up fee of $150.00. I was instructed to send another certified letter to try to collect it.

As to the insurance papers I had sent Mr. Winfrey, our attorney. Stacy Fowler was to check on this but he just hadn't had a chance. He will try to this month.

As to the camper parked on Nick Garten's land. I found out that was his uncles'.

Eric Combs gave me all the info I needed to mail the new customers forms for sewer.

I finally was able to get the address for Sammy Pugh. I sent him all the info and he called me back. I also got a check for the sewer from the time Mr. Stiffler quit paying it.

As to new business, the Board approved for me to go to a Manager's Seminar in October if I

wanted to. It is October 14 and 15 at Tamarack. The only cost would be for mileage and lunch. The motion was made by Mr. Boyd and second by Mrs. Burdette. Motion carried.

I had papers for the Board members, the plant operator and myself to be filled in and returned to the auditor in order for him to conduct our audit.

Robert Richmond, the plant operator, was at the meeting. He and Mr. Fowler discussed the problem with the generator at the Sandstone plant. Breaker is over sized for the plug. It is a 100 amp plug and 120 amp breaker.

Mr. Eric Combs was with us and he had Draw Down #16 to be signed by Mr. Richmond and myself. This was for Stafford Consultants, Inc. (engineering) $4,995.00; William Winfrey, II, (legal), $0.83; and C.N. Kirby Realty Company, Inc. (acquisition), $1,590.00. This was a total of $6,585.83. He also had ARC Drawdown #1 in the amount of $18,809.93. This was for Stafford Consultants $10,011.85 and Region I (Admin) $8,798.08.

ARC Budget Amendment Request #1 - Requesting that $4,773.87 be move from the ARC Construction Line Items into the Engineering Line Item to cover the increase in Engineering Services related to Engineering Amendment No. 9 and 10.

Mr. Combs said the James Earl Bennett easement of 216.7 feet was appraised at $1,428.00 but they refused it. This was raised to $2,500.00. Mr. Richmond made a motion to accept this. Second by Mrs. Burdette. Motion carried.'

Mr. Kenneth Bennett easement is 243 feet long. He has been offered $920.00. Motion to accept this offer was made by Mr. Boyd, second by Mrs. Burdette. Motion carried.

Ms. Vineyard's estate , easement #4-03C, which is 243 feet long and 15 feet wide, with a 20x20 grinder station, is being offered $1,750.00. Mr. richmond made the motion to accept this, second by Mrs. Burdette. Motion carried.

Mr. Stacy Fowler with Stafford Consultants was present. He gave us a copy of the maps.

He said they were 90% complete with the Final Design and preparing permit applications. They have also secured the Army Corp of Engineers' Authorization and the Public Lands Right of Entry Permit in orderntinue preparing the Asset Management Plan to perform the work shown in the plans related to the stream crossings. They have also completed the geotechnical investigation. This is 100% completed.

As to the DEP comments on the preliminary plans and specifications, Stafford has completed their response.

Within the next 60 days, they plan to complete the Final Design and obtain permits.

In order to keep the project moving forward, Stafford still needs to complete the Final Designand obtain permits. The District needs to acquire the user agreements, noting which homeowners request special electrical modifications. Also the District needs to secure the needed easements. The Project Team needs to secure the remaining project funding.

As to the water project, there is no change in the status. Although, Stafford needs to provide support information for funding applications.

In order to keep the project moving, the Project Team needs to an eligible funding source for the Preliminary Engineering Report.

There being no further business, Mr. Richmond made a motion to adjourn at 7:15. Mrs. Burdette second motion. Motion carried.

Next meeting will be October 14, 2014.

Present: C. M. Richmond, W. C. Boyd, Jo Anna Burdette, Stacy Fowler, Eric Combs, Robert Richmond and Shirley Richmond.

The Meadow Creek Public Service District Board of Directors met on Tuesday, August 12, 2014, a6 6 PM at the Green Sulphur District Volunteer Fire Department, for their regular monthly business meeting.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes of the July meeting were read with one correction. I had said the new park superintendant was Jeff West when in fact he s Chief Ranger. After the correction was made the minutes were approved.

The Treasurer's report was given. There is $7,365.32 in checking; $6,940...86 in the savings account and ~~$1,343.73 in the "Deposits" savings.~~
1,343.73

Paid out since last meeting: Robert Richmond - 2 trips (120miles) to take samples to the lab - $66.00; Frontier - phone bill - ~~$28.81~~ 29.81; Postmaster - certified letter to Heath Ward - $6.00; Staples - new copier, fax, printer machine with 2 year warranty - $92.98; Postmaster - mail audit material ti Mark Bowen, CPA - $17.45; Analabs - DMR completion - $25.00; Mon Power - 5 bills - $524.25; Postmaster - box rent, 6 months - $24.00; Robert Richmond - plant operator for July - $1,000.00; Checks - $121.17; Robert Richmond - 12 miles - $6.00; Shirley Richmond - office manager for July - $ 500.00; Staples - 4 storage boxes - ~~$12.79~~ 12.79; C. M. Richmond - Board meeting, August; W. C. Boyd - Board meeting July. Total paid out $2,624.45.

Deposits made were: 7/10 - $1,347.40; 7/14 - $760.60; 7/24 - $3,280.80; 7/30 - $309.94; and 8/7 - $751.60. Total deposits were $6,450.34.

OLD BUSINESS: As to Connie Thomaschek, I went back to the courthouse and the County Clerk says she cannot file a lien on the proprty until we hear back from the Magistrate. I filed through a magistrate in Summers County but they had to send it to Lewis County.

The case against James R. "Butch" Cales I filed with the PSC has been dismissed since he doesn't own the house.

As to the account of Heath Ward, I sent a certified letter with return receipt and he refused to pick it up. It was notifying him since we can see he is back at the house he needed to be paying on his account or we would disconnect. I did find out he showers at his mother and dad's house and does his laundry over there. I see lights on but he has run an extension cord from the neighbor. The only thing we haven't figured out is if the well is wired into his dad's house and he can flush the toilet.

Ray Toth paid up to July 1 after I took his account to the magistrate. As to James Stiffler, he paid April, May and June sewer bill but not his deposit. The Board instructed me to write him a letter. Motion made by C.M. Richmond and second by W.C. Boyd. I called the PSC and all I got out of them was we were to collect the hook up fee of $150.00 up front.

I mentioned the insurance papers I had sent to our attorney, Bill Winfrey. Stacy Fowler said he would check into that.
~~check into that.~~

I had checked with the PSC in Charleston since I couldn't find how much we had set for a fee to hook on the sewer for a business. They couldn't find anything either. When the lines went in at Meadow

Creek and Sandstone, there was no charge if they hooked on right then. So the Board discussed the matter and set $300.00. Motion was made by Mr. Richmond and second by Mr. Boyd. This is for a business.

had a pamphlet for OSHA training but no one was interested.

There is a family by the name of Osborne living in a trailer that I didn't know about and the landlord had failed to tell me about. I wrote them concerning paying and I have not heard from them. Mr. Boyd said he would check it out.

reported I had attended the conference call on July 28. We have the deed from Nick Garten and Sara Cromer.

There is a camper parked at the river on Nick Garten's lot. I am to check to see if it will be there all the time.

had taken the account of Troy Stiffler to the magistrate for collection on a camp we thought he owned. He had told me in January he wouldn't be paying any more than Sammy Pugh would. I tried every way could to get an address for Mr. Pugh from Mr. Stiffler. I called and left messages and he wouldn't return my calls. I wrote him several times and still no answer. I even sent a certified letter with return receipt and he picked it up but he never answered it. The only other thing we knew to do was to sue him. Mr. made a motion to take the account to the magistrate and Mr. Boyd second it. I got an ugly phone call from Mrs. Stiffler as they served her at work. Then that evening I got a call from Mr. Stiffler. In the mean time I got a call from the PSC. I didn't know Mr. Stiffler never owned the property, but Mr. Pugh did. I was to go to the tax office to get the owner and address. All Mr. Stiffler had to do was tell me that to begin with.

Stacy Fowler with Stafford Concultants was with us and he went over several things. He had met with Mon Power to set up service but he still needs another work order for site 2 for 2 duplex grinder stations and 5 simplex grinder stations.

He said we were on schedule. Taragon was to drill next week (week of August 18). Take about 2 weeks to get report. Stafford is preparing the Final Design documents and preparing permit applications. This should be done by August 22. They have also secured the Army Corp of Engineers' Authorization and the Public Lands Right of Entry Permit to perform the work shown in the plans related to the stream crossings.

The PSD instructed Stafford to restart the geotech investigation. This is 20%. They are also preparing their response to DEP's comments on the preliminary plans and specifications. Easement surveys for 4 homeowners along a private access road have been adjusted to allow for future home expansions.

Mr. Ross has requested to have the electrical service for the grinder station to be tied into his residential electrical service. Jonathan Fowler with the PSC indicated that it is allowable as long as Mr. Ross's user agreement be amended to reflect the condition.

Mr. Fowler stated that he needed to get with Robert Richmond, the plant operator, to see about

generator hook ups.

During the next 2 months Stafford anticipates to continue the Final Design and obtain permits and continue preparing the Asset Management Plan. In order to keep the project moving Stafford needs to complete the Final Design and obtain necessary permits. The District needs to approve the allowance of the grinder stations to be connected to individual residence electrical systems if so requested by, the homeowner. If approved, the district needs to amend the user agreement of each homeowner requesting electrical modifications.

The district needs to secure the needed easements; the project team needs to secure the remaining project fundingnand Stafford needs to continue with the Asset Management Plan.

Reports are to go to the PSC on August 25.

As to the water, there is no change from the last report.

Eric Combs with Region I was with us also. He had the User Agreements with him.

He stated Nick Garten said we had no right of way through his property and for us to stay off it. Geotech went trough it.

Region I can't do the new user agreements, it is up to the PSD. We have separate ones. Ones for new customers and ones for customers who want the electricity hooked to their house. Mr. Richmond made a motion to accept this and was second by Mr. Boyd.

All request for permits has been sent out. Rod Lowe is working on completing Rule 42.

Mr. Richmond and myself signed SCBG Requisition #15 in the total amount of $17,799.26. This was Stafford $10,969.26; William S. Winfrey II (legal) $611.00; John and Katherine Smith -$920.00; Adam Long, Atty at Law,(Acquisition) -$3,709.00 and C.N. Kirby Realty Co. Inc. (Acquisition) -$1,590.00.

James Earl Bennett was offered paid $1,428.00 for an easement and grinder station.

Mr. Mike Hartsog and Jeff West from the National Park Service were at the meeting.The PSD will upsize the line They reported they will have flushable toilets but no showers at the Meadow Creek Camp Ground.They say they will partner any way they can. They have 3 vaults for the toilets. They then will pump into the main line. If they can't hook into our sewer they will have to haul to Fayette County.

Our plant operator was at the meeting. He said there wasn't a problem with handling the toilets but RVs is the problem. The PSD said more research was needed before voting on the matter. This was tabled for a later date.

Mr. Fowler recommended to move on as is until more research is done before changing any plans.

There being no further business Mr. Richmond made a motion to adjourn, second by Mr. Boyd.

Next meeting will be September 9, 2014.

Present were: Stacy Fowler, Eric Combs, Robert Richmond, Mike Hartsog ., Jeff West, C. M. Richmond, W. C Boyd and Shirley Richmond.

The Meadow Creek Public Service District Board of Directord met on Tuesday, July 1, 2014, at 6 PM at the Green Sulphur District Volunteer Fire Department, for their regular monthly meeting. The date was changed as the Office Manager was going to be out of town on the date of their regular meeting, which would have been July 8.

The meeting was called to order by the Chairman, C. M. Richmond. The minutes were read of the June meeting and one approval was made. After that the minutes were approved.

The treasurer's report was given. The checking account has $2,704.93; the savings account has $6,939.68 and the "Deposit" savings has $1,343.51. There were two (2) deposits made since last meeting. $2,507.07 and $1,533.30. There was a check returned for $24.95 plus $8.00 bank fee. This was deducted and was already accounted for in the balance given. Total deposits was $4,040.37 less the $32.95.

Paid out since last report was: Postmaster - additional postage to mail payment books - $14.49; Frontier - phone bill - $27.29; Denny Durrett - caring for plant 8 days, mowing & weedeating, etc. - $80.00; Shirley Richmond - office manager for June - $500.00; Robert Richmond - plant operator for June - $1,000.00; Robert Richmond - 12 miles @ .55 - $6.60; - Public Service Commission - Intrastate Revenue Assessment - $18.60; Mon Power - 5 bills - $475.43; C. M. Richmond - July Board meeting - $100.00; Jo Anna Burdette - July Board meeting - $100.00; and W. C. Boyd - July Board meeting - $100.00. Total paid out -$2,422.41.

I reported that I had called Connie Thomaschek on June 14, 2014, requesting her to return my call which she never did. I also sent her a Certified Letter with return receipt and she never picked it up. It was returned as "unclaimed". She is behind 6 months with her sewer bill is the reason for trying to contact her.

As to other past due accounts, Jeff Acord is paid until June; I sent James R. "Butch" Cales' account to the Public Service to start disconnect proceedings; Heath Ward is back in his trailer so we will go ahead with his disconnect , as per the PSC back in January. The reason for not doing so before, his power was turned off and he was living with his parents. I sent a certified letter with return receipt to Troy Stiffler requesting an address for a Sammy Pugh that he said would be paying from February 1 but I can't get an address for Mr. Pugh so since the account is still in Mr. Stiffler's name the Board voted to start proceedings to disconnect. Motion was made by Mr. Richmond, second by Mr. Boyd. Motion carried.

As to Ray Toth, he is 7 months behind so the Board voted for me to start proceedings to disconnect his sewer. Motion was made by Mr. Richmond, second by Mrs. Burdette. Motion carried.

I had also sent Mr. Stiffler a bill for connecting a sewer back in March. So far he has not paid this. The Board wants me to check with the PSC to see if we can disconnect for this reason.

I had asked about the Geo Tech problem. Mr. Stacy Fowler with Stafford Consultants said they wouldn't be called back until we had a deed from Mr. Garten.

I also reported that I had sent the papers concerning insurance when we start construction to our attorney, Bill Winfrey. So far I have not heard anything.

As to new business, I had a form from Mark Bowen needing Mr. Richmond's signature. This is hiring him again this year to perform the CPA work before being turned over to the auditor. His fee was for $750.00. This was signed and ready to return. Motion was made by Mr. Richmond to accept this, second by Mr. Boyd. Motion carried.

I also had a form to be filled in by the Board members pertaining to the ways the PSD could be fraudlently taken for by the employees, etc. These were filled in and ready to be returned to Lowe and Associates.

I had a proxy from Brick Street to be signed by the Chairman but the Board said I was to sign that. It has been signed and ready to mail.

I had asked for permission to purchase a new fax, copier, printer as the one we have is acting crazy at times. It will print if I write and it will make copies, but if someone sends me an email I need to print off it comes out in 3-D and unreadable. Mr. Richmond made a motion for me to get one, second by Mr. Boyd. Motion carried.

Eric Combs with Region I was at the meeting and had a letter to Mr. & Mrs. John Smith pertaining to their property known as Project Easement #4-03B. The easement has been appraised by Mr. Mike Hazelwood, a WV certified appraiser. The PSD offers you $920.00 for this easement which is 241.40 feet long by 15 feet (30 feet temporary during construction). This was signed by the Chairman, C.M. Richmond. Seems Mr. Smith is wondering about a tap fee. If his property is residential we have to pay for it. If it is a commercial it is up to him. It is up to the PSD as to what fee to set for commercial. We are thinking $300.00. I am to check our tariff papers.

As to the proposal of Sara Cromer and Nick Garten, the time was upped from July 1 to 15th due to the fact they didn't pick up their certified letters til late in June. We are only offering them $7,826.13 instead of the $10,100.00 due to Mr. Garten running Geo Tech off and it is costing us that much more. If they don't accept this we will have to do condemnation proceedings.

As to other easements, I have attached a copy supplied by Region I. It is self explanatory.

Mr. Combs presented Draw Down #14. Total payment is $7,277.80. This is for Stafford Consultants, Inc. - $4,657.80 and Lowe & Associates, LLC (accounting services) - $2,620.00.

Mr. Fowler had Amendment No. 10 for the Chairman to sign. This was accepted by the Board. Mr. Richmond made a motion to accept, second by Mr. Boyd. Motion carried. This was for a

change in charges for easements maps.

A discussion was had concerning a delay in doing easements. Seems Mr. David Feurst with the National Park Service has held this up as he has been doing it in his spare time with volunteers but it isn't working. Other steps may need to be taken.

Mr. Fowler also explained that Mr. Ross has requested to have the electrical service for the grinder station be tied into his residential electrical service. Jonathan Fowler with the PSC indicated that it is allowable as long as Mr. Ross's user agreemen t be amended to reflect the condition.

Stafford has secured the Army Corp of Engineers' Authorization and the Public Land Right of Entry Permit. This is to perform the work shown in the plans related to the stream crossings.

At the District"s direction, Stafford has stopped the geo tech investigation until further notice. They are also preparing their response to DEP's comments on the preliminary plans and specifications. After reviewing the surveys, four homeowners along a private access road have requested that their 4 easements be adjusted to allow for future home expansions.

They have also continued preparing the Final Design documents and preparing permit applications.

In the next 60 days they anticipate to continue final design and obtaining permits and preparing the Asset Management Pan.

In order for the project to keep moving forward Stafford needs to complete the Final Design and obtaining permits; the District needs to approve the allowance of the grinder stations to be connected to individual residence electrical systems if so requested by the property owner. If this is approved, the district will need to amend the user agreement of each homeowner requesting the electrical modifications. We also need to secure the needed easements; secure ownership of the plant site, issue notice to proceed for the geo tech work. The Project Team needs to secure the remaining project funding and Stafford needs to continue preparing the Asset Management Plan.

As to the water project, there is no change in project status. However, Stafford needs to provide support information for funding applications and to keep the project moving forward, the Project Team needs to secure an eligible funding source for the Preliminary Engineering Report.

Chief Ranger

The new park superintendant, Jeff West, has said the camp ground has redesigned its plan. Stafford will have to rework the design as the camp is moving thir hookup from one end to the other. This will probably add $2500.00 to their fee. If I am contacted I am to ask what they are willing to contribute to the upgrade line.

Mr. Combs said there will be a telephone conference call on July 28 at 9:30.

Mr. Combs said Mr. Winfrey would prepare the user agreements. This was made in a motion by Mr. Richmond, second by Mrs. Burdette. Motion carried.

Mr. Richmond made a motion to adjourn at 7:00 PM. This was second by Mr. Boyd. Motion carried. Present were: Stacy Fowler, Eric Combs, C. M. Richmond, Jo Anna Burdette, W. C Boyd and Shirley Richmond.

Next meeting will be August 12, 2014.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
6/30/2015

Entered: June 10, 2015

CASE NO. 14-1848-PSD-CN

MEADOW CREEK PUBLIC SERVICE DISTRICT,
Application for a certificate of convenience and necessity to provide wastewater extension and treatment plant replacement in Summers County.

RECOMMENDED DECISION

This Order grants the District's application.

PROCEDURAL HISTORY

On October 30, 2014, the Meadow Creek Public Service District (District) filed an application for a certificate of convenience and necessity to construct a 40,000 gallon per day extended aeration wastewater treatment plant, approximately 5,000 linear feet of 8 inch and smaller gravity wastewater collection lines and appurtenances thereto, one lift station, five residential grinder lift stations and adjustments of all existing manholes to surface grade. The District originally proposed a 55% increase in rates to support the project.

On October 31, 2014, the Commission ordered the District to publish notice of its filing in Summers County via newspaper publication and direct mailing.

On November 12, 2014, the matter was referred to the Administrative Law Judges (ALJ) Division. The current decision due date is July 12, 2015.

On December 1, 2014, the Commission received a letter of protest alleging the 55% increase being sought by the District is unconscionable.

On December 4, 2014, Staff Attorney Wendy Braswell filed the Initial Joint Staff Memorandum to which was attached the Utilities and Engineering Divisions Initial Memorandum prepared by Jonathan Fowler, P.E., Engineering Division.

On December 5, 2014, the District filed a certificate of publication evidencing it made publication as directed by the Commission.

On December 5, 2014, several additional letters of protest were filed.

On December 8, 2014, the matter was scheduled for hearing on February 11, 2015.

On January 12, 2015, the District moved to cancel the hearing on grounds it had a change in financing that would result in rates higher than the originally proposed 55% and that it needed additional time in which to revise its Rule 42 filing and provide notice of the higher rates.

On January 12, 2015, the February 11, 2015 hearing was cancelled.

On January 15, 2015, the Commission extended the ALJ decision due date.

On February 3, 2015, the District was ordered to file its revised Rule 42 Exhibit and its proposed higher rate on or before February 19, 2015.

On February 26, 2015, the District filed its revised Rule 42 Exhibit in which it proposed approximately a 78% increase in rates.

On February 27, 2015, the matter was set for hearing on June 2, 2015.

On March 3, 2015, Staff filed a Further Staff Memorandum expressing concerns over certain aspects of the proposed project.

On April 6, 2015, the Commission tolled the running of the statutory suspension period until September 11, 2015.

On April 9, 2015, Staff filed a motion to compel the District to respond to its interrogatories.

On April 22, 2015, Staff's Motion to Compel was granted.

On April 30, 2015, the District filed its revised notice of filing.

On April 30, 2015, the District was ordered to publish notice of its revised filing.

On May 15, 2015, Staff filed its Final Joint Staff Memorandum recommending the District's application be granted.

On May 27, 2015, the District filed its certificates of publication from *The Hinton News* regarding publication of the notice of hearing and the revised notice of filing.

On June 2, 2015, the hearing was held as scheduled and several customers commented on the District's proposed increase in rates.

PUBLIC COMMENT

Samuel Gillian, a resident of Sandstone, objected to the increase and urged the District to seek further federal assistance to finance the project. (Tr. 10).

Doris Johnson, another resident of Sandstone, stated the project will have a devastating impact on residents because most are elderly and on a fixed income. Ms. Johnson also stated the project will result in many residents having to decide between purchasing medicine and paying their sewer bills. The District was urged to reconsider the proposed rate increase. (Tr. 11).

Juanita Phillips, a social security recipient, remarked that the increase is excessive and will be an incredible burden upon social security recipients. Ms. Phillips recommended the District seek additional funding from the government to alleviate the impact of the rate increase. (Tr. 13).

Roger Bennett, a resident of Meadow Creek, commented that, although there may be a need for the project, the 78% increase in rates is extremely high. (Tr. 35).

Earl Roberts, another Meadow Creek resident, stated that, because the District's customers are already paying for water and electricity to run the District's sewer system, it's nonsensical for the District to be seeking an increase, as opposed to a decrease, in rates. (Tr. 37).

EVIDENCE

Jonathan Fowler, a registered professional engineer with the Commission's Engineering Staff and who serves as the Commission's representative on the West Virginia Infrastructure and Jobs Development Council (WVIJDC), testified he reviewed the technical aspect of the District's project and concluded the project is necessary and should be approved by the Commission. (Tr. 18, 25). In reviewing the project, Mr. Fowler testified he divided the project into two phases: the first phase consists of the replacement of the existing package wastewater treatment plant and the second phase, the small line extension to serve approximately two dozen additional customers. (Tr. 19).

With respect to the first phase, Mr. Fowler testified the existing package plant was installed in the 1980s when Meadow Creek first installed a sewer system. (Tr. 19). That package plant was constructed of carbon steel and is so badly corroded, it needs to be replaced. (Tr. 19). The District seeks to replace that plant with a new plant constructed of steel. The new plant will have a longer lasting coating system and a larger capacity, allowing the District to provide service to the proposed 24 new customers. The new plant will also have a service life of 30 to 40 years. (Tr. 20). Mr. Fowler is comfortable the new plant will last thirty years. (Tr. 24).

The WVIJDC approved the project and awarded the District a two percent, 30 year loan. (Tr. 20-22). That award is the second best possible funding available from the WVIJDC. The best possible funding award available from the WVIJDC is a zero percent, forty year loan and those are limited and rarely granted. (Tr. 14, 20, 21). A fourth of the District's project consists of loans

and the remainder grants. (Tr. 21). In other words, 75% of the total project cost is grant funded and the remaining 25% is loan. (Tr. 21). Mr. Fowler believes the District's funding package is good because it's hard to find federal grants for these projects. (Tr. 21).

The District's project has been many years in the making. If it's not undertaken now, then it will have to be undertaken in the very near future. (Tr. 22). That's the argument used by the District to obtain federal funds for the project and that appears to be the case. (Tr. 22).

Phase two of the District's project pertains to the small line extension. Mr. Fowler testified he analyzed this phase of the project separately because of the difference in cost per customer. (Tr. 23). There are two parts to this line extension phase. While part one concerns the north end of the system which is downriver, part two concerns the south end of the system that is near the interstate. Unlike part two, part one will be costly to construct and maintain. (Tr. 23; Staff Ex.1). Since part one will be an arduous undertaking for the District, Mr. Fowler recommends that, if the project comes in over budget, instead of borrowing additional funds, which would result in a rate increase, part one should be deleted from the project. (Tr. 23).

In reviewing the District's application, consideration was given to construction cost estimates, engineering documents, specifications, operations and maintenance expense projections and the size of the rate increase. (Tr. 19, 25; Staff Ex. 1). Noting the comments, Mr. Fowler indicated that the lack of growth in the community coupled with the inability to get 100% grant funding are partly responsible for the proposed 78% increase in rates. (Tr. 25). Mr. Fowler believes the project should be approved along with the Staff recommended increase in rates. (Tr. 25).

Karen Buckley, a Utilities Analyst in the Commission's Utility Division, reviewed the cost of the project to determine whether or not there is sufficient funding and the possible rate implications, if any there be. (Tr. 27). Ms. Buckley testified she was impressed by the District's actions in obtaining such favorable grants for the project. (Tr. 28). However, she testified that, despite the favorable funding, it is necessary for the District to have a rate increase because the current rate of $24.95 a month cannot support the project. (Tr. 30, 31).

The 78% increase in rates will fund the project and allow the District to operate in the black and make their loan repayment. (Tr. 30; Staff Ex. 1). Both residential and small commercial customers will receive a bill for $44.41 a month. (Tr. 32; Staff Ex. 1). The rate increase is the bare minimum necessary for the District to meet all its financial obligations with a small surplus and would not go into effect until substantial completion of the project. (Tr. 31 and 32).

Lastly, Ms. Buckley testified that, based on her review of the District's application, the proposed increase in rates is needed to keep Meadow Creek financially viable; therefore, the application should be granted with the Staff recommended rates. (Tr. 33; Staff Ex. 1).

DISCUSSION

It is unfortunate that the District appeared at the hearing without any representatives from its management or without any expert witnesses. The project will increase certain rates by 78% and was heavily protested. The District's customers should have been given the change to interact with the District's management.

The Meadow Creek service area has a very interesting and documented history when it comes to the provision of sewer service.[1] The issue of sewage disposal was a central issue for the area back in 1965. Then, the citizens sought assistance from the 27th Governor of West Virginia, Hulett Smith, to end the plight of raw sewage flowing about the community and into the local tributary. In the 1980s, the community sought the assistance of Governor John D. Rockefeller, IV, to stem the tide of fecal matter flowing freely in the community, the outbreak of hepatitis as a consequence, and the need to have a well constructed sewer system for the community. The result, the District's wastewater treatment plant came into being. Today, the issue of sewage disposal is again in the spotlight largely because replacement of that 1980s wastewater treatment plant could result in a 78% increase in rates.

Despite opposition by some members of the community, Staff recommends approval of the District's application and so do others, including the West Virginia Department of Environmental Protection, the West Virginia Department of Health and Human Resources and the West Virginia Infrastructure and Jobs Development Council. Understandably, the commentators stand in opposition to the project chiefly because of the proposed increase in rates. However, it is abundantly clear from the evidence that, not only is there a need for the project, the project cannot be undertaken at the current rate. (Tr. 18, 30, 31). Accordingly, Staff recommended a rate increase that is the bare minimum necessary for the District to meet its financial obligations, albeit with a small surplus included. (Tr. 31). The project is also 75% grant funded, which is a remarkable accomplishment given the current funding mix in the last few years for projects in West Virginia. Staff's recommendation to approve the project appears to be both reasonable and appropriate in light of the community's history in relation to the proper disposal of sewage.

Indeed, as with any project of this nature, there are concerns. For example, Staff has expressed concerns about the high cost per customer for the line extension for the north-end portion of the extension and the proposed utilization of a pre-fabricated, carbon-steel package treatment plant. (Staff Ex. 1). Given the high cost of both the construction and operation of the extension on the northern end, Staff recommended if there was a bid overrun, that the extension on the northern end be deleted. Staff pointed out that these six customers included seasonally occupied camps and cost per customer on this extension was $48,167. Those concerns, however, do not rise to such level requiring a denial of the District's application. During the hearing, the District indicated it concurs with Staff's recommendations. (Tr. 14, 15). Nevertheless, it is certainly plain that approval of the District's application is warranted. The District should be required to deduct the northern extension if a bid overrun occurs.

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[1] See, documentation filed by the District on April 15, 2015, that outlined the struggle of citizens to bring sewer service to the Meadow Creek area.

FINDINGS OF FACT

1. On October 30, 2014, the Meadow Creek Public Service District (District) filed an application for a certificate of convenience and necessity to provide a wastewater extension and treatment plant replacement. (Application).

2. The District is seeking to construct a 40,000 gallon per day extended aeration wastewater treatment plant, approximately 5,000 linear feet of 8 inch and smaller gravity wastewater collection lines and appurtenances thereto, 1 lift station, 5 residential grinder lift stations and adjustment of all existing manholes to surface grade. (Staff Initial Memorandum filed December 4, 2014).

3. The District serves approximately 100 unmetered sewer-only customers and one metered public authority customer. (Id.).

4. The project was approved by the West Virginia Infrastructure and Jobs Development Council. The WVIJDC provided the District with the best possible funding award. (Staff Ex. 1; Tr. 20, 21).

5. The project was approved by the West Virginia Office of Environmental Health Services via Permit No. 19,571. (Permit Filed May 7, 2015).

6. There was substantial protest to the District's proposed project. (Letters filed December 5, 2014).

7. Apart from one commentator who supported the project, every commentator objected to the 78% increase in rate. (Tr. 10-37).

8. The District estimated the project will cost $2,413,000, with an estimated construction cost of $1,735,000 (including a 10% contingency). (Staff's Exhibit No. 1).

9. The District proposed a revised funding package comprised of a Rural Utilities Service (RUS) Planning Grant in the amount of $15,000, a HUD Small Cities Block Grant (SCBG) Design Grant in the amount of $200,000, an Appalachian Regional Counsel (ARC) grant in the amount of $1,578,112, and a West Virginia Infrastructure and Jobs Development Council (IJCD) loan in the amount of $619,888 over the thirty years at 2% interest. (Id.).

10. Despite concerns over the District's cost per customer per the line extensions at the north end of the project which is estimated at $289,000, to serve six homes and/or seasonal camps, Staff recommended approval of the project. Staff did recommend that in the case of a bid overrun, that the northern extension be deducted from the project. (Id.).

11. The District's existing system provides service to two distinct, non-contiguous areas, one area in the vicinity of the mouth of Meadow Creek along the New River and a

community located near to and south of Interstate 64. The project impacts only the system serving customers located along the New River north of I-64 and the community of Meadow Creek proper. (Id.).

12. The Summers County Health Department believes a public sewer system is necessary in the Meadow Creek Community since there have been documented failures of on-site disposal systems in the area. (Id.).

13. The District's existing package plant has reached the end of its useful life and its structural supports are extensively degraded. Thus, there is a need for the project. (Id.).

14. The construction cost associated with the replacement of the treatment plant is approximately $615,000. (Id.).

15. The extension of sewer service to approximately 24 new customers located adjacent to the existing service area with an estimated construction cost of about $1,057,000.00 (rounded with 10% contingency) equals about $44,042 per new customer appears to be very high but is acceptable given the high percentage of grant funding. (Id.).

16. The work in the north end extension area nearest Meadow Creek would provide service to six homes and/or seasonally occupied camps at an estimated construction cost of approximately $289,000 or $48,167 per customer. The work in the north-end extension area is complex and will be expensive to operate and maintain. It includes two pumping stations, two crossing beneath an active railroad, one crossing beneath a county road and one directionally-drilled stream crossing Meadow Creek. Staff recommends that the extension be deleted from the project should the project come in over budget. (Staff Ex. 1; Tr. 23).

17. The District's plans and construction documents do not violate the Commission's Sewer Rules. (Staff Ex. 1).

18. All the necessary permits and regulatory approvals needed for the project have either been issued, or will be available prior to the start of actual construction. (Id.).

19. Staff noted that although the pre-fabricated, carbon-steel package treatment plan the District selects to use for the project is not prohibited by state law or regulation, such structures have a short service life due to the corrosive action of sewage and moisture on steel. (Id.).

20. Staff recommended the use of a pre-cast concrete wastewater treatment plan instead of carbon steel. However, Staff believes the District's new plant will last thirty years. (Staff Ex. 1; Tr. 24).

21. The estimated, project-related O & M increase of $6,941 per year is not excessive and represents a reasonable approximation of the anticipated cost of operating and maintaining the proposed project. (Id.).

22. The District's Rule 42 Exhibit reflects $2,134 in total surplus with 117.76% bond coverage under the District's proposed rates. The District's proposed rates will generate $37,264 in additional revenue, or 78.6%. (Id.).

23. Staff agrees with the District's proposed rates. The relatively low existing rates, the lack of growth in the community and the inability of the District to get 100% grant funding for the project result in a 78% increase in rates. (Staff Ex. 1; Tr. 25).

24. Residential and small commercial customers will receive a flat bill of $44.41 a month. (Staff Ex. 1; Tr. 32).

25. The post-project rates and charges will produce approximately $6,389 as a result of new customers and $36,832 as a result of increased rates annually in additional revenue, an increase of 78% in rates, with an overall increase in total revenue of $43,221. (Staff Ex. 1).

26. Staff recommends the District's application for a certificate be granted. (Id.)

CONCLUSIONS OF LAW

1. The public convenience and necessity require the proposed project.

2. The proposed financing is reasonable and should be approved.

3. The application for a certificate of convenience and necessity should be granted to the District.

4. The attached rates should be approved for all service rendered after substantial completion of the project.

ORDER

IT IS, THEREFORE, ORDERED that Meadow Creek Public Service District be, and hereby, is granted a certificate of convenience and necessity to construct a 40,000 gallon per day extended aeration wastewater treatment plant, approximately 5,000 linear feet of 8 inch and smaller gravity wastewater collection lines and appurtenances thereto, 1 lift station, 5 residential grinder lift stations and adjustment of all existing manholes to surface grade, which were described in its application filed with the Commission on October 30, 2014. The cost of the approved project shall not exceed $2,413,000. Approval is contingent upon the District obtaining all necessary state and federal permits before construction.

IT IS FURTHER ORDERED that if the actual cost of the project exceed the approved funding, that the Meadow Creek Public Service District delete the line extension serving six potential customers situated nearest to and along Meadow Creek.

IT IS FURTHER ORDERED that Meadow Creek Public Service District shall file with the Commission copies of all other outstanding regulatory permits and approvals required for the construction of the project prior to construction commencing.

IT IS FURTHER ORDERED that the proposed financing, consisting of a West Virginia Infrastructure and Jobs Development Council loan in the amount of $619,888 at 2% interest for thirty years, a Rural Utilities Service Planning Grant in the amount of $15,000, a HUD Small Cities Block Grant Design Grant in the amount of $200,000, and an Appalachian Regional Counsel grant in the amount of $1,578,112 be, and hereby is, approved..

IT IS FURTHER ORDERED that, if there are any changes in the plans, financing or scope of the project, the District must seek Commission approval of those changes. If any changes in the project cost result in a modification of the rates, the District must seek Commission approval of such changes. If project-related rates remain unchanged, but the project costs change, the District must file an affidavit executed by a certified public accountant verifying that the modifications to the project cost will not impact the necessary rates and charges.

IT IS FURTHER ORDERED that the District file with the Commission a copy of the engineer's certified bid tabulations for all contracts awarded on this project, as soon as they are available.

IT IS FURTHER ORDERED that the District file with the Commission a copy of the certificate of substantial completion issued for each construction contract associated with the project as soon as each is available.

IT IS FURTHER ORDERED that the District comply with all rules and regulations of the Division of Highways regarding the use of the Division of Highways rights-of way.

IT IS FURTHER ORDERED that the Staff-recommended tariff, attached as Appendix A be, and hereby is, approved for use by the District for all service rendered by the District upon substantial completion of the project. The District shall file with the Commission a proper revised tariff sheet and at least five copies within thirty days of the date this Order becomes a Final Order of the Commission.

IT IS FURTHER ORDERED that the matter be, and hereby is, removed from the Commission's docket of open cases.

The Executive Secretary is ordered to serve this Order upon the Commission and its Staff by hand delivery, upon all parties of record who have filed an e-service agreement with the Commission by electronic service and upon all other parties by United States Certified Mail, return receipt requested.

Leave is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen days of the date of this Order. If exceptions are filed, the parties filing exceptions shall certify that all parties of record have been served the exceptions.

If no exceptions are filed, this Order shall become the order of the Commission, without further action or order, five days following the expiration of the fifteen day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions by filing an appropriate petition in writing with the Executive Secretary. No such waiver, however, will be effective until approved by order of the Commission.

Pancho G. Morris
Administrative Law Judge

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MEADOW CREEK PUBLIC SERVICE DISTRICT
CASE NO. 14-1848-PSD-CN

APPLICABILITY

Applicable within the entire area served.

AVAILABILITY OF SERVICE

Available for general domestic, commercial, and industrial service and sale for resale for resale sewer service.

RATE

A flat rate of $44.41 per month will be charged for residential and small commercial customers.

A flat rate of $1,691.00 per month for each individual service/tap will be charged for the National Park Visitors Center and the National Park Service Meadow Creek Campground.

DELAYED PAYMENT PENALTY

The above scheduled is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed penalty is not interest and is to be collected only once for each bill where it is appropriate.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $150.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the sewer utility up to a maximum of $25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

DISCONNECT/RECONNECT ADMINISTRATIVE FEES

Whenever sewer service has been disconnected for failure to pay bills, or at the customer's request, a disconnection fee of $150.00 shall be charged.

Whenever sewer service is restored to such customer, Meadow Creek Public Service District will assess a reconnect charge of $50.00.

Public Service Commission
of West Virginia
Charleston

SURFACE OR GROUND WATER SURCHARGE

An additional amount shall be charged where surface or ground water is introduced into the sanitary system where evidence of a violation exists.

Surcharge formula to be applied in cases where surface drainage is connected to the utility's sewer system.

APPLICABILITY

Wherever the utility has discovered that a customer's roof drain, down spout, storm sewer or similar facilities conducting surface water have been connected to the Meadow Creek Public Service District sewer system and such customer has failed to take appropriate action, within thirty days of a demand by the District in accordance with the Rules of the Public Service Commission, to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula.

$$S = A \times R \times 0.0006233 \times C$$

S = The surcharge in dollars
A = The area under roof and/or the area of any other water collection surface connected to the sanitary sewer, in square feet.
R = The measured monthly rainfall in inches.
0.0006233 = A = A conversion factor to be charge in inches of rain x square feet of surface to to thousands of gallons of water.
C = The utility's approved rate per thousand gallons of metered water usage.

The District shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty days from receipt of such notice to divert the water from the sanitary sewer system.

Said surcharge shall be calculated and imposed for each month that said condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water in accordance with the Rules of the Public Service Commission of West Virginia.

Public Service Commission
of West Virginia
Charleston

SUPPLEMENT No. 1 to P.S.C. W. Va. No. 4

MEADOW CREEK PUBLIC SERVICE DISTRICT,

a public utility

OF

MEADOW CREEK, WEST VIRGINIA

RATES, RULES AND REGULATIONS FOR FURNISHING

SEWERAGE AND SEWAGE DISPOSAL SERVICE

at Meadow Creek, Summers County, West Virginia

Filed with **THE PUBLIC SERVICE COMMISSION**
of
WEST VIRGINIA

Issued July 14, 2015

Effective for all service rendered on and after substantial completion of the project, except as otherwise provided herein

Issued by authority of an order of
The Public Service Commission of West Virginia
in Case No. 14-1848-PSD-CN final
June 30, 2015.

Issued by MEADOW CREEK PUBLIC SERVICE DISTRICT, a public utility

By C M Richmond

Chairman
Title

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2015 SEP 10 AM 10:37
PUBLIC SERVICE COMMISSION

RULES AND REGULATIONS

I. Rules and Regulations for the Government of Sewerage Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

MEADOW CREEK PUBLIC SERVICE DISTRICT (Sewer)

SUPPLEMENT No. 1 to P.S.C. W.Va. No. 4
Original Sheet No. 2

APPLICABILITY

Applicable within the entire area served

AVAILABILITY OF SERVICE

Available for general domestic, commercial and industrial service and sale for resale sewer service

(I) RATES

A flat rate of $44.41 per month will be charged for residential and small commercial customers.

(I,C) A flat rate of $1,691.00 per month for each individual service/tap will be charged for the National Park Visitors Center and the National Park Service Meadow Creek Campground.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $150.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the sewer utility up to a maximum of $25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

(I) Indicates increase
(C) Indicates change in text

Issued by authority of an Order of the Public Service Commission of West Virginia in Case No. 14-1848-PSD-CN final June 30, 2015, to become effective upon substantial completion of the project approved in the Order.

DISCONNECT/RECONNECTADMINISTRATIVE FEES

Whenever sewer service has been disconnected for failure to pay bills, or at the customer's request, a disconnection fee of $150.00 shall be charged.

Whenever sewer service is restored to such customer, Meadow Creek Public Service District will assess a reconnect charge of $50.00.

SURFACE OR GROUND WATER SURCHARGE

An additional amount shall be charged where surface or ground water is introduced into the sanitary system where evidence of a violation exists.

APPLICABILITY

Whenever the utility has discovered that a customer's roof drain, downspout, storm sewer or similar facilities conducting surface water have been connected to the utility's sewer system and such customer has failed to take appropriate action, within thirty (30) days or receipt of a demand by the utility in accordance with the Rules of the Public Service Commission, to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times 0.0006233 \times C$$

S = The surcharge in dollars
A = The area under roof and/or the area of any other water collection surface connected to the sanitary sewer, in square feet
R = The measured monthly rainfall, in inches
0.0006233 = A conversion factor to change inches of rain x square feet of surface to thousands of gallons of water
C = The utility's approved rate per thousand gallons of metered water usage.

Issued by authority of an Order of the Public Service Commission of West Virginia in Case No. 14-1848-PSD-CN final June 30, 2015, to become effective upon substantial completion of the project approved in the Order.

SURFACE OR GROUND WATER SURCHARGE (Continued)

APPLICABILITY (Continued)

The utility shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system.

Said surcharge shall be calculated and imposed for each month that said condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the Rules of the Public Service Commission of West Virginia.

Issued by authority of an Order of the Public Service Commission of West Virginia in Case No. 14-1848-PSD-CN final June 30, 2015, to become effective upon substantial completion of the project approved in the Order.

2006 OCT 26 AM 9:05

P.S.C. W. Va. No. 4
Canceling P.S.C. W. Va. No. 2

MEADOW CREEK PUBLIC SERVICE DISTRICT,

a public utility

Public Service Commission
of W. VA. Tariff Office
OCT 27 2006
Special Studies Section

OF

MEADOW CREEK, WEST VIRGINIA

RATES, RULES AND REGULATIONS FOR FURNISHING

SEWERAGE AND SEWAGE DISPOSAL SERVICE

at Meadow Creek, Summers County, West Virginia

Filed with **THE PUBLIC SERVICE COMMISSION**
of
WEST VIRGINIA

RECEIVED
2006 OCT 19 AM 10:36

Issued October 19, 2006

Effective for service rendered on and after October 18, 2006
or as otherwise provided herein

Issued by authority of an order of
The Public Service Commission of West Virginia
in Case No. 06-0479-PSD-19A final
October 18 2006 or as otherwise provided herein

Issued by MEADOW CREEK PUBLIC SERVICE DISTRICT, a public utility

By Charles Richmond

Chairman
Title

RULES AND REGULATIONS

I. Rules and Regulations for the Government of Sewerage Utilities, adopted by the Public Service Commission of West Virginia, and now in effect, and all amendments thereto and modifications thereof hereafter made by said Commission.

(C) APPLICABILITY

Applicable within the entire area served

(N) AVAILABILITY

Available for general domestic, commercial and industrial service and sale for resale sewer service

(I) RATES

A flat rate of $24.95 per month will be charged for residential and small commercial customers.

A flat rate of $950.00 per month will be charged for the National Park Visitors Center.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

(C) TAP FEE

The following charge is to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $150.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

(C) RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the sewer utility up to a maximum of $25.00 will be imposed upon any customer whose check for payment of charges is returned by the bank due to insufficient funds.

DISCONNECT/RECONNECTADMINISTRATIVE FEES

Whenever sewer service has been disconnected for failure to pay bills, or at the customer's request, a disconnection fee of $150.00 shall be charged.

Whenever sewer service is restored to such customer, Meadow Creek Public Service District will assess a reconnect charge of $50.

(C) Indicates change in text
(N) Indicates new
(I) Indicates increase

(N) SURFACE OR GROUND WATER SURCHARGE

An additional amount shall be charged where surface or ground water is introduced into the sanitary system where evidence of a violation exists.

APPLICABILITY

Whenever the utility has discovered that a customer's roof drain, downspout, storm sewer or similar facilities conducting surface water have been connected to the utility's sewer system and such customer has failed to take appropriate action, within thirty (30) days or receipt of a demand by the utility in accordance with the Rules of the Public Service Commission, to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times 0.0006233 \times C$$

S = The surcharge in dollars
A = The area under roof and/or the area of any other water collection surface connected to the sanitary sewer, in square feet
R = The measured monthly rainfall, in inches
0.0006233 = A conversion factor to change inches of rain x square feet of surface to thousands of gallons of water
C = The utility's approved rate per thousand gallons of metered water usage.

The utility shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system.

Said surcharge shall be calculated and imposed for each month that said condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water service in accordance with the Rules of the Public Service Commission of West Virginia.

(N) Indicates new

WEST VIRGINIA

Infrastructure & Jobs Development Council

January 16, 2015

Chairman
Meadow Creek Public Service District
P.O. Box 64
Meadow Creek, WV 25977-0064

Re: Meadow Creek Public Service District
Sewer Project 2011S-1303
IJDC Binding Commitment
(Action Required by January 31, 2015)

Dear Chairman:

At its January 7, 2015 meeting, the West Virginia Infrastructure and Jobs Development Council (Council) voted to provide this binding offer of a $619,888 Infrastructure Fund loan (Loan) for the above-named project (Project). The Loan will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Loan amount will be established after the Sponsor has received acceptable bids for the Project. The Council will set aside a portion of the Infrastructure Fund to make the Loan upon the Sponsor's compliance with the program requirements.

This binding commitment shall expire on January 7, 2016. If the Sponsor has any questions regarding this commitment, please contact James W. Ellars, Executive Director, at (304) 414-6501 (X106).

Sincerely,

Jason Pizatella
Chairman

cc: Kathy Emery, DEP *(via e-mail)*
Stacy Fowler, Stafford Consultants *(via e-mail)*
Eric Combs, Region I P&DC *(via e-mail)*
Rod Lowe, Bassett & Lowe CPA *(via e-mail)*
Kelly Workman, WVDO *(via e-mail)*
James Bush, WVDO *(via e-mail)*
Teresa Miller, RUS *(via e-mail)*
Samme Gee, Esq., Jackson Kelly *(via e-mail)*

1009 Bullitt Street • Charleston, WV 25301-1003 • Phone (304) 414-6501 • Fax (304) 414-0866

www.wvinfrastructure.com

NOTE: Please acknowledge receipt below, keep one original, and immediately return one copy to the Infrastructure Council.

MEADOW CREEK PUBLIC SERVICE DISTRICT

By: Charles Kushner

Its: CMR

Date: 1/20/15

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Sewer Project No. 2011S-1303
Meadow Creek Public Service District

SCHEDULE A

A. Approximate Amount: $619,888 Loan

B. Loan: $619,888

1. Maturity Date: 30 years from date of closing.
2. Interest Rate: 2%
3. Loan Advancement Date(s): Monthly, upon receipt of proper requisition.
4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.
5. Special Conditions: None

NOTICE: The terms set forth above are subject to change following the receipt of construction bids.

C. Other Funding:

SCBG design grant	$ 200,000
ARC grant	1,578,112
RUS planning grant	15,000

D. Total Project Cost: $2,413,000

E. Proposed User Rates: Approximately $31.61 / 4000 gallons

IC-1
(07/13)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

MEADOW CREEK PUBLIC SERVICE DISTRICT
(2011S-1303)

(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency constitutes a governmental agency as defined by the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an Amended Application for a Construction Loan also with attachments and exhibits (together, as

further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

WHEREAS, having reviewed the Application and made all findings required by the Act and having available sufficient funds therefor, the Council has authorized the Authority to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Infrastructure Fund, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's loan program (the "Program") as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Governmental Agency and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "Council," "governmental agency," "project," "waste water facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Bonds, acting in its administrative capacity pursuant to Section 10 of the Act and upon authorization from the Council.

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Department of Environmental Protection, or any successor thereto.

1.4 "Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Section 9 of the Act.

1.5 "Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.6 "Local Act" means the official action of the Governmental Agency required by Section 4.1 hereof, authorizing the Local Bonds.

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the

Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

1.8 "Local Statute" means the specific provisions of the Code of West Virginia, 1931, as amended, pursuant to which the Local Bonds are issued.

1.9 "Operating Expenses" means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.10 "Project" means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

1.11 "System" means the project owned by the Governmental Agency, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.12 Additional terms and phrases are defined in this Loan Agreement as they are used.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority and Council having found, to the extent applicable, that the Project is consistent with the Act.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and the Local Act, the Governmental Agency has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers.

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property or any interest therein is approved by the Authority and Council.

2.4 The Governmental Agency agrees that the Authority and the Council and their duly authorized agents shall have the right at all reasonable times to enter upon the Project

site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and the Council and their duly authorized agents and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Governmental Agency shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project. The Governmental Agency shall permit the Authority and the Council, acting by and through their directors or their duly authorized agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the construction, acquisition and installation of the Project, the operation and maintenance of the System and the administration of the Loan or of any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and the Council and their agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

2.7 The Governmental Agency shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract and shall verify or have verified such bonds prior to commencement of construction.

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent (100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental

Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the Council and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Council, the Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Governmental Agency, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

2.13 The Governmental Agency shall serve the additional customers at the location(s) as set forth in Schedule X. The Governmental Agency shall not reduce the amount of additional customers served by the project without the prior written approval of the WDA Board. Following completion of the Project the Governmental Agency shall certify to the Authority the number of customers added to the System.

2.14 The Governmental Agency shall perform an annual maintenance audit which maintenance audit shall be submitted to the WDA and the Public Service Commission of West Virginia.

ARTICLE III

Conditions to Loan;
Issuance of Local Bonds

3.1 The agreement of the Authority and Council to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority and the Council, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Governmental Agency shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

(b) The Governmental Agency shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

(c) The Governmental Agency shall either have received bids or entered into contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan will refund an interim construction financing, the Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A;

(d) The Governmental Agency shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect;

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(f) The Governmental Agency shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, including compliance with Chapter 21, Article 1D of the Code of West Virginia, 1931, as amended, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority, to such effect;

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and the Council shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority and the Council, to such effect; and

(i) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of projects and satisfactory to the Authority and the Council, to such effect, such certificate to be in form and substance satisfactory to the Authority and the Council, and evidence satisfactory to the Authority and the Council of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority, the Council or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Governmental Agency and the Governmental Agency shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Loan shall be secured and shall be repaid in the manner hereinafter provided in this Loan Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Governmental Agency by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as possible to the designated date and mutually agreeable to the Authority, the Council and the Governmental

Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority or such later date as is agreed to in writing by the Council.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

Local Bonds; Security for Loan; Repayment of Loan; Interest on Loan; Fees and Charges

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues shall be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) in an amount equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve

Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

(iii) to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues from the System, exclusive of any payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

(iv) for other legal purposes of the System, including payment of debt service on other obligations junior, subordinate and inferior to the Local Bonds.

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the Reserve Account is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount equal to the Reserve Requirement and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

(iii) That the Governmental Agency shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Local Bonds outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Governmental Agency will carry such insurance as is customarily carried with respect to works and properties similar to the System, including those specified by Section 2.8 hereof;

(vii) That the Governmental Agency will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law;

(ix) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(x) That, to the extent legally allowable, the Governmental Agency will not grant any franchise to provide any services which would compete with the System;

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Governmental Agency shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and

maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof;

(xiii) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, prospective users of the System shall be required to connect thereto;

(xiv) That the proceeds of the Local Bonds, advanced from time to time, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and the Council, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

(xvi) That the West Virginia Municipal Bond Commission (the "Commission") shall serve as paying agent for the Local Bonds;

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month. When required by the Authority, the Local Entity shall make monthly payments to the Commission by electronic transfer;

(xviii) That, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Governmental Agency will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion from gross

income for federal income tax purposes of interest on the State's general obligation bonds or any bonds secured by the Local Bonds;

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

(xxi) That the Governmental Agency shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Governmental Agency, then the Governmental Agency shall enter into a termination agreement with the water provider;

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule B attached to the certificate of the Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before making any changes to the final Schedule B and also before expending any proceeds of the Local Bonds available due to bid/construction/project underruns;

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the "West Virginia Jobs Act") and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Governmental Agency shall provide the Council and the Authority with a certificate stating that (I) the Governmental Agency will comply with all the requirements of the West Virginia Jobs Act; (II) the Governmental Agency has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (III) the Governmental Agency has received or will receive, prior to

entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (IV) the Governmental Agency will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Governmental Agency is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit B.

4.2 The Loan shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of the fees, charges and other revenues of the Governmental Agency from the System as further set forth by and subject only to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority and the Council.

4.3 The principal of the Loan shall be repaid by the Governmental Agency on the days and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

4.4 The Loan shall bear interest from the date and at the rate or rates per annum set forth on Schedule X hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

ARTICLE V

Certain Covenants of the Governmental Agency; Imposition and Collection of User Charges; Payments To Be Made by Governmental Agency to the Authority

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment due to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority and the Council in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority and the Council shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and the Council by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act or this Loan Agreement.

6.2 The Governmental Agency hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Governmental Agency fails to make any such rebates as required, then the Governmental Agency shall pay any and all penalties, obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

6.4 The Governmental Agency hereby agrees to give the Authority and the Council prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.5 The Governmental Agency hereby agrees to file with the Authority and the Council upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule B to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency, if any, may be set forth in Schedule Z attached hereto and incorporated herein by reference, with the same effect as if contained in the text of this Loan Agreement.

7.2 Schedules X and Y shall be attached to this Loan Agreement by the Authority as soon as practicable after the Date of Loan Closing is established and shall be approved by an official action of the Governmental Agency supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority and the Council.

7.3 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

7.4 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.5 This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Loan Agreement.

7.6 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

7.7 This Loan Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

7.9 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its

Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.10 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

IN WITNESS WHEREOF, the parties hereto have caused this Loan Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

MEADOW CREEK PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairman
Date: January 12, 2016

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: January 12, 2016

Attest:

_____
Its: Authorized Officer

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____, Consulting Engineers, _____, _____ hereby certify as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Council and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least _____ years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in Schedule B attached hereto as Exhibit A, and my firm[1] has ascertained that all successful bidders

[1]If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____, Esq.] and delete "my firm has ascertained that".

have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the Council and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof[2], the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the Council; (xi) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; and (xii) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve _____ new customers in the _____ area.

WITNESS my signature and seal on this ____ day of _____, ___.

[SEAL]

_____

By: _____
West Virginia License No. _____

[2]If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith," at the beginning of (ix).

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
1009 Bullitt Street
Charleston, WV 25301

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Ladies and Gentlemen:

We are bond counsel to _____ (the "Governmental Agency"), a _____.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, ____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, ____ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning _____, 1, ____, and ending _____, 1, ____, as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The Loan Agreement has been duly authorized by and executed on behalf of the Governmental Agency and is a valid and binding special obligation of the Governmental Agency, enforceable in accordance with the terms thereof.

2. The Loan Agreement inures to the benefit of the Authority and the Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Governmental Agency without the consent of the Authority and the Council.

3. The Governmental Agency is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Governmental Agency and constitute valid and binding obligations of the Governmental Agency, enforceable against the Governmental Agency in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Governmental Agency to the Authority and are valid, legally enforceable and binding special obligations of the Governmental Agency, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Local Bond numbered R-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

Name of Governmental Agency _____
Name of Bond Issue(s) _____
Type of Project _____ **Water** _____ **Wastewater**
Fiscal Year _____ **Report Month** _____

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service Economic Development Administration				
Other (Identify)				
_____				
4. Renewal and Replacement Fund Deposits				

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item 1 You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

The Governmental Agency must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

Re: [Name of bond issue]

Ladies and Gentlemen:

The following deposits were made to the West Virginia Municipal Bond Commission on behalf of [Name of Governmental Agency] on [Date].

Sinking Fund:			
Interest	$		
Principal		$	
Total:			$
Reserve Account:			$

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A. Series A Bonds

Principal Amount of Local Bonds $_____

Purchase Price of Local Bonds $_____

The Local Bonds shall bear interest at a rate of 2% per annum. Commencing December 1, 2017, principal of and interest on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall authorize the Commission to electronically debit its monthly payments. The Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

The Local Bonds are fully registered in the name of the Authority as to interests and principal and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Governmental Agency's system as provided in the Local Act.

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, there are no outstanding obligations or prior bonds of the Governmental Agency which will rank on a parity as to liens, pledge and source of and security for payment with the Local Bonds.

Number of New Users: 24

Location: Meadow Creek area, Summers County

SCHEDULE Y
DEBT SERVICE SCHEDULE

Bond Debt Service
Meadow Creek PSD
IF
$619,888
2% Interest Rate
30 Years

Period Ending	Principal	Coupon	Interest	Debt Service
12/1/2017	3,783	2.000%	3,099.44	6,882.44
3/1/2018	3,801	2.000%	3,080.53	6,881.53
6/1/2018	3,821	2.000%	3,061.52	6,882.52
9/1/2018	3,840	2.000%	3,042.42	6,882.42
12/1/2018	3,859	2.000%	3,023.22	6,882.22
3/1/2019	3,878	2.000%	3,003.92	6,881.92
6/1/2019	3,897	2.000%	2,984.53	6,881.53
9/1/2019	3,917	2.000%	2,965.05	6,882.05
12/1/2019	3,937	2.000%	2,945.46	6,882.46
3/1/2020	3,956	2.000%	2,925.78	6,881.78
6/1/2020	3,976	2.000%	2,906.00	6,882.00
9/1/2020	3,996	2.000%	2,886.12	6,882.12
12/1/2020	4,016	2.000%	2,866.14	6,882.14
3/1/2021	4,036	2.000%	2,846.06	6,882.06
6/1/2021	4,056	2.000%	2,825.88	6,881.88
9/1/2021	4,076	2.000%	2,805.60	6,881.60
12/1/2021	4,097	2.000%	2,785.22	6,882.22
3/1/2022	4,117	2.000%	2,764.73	6,881.73
6/1/2022	4,138	2.000%	2,744.15	6,882.15
9/1/2022	4,159	2.000%	2,723.46	6,882.46
12/1/2022	4,179	2.000%	2,702.66	6,881.66
3/1/2023	4,200	2.000%	2,681.77	6,881.77
6/1/2023	4,221	2.000%	2,660.77	6,881.77
9/1/2023	4,242	2.000%	2,639.66	6,881.66
12/1/2023	4,264	2.000%	2,618.45	6,882.45
3/1/2024	4,285	2.000%	2,597.13	6,882.13
6/1/2024	4,306	2.000%	2,575.71	6,881.71
9/1/2024	4,328	2.000%	2,554.18	6,882.18
12/1/2024	4,349	2.000%	2,532.54	6,881.54
3/1/2025	4,371	2.000%	2,510.79	6,881.79
6/1/2025	4,393	2.000%	2,488.94	6,881.94
9/1/2025	4,415	2.000%	2,466.97	6,881.97
12/1/2025	4,437	2.000%	2,444.90	6,881.90
3/1/2026	4,459	2.000%	2,422.71	6,881.71
6/1/2026	4,482	2.000%	2,400.42	6,882.42
9/1/2026	4,504	2.000%	2,378.01	6,882.01
12/1/2026	4,527	2.000%	2,355.49	6,882.49
3/1/2027	4,549	2.000%	2,332.85	6,881.85
6/1/2027	4,572	2.000%	2,310.11	6,882.11
9/1/2027	4,595	2.000%	2,287.25	6,882.25
12/1/2027	4,618	2.000%	2,264.27	6,882.27
3/1/2028	4,641	2.000%	2,241.18	6,882.18
6/1/2028	4,664	2.000%	2,217.98	6,881.98
9/1/2028	4,687	2.000%	2,194.66	6,881.66
12/1/2028	4,711	2.000%	2,171.22	6,882.22
3/1/2029	4,734	2.000%	2,147.67	6,881.67
6/1/2029	4,758	2.000%	2,124.00	6,882.00

Jan 5, 2016 5:08 pm Prepared by Piper Jaffray & Co. (WDA:LOANS-MEAD116) 2

Bond Debt Service
Meadow Creek PSD
IF
$619,888
2% Interest Rate
30 Years

Period Ending	Principal	Coupon	Interest	Debt Service
9/1/2029	4,782	2.000%	2,100.21	6,882.21
12/1/2029	4,806	2.000%	2,076.30	6,882.30
3/1/2030	4,830	2.000%	2,052.27	6,882.27
6/1/2030	4,854	2.000%	2,028.12	6,882.12
9/1/2030	4,878	2.000%	2,003.85	6,881.85
12/1/2030	4,903	2.000%	1,979.46	6,882.46
3/1/2031	4,927	2.000%	1,954.94	6,881.94
6/1/2031	4,952	2.000%	1,930.31	6,882.31
9/1/2031	4,976	2.000%	1,905.55	6,881.55
12/1/2031	5,001	2.000%	1,880.67	6,881.67
3/1/2032	5,026	2.000%	1,855.66	6,881.66
6/1/2032	5,051	2.000%	1,830.53	6,881.53
9/1/2032	5,077	2.000%	1,805.28	6,882.28
12/1/2032	5,102	2.000%	1,779.89	6,881.89
3/1/2033	5,128	2.000%	1,754.38	6,882.38
6/1/2033	5,153	2.000%	1,728.74	6,881.74
9/1/2033	5,179	2.000%	1,702.98	6,881.98
12/1/2033	5,205	2.000%	1,677.08	6,882.08
3/1/2034	5,231	2.000%	1,651.06	6,882.06
6/1/2034	5,257	2.000%	1,624.90	6,881.90
9/1/2034	5,283	2.000%	1,598.62	6,881.62
12/1/2034	5,310	2.000%	1,572.20	6,882.20
3/1/2035	5,336	2.000%	1,545.65	6,881.65
6/1/2035	5,363	2.000%	1,518.97	6,881.97
9/1/2035	5,390	2.000%	1,492.16	6,882.16
12/1/2035	5,417	2.000%	1,465.21	6,882.21
3/1/2036	5,444	2.000%	1,438.12	6,882.12
6/1/2036	5,471	2.000%	1,410.90	6,881.90
9/1/2036	5,498	2.000%	1,383.55	6,881.55
12/1/2036	5,526	2.000%	1,356.06	6,882.06
3/1/2037	5,554	2.000%	1,328.43	6,882.43
6/1/2037	5,581	2.000%	1,300.66	6,881.66
9/1/2037	5,609	2.000%	1,272.75	6,881.75
12/1/2037	5,637	2.000%	1,244.71	6,881.71
3/1/2038	5,665	2.000%	1,216.52	6,881.52
6/1/2038	5,694	2.000%	1,188.20	6,882.20
9/1/2038	5,722	2.000%	1,159.73	6,881.73
12/1/2038	5,751	2.000%	1,131.12	6,882.12
3/1/2039	5,780	2.000%	1,102.36	6,882.36
6/1/2039	5,809	2.000%	1,073.46	6,882.46
9/1/2039	5,838	2.000%	1,044.42	6,882.42
12/1/2039	5,867	2.000%	1,015.23	6,882.23
3/1/2040	5,896	2.000%	985.89	6,881.89
6/1/2040	5,926	2.000%	956.41	6,882.41
9/1/2040	5,955	2.000%	926.78	6,881.78
12/1/2040	5,985	2.000%	897.01	6,882.01
3/1/2041	6,015	2.000%	867.08	6,882.08

Bond Debt Service
Meadow Creek PSD
IF
$619,888
2% Interest Rate
30 Years

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2041	6,045	2.000%	837.01	6,882.01
9/1/2041	6,075	2.000%	806.78	6,881.78
12/1/2041	6,106	2.000%	776.41	6,882.41
3/1/2042	6,136	2.000%	745.88	6,881.88
6/1/2042	6,167	2.000%	715.20	6,882.20
9/1/2042	6,198	2.000%	684.36	6,882.36
12/1/2042	6,229	2.000%	653.37	6,882.37
3/1/2043	6,260	2.000%	622.23	6,882.23
6/1/2043	6,291	2.000%	590.93	6,881.93
9/1/2043	6,323	2.000%	559.47	6,882.47
12/1/2043	6,354	2.000%	527.86	6,881.86
3/1/2044	6,386	2.000%	496.09	6,882.09
6/1/2044	6,418	2.000%	464.16	6,882.16
9/1/2044	6,450	2.000%	432.07	6,882.07
12/1/2044	6,482	2.000%	399.82	6,881.82
3/1/2045	6,515	2.000%	367.41	6,882.41
6/1/2045	6,547	2.000%	334.83	6,881.83
9/1/2045	6,580	2.000%	302.10	6,882.10
12/1/2045	6,613	2.000%	269.20	6,882.20
3/1/2046	6,646	2.000%	236.13	6,882.13
6/1/2046	6,679	2.000%	202.90	6,881.90
9/1/2046	6,713	2.000%	169.51	6,882.51
12/1/2046	6,746	2.000%	135.94	6,881.94
3/1/2047	6,780	2.000%	102.21	6,882.21
6/1/2047	6,814	2.000%	68.31	6,882.31
9/1/2047	6,848	2.000%	34.24	6,882.24
	619,888		205,956.32	825,844.32

SCHEDULE Z

(None)

MEADOW CREEK PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWER FACILITIES OF MEADOW CREEK PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $800,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2016 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING THE LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF MEADOW CREEK PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof (as hereinafter defined), or both, the "Bond Legislation") is adopted pursuant to the provisions of (i) Chapter 16, Article 13A and (ii) Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and other applicable provisions of law.

Section 1.02. Findings. It is hereby found, determined and declared that:

A. Meadow Creek Public Service District (the "Issuer") is a public service district, public corporation and political subdivision of the State of West Virginia in Summers County of said State.

B. The Issuer presently owns and operates the System (as hereinafter defined). However, it is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed certain extensions, additions,

betterments and improvements to the System, a description of which is attached hereto as Exhibit A and incorporated herein by reference (collectively, the "Project"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the West Virginia Infrastructure and Jobs Development Council (the "Council").

C. The Issuer intends to permanently finance a portion of the costs of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), in connection with the West Virginia Water Pollution Control Revolving Fund pursuant to the Act.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in one series, being the Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in an amount not to exceed $800,000 (the "Series 2016 A Bonds"), to permanently finance the costs of the Project. The remaining costs of the Project shall be funded from the sources set forth in Section 2.01 hereof. Said costs shall be deemed to include the cost of acquisition or construction of any public service properties and any improvements and extensions thereto, the cost of all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2016 A Bonds prior to and during acquisition and installation of the Project and for a period not exceeding 6 months after completion of acquisition and installation of the Project; amounts which may be deposited in the Reserve Accounts (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2016 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or installation of the Project and the placing of same in operation, and the performance of the things herein required or permitted, in connection with any thereof provided, that reimbursement to the Issuer for any amounts expended by it for allowable costs prior to the issuance of the Series 2016 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

E. The period of usefulness of the System after completion of the Project is not less than 40 years.

F. It is in the best interests of the Issuer that its Series 2016 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and among the Issuer, the Authority and the Council, the agreement in form satisfactory to the respective parties (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

G. There are no outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System.

H. The estimated revenues to be derived in each year following completion of the Project from the operation of the System will be sufficient to pay all costs of operation and

maintenance of the System and the principal of and interest, if any, on the Series 2016 A Bonds, and to make payments into all funds and accounts and other payments provided for herein.

I. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the Project, including without limitation, the acquisition, installation and operation of the Project and the System and issuance of the Series 2016 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2016 A Bonds or such final order will not be subject to appeal or rehearing.

J The Project has been reviewed and determined to be technically and financially feasible by the Council as required under Chapter 31, Article 15A of the West Virginia Code of 1931, as amended.

Section 1.03. Bond Legislation Constitutes Contract. In consideration of the acceptance of the Series 2016 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Registered Owners, and the covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Registered Owners of any and all of such Series 2016 A Bonds, all which shall be of equal rank and without preference, priority or distinction between any one Bond of a series and any other Bonds of the same series, by reason of priority of issuance or otherwise, except as expressly provided therein and herein.

Section 1.04. Definitions. The following terms shall have the following meanings herein unless the context expressly requires otherwise:

"Act" means, collectively, (i) Chapter 16, Article 13A and (ii) Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2016 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairperson of the Governing Body of the Issuer or any temporary Chairperson duly selected by the Governing Body.

"Bondholder," "Holder of the Bonds," "Holder," "Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Bond Legislation," "Resolution," "Bond Resolution" or "Local Act" means this Bond Resolution and all orders and resolutions supplemental hereto or amendatory hereof.

"Loan Agreement" means the loan agreement heretofore entered, or to be entered, into by and among the Issuer, the Authority and the COUNCIL, providing for the purchase of the Series 2016 A Bonds from the Issuer by the Authority, being substantially in the form attached hereto as Exhibit B, with such changes, insertions and omissions, if any, as may be approved by the Chairperson; and the execution of such final Loan Agreement by the Chairperson shall be conclusive evidence of such approval.

"Bonds" means, collectively, the Series 2016 A Bonds and any bonds on a parity therewith subsequently authorized to be issued hereunder or by another resolution of the Issuer.

"Bond Year" means the 12-month period beginning on the anniversary of the Closing Date in each year and ending on the day prior to the anniversary date of the Closing Date in the following year, except that the first Bond Year shall begin on the Closing Date.

"Chairperson" means the Chairperson of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2016 A Bonds for all or a portion of the proceeds of the Series 2016 A Bonds from the Authority.

"Code" means the Internal Revenue Code of 1986, as amended, and the Regulations.

"Commission" means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Commission.

"Consulting Engineers" means Stafford Consultants, Inc., Princeton, West Virginia, or any qualified engineer or firm of engineers, licensed by the State, that shall at any time hereafter be procured by the Issuer as Consulting Engineers for the System or portion thereof in accordance with Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended; provided however, that the Consulting Engineers shall not be a regular, full-time employee of the State or any of its agencies, commissions, or political subdivisions.

"Costs" or "Costs of the Project" means those costs described in Section 1.02E hereof to be a part of the cost of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

"Depository Bank" means the bank designated as such in the Supplemental Resolution and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"Gross Revenues" means the aggregate gross operating and non-operating revenues of the System, as hereinafter defined, determined in accordance with generally accepted accounting principles, after deduction of prompt payment discounts, if any, and reasonable provision for uncollectible accounts; provided, that "Gross Revenues" does not include any gains from the sale or other disposition of, or from any increase in the value of, capital assets (including Qualified Investments, as hereinafter defined, purchased pursuant to Article 8.01 hereof) or any Tap Fees, as hereinafter defined.

"Herein," "hereto" and similar words shall refer to this entire Bond Legislation.

"Independent Certified Public Accountants" means any certified public accountant or firm of certified public accountants that shall at any time hereafter be retained by the Issuer to prepare an independent annual or special audit of the accounts of the System or for any other purpose except keeping the accounts of the System in the normal operation of its business and affairs.

"Issuer" means Meadow Creek Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Summers County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Net Proceeds" means the face amount of the Series 2016 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Reserve Accounts.

"Net Revenues" means the balance of the Gross Revenues, remaining after deduction of Operating Expenses, as hereinafter defined.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those

capitalized as part of the costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein defined), other than those capitalized as part of the costs, payments to pension or retirement funds, taxes and such other reasonable operating costs and expenses as should normally and regularly be included under generally accepted accounting principles; provided, that "Operating Expenses" does not include payments on account of the principal of or redemption premium, if any, or interest on the Bonds, charges for depreciation, losses from the sale or other disposition of, or from any decrease in the value of, capital assets, amortization of debt discount or such miscellaneous deductions as are applicable to prior accounting periods.

"Outstanding," when used with reference to Bonds and as of any particular date, describes all Bonds theretofore and thereupon being authenticated and delivered, except (i) any Bond cancelled by the Bond Registrar at or prior to said date; (ii) any Bond for the payment of which monies, equal to its principal amount and redemption premium, if applicable, with interest to the date of maturity or redemption shall be in trust hereunder and set aside for such payment (whether upon or prior to maturity); (iii) any Bond deemed to have been paid as provided in Article X hereof; and (iv) for purposes of consents or other action by a specified percentage of Bondholders, any Bonds registered to the Issuer.

"Parity Bonds" means additional Bonds issued under the provisions and within the limitations prescribed by Section 7.07 hereof.

"Paying Agent" means the Commission or other entity designated as such for the Series 2016 A Bonds in the Supplemental Resolution.

"Project" means the Project as described in Section 1.02B hereof.

"Qualified Investments" means and includes any of the following:

(a) Government Obligations;

(b) Government Obligations which have been stripped of their unmatured interest coupons, interest coupons stripped from Government Obligations, and receipts or certificates evidencing payments from Government Obligations or interest coupons stripped from Government Obligations;

(c) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies: Banks for Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Government National Mortgage Association; Tennessee Valley Authority; or Washington Metropolitan Area Transit Authority;

(d) Any bond, debenture, note, participation certificate or other similar obligations issued by the Federal National Mortgage Association to the extent such obligation is guaranteed by the Government National Mortgage Association or issued by any other federal agency and backed by the full faith and credit of the United States of America;

(e) Time accounts (including accounts evidenced by time certificates of deposit, time deposits or other similar banking arrangements) which, to the extent not insured by the FDIC or Federal Savings and Loan Insurance Corporation, shall be secured by a pledge of Government Obligations, provided, that said Government Obligations pledged either must mature as nearly as practicable coincident with the maturity of said time accounts or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said time accounts;

(f) Money market funds or similar funds whose only assets are investments of the type described in paragraphs (a) through (e) above;

(g) Repurchase agreements, fully secured by investments of the types described in paragraphs (a) through (e) above, with banks or national banking associations which are members of FDIC or with government bond dealers recognized as primary dealers by the Federal Reserve Bank of New York, provided, that said investments securing said repurchase agreements either must mature as nearly as practicable coincident with the maturity of said repurchase agreements or must be replaced or increased so that the market value thereof is always at least equal to the principal amount of said repurchase agreements, and provided further that the holder of such repurchase agreement shall have a prior perfected security interest in the collateral therefor; must have (or its agent must have) possession of such collateral; and such collateral must be free of all claims by third parties;

(h) The West Virginia "consolidated fund" managed by the West Virginia Board of Treasury Investments pursuant to Chapter 12, Article 6C of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner" or any similar term whenever used herein with respect to an outstanding Bond or Bonds, means the person in whose name such Bond is registered.

"Registrar" means the bank or other entity designated as such in the Supplemental Resolution, and its successors and assigns.

"Regulations" means temporary and permanent regulations promulgated under the Code or any predecessor to the Code.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established or continued by Section 5.01 hereof.

"Reserve Account" means the reserve account established for the Series 2016 A Bonds.

"Reserve Requirement" means the amount required to be on deposit in the Reserve Account of the Series 2016 A Bonds.

"Revenue Fund" means the Revenue Fund established or continued by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 2016 A Bonds Project Fund" means the Series 2016 A Bonds Project Fund established by Section 5.01 hereof.

"Series 2016 A Bonds" means the Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, authorized by this Resolution.

"Series 2016 A Bonds Reserve Account" means the Series 2016 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2016 A Bonds Reserve Requirement" means as of any date of calculation, the maximum amount of principal and interest, if any, which will become due on the Series 2016 A Bonds in the then current year or any succeeding year.

"Series 2016 A Bonds Sinking Fund" means the Series 2016 A Bonds Sinking Fund established by Section 5.02 hereof.

"Sinking Funds" means the Sinking Fund established for the Series 2016 A Bonds.

"SRF Regulations" means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations.

"State" means the State of West Virginia.

"Supplemental Resolution" means any resolution or order of the Issuer supplementing or amending this Resolution and, when preceded by the article "the," refers specifically to the supplemental resolution or resolutions authorizing the sale of the Series 2016 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2014 Bonds, and no so included, may be included in another Supplemental Resolution.

"Surplus Revenues" means the Net Revenues not required by the Bond Legislation to be set aside and held for the payment of or security for the Series 2016 A Bonds or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Sinking Fund and the Reserve Account.

"System" means the complete public service properties of the Issuer for the diversion, development, pumping, impounding, treatment, storage, distribution or furnishing of

sewer to or for the public for industrial, public, private or other uses as presently existing in its entirety or any integral part thereof, and shall include the Project and any additions, improvements and extensions thereto hereafter constructed or acquired for said system from any sources whatsoever.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

Additional terms and phrases are defined in this Resolution as they are used. Words importing singular number shall include the plural number in each case and vice versa; words importing persons shall include firms and corporations; and words importing the masculine, feminine or neutral gender shall include any other gender.

ARTICLE II

AUTHORIZATION OF THE PROJECT

Section 2.01. Authorization of the Project. There is hereby authorized and ordered the implementation of the Project at an estimated cost of not to exceed $2,413,000, which includes the acquisition and installation of the Project in accordance with the plans and specifications which have been prepared by the Consulting Engineers, heretofore filed in the office of the Governing Body. The proceeds of the Series 2016 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has received bids and will enter into contracts for the acquisition and installation of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the Council.

The cost of the Project is estimated not to exceed $2,413,000, of which an amount not to exceed $800,000 will be obtained from proceeds of the Series 2016 A Bonds, an amount of $200,000 will be obtained from a Small Cities Block Grant, $15,000 will be obtained from a USDA RUS Grant and an amount not to exceed $1,578,112 will be obtained from an ARC Grant.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest, if any, on the Series 2016 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2016 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2016 A Bonds of the Issuer. The Series 2016 A Bonds shall be issued in a single series, as a single bond, designated as "Sewer Revenue Bonds, Series

2016 A (West Virginia Infrastructure Fund)," in the principal amount not to exceed $800,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2016 A Bonds remaining after funding of the Reserve Account therefore (if funded from Bond proceeds) and capitalizing interest, if any, on the Series 2016 A Bonds, shall be deposited in or credited to the Series 2016 A Bonds Project Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2016 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2016 A Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Series 2016 A Bonds, if any, shall be paid by check or draft of the Paying Agent mailed to the Registered Owner thereof at the address as it appears on the books of the Bond Registrar, or by such other method as shall be mutually agreeable so long as the Authority is the Registered Owner thereof.

Unless otherwise provided by the Supplemental Resolution, the Series 2016 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2016 A Bonds. The Series 2016 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall bear interest, if any, and shall be dated as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2016 A Bonds shall be executed in the name of the Issuer by the Chairperson, and the seal of the Issuer, if any, shall be affixed thereto or imprinted thereon and attested by the Secretary. In case any one or more of the officers who shall have signed or sealed the Series 2016 A Bonds shall cease to be such officer of the Issuer before the Series 2016 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2016 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. The Bond Registrar for the Series 2016 A Bonds shall be the bank or other entity designated as such in the Supplemental Resolution and its successors and assigns. No Series 2016 A Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Legislation unless and until the Certificate of Authentication and Registration on such Bond, substantially in the forms set forth in Section 3.10 hereof shall have been manually executed by the Bond Registrar. Any such executed Certificate of Authentication and Registration upon any such Bond shall be conclusive evidence that such Bond has been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on any Series 2016 A Bond shall be deemed to have been executed by the Bond Registrar if manually signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication and Registration on all of the Bonds issued hereunder.

Section 3.05. Negotiability. Transfer and Registration. Subject to the provisions for transfer of registration set forth below, the Series 2016 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2016 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that such Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2016 A Bonds remain outstanding, the Issuer, through the Bond Registrar as its agent, shall keep and maintain books for the registration and transfer of the Bonds.

The registered Series 2016 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2016 A Bonds or transferring the registered Series 2016 A Bonds is exercised, all Series 2016 A Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2016 A Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2016 A Bonds, the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the Bond Registrar incurred in connection therewith, which sum or sums shall be paid by the Issuer. The Bond Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month next preceding an interest payment date, if any, on the Series 2016 A Bonds or, in the case of any proposed redemption of Series 2016 A Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date, if any, or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2016 A Bond shall become mutilated or be destroyed, stolen or lost, the Issuer may, in its discretion, issue, and the Bond Registrar shall, if so advised by the Issuer, authenticate and deliver, a new Bond of the same series and of like tenor as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder's furnishing satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All Bonds so surrendered shall be cancelled by the Bond Registrar and held for the account of the Issuer. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Section 3.07. Bonds not to be Indebtedness of the Issuer. The Series 2016 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No holder or holders of the Series 2016 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2016 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2016 A Bonds shall be secured by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2016 A Bonds and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2016 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2016 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2016 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2016 A Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2016 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2016 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

[Remainder of Page Intentionally Blank]

(FORM OF SERIES 2016 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $_____

KNOW ALL MEN BY THESE PRESENTS: The __ day of _____ 2016, that MEADOW CREEK PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Summers County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of _____ DOLLARS ($_____), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing _____, 20__, to and including _____, 20__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear interest at a rate of ___% per annum. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the Council, dated _____, 2016.

This Bond is issued (i) to pay a portion of the costs of acquisition, construction and installation of improvements and extensions to the existing public sewer facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewer facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2016, and a Supplemental Resolution duly adopted by the Issuer on _____, 2016 (collectively, the "Bond Legislation"), and is subject to all the terms

and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2016 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2016 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to, on a parity with or junior to the Bonds; provided however, that so long as there exists in the Series 2016 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance

hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, MEADOW CREEK PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairperson and its corporate seal, if any, to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

_____
Chairperson

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2016 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: _____, 2016.

UNITED BANK, INC.,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(19) $	
(2) $		(20) $	
(3) $		(21) $	
(4) $		(22) $	
(5) $		(23) $	
(6) $		(24) $	
(7) $		(25) $	
(8) $		(26) $	
(9) $		(27) $	
(10) $		(28) $	
(11) $		(29) $	
(12) $		(30) $	
(13) $		(31) $	
(14) $		(32) $	
(15) $		(33) $	
(16) $		(34) $	
(17) $		(35) $	
(18) $		(36) $	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Loan Agreement. The Series 2016 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairperson is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, if any, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation. Without limiting the generality of the foregoing, the Issuer hereby specifically approves Schedules X and Y attached to the Loan Agreement, and a certified copy of this Resolution, indicating such approval, shall be submitted to the Authority.

ARTICLE IV

[RESERVED]

ARTICLE V

FUNDS AND ACCOUNTS; SYSTEM REVENUES AND APPLICATION THEREOF

Section 5.01. Establishment of Funds and Accounts with Depository Bank. The following special funds or accounts are hereby created (or continued) and shall be held by the Depository Bank separate and apart from all other funds or accounts of the Depository Bank and the Issuer and from each other:

(1) Revenue Fund;

(2) Renewal and Replacement Fund; and

(3) Series 2016 A Bonds Project Fund;

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created (or continued) or authorized to be created upon any requirement therefor with and shall be held by the Commission separate and apart from all other funds or accounts of the Commission and the Issuer and from each other:

(1) Series 2016 A Bonds Sinking Fund;

(2) Series 2016 A Bonds Reserve Account;

Section 5.03. System Revenues; Flow of Funds.

A. The entire Gross Revenues derived from the operation of the System shall be deposited upon receipt in the Revenue Fund. The Revenue Fund shall constitute a trust fund for

the purposes provided in this Bond Legislation and shall be kept separate and distinct from all other funds of the Issuer and the Depository Bank and used only for the purposes and in the manner herein provided. All revenues at any time on deposit in the Revenue Fund shall be disposed of only in the following order of priority:

(1) The Issuer shall first, each month, pay from the monies in the Revenue Fund all current Operating Expenses of the System.

(2) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and simultaneously remit to the Commission, commencing 4 months prior to the first date of payment of interest of the Series 2016 A Bonds for which interest has not been capitalized or as required in the Loan Agreement, for deposit in the Series 2016 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of interest, if any, which will become due on the Series 2016 A Bonds on the next ensuing quarterly interest payment date; provided, that in the event the period to elapse between the date of such initial deposit in the Series 2016 A Bonds Sinking Fund and the next quarterly interest payment date is less than 4 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly interest payment date, the required amount of interest coming due on such date.

(3) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2016 A Bonds, for deposit in the Series 2016 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2016 A Bonds on the next ensuing quarterly principal payment date; provided that, in the event the period to elapse between the date of such initial deposit in the Series 2016 A Bonds Sinking Fund and the next quarterly principal payment date is less than 3 months, then such monthly payments shall be increased proportionately to provide, 1 month prior to the next quarterly principal payment date, the required amount of principal coming due on such date.

(4) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund remit to the Commission, commencing 4 months prior to the first date of payment of principal of the Series 2016 A Bonds, if not fully funded upon issuance of the Series 2016 A Bonds, for deposit in the Series 2016 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2016 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2016 A Bonds Reserve Account when there shall have been deposited therein, and as long as there shall remain on deposit therein, an amount equal to the Series 2016 A Bonds Reserve Requirement.

(5) The Issuer shall next, on the first day of each month, transfer from the Revenue Fund and remit to the Depository Bank for deposit in the Renewal and Replacement Fund, a sum equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Account. All funds in the Renewal and Replacement Fund shall be kept apart from all other funds of the Issuer or of the Depository Bank and shall be invested and reinvested in accordance with Article VIII hereof. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, emergency repairs, improvements or

extensions to the System; provided, that any deficiencies in any Reserve Account (except to the extent such deficiency exists because the required payments into such account have not, as of the date of determination of a deficiency, funded such account to the maximum extent required hereof) shall be promptly eliminated with monies from the Renewal and Replacement Fund.

Monies in the Series 2016 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2016 A Bonds, as the same shall become due. Monies in the Series 2016 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2016 A Bonds, as the same shall come due, when other monies in the Series 2016 A Bonds Sinking Fund, are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account, shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during construction of the Project, be deposited in the Series 2016 A Bonds Project Fund, and following completion of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2016 A Bonds, and then to the next ensuing principal payment due thereon, all on a pro rata basis.

Any withdrawals from the Series 2016 A Bonds Reserve Account which result in a reduction in the balance therein to below the Reserve Requirement shall be subsequently restored from the first Net Revenues available after all required payments have been made in full in the order set forth above.

As and when additional Bonds ranking on a parity with the Series 2016 A Bonds are issued, provision shall be made for additional payments into the respective sinking funds sufficient to pay the interest on such additional parity bonds and accomplish retirement thereof at maturity and to accumulate a balance in the appropriate reserve account in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account, when the aggregate amount of funds therein are at least equal to the respective aggregate principal amount of the Series 2016 A Bonds issued pursuant to this Bond Legislation then Outstanding and all interest, if any, to accrue until the maturity thereof.

The Commission is hereby designated as the fiscal agent for the administration of the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account, created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account, shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof

The Series 2016 A Bonds Sinking Fund and the Series 2016 A Bonds Reserve Account, shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2016 A Bonds, under the conditions and restrictions set forth herein.

B. The Issuer shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required principal, interest, if any, and reserve account payments with respect to the Series 2016 A Bonds and all such payments shall be remitted to the Commission with appropriate instructions as to the custody, use and application thereof consistent with the provisions of this Bond Legislation. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

D. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by law, such excess shall be considered Surplus Revenues. Surplus Revenues may be used for any lawful purpose of the System.

E. The Issuer shall remit from the Revenue Fund to the Commission, the Registrar, the Paying Agent or the Depository Bank, on such dates as the respective parties shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The monies in excess of the maximum amounts insured by FDIC in all funds and accounts shall at all times be secured, to the full extent thereof in excess of such insured sum, by Qualified Investments as shall be eligible as security for deposits of state and municipal funds under the laws of the State.

G. If on any monthly payment date the revenues are insufficient to place the required amount in any of the funds and accounts as hereinabove provided, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into the funds and accounts on the subsequent payment dates; provided, however, that the priority of curing deficiencies in the funds and accounts herein shall be in the same order as payments are to be made pursuant to this Section 5.03, and the Net Revenues shall

be applied to such deficiencies before being applied to any other payments hereunder. Also if on any monthly payment date the revenues are insufficient to place the required amount in each of the accounts described in Subsections (A)(3) or (4), respectively, the deposits into each of the accounts shall be made in proportion to the amounts due.

H. The Gross Revenues of the System shall only be used for purposes of the System.

ARTICLE VI

BOND PROCEEDS; PROJECT DISBURSEMENTS

Section 6.01. Application of Bond Proceeds: Pledge of Unexpended Proceeds. From the monies received from the sale of the Series 2016 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2016 A Bonds, there shall first be deposited with the Commission in the Series 2016 A Bonds Sinking Fund, the amount, if any set forth in the Supplemental Resolution as capitalized interest; provided, that such amount may not exceed the amount necessary to pay interest on the Series 2016 A Bonds for the period commencing on the date of issuance of the Series 2016 A Bonds and ending 6 months after the estimated date of completion of construction of the Project.

B. Next, from the proceeds of the Series 2016 A Bonds, there shall be deposited with the Commission in the Series 2016 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2016 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2016 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2016 A Bonds Project Fund and applied solely to payment of costs of the Project in the manner set forth in Section 6.02 and until so expended, are hereby pledged as additional security for the Series 2016 A Bonds.

D. After completion of construction of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2016 A Bonds shall be applied as directed by the Council.

Section 6.02. Disbursements From the Series 2016 A Bonds Project Fund. On or before the Closing Date, the Issuer shall have delivered to the Council and the Authority a report listing the specific purposes for which the proceeds of the Series 2016 A Bonds will be expended and the disbursement procedures for such proceeds, including an estimated monthly draw schedule. Payments of all Costs of the Project shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2016 A Bonds Project Fund shall be made only after submission to and approval from the Council, of a completed and signed "Payment Requisition Form," a form of which is attached to the Loan Agreement for the Series 2016 A Bonds, in compliance with the construction schedule.

Pending such application, monies in the Series 2016 A Bonds Project Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

ARTICLE VII

ADDITIONAL COVENANTS OF THE ISSUER

Section 7.01. General Covenants of the Issuer. All the covenants, agreements and provisions of this Bond Legislation shall be and constitute valid and legally binding covenants of the Issuer and shall be enforceable in any court of competent jurisdiction by any Holder or Holders of the Bonds. In addition to the other covenants, agreements and provisions of this Bond Legislation, the Issuer hereby covenants and agrees with the Holders of the Series 2016 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2016 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds Not to be Indebtedness of the Issuer. The Series 2016 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by the Bond Legislation. No Registered Owner of the Series 2016 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Series 2016 A Bonds or the interest thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2016 A Bonds shall be secured by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2016 A Bonds and to make all other payments provided for in this Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 7.04. Initial Schedule of Rates and Charges. The Issuer has obtained any and all approvals of rates and charges required by State law and has taken any other action required to establish and impose such rates and charges, with all requisite appeal periods having expired without successful appeal and shall provide an opinion of counsel to the Issuer of such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect.

So long as the Series 2016 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the

Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2016 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2016 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to fully pay all the Bonds Outstanding in accordance with Article X hereof. The proceeds from any such sale, mortgage, lease or other disposition of the System shall, with respect to the Series 2016 A Bonds, immediately be remitted to the Commission for deposit in the Sinking Fund, and, with the written permission of the Council and the Authority, or in the event the Authority is no longer a Bondholder, the Issuer shall direct the Commission to apply such proceeds to the payment of principal of and interest, if any, on the Series 2016 A Bonds. Any balance remaining after the payment of the Series 2016 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with the Consulting Engineers that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then, if it be so advised, by resolution duly adopted, authorize such sale, lease or other disposition of such property in accordance with the laws of the State. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. The payment of such proceeds into the Renewal and Replacement Fund shall not reduce the amount required to be paid into said fund by other provisions of this Bond Legislation. No sale, lease or other disposition of the properties of the System shall be made by the Issuer if the proceeds to be derived therefrom, together with all other amounts received during the same Fiscal Year for such sales, leases, or other dispositions of such properties, shall be in excess of $50,000 and insufficient to pay all Bonds then Outstanding without the prior approval and consent in writing of the Holders of the Bonds then

Outstanding. The Issuer shall prepare the form of such approval and consent for execution by the then Holders of the Bonds for the disposition of the proceeds of the sale, lease or other disposition of such properties of the System.

Section 7.06. Issuance of Other Obligations Payable Out of Revenues and General Covenant Against Encumbrances. Except as provided in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any obligations whatsoever payable from the revenues of the System which rank prior to, or equally, as to lien on and source of and security for payment from such revenues with the Series 2016 A Bonds; provided, however, that Parity Bonds may be issued as provided for in Section 7.07 hereof. All obligations issued by the Issuer after the issuance of the Series 2016 A Bonds and payable from the revenues of the System, except such additional parity bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, pledge and source of and security for payment from such revenues and in all other respects, to the Series 2016 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all finds and accounts set forth herein have been made and are current at the time of the issuance of such subordinate obligations.

Except as provided above, the Issuer shall not create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance or any other charge having priority over or being on a parity with the lien of the Series 2016 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2016 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Council and the Authority prior written notice of its issuance of any other obligations to be used for the System, payable from the revenues of the System or from any grants, or any other obligations related to the Project or the System.

Section 7.07. Parity Bonds. No Parity Bonds, payable out of the revenues of the System, shall be issued after the issuance of the Series 2016 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2016 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the acquisition or construction of additions extensions, improvements or betterments to the System or refunding any outstanding Bonds, or both such purposes.

No Parity Bonds shall be issued at any time, unless there has been procured and filed with the Secretary a written statement by the Independent Certified Public Accountants, reciting the conclusion that the Net Revenues actually derived, subject to the adjustments hereinafter provided for, from the System during any 12 consecutive months, within the eighteen (18) months immediately preceding the date of the actual issuance of such Parity Bonds, plus the

estimated average increased annual Net Revenues expected to be received in each of the three (3) succeeding years after the completion of the improvements to be financed by such Parity Bonds, if any, shall not be less than 115% of the largest aggregate amount that will mature and become due in any succeeding Fiscal Year for principal of and interest, if any, on the following:

(1) The Bonds then Outstanding;

(2) Any Parity Bonds theretofore issued pursuant to the provisions contained in this Resolution then Outstanding; and

(3) The Parity Bonds then proposed to be issued.

The "estimated average increased annual Net Revenues expected to be received in each of the 3 succeeding years," as that term is used in the computation provided in the above paragraph, shall refer only to the increased Net Revenues estimated to be derived from the improvements to be financed by such Parity Bonds and any increase in rates adopted by the Issuer and approved by the Public Service Commission of West Virginia, the time for appeal of which shall have expired prior to the issuance of such Parity Bonds, and shall not exceed the amount to be stated in a certificate of the Independent Certified Public Accountants, which shall be filed in the office of the Secretary prior to the issuance of such Parity Bonds.

The Net Revenues actually derived from the System during the 12-consecutive-month period herein above referred to may be adjusted by adding to such Net Revenues such additional Net Revenues which would have been received, in the opinion of the Independent Certified Public Accountants, on account of increased rates, rentals, fees and charges for the System adopted by the Issuer, the time for appeal of which shall have expired prior to issuance of such Parity Bonds.

All covenants and other provisions of this Bond Legislation (except as to details of such Parity Bonds inconsistent herewith) shall be for the equal benefit, protection and security of the Holders of the Bonds and the Holders of any Parity Bonds subsequently issued from time to time within the limitations of and in compliance with this section. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the revenues of the System and their source of and security for payment from said revenues, without preference of any Bond over any other. The Issuer shall comply fully with all the increased payments into the various funds and accounts created in this Bond Legislation required for and on account of such Parity Bonds, in addition to the payments required for Bonds theretofore issued pursuant to this Bond Legislation.

Parity Bonds shall not be deemed to include bonds, notes, certificates or other obligations subsequently issued, the lien of which on the revenues of the System is subject to the prior and superior liens of the Series 2016 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2016 A Bonds.

No Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Council and the Authority, or their agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at all reasonable times for the purpose of audit and examination. The Issuer shall submit to the Council and the Authority such documents and information as they may reasonably require in connection with the acquisition and installation of the Project, the operation and maintenance of the System and the administration of the loan or any grants or other sources of financing for the Project.

The Issuer shall permit the Council and the Authority, or their agents and representatives, to inspect all records pertaining to the operation and maintenance of the System at all reasonable times following completion of installation of the Project and commencement of operation thereof, or, if the Project is an improvement to an existing system, at any reasonable time following commencement of installation.

The Issuer will keep books and records of the System, which shall be separate and apart from all other books, records and accounts of the Issuer, in which complete and correct entries shall be made of all transactions relating to the System, and any Holder of a Bond or Bonds issued pursuant to this Bond Legislation shall have the right at all reasonable times to inspect the System and all parts thereof and all records, accounts and data of the Issuer relating thereto.

The accounting system for the System shall follow current generally accepted accounting principles and safeguards to the extent allowed and as prescribed by the Public Service Commission of West Virginia. Separate control accounting records shall be maintained by the Issuer. Subsidiary records as may be required shall be kept in the manner and on the forms, books and other bookkeeping records as prescribed by the Governing Body. The Governing Body shall prescribe and institute the manner by which subsidiary records of the accounting system which may be installed remote from the direct supervision of the Governing Body shall be reported to such agent of the Issuer as the Governing Body shall direct.

The Issuer shall file with the Council and the Authority, or any other original purchaser of the Series 2016 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2016 A Bonds, requesting the same, an annual report containing the following:

(A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular and the Single Audit Act, or any successor thereto), and shall mail upon request, and make available generally, the report of the Independent Certified Public Accountants, or a summary thereof, to any Holder or Holders of the Series 2016 A Bonds, and shall submit said report to the Council and the Authority, or any other original purchaser of the Series 2016 A Bonds. Such audit report submitted to the Council shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Loan Agreement and this Bond Legislation and that the revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times after such acquisition be and remain the property of the Issuer.

The Issuer shall permit the Council and the Authority, or their agents and representatives, to enter and inspect the Project site and Project facilities at all reasonable times. Prior to, during and after completion of installation of the Project, the Issuer shall also provide the Council and the Authority, or their agents and representatives, with access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Council and the Authority with respect to the System pursuant to the Act.

The Issuer shall provide the Council with all appropriate documentation to comply with any special conditions established by federal and/or state regulations as set forth in EXHIBIT E of the Loan Agreement for the Series 2016 A Bonds or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 2016 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues,

the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2016 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2016 A Bonds; provided, that in the event that amounts equal to or in excess of the reserve requirements are on deposit respectively in the Series 2016 A Bonds Reserve Account and the reserve accounts for obligations on a parity with or junior to the Series 2016 A Bonds, are funded at least at the requirement therefore, such balance each year need only equal at least 110% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2016 A Bonds and all other obligations secured by a lien on or payable from such revenues prior to or on a parity with the Series 2016 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Council and the Authority within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Council and the Authority and to any Holder of any Bonds, within 30 days of adoption thereof, and shall make available such budgets and all resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Council and the Authority and to any Holder of any Bonds, or anyone acting for and in behalf of such Holder of any Bonds.

Commencing on the date contracts are executed for the acquisition and construction of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Council and the Authority by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer will obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Council and the Authority, the

Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Council and the Authority is sufficient to pay the costs of acquisition and construction of the Project, and all permits required by federal and state laws for construction of the Project have been obtained.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and installation of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Council, the Authority and the Issuer at the completion of installation that installation of the Project is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

The Issuer shall require the Consulting Engineers to submit Recipient Record Drawings, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the Council in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Loan Agreement for the Series 2016 A Bonds as Exhibit A, to the Council within 60 days of the end of the first year after the Project is completed.

The Issuer shall require the Consulting Engineers to submit the final Operation and Maintenance Manual, as defined in the SRF Regulations, to the Council when the Project is 90% completed. The Issuer shall at all times provide operation and maintenance of the System in compliance with all State and federal standards.

The Issuer shall employ qualified operating personnel properly certified by the State before the Project is 50% complete and shall retain such a certified operator to operate the System during the entire term of the Loan Agreement. The Issuer shall notify the Council in writing of the certified operator employed at the 50% completion stage.

Section 7.12. No Competing Franchise. To the extent legally allowable, the Issuer will not grant or cause, consent to or allow the granting of, any franchise or permit to any person, firm, corporation, body, agency or instrumentality whatsoever for the providing of any services which would compete with services provided by the System.

Section 7.13. Enforcement of Collections. The Issuer will diligently enforce and collect all fees, rentals or other charges for the services and facilities of the System, and take all steps, actions and proceedings for the enforcement and collection of such fees, rentals or other charges which shall become delinquent to the full extent permitted or authorized by the Act, the rules and regulations of the Public Service Commission of West Virginia and other laws of the State of West Virginia.

Whenever any fees, rates, rentals or other charges for the services and facilities of the System shall remain unpaid for a period of 20 days after the same shall become due and payable, the user of the services and facilities shall be delinquent until such time as all such rates

and charges are fully paid. To the extent authorized by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, rates, rentals and other charges, if not paid, when due, shall become a lien on the premises served by the System. The Issuer further covenants and agrees that, it will, to the full extent permitted by law and the rules and regulations promulgated by the Public Service Commission of West Virginia, discontinue and shut off the services of the System and any services and facilities of the water system, if so owned by the Issuer, to all users of the services of the System delinquent in payment of charges for the services of the System and will not restore such services of either system until all delinquent charges for the services of the System, plus reasonable interest and penalty charges for the restoration of service, have been fully paid and shall take all further actions to enforce collections to the maximum extent permitted by law. If the water facilities are not owned by the Issuer, the Issuer shall enter into a termination agreement with the water provider, subject to any required approval of such agreement by the Public Service Commission of West Virginia and all rules, regulations and orders of the Public Service Commission of West Virginia.

Section 7.14. No Free Services. Except as required by law, the Issuer will not render or cause to be rendered any free services of any nature by the System, nor will any preferential rates be established for users of the same class; and in the event the Issuer, or any department, agency, instrumentality, officer or employee of the Issuer shall avail itself or themselves of the facilities or services provided by the System, or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the System.

Section 7.15. Insurance and Construction Bonds. A. The Issuer hereby covenants and agrees that so long as the Bonds remain Outstanding, the Issuer will, as an Operating Expense, procure, carry and maintain insurance with a reputable insurance carrier or carriers as is customarily covered with respect to works and properties similar to the System. Such insurance shall initially cover the following risks and be in the following amounts:

(I) FIRE, LIGHTNING, VANDALISM. MALICIOUS MISCHIEF AND EXTENDED COVERAGE INSURANCE, on all above-ground insurable portions of the System in an amount equal to the actual cost thereof. In time of war the Issuer will also carry and maintain insurance to the extent available against the risks and hazards of war. The proceeds of all such insurance policies shall be placed in the Renewal and Replacement Fund and used only for the repairs and restoration of the damaged or destroyed properties or for the other purposes provided herein for the Renewal and Replacement Fund. The Issuer will itself, or will require each contractor and subcontractor to, obtain and maintain builder's risk insurance (fire and extended coverage) to protect the interests of the Issuer, the Authority, the prime contractor and all subcontractors as their respective interests may appear, in accordance with the Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKERS' COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT BONDS, such bonds to be in the amounts of 100% of the installation contract and to be required of each contractor contracting directly with the Issuer, and such payment bonds will be filed with the Clerk of The County Commission of the County in which such work is to be performed prior to commencement of construction of the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) FLOOD INSURANCE, if the facilities of the System are or will be located in designated special flood or mudslide-prone areas and to the extent available at reasonable cost to the Issuer.

(5) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

(6) FIDELITY BONDS will be provided as to every officer, member and employee of the Issuer or the Governing Body having custody of the revenues or of any other funds of the System, in an amount at least equal to the total funds in the custody of any such person at any one time.

B. The Issuer shall require all contractors engaged in the construction of the Project to furnish a performance bond and a payment bond, each in an amount equal to 100% of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract. The Issuer shall verify such bonds prior to commencement of construction.

The Issuer shall also require all contractors engaged in the installation of the Project to carry such workers' compensation coverage for all employees working on the Project and public liability insurance, vehicular liability insurance and property damage insurance in amounts adequate for such purposes and as is customarily carried with respect to works and properties similar to the Project; provided, that the amounts and terms of such coverage are satisfactory to the Authority and the Council and the Issuer shall verify such insurance prior to commencement of construction. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear.

Section 7.16. Mandatory Connections. The mandatory use of the sewerage facilities portion of the System is essential and necessary for the protection and preservation of the public health, comfort, safety, convenience and welfare of the inhabitants and residents of, and the economy of, the Issuer and in order to assure the rendering harmless of sewage and

water-borne waste matter produced or arising within the territory served by the System. Accordingly, every owner, tenant or occupant of any house, dwelling or building located near the System, where sewage will flow by gravity or be transported by such other methods approved by the State Division of Health from such house, dwelling or building into the System, to the extent permitted by the laws of the State and the rules and regulations of the Public Service Commission of West Virginia, shall connect with and use the System and shall cease the use of all other means for the collection, treatment and disposal of sewage and waste matters from such house, dwelling or building where there is such gravity flow or transportation by such other method approved by the State Division of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer will complete the Project as promptly as possible and operate and maintain the System as a revenue-producing utility in good condition and in compliance with all federal and state requirements and standards.

The Issuer has obtained all permits required by State and federal laws for the acquisition and construction of the Project and all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition and construction of the Project, the operation of the System and all approvals for issuance of the Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall provide an opinion of counsel to such effect.

Section 7.18. Reserved.

Section 7.19. Statutory Mortgage Lien. For the further protection of the Holders of the Series 2016 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, shall take effect immediately upon delivery of the Series 2016 A Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the issuer will provide the Council with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Council, the Authority or other state, federal or local bodies in regard to the acquisition and construction of the Project and the operation, maintenance and use of the System.

The Issuer shall perform an annual maintenance audit which maintenance audit shall be submitted to the Authority and the Public Service Commission of West Virginia.

Section 7.21. Reserved.

Section 7.22. Contracts; Change Orders; Public Releases. A. The Issuer shall, simultaneously with the delivery of the Series 2016 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition or construction of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2016 A Bonds held in "contingency" as set forth in the respective schedules attached to the certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2016 A Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the Council and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS

Section 8.01. Investments. Any monies held as a part of the funds and accounts created by this Bond Legislation other than the Revenue Fund, shall be invested and reinvested by the Commission, the Depository Bank, or such other bank or national banking association holding such fund or account, as the case may be, at the written direction of the Issuer in any Qualified Investments to the fullest extent possible under applicable laws, this Bond Legislation, the need for such monies for the purposes set forth herein and the specific restrictions and provisions set forth in this Section 8.01.

Any investment shall be held in and at all times deemed a part of the fund or account in which such monies were originally held, and the interest accruing thereon and any profit or loss realized from such investment shall be credited or charged to the appropriate fund or account. The investments held for any fund or account shall be valued at the lower of cost or then current market value, or at the redemption price thereof if then redeemable at the option of the holder, including the value of accrued interest and giving effect to the amortization of discount, or at par if such investment is held in the "Consolidated Fund." The Commission shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund or account is insufficient to make the payments required from such fund or account, regardless of the loss on such liquidation. The Depository Bank, or such other bank or national banking association, as the case may be, may make any and all investments permitted by this

section through its own bond department and shall not be responsible for any losses from such investments, other than for its own negligence or willful misconduct.

The Depository Bank shall keep complete and accurate records of all funds, accounts and investments, and shall distribute to the Issuer, at least once each year, or more often as reasonably requested by the Issuer, a summary of such funds, accounts and investment earnings. The Issuer shall retain all such records and any additional records with respect to such funds, accounts and investment earnings so long as any of the Series 2016 A Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2016 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to Use of Proceeds; Covenants as to Use of Proceeds. The Issuer shall deliver a certificate as to use of proceeds or other similar certificate to be prepared by nationally recognized bond counsel relating to restrictions on the use of proceeds of the Series 2016 A Bonds as a condition to issuance of the Series 2016 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2016 A Bonds as may be necessary in order to maintain the status of the Series 2016 A Bonds as public purpose bonds; (ii) that it shall not take, or permit or suffer to be taken, any action with respect to the Issuer's use of the proceeds of the Series 2016 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code, issued by the Authority or the COUNCIL, as the case may be, from which the proceeds of the Series 2016 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action, or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the COUNCIL, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2016 A Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2016 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2016 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2016 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2016 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of

such default by the Commission, the Depository Bank, Registrar or any other Paying Agent or a Holder of a Bond; or

(3) If the Issuer files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America.

Section 9.02. Remedies. Upon the happening and continuance of any Event of Default, any Registered Owner of a Bond may exercise any available remedy and bring any appropriate action, suit or proceeding to enforce his or her rights and, in particular, (i) bring suit for any unpaid principal or interest then due, (ii) by mandamus or other appropriate proceeding enforce all rights of such Registered Owners including the right to require the Issuer to perform its duties under the Act and the Bond Legislation relating thereto, including but not limited to the making and collection of sufficient rates or charges for services rendered by the System, (iii) bring suit upon the Bonds, (iv) by action at law or bill in equity require the Issuer to account as if it were the trustee of an express trust for the Registered Owners of the Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Bond may, by proper legal action, compel the performance of the duties of the Issuer under the Bond Legislation and the Act, including, the completion of the Project and after commencement of operation of the System, the making and collection of sufficient rates and charges for services rendered by the System and segregation of the revenues therefrom and the application thereof. If there be any Event of Default with respect to such Bonds, any Registered Owner of a Bond shall, in addition to all other remedies or rights, have the right by appropriate legal proceedings to obtain the appointment of a receiver to administer the System or to complete the acquisition and installation of the Project on behalf of the Issuer, with power to charge rates, rentals, fees and other charges sufficient to provide for the payment of Operating Expenses of the System, the payment of the Bonds and interest and the deposits into the funds and accounts hereby established, and to apply such rates, rentals, fees, charges or other revenues in conformity with the provisions of this Bond Legislation and the Act.

The receiver so appointed shall forthwith, directly or by his or her or its agents and attorneys, enter into and upon and take possession of all facilities of said System and shall hold, operate and maintain, manage and control such facilities, and each and every part thereof, and in the name of the Issuer exercise all the rights and powers of the Issuer with respect to said facilities as the Issuer itself might exercise.

Whenever all that is due upon the Bonds and interest thereon and under any covenants of this Bond Legislation for reserve, sinking or other funds and upon any other obligations and interest thereon having a charge, lien or encumbrance upon the revenues of the System shall have been paid and made good, and all defaults under the provisions of this Bond Legislation shall have been cured and made good, possession of the System shall be surrendered to the Issuer upon the entry of an order of the court to that effect. Upon any subsequent default, any Registered Owner of any Bonds shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him or her or it, shall be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby, and a successor receiver may be appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the Issuer and for the joint protection and benefit of the Issuer and Registered Owners of the Bonds. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of any kind or character belonging or pertaining to the System, but the authority of such receiver shall be limited to the completion of the Project and the possession, operation and maintenance of the System for the sole purpose of the protection of both the Issuer and Registered Owners of such Bonds and the curing and making good of any Event of Default with respect thereto under the provisions of this Bond Legislation, and the title to and ownership of the System shall remain in the Issuer, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, assign, mortgage or otherwise dispose of any assets of the System.

ARTICLE X

PAYMENT OF BONDS

Section 10.01. Payment of Bonds. If the Issuer shall pay or there shall otherwise be paid to the Holders of the Series 2016 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2016 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except as may otherwise be necessary to assure the exclusion of interest, if any, on the Series 2016 A Bonds from gross income for federal income tax purposes.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2016 A Bonds, this Resolution may be amended or supplemented in any way by a Supplemental Resolution. Following issuance of the Series 2016 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series

2016 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2016 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest thereon, or in the principal amount thereof, or affecting the unconditional promise of the Issuer to pay such principal and interest, if any, out of the funds herein respectively pledged therefore without the consent of the Registered Owner thereof. No amendment or modification shall be made that would reduce the percentage of the principal amount of Bonds, required for consent to the above-permitted amendments or modifications. Notwithstanding the foregoing, this Bond Legislation may be amended without the consent of any Bondholder as may be necessary to assure compliance with Section 148(f) of the Code relating to rebate requirements or otherwise as may be necessary to assure the exclusion of interest, if any, on the Series 2016 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the Series 2016 A Bonds, and no change, variation or alteration of any kind of the provisions of the Bond Legislation shall be made in any manner, except as in this Bond Legislation provided.

Section 11.03. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Resolution should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution, a Supplemental Resolution, or the Series 2016 A Bonds.

Section 11.04. Headings. The headings and catchlines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

Section 11.05. Conflicting Provisions Repealed. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 11.06. Covenant of Due Procedure, Etc. The Issuer covenants that all acts, conditions, things and procedures required to exist, to happen, to be performed or to be taken precedent to and in the adoption of this Resolution do exist, have happened, have been performed and have been taken in regular and due time, form and manner as required by and in full compliance with the laws and Constitution of the State of West Virginia applicable thereto; and that the Chairperson, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

Section 11.07. Effective Date. This Resolution shall take effect immediately following adoption and the public hearing.

Adopted this 6th day of January, 2016.

Chairperson

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of MEADOW CREEK PUBLIC SERVICE DISTRICT on the 6th day of January, 2016.

Dated: January 12, 2016.

[SEAL]

Shirley Richmond
Secretary

4835-2140-6757.v1-1/5/16

EXHIBIT A

PROJECT DESCRIPTION

The Project consists of acquisition and construction of wastewater treatment plant replacement and collection system extension to serve the community of Meadow Creek.

EXHIBIT B

Loan Agreement included in bond transcript as Document 2.3.

MEADOW CREEK PUBLIC SERVICE DISTRICT

2.4

SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

BOND RESOLUTION

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MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND),

2.5

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO THE PRINCIPAL AMOUNT, DATE, MATURITY DATE, INTEREST RATE, PAYMENT SCHEDULE, SALE PRICE AND OTHER TERMS OF THE MEADOW CREEK PUBLIC SERVICE DISTRICT SEWER REVENUE BONDS, SERIES 2016 A (WEST VIRGINIA INFRASTRUCTURE FUND); DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board of Meadow Creek Public Service District (the "Issuer") has duly and officially passed a Bond Resolution on January 6, 2016 (the "Bond Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS AND EXTENSIONS TO THE EXISTING PUBLIC SEWER FACILITIES OF MEADOW CREEK PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST THEREOF, NOT OTHERWISE PROVIDED, THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $800,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2016 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING THE LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Resolution when used herein;

WHEREAS, the Bond Resolution provides for the issuance of Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in an aggregate principal amount not

to exceed $800,000 (the "Series 2016 A Bonds"), and has authorized the execution and delivery of the loan agreement relating to the Series 2016 A Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Infrastructure and Jobs Development Council (the "Council") (the "Loan Agreement"), all in accordance with Chapter 16, Article 13A and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the exact principal amount, date, maturity date, interest rate, payment schedule, sale price and other terms of the Series 2016 A Bonds should be established by a supplemental resolution, and that other matters relating to the Series 2016 A Bonds be herein provided for;

WHEREAS, the Issuer desires to issue the 2016 A Bonds pursuant to the Bond Resolution;

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved, executed and ratified by the Issuer, that the exact principal amount, date, maturity date, interest rate, payment schedule, sale price and other terms of the Series 2016 A Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2016 A Bonds be herein provided for; and

WHEREAS, the Loan Agreement has been presented to the Issuer at this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF MEADOW CREEK PUBLIC SERVICE DISTRICT, AS FOLLOWS:

Section 1. Pursuant to the Bond Resolution, there are hereby authorized to issue the following Bonds of the Issuer:

A. Series 2016 A Bonds. Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund) shall be in the form of a single bond, numbered AR-l, in the principal amount of $619,888. The Series 2016 A Bonds shall be dated the date of delivery thereof, shall finally mature September 1, 2047, and shall bear interest at a rate of 2% per annum. The principal of the Series 2016 A Bonds shall be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2017, to and including September 1, 2047, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2016 A Bonds. The Series 2016 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2016 A Bonds.

Section 2. The Issuer hereby appoints and designates First Century Bank, Hinton, West Virginia, to serve as Depository Bank for the Series 2016 A Bonds under the Bond Resolution.

Section 3. The Municipal Bond Commission (the "Commission") is appointed as Paying Agent for the Series 2016 A Bonds.

Section 4. All other provisions relating to the Series 2016 A Bonds and the text of the Series 2016 A Bonds shall be in substantially the form provided in the Bond Resolution.

Section 5. The Loan Agreement and the execution and delivery by the Chairperson thereof shall be and the same are hereby authorized, approved, and directed. The Chairperson shall execute and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by the Chairperson. The execution of the Loan Agreement by the Chairperson shall be conclusive evidence of any approval required by this Section, and authorization of any action required by the Loan Agreement relating to the issuance and sale of the Series 2016 A Bonds, including the payment of all necessary fees and expenses in connection therewith.

Section 6. The Issuer hereby appoints and designates United Bank, Inc., to serve as Registrar (the "Registrar") for the Series 2016 A Bonds under the Bond Resolution and approves and accepts the Registrar's Agreement to be dated the date of delivery of the Series 2016 A Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairperson, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed and approved.

Section 7. The Chairperson is hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Series 2016 A Bonds hereby and by the Bond Resolution approved and provided for, to the end that the Series 2016 A Bonds may be delivered to the West Virginia Water Development Authority pursuant to the Loan Agreement on or about January 12, 2016.

Section 8. The Issuer hereby determines to invest all moneys in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, in money market accounts secured by a pledge of direct obligations of, or obligations the timely payment of principals of and interest on which is guaranteed by, the United States of America, and therefore, the Issuer hereby directs the Depository Bank to invest all moneys in such money market accounts until further directed in writing by the Issuer.

Section 9. The Issuer shall serve the additional customers at the location(s) as set forth in Certificate of Engineer. The Issuer shall not reduce the amount of additional customers served by the project without the prior written approval of the Board of the Water Development Authority (the "Authority"). Following completion of the Project the Issuer shall certify to the Authority the number of customers added to the System.

Section 10. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition and construction of the Project.

Section 11. The Issuer hereby approves the costs of issuance and authorizes the payment of the same.

Section 12. This Supplemental Resolution shall be effective immediately following adoption hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Adopted this 6th day of January 2016.

MEADOW CREEK PUBLIC SERVICE DISTRICT

Charles Richmond

Its: Chairperson

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Meadow Creek Public Service District on the 6th day of January, 2016.

Dated this 12th day of January, 2016.

[SEAL]

Shirley Richmond
Secretary

On file with the Issuer

I, Dawn Crawford, publisher of Hinton News a newspaper in Summers County, West Virginia do hereby certify that the annexed Notice was published in said newspaper for one successive times on the following dates, Dec. 1, 2015.

THE PRINTERS FEE THEREFORE IN $29.90

Given under my hand this 22 day of _____, 20 15

Dawn Crawford Publisher

State of West Virginia)

County of Summers) to wit:

Subscribed and sworn to before me this 22 day of December, 20 15

My Commission expires January 17, 2020

NOTARY PUBLIC - OFFICIAL SEAL
STATE OF WEST VIRGINIA
NELLIE M. ROBERTSON
406 Cedar Ave., Hinton WV 25951
My commission expires: 1-17-2020

Nellie M. Robertson
Notary Public

COPY OF PUBLICATION FROM THE HINTON NEWS

LEGAL NOTICE

Meadow Creek Public Service District Notice Of Special Meeting

The Public Service board of the Meadow Creek Public service District (the "District") will hold a special meeting on Wednesday, January 6, 2016 6:00 p.m. prevailing time, at the Green Sulphur District Fire Department at 63 River Road, Sandstone., West Virginia foror the following purposes:

1. To consider and adopt a proposed Bond Resolution authorizing its sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in the aggregate principal amount not to exceed $800,000 (the " Bonds"), to finance the costs of the acquisition and construction of certain improvements and extensions to the existing public sewer facilities (the "Project").

2. To consider and approve all other resolutions documents and matters in connection with "the "project").

This meeting is open to the press and the public and any person interested may attend such meeting

Signed,
Shirley Ricmond, Secretary

HN Dec. 22

NOTARY PUBLIC OFFICIAL SEAL
NELLIE M. ROBERTSON
State of West Virginia
My Comm. Expires Jan 17, 2020
406 Cedar Avenue Hinton WV 25951

NUMBER AR-1

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $619,888

KNOW ALL MEN BY THESE PRESENTS: The 12th day of January, 2016, that MEADOW CREEK PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Summers County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of SIX HUNDRED NINETEEN THOUSAND EIGHT HUNDRED EIGHTY EIGHT DOLLARS ($619,888), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing December 1, 2017, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear interest at a rate of 2% per annum. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and among the Issuer, the Authority and the Council, dated January 12, 2016.

SPECIMEN

This Bond is issued (i) to pay a portion of the costs of acquisition, construction and installation of improvements and extensions to the existing public sewer facilities of the Issuer (the "Project"); and (ii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The existing public sewer facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on January 6, 2016, and a Supplemental Resolution duly adopted by the Issuer on January 6, 2016 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2016 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2016 A Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest, if any, on the Bonds and all other obligations secured by a lien on or payable from such revenues prior to, on a parity with or junior to the Bonds; provided however, that so long as there exists in the Series 2016 A Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of United Bank, Inc., Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond, together with a written instrument of transfer

SPECIMEN

satisfactory to the Registrar, duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, MEADOW CREEK PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairperson and its corporate seal, if any, to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]

SPECIMEN

Chairperson

ATTEST:

SPECIMEN

Secretary

NUMBER AR-1

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2016 A Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: January 12, 2016.

UNITED BANK, INC.,
as Registrar

SPECIMEN

Authorized Officer

EXHIBIT A

SPECIMEN

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $24,000	January 12, 2016	(19) $	
(2) $		(20) $	
(3) $		(21) $	
(4) $		(22) $	
(5) $		(23) $	
(6) $		(24) $	
(7) $		(25) $	
(8) $		(26) $	
(9) $		(27) $	
(10) $		(28) $	
(11) $		(29) $	
(12) $		(30) $	
(13) $		(31) $	
(14) $		(32) $	
(15) $		(33) $	
(16) $		(34) $	
(17) $		(35) $	
(18) $		(36) $	

TOTAL $_____

NUMBER AR-1

SPECIMEN

EXHIBIT B

DEBT SERVICE SCHEDULE

Bond Debt Service
Meadow Creek PSD
IF
$619,888
2% Interest Rate
30 Years

Period Ending	Principal	Coupon	Interest	Debt Service
12/1/2017	3,783	2.000%	3,099.44	6,882.44
3/1/2018	3,801	2.000%	3,080.53	6,881.53
6/1/2018	3,821	2.000%	3,061.52	6,882.52
9/1/2018	3,840	2.000%	3,042.42	6,882.42
12/1/2018	3,859	2.000%	3,023.22	6,882.22
3/1/2019	3,878	2.000%	3,003.92	6,881.92
6/1/2019	3,897	2.000%	2,984.53	6,881.53
9/1/2019	3,917	2.000%	2,965.05	6,882.05
12/1/2019	3,937	2.000%	2,945.46	6,882.46
3/1/2020	3,956	2.000%	2,925.78	6,881.78
6/1/2020	3,976	2.000%	2,906.00	6,882.00
9/1/2020	3,996	2.000%	2,886.12	6,882.12
12/1/2020	4,016	2.000%	2,866.14	6,882.14
3/1/2021	4,036	2.000%	2,846.06	6,882.06
6/1/2021	4,056	2.000%	2,825.88	6,881.88
9/1/2021	4,076	2.000%	2,805.60	6,881.60
12/1/2021	4,097	2.000%	2,785.22	6,882.22
3/1/2022	4,117	2.000%	2,764.73	6,881.73
6/1/2022	4,138	2.000%	2,744.15	6,882.15
9/1/2022	4,159	2.000%	2,723.46	6,882.46
12/1/2022	4,179	2.000%	2,702.66	6,881.66
3/1/2023	4,200	2.000%	2,681.77	6,881.77
6/1/2023	4,221	2.000%	2,660.77	6,881.77
9/1/2023	4,242	2.000%	2,639.66	6,881.66
12/1/2023	4,264	2.000%	2,618.45	6,882.45
3/1/2024	4,285	2.000%	2,597.13	6,882.13
6/1/2024	4,306	2.000%	2,575.71	6,881.71
9/1/2024	4,328	2.000%	2,554.18	6,882.18
12/1/2024	4,349	2.000%	2,532.54	6,881.54
3/1/2025	4,371	2.000%	2,510.79	6,881.79
6/1/2025	4,393	2.000%	2,488.94	6,881.94
9/1/2025	4,415	2.000%	2,466.97	6,881.97
12/1/2025	4,437	2.000%	2,444.90	6,881.90
3/1/2026	4,459	2.000%	2,422.71	6,881.71
6/1/2026	4,482	2.000%	2,400.42	6,882.42
9/1/2026	4,504	2.000%	2,378.01	6,882.01
12/1/2026	4,527	2.000%	2,355.49	6,882.49
3/1/2027	4,549	2.000%	2,332.85	6,881.85
6/1/2027	4,572	2.000%	2,310.11	6,882.11
9/1/2027	4,595	2.000%	2,287.25	6,882.25
12/1/2027	4,618	2.000%	2,264.27	6,882.27
3/1/2028	4,641	2.000%	2,241.18	6,882.18
6/1/2028	4,664	2.000%	2,217.98	6,881.98
9/1/2028	4,687	2.000%	2,194.66	6,881.66
12/1/2028	4,711	2.000%	2,171.22	6,882.22
3/1/2029	4,734	2.000%	2,147.67	6,881.67
6/1/2029	4,758	2.000%	2,124.00	6,882.00

Jan 5, 2016 5:08 pm Prepared by Piper Jaffray & Co. (WDA:LOANS-MEAD116) 2

SPECIMEN

Bond Debt Service

Meadow Creek PSD

IF

$619,888

2% Interest Rate

30 Years

Period Ending	Principal	Coupon	Interest	Debt Service
9/1/2029	4,782	2.000%	2,100.21	6,882.21
12/1/2029	4,806	2.000%	2,076.30	6,882.30
3/1/2030	4,830	2.000%	2,052.27	6,882.27
6/1/2030	4,854	2.000%	2,028.12	6,882.12
9/1/2030	4,878	2.000%	2,003.85	6,881.85
12/1/2030	4,903	2.000%	1,979.46	6,882.46
3/1/2031	4,927	2.000%	1,954.94	6,881.94
6/1/2031	4,952	2.000%	1,930.31	6,882.31
9/1/2031	4,976	2.000%	1,905.55	6,881.55
12/1/2031	5,001	2.000%	1,880.67	6,881.67
3/1/2032	5,026	2.000%	1,855.66	6,881.66
6/1/2032	5,051	2.000%	1,830.53	6,881.53
9/1/2032	5,077	2.000%	1,805.28	6,882.28
12/1/2032	5,102	2.000%	1,779.89	6,881.89
3/1/2033	5,128	2.000%	1,754.38	6,882.38
6/1/2033	5,153	2.000%	1,728.74	6,881.74
9/1/2033	5,179	2.000%	1,702.98	6,881.98
12/1/2033	5,205	2.000%	1,677.08	6,882.08
3/1/2034	5,231	2.000%	1,651.06	6,882.06
6/1/2034	5,257	2.000%	1,624.90	6,881.90
9/1/2034	5,283	2.000%	1,598.62	6,881.62
12/1/2034	5,310	2.000%	1,572.20	6,882.20
3/1/2035	5,336	2.000%	1,545.65	6,881.65
6/1/2035	5,363	2.000%	1,518.97	6,881.97
9/1/2035	5,390	2.000%	1,492.16	6,882.16
12/1/2035	5,417	2.000%	1,465.21	6,882.21
3/1/2036	5,444	2.000%	1,438.12	6,882.12
6/1/2036	5,471	2.000%	1,410.90	6,881.90
9/1/2036	5,498	2.000%	1,383.55	6,881.55
12/1/2036	5,526	2.000%	1,356.06	6,882.06
3/1/2037	5,554	2.000%	1,328.43	6,882.43
6/1/2037	5,581	2.000%	1,300.66	6,881.66
9/1/2037	5,609	2.000%	1,272.75	6,881.75
12/1/2037	5,637	2.000%	1,244.71	6,881.71
3/1/2038	5,665	2.000%	1,216.52	6,881.52
6/1/2038	5,694	2.000%	1,188.20	6,882.20
9/1/2038	5,722	2.000%	1,159.73	6,881.73
12/1/2038	5,751	2.000%	1,131.12	6,882.12
3/1/2039	5,780	2.000%	1,102.36	6,882.36
6/1/2039	5,809	2.000%	1,073.46	6,882.46
9/1/2039	5,838	2.000%	1,044.42	6,882.42
12/1/2039	5,867	2.000%	1,015.23	6,882.23
3/1/2040	5,896	2.000%	985.89	6,881.89
6/1/2040	5,926	2.000%	956.41	6,882.41
9/1/2040	5,955	2.000%	926.78	6,881.78
12/1/2040	5,985	2.000%	897.01	6,882.01
3/1/2041	6,015	2.000%	867.08	6,882.08

Bond Debt Service

Meadow Creek PSD

SPECIMEN

$619,888

2% Interest Rate

30 Years

Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2041	6,045	2.000%	837.01	6,882.01
9/1/2041	6,075	2.000%	806.78	6,881.78
12/1/2041	6,106	2.000%	776.41	6,882.41
3/1/2042	6,136	2.000%	745.88	6,881.88
6/1/2042	6,167	2.000%	715.20	6,882.20
9/1/2042	6,198	2.000%	684.36	6,882.36
12/1/2042	6,229	2.000%	653.37	6,882.37
3/1/2043	6,260	2.000%	622.23	6,882.23
6/1/2043	6,291	2.000%	590.93	6,881.93
9/1/2043	6,323	2.000%	559.47	6,882.47
12/1/2043	6,354	2.000%	527.86	6,881.86
3/1/2044	6,386	2.000%	496.09	6,882.09
6/1/2044	6,418	2.000%	464.16	6,882.16
9/1/2044	6,450	2.000%	432.07	6,882.07
12/1/2044	6,482	2.000%	399.82	6,881.82
3/1/2045	6,515	2.000%	367.41	6,882.41
6/1/2045	6,547	2.000%	334.83	6,881.83
9/1/2045	6,580	2.000%	302.10	6,882.10
12/1/2045	6,613	2.000%	269.20	6,882.20
3/1/2046	6,646	2.000%	236.13	6,882.13
6/1/2046	6,679	2.000%	202.90	6,881.90
9/1/2046	6,713	2.000%	169.51	6,882.51
12/1/2046	6,746	2.000%	135.94	6,881.94
3/1/2047	6,780	2.000%	102.21	6,882.21
6/1/2047	6,814	2.000%	68.31	6,882.31
9/1/2047	6,848	2.000%	34.24	6,882.24
	619,888		205,956.32	825,844.32

NUMBER
AR-1

SPECIMEN

(Form of)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____, Attorney to transfer the said Bond on the books kept for registration of the within Bond of the said Issuer with full power of substitution in the premises.

Dated: _____, _____.

_____

In the presence of:

_____

BOND REGISTER

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

Bond Number	Principal Amount	Date of Bond
No. AR-1	$619,888	January 12, 2016

NO WRITING ON THIS BOND REGISTER EXCEPT BY THE REGISTRAR

Name of Registered Owner:

West Virginia Water Development Authority
1009 Bullitt Street
Charleston, West Virginia 25301

Signature of Registrar:

United Bank, Inc.

Authorized Representative

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.1

GENERAL CERTIFICATE ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. SIGNATURES AND DELIVERY
6. PUBLIC SERVICE COMMISSION ORDER
7. RATES
8. INCUMBENCY AND OFFICIAL NAME
9. LAND AND RIGHTS-OF-WAY
10. MEETINGS
11. INSURANCE
12. LOAN AGREEMENT
13. SPECIMEN BONDS
14. BOND PROCEEDS
15. CONFLICTS OF INTEREST
16. VERIFICATION OF SCHEDULE
17. PROCUREMENT OF ENGINEERING SERVICES
18. COUNTERPARTS

On this 12th day of January, 2016, we, the undersigned CHAIRPERSON and the undersigned SECRETARY of the Public Service Board of Meadow Creek Public Service District (the "Issuer") and the undersigned ATTORNEY for the Issuer, hereby certify in connection with the Issuer's Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated the date hereof (the "Series 2016 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning set forth in the Resolution duly adopted by the Issuer on January 6, 2016, the Supplemental Resolution duly adopted by the Issuer on January 6, 2016 (collectively, the "Resolution"), the loan agreement for the Series 2016 A Bonds by and among the Issuer, and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated January 12, 2016 (collectively, the "Loan Agreement").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or, to the knowledge of any of the undersigned, threatened, restraining, enjoining or affecting in any manner the authorization, issuance, sale and delivery of the Series 2016 A Bonds, the acquisition and construction of the Project, the operation of the System, the collection or use of the revenues of the System, or the pledge and security of the Net Revenues for the Series 2016 A Bonds; nor affecting the validity of the Series 2016 A Bonds or any provisions made or authorized for the payment thereof; nor questioning the existence of the Issuer or the

title of the members or officers of the Issuer or the Board thereof to their respective offices; nor questioning any proceedings of the Issuer taken with respect to the authorization, issuance, sale or delivery of the Series 2016 A Bonds, the acquisition and construction of the Project, the operation of the System, the collection or use of the revenues of the System, or the pledge and security for the Series 2016 A Bonds.

3. GOVERNMENTAL APPROVALS: All applicable approvals, permits, exemptions, consents, authorizations, registrations, licenses, orders and certificates required by law for the creation and existence of the Issuer, the acquisition and construction of the Project, the operation of the System, the imposition of rates and charges and the issuance of the Series 2016 A Bonds have been duly and timely obtained and remain in full force and effect.

4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since the approval, execution and delivery of the Loan Agreement. The Issuer has met all conditions set forth in the Loan Agreement and will provide the financial, institutional, legal and managerial capabilities necessary to complete and operate the Project.

There are no outstanding obligations or prior bonds of the Issuer which will rank on a parity with the Series 2016 A Bonds as to liens, pledge and source of and security for payment.

The Issuer has obtained the certificate of an Independent Certified Public Accountant stating that the coverage tests are met. There are no other outstanding bonds or obligations of the Issuer which are secured by revenues or assets of the System. The Issuer is in compliance with all the covenants of the Series 2016 A Bonds and the Resolution.

5. SIGNATURES AND DELIVERY: The undersigned Chairperson and Secretary are the duly elected or appointed, qualified and acting officers of the Issuer as indicated by the official titles opposite their signatures below, and are duly authorized to execute and seal the Series 2016 A Bonds for the Issuer. The seal impressed upon the Series 2016 A Bonds and this Certificate is the duly authorized, proper and only seal of the Issuer. On the date hereof, the undersigned Chairperson did officially sign all of the Series 2016 A Bonds, consisting upon original issuance of a single Bond, dated the date hereof, by his or her manual signature; the undersigned Secretary did officially cause the seal of the Issuer to be affixed upon the Series 2016 A Bonds and to be attested by his or her manual signature; the Registrar did officially authenticate, register and deliver the Series 2016 A Bonds to a representative of the Authority as the original purchaser of the Series 2016 A Bonds under the Loan Agreement.

6. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the PSC Order dated June 10, 2015, as made final by the Public Service Commission of West Virginia (the "PSC") on June 30, 2015 in Case No. 14-1848-PSD-CN, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the rates for the System and the financing for the Project. The time for appeal for the Order has expired prior to the date hereof. Such Order remains in full force and effect.

7. RATES: The rates for the System, issued on July 14, 2015, as approved by the PSC Order entered on June 10, 2015, as made final on June 30, 2015 in Case No. 14-1848-PSD-CN, are currently in effect. The time for appeal for the Order has expired prior to the date hereof and such Order remains in full force and effect.

8. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Meadow Creek Public Service District." The Issuer is a public service district and public corporation duly created by The County Commission of Summers County and presently existing under the laws of, and a political subdivision of, the State of West Virginia in Summers County of said State. The governing body of the Issuer is its Public Service Board, consisting of three duly appointed, qualified and acting members, whose names and dates of commencement and termination of their current terms are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
Charles M. Richmond	October 1, 2011	September 30, 2017
William C. Boyd	October 1, 2013	September 30, 2019
Jo Anna Burdette	October 1, 2015	September 30, 2021

The duly elected or appointed officers of the Board for 2015 are as follows:

Charles M. Richmond	-	Chairperson
Shirley Richmond	-	Secretary/Treasurer

The duly appointed and acting attorney for the Issuer is William S. Winfrey, II, Esquire, of Princeton, West Virginia.

9. LAND AND RIGHTS-OF-WAY: All land, rights-of-way and easements necessary for the acquisition and construction of the Project and the operation and maintenance of the System have been acquired or can and will be acquired by purchase or, if necessary, by condemnation by the Issuer and are adequate for such purposes and are not or will not be subject to any liens, encumbrances, reservations or exceptions that would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties that may have to be acquired by condemnation, are, in the opinion of all the undersigned, within the ability of the Issuer to pay for the same without jeopardizing the security of or payments on the Series 2016 A Bonds.

10. MEETINGS: All actions, resolutions, orders and agreements taken, adopted and entered into by or on behalf of the Issuer in any way connected with the issuance of the Series 2016 A Bonds and the acquisition, construction, operation and financing of the Project or the System were authorized or adopted at meetings of the Board duly and regularly or specifically called and held pursuant to all applicable statutes and the rules of procedure of the Board, and a quorum of duly appointed, qualified and acting members of the Board was present

and acting at all times during all such meetings. All notices required to be posted and/or published were so posted and/or published.

11. INSURANCE: The Issuer will maintain or, as appropriate, will require all contractors to maintain workers' compensation, public liability insurance, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Resolution and the Loan Agreement. All insurance for the System required by the Resolution and the Loan Agreement are in full force and effect.

12. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Loan Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Loan Agreement does not contain any untrue statements of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (iii) to the best knowledge of the undersigned, no event affecting the Issuer has occurred since the date of the Loan Agreement, which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading; and (iv) the Issuer is in compliance with the Loan Agreement.

13. SPECIMEN BOND: Attached hereto as Exhibit A is a specimen of the Series 2016 A Bonds which, except as to execution and authentication, are identical in all respects with the Series 2016 A Bonds this day delivered to the Authority and being substantially in the form prescribed in the Resolution.

The Issuer will serve the additional customers at the location(s) as set forth in the Certificate of the Engineer. The Issuer will not reduce the amount of additional customers served by the Project without the prior written approval of the Board of the Authority. Following completion of the Project, the Issuer will certify to the Authority the number of customers added to the System.

14. BOND PROCEEDS: On the date hereof, the Issuer received $24,000 from the Authority, being a portion of the principal amount of the Series 2016 A Bonds. The balance of the principal amount of the Series 2016 A Bonds will be advanced to the Issuer from time to time as acquisition and construction of the Project progresses.

15. CONFLICTS OF INTEREST: No member, officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or the sale of any land, materials, supplies or services to the Issuer, or to any contractor supplying the Issuer, relating to the Series 2016 A Bonds, the Resolution and/or the Project, including, without limitation, with respect to the Depository Bank. For purposes of this paragraph, a "substantial financial interest" shall include, without limitation, an interest amounting to more than 5% of the particular business enterprise or contract.

16. VERIFICATION OF SCHEDULE: The final amended Schedule B attached to the Certificate of Consulting Engineer, with the signature of the Chairperson and the Consulting Engineer, accurately represents the estimated costs of the Project, the sources of funds available to pay the costs of the Project and the costs of financing of the Series 2016 A Bonds.

17. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied with all the requirements of Chapter 5G, Article 1 of the Code of West Virginia, 1931, as amended, in the procurement of the engineering services of the Consulting Engineer.

18. COUNTERPARTS: This Certificate may be executed in counterparts and all counterparts shall be deemed to be the Certificate.

WITNESS our signatures and the official corporate seal of Meadow Creek Public Service District as of the date first written above.

[SEAL]

Signature	Official Title
Charles Richmond	Chairman
Shirley Richmond	Secretary
_____	Attorney

WITNESS our signatures and the official corporate seal of Meadow Creek Public Service District as of the date first written above.

[SEAL]

Signature	Official Title
_____	Chairman
_____	Secretary
_____	Attorney

EXHIBIT A

See Specimen Bond (Tab No. 14)

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.2

CERTIFICATE OF CONSULTING ENGINEER

I, Edward L. Shutt, Registered Professional Engineer, West Virginia License No. 007314, of Stafford Consultants, Inc., Princeton, West Virginia, hereby certify as follows:

1. My firm is engineer for the acquisition and construction of certain additions, betterments and improvements consisting of the extension of wastewater collection facilities and wastewater treatment plant replacement for the northern New River and Meadow Creek proper areas in Summers County to the existing public sewerage system (the "Project") of Meadow Creek Public Service District (the "Issuer"), to be constructed primarily in Summers County, West Virginia, which acquisition and construction are being permanently financed by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the Bond Resolution adopted by the Issuer on January 6, 2016, as supplemented by a Supplemental Resolution adopted by the Issuer on January 6, 2016, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated January 12, 2016.

2. The Bonds are being issued for the purposes of (i) paying the costs of acquisition and construction of the Project; and (ii) paying certain costs of issuance and other costs in connection therewith.

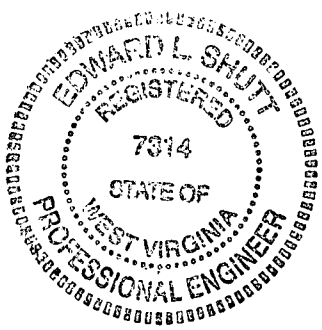
3. To the best of my knowledge, information and belief (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by the Council and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least 40 years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A, and in reliance upon the opinion of William S. Winfrey, II, Esq., all successful bidders have made required provisions for all insurance and payment and performance bonds and that such insurance policies or binders and such bonds have been verified for accuracy; (iv) the successful bidders received any and all addenda to the original bid documents; (v) the bid documents relating to the Project reflect the Project as approved by the Council and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) the net proceeds of the Bonds,

together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project approved by the Council; (x) the successful bidders have provided the Drug-Free Workplace Affidavit as evidence of the Vendor's compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Total Cost of Project; Sources of Funds and Cost of Financing" for the Project.

4. The Project will serve 24 new customers in the Meadow Creek area.

WITNESS my signature and seal on this 12th day of January, 2016.

[SEAL]



Stafford Consultants, Inc.
Edward L. Shutt, P.E.
West Virginia License No. 007314

MEADOW CREEK PSD

MEADOW CREEK SEWER PLANT PROJECT

IJDC Project No. 2011S-1303

FINAL

BUDGET

1/6/2016

FINAL TOTAL COST OF PROJECT, SOURCES OF FUNDS, AND COST OF FINANCING

A. COST OF PROJECT	TOTAL BUDGET	RUS Planning Grant	SCBG Design Grant	ARC GRANT	IJDC LOAN
1.Construction Cost	$1,243,500.00			$1,042,375.62	$201,124.38
2. Construction Contingency	$62,175.00				$62,175.00
3. *Construction Bid Underrun					
Meadow Creek Sewer System (Items 9,3,1,8,14,15,19)	$191,493.36			$124,470.68	$67,022.68
Sandstone Plant Upgrades (Items 2,4,5,6,7,8,10,12,15)	$216,250.00				$216,250.00
Bid Underrun Contingency	$19,315.94				$19,315.94
4.Engineering Services					
Study & Report	$29,500.00	$15,000.00	$11,000.00		$3,500.00
Preliminary Design	$37,492.00		$37,492.00		
Final Design	$37,918.00		$19,552.00	$18,366.00	
Bidding & Negotiation	$12,414.00			$12,414.00	
a. Special Services					
Geotechnical/Soils Investigation	$8,201.84		$5,058.44	$3,143.40	
Property Survey	$2,922.31		$2,920.06	$2.25	
ROW Plans	$17,607.31		$11,497.51	$6,109.80	
Survey/Mapping	$12,411.47		$12,237.47	$174.00	
Record Drawings	$5,290.00			$5,290.00	
Special Meetings	$16,602.21		$1,137.77	$15,464.44	
Construction Stakeout	$15,000.00			$15,000.00	
One Year Warranty	$3,500.00			$3,500.00	
Archaeological Survey/Mapping	$192.50			$192.50	
Preparation of Funding Applications	$15,000.00		$9,055.25	$5,944.75	
Additional Engineering	$4,235.56		$4,235.56		
Asset Management Plan	$20,000.00		$159.50	$19,840.50	
Operation and Maintenance Manuals	$2,990.00			$2,990.00	
b. Engineering Construction					
Engineering During Construction	$72,580.00			$72,580.00	
Resident Project Representative	$124,400.00			$124,400.00	
5. Legal/Attorney	$30,000.00		$14,000.00	$16,000.00	
6. Administrative	$75,000.00		$20,000.00	$55,000.00	
7. Accountant	$15,000.00		$5,802.94	$9,197.06	
8. Archaelogical	$35,890.00		$5,890.00		$30,000.00
9. Acquisition	$35,000.00		$27,405.50	$7,594.50	
10. Permits	$30,618.50		$12,556.00	$18,062.50	
11. Project Contingency	$0.00				
Total of Lines 1 through 8	**$2,392,500.00**	**$15,000.00**	**$200,000.00**	**$1,578,112.00**	**$599,388.00**
B. COST OF FINANCING	$0.00				
12.Other Costs	$0.00				
a. Bond Counsel	$20,000.00				$20,000.00
b. Registrar Fee	$500.00				$500.00
TOTAL PROJECT COSTS	**$2,413,000.00**	**$15,000.00**	**$200,000.00**	**$1,578,112.00**	**$619,888.00**
C. SOURCE OF OTHER FUNDS	**$0.00**				
	$0.00				
13. ARC Grant or SRF Forgivable Loan	**$1,578,112.00**			**$1,578,112.00**	
14. SCBG Design Grant	**$200,000.00**		**$200,000.00**		
15. IJDC-LOAN					**$619,888.00**
16. RUS Grant	**$15,000.00**	**$15,000.00**			
17. Percentage of total project		**2.00%**	**8.00%**	**65.00%**	**25.00%**
Size of Bond Issue	**$619,888.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

C.M. RICHMOND
MEADOW CREEK PSD
DATE: 1/6/16

ED SHUTT
STAFFORD CONSULTANTS
DATE: 1-12-16

*ARC GRANT AGREEMENT TERMS

The total project budget is $2,413,000. Please note that the ARC GRANT is 65% of the total project budget and any reduction of the total project budget would result in 65% of that reduction being returned to ARC in order to maintain the percentage approved by ARC.

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

CERTIFICATE AS TO USE OF PROCEEDS

On this 12th day of January, 2016, the undersigned Chairperson of the Public Service Board of Meadow Creek Public Service District in Summers County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $619,888 Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of the Issuer, dated January 12, 2016 (the "Series 2016 A Bonds"), hereby certify as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the Series 2016 A Bonds. I am familiar with the facts, circumstances and estimates herein certified and duly authorized to execute and deliver this certificate on behalf of the Issuer. Capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Resolution duly adopted by the Issuer on January 6, 2016 (the "Resolution"), authorizing the Series 2016 A Bonds.

2. This certificate may be relied upon as the certificate of the Issuer.

3. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on January 12, 2016, the date on which the Series 2016 A Bonds are being physically delivered, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Resolution pursuant to which the Series 2016 A Bonds are issued, the Issuer has covenanted that it shall not take, or permit or suffer to be taken, any action with respect to Issuer's use of the proceeds of the Series 2016 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Internal Revenue Code of 1986, as amended, and the temporary and permanent regulations promulgated thereunder or under any predecessor thereto (collectively, the "Code"), issued by the West Virginia Water Development Authority (the "Authority") or the West Virginia Infrastructure and Jobs Development Council (the "Council"), as the case may be, from which the proceeds of the Series 2016 A Bonds are derived, to lose their status as tax-exempt bonds. The Issuer hereby covenants to take all actions necessary to comply with such covenant.

5. The Series 2016 A Bonds were sold on January 12, 2016, to the Authority, pursuant to a loan agreement dated January 12, 2016, by and among the Issuer, the Authority and the Council (the "Loan Agreement"), for an aggregate purchase price of par, at which time, the Issuer received $24,000 from the Authority and the Council, being the first advance of the principal of the Series 2016 A Bonds. No accrued interest has been or will be paid on the Series 2016 A Bonds. The balance of the principal amount of the Series 2016 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2016 A Bonds are being delivered simultaneously with the delivery of this Certificate and are issued for the purposes of (i) paying a portion of the costs of acquisition and construction of certain improvements and extensions to the existing public sewer facilities of the Issuer (the "Project"); and (ii) paying certain costs of issuance of the Series 2016 A Bonds and related costs.

7. The Issuer shall, on the date hereof or immediately hereafter, enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Series 2016 A Bonds for the acquisition and construction of the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Series 2016 A Bonds to expenditures for costs of the Project shall commence immediately and proceed with due diligence to completion and, with the exception of proceeds deposited in the reserve account for the Series 2016 A Bonds, if any, all of the proceeds from the sale of the Series 2016 A Bonds, together with any investment earnings thereon, will be expended for payment of costs of acquisition and construction of the Project on or before February 1, 2017. The acquisition and construction of the Project is expected to be completed by December 12, 2016.

8. The total cost of construction of the Project, including the costs of issuance, is estimated at $2,413,000. Sources and uses are as follows:

SOURCES

Principal of Series 2016 A Bonds	$619,888
ARC Grant	1,578,112
Small Cities Block Grant	200,000
USDA RUS Grant	15,000
Total Sources	$2,413,000

USES

Project Costs	$2,413,000
Costs of Issuance	20,500
Total Uses	$2,392,500

9. Pursuant to Article V of the Resolution, the following special funds or accounts have been created:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2016 A Bonds Sinking Fund;

(4) Series 2016 A Bonds Reserve Account;

10. Moneys held in the Series 2016 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2016 A Bonds. All investment earnings on moneys in the Series 2016 A Bonds Reserve Account (if fully funded) shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2016 A Bonds, and then to the next ensuing principal payment due thereon.

11. The Issuer will take such steps as requested by the Authority to ensure that the Authority's bonds meet the requirements of the Code.

12. The Issuer does not expect to sell or otherwise dispose of the System in whole or in part prior to the maturity date of the Series 2016 A Bonds.

13. The amount designated as costs of issuance of the Series 2016 A Bonds consists only of costs which are directly related to and necessary for the issuance of the Series 2016 A Bonds.

14. All property financed with the proceeds of the Series 2016 A Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

15. The Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

16. The Series 2016 A Bonds are not federally guaranteed.

17. The Issuer has retained the right to amend the Resolution authorizing the issuance of the Series 2016 A Bonds if such amendment is necessary to assure that the Series 2016 A Bonds remain governmental or public purpose bonds.

18. The Issuer has either (a) funded the Series 2016 A Bonds Reserve Account at the maximum amount of principal and interest, if any, which will mature and become due on the Series 2016 A Bonds in the then current or any succeeding year with the proceeds of the Series 2016 A Bonds, or (b) created the Series 2016 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2016 A Bonds Reserve Account hold an amount equal to the maximum amount of principal and interest, if any, which will mature and become due on the Series 2016 A Bonds in the then current or any succeeding year. Moneys in the Series 2016 A Bonds Reserve Account and the Series 2016 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2016 A Bonds.

19. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Series 2016 A Bonds, (b) are to be sold pursuant to a common plan of financing together with the Series 2016 A Bonds and (c) will be paid out of substantially

the same sources of funds or will have substantially the same claim to be paid out of substantially the same sources of funds as the Series 2016 A Bonds.

20. To the best of my knowledge, information and belief, there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

21. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Series 2016 A Bonds, rebates and rebate calculations.

22. To the best of my knowledge, information and belief, the foregoing expectations are reasonable.

WITNESS my signature as of the date first written above.

Chairperson

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.4

CERTIFICATE OF SECRETARY
AS TO TRUTH AND ACCURACY OF DOCUMENTS DELIVERED

On this 12th day of January, 2016, the undersigned duly appointed Secretary of Meadow Creek Public Service District (the "Issuer") hereby certifies that the copies of the following documents being delivered in connection with the closing of the sale of the Meadow Creek Public Service District Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), are, as of the date hereof, true and accurate copies of the originals of those documents maintained on file with the Issuer and delivered in the transcript of proceedings, that said documents have been duly adopted or approved by the Public Service Board (the "Board") of the Issuer and that said documents are still in full force and effect as of the date hereof and have not been repealed, rescinded, superseded, amended or modified in any way unless the document effecting such repeal, rescission, supersedence, amendment or modification is also listed below:

1. Orders of The County Commission of Summers County Creating the Issuer.

2. Orders of The County Commission of Summers County Appointing the Members of the Board.

3. Oaths of Office of the Board Members.

4. Rules of Procedure.

5. Minutes of Current Year Organizational Meeting.

6. Public Service Commission Order.

7. Infrastructure Council Approval Letter.

8. Loan Agreement.

9. Bond Resolution.

10. Supplemental Resolution.

11. Minutes of Board Meeting regarding Adoption of Bond Resolution and Supplemental Resolution.

12. Affidavit of Publication regarding Notice of Meeting to Adopt Bond Resolution and Supplemental Resolution.

13. NPDES Permit.

14. Insurance Certificates.

15. Evidence of ARC Grant.

16. SCBG Letter.

17. RUS Grant Agreement.

WITNESS my signature and the official seal of the Issuer as of the date first written above.

MEADOW CREEK PUBLIC SERVICE DISTRICT

Shirley Richmond
Secretary

[SEAL]

LOWE & ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
1156 SOUTH MAIN STREET
MILTON, WEST VIRGINIA 25541
Phone: (304) 743-5573 FAX: (304) 743-1150
e-mail: rlowe@lowecpas.com

January 12, 2016

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

CPA CERTIFICATE

Meadow Creek Public Service District
Meadow Creek, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Ladies and Gentlemen:

I have reviewed the sewer rates of Meadow Creek Public Service District (the "Issuer"), as approved by the Recommended Decision of an Administrative Law Judge entered on June 10, 2015, as made final by the Public Service Commission of West Virginia (the "PSC"), June 30, 2015, in Case No. 14-1848-PSD-CN, the current operating expenses and the current customer usage provided by the Issuer. It is my opinion that such rates are sufficient (i) to provide for all operating expenses of the sewerage facilities of the Issuer (the "System") and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest on the Issuer's proposed $619,888 Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund) (the "Series 2016 A Bonds").

Very truly yours,

Lowe & Associates, PLLC

Lowe & Associates, PLLC

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.6

RECEIPT FOR BONDS

On this 12th day of January, 2016, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, hereby certifies as follows:

1. On the date hereof, in Charleston, West Virginia, the Authority received from Meadow Creek Public Service District (the "Issuer") its Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated January 12, 2016, issued in the principal amount of $619,888, numbered AR-1, in the form of one bond, fully registered to the Authority (the "Bonds").

2. At the time of such receipt of the Bonds, they had been executed by the Chairperson of the Issuer and attested by the Secretary of the Issuer, by their respective manual signatures, and the official seal of the Issuer had been impressed thereon.

WITNESS my signature as of the date first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

Sheila A. Miller
Authorized Representative

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.7

RECEIPT FOR BONDS PROCEEDS

On this 12th day of January, 2016, the undersigned Chairperson of Meadow Creek Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certifies as follows:

On the date hereof, in Charleston, West Virginia, the Issuer delivered to the West Virginia Water Development Authority (the "Authority") its Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund) (the "Series 2016 A Bonds"), dated January 12, 2016, issued in the principal amount of $619,888, numbered AR-1, in the form of one bond, fully registered to the Authority. The Issuer has received on this date hereof from the Authority, the sum of $24,000, being the first advance of the Series 2016 A Bonds. The Issuer understands that the remaining proceeds of the Series 2016 A Bonds will be advanced to the Issuer from the Authority from time to time as the Project progresses.

WITNESS my signature as of the date first written above.

MEADOW CREEK PUBLIC SERVICE DISTRICT

Charles Kuhnert
Chairperson

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.8

REQUEST AND AUTHORIZATION TO
AUTHENTICATE, REGISTER AND DELIVER THE BONDS

United Bank, Inc.
Charleston, West Virginia

Ladies and Gentlemen:

We herewith hand to you, duly executed, the $619,888 Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in the form of one bond, numbered AR-1, dated January 12, 2016 (the "Bonds"), of Meadow Creek Public Service District (the "Issuer"), authorized to be issued under and pursuant to a Resolution and a Supplemental Resolution duly adopted by the Issuer on January 6, 2016.

You are hereby requested and authorized to authenticate, register and deliver the Bonds on behalf of the Issuer to the West Virginia Water Development Authority.

WITNESS our signatures on this 12th day of January, 2016.

MEADOW CREEK PUBLIC SERVICE DISTRICT

Chairperson

(SEAL)

Attest:

Secretary

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.9

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 12th day of January, 2016, by and between MEADOW CREEK PUBLIC SERVICE DISTRICT, a public corporation (the "Issuer"), and UNITED BANK, INC., Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $619,888 Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated January 12, 2016, numbered AR-1, in the form of one bond, in fully registered form (the "Bonds"), pursuant to a Resolution and a Supplemental Resolution adopted by the Issuer on January 6, 2016 (collectively, the "Resolution");

WHEREAS, capitalized words and terms used in this Registrar's Agreement and not otherwise defined herein shall have the respective meanings given them in the Resolution, a copy of which is attached as Exhibit A hereto and incorporated herein by reference;

WHEREAS, the Resolution provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Resolution and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Resolution and to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Registrar's Agreement by the Issuer and the Registrar and during the term hereof, the Registrar does accept and shall have and carry out the powers and duties of Registrar for the Bonds, all as set forth in the Resolution, such duties including, among other things, the duties to authenticate, register and deliver the Bonds upon original issuance and when properly presented for exchange or transfer, and shall do so with the intention of maintaining the exclusion of interest, if any, on the Bonds from gross income for federal income tax purposes, in accordance with any rules and regulations promulgated by the United States Treasury Department or by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Registrar agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Registrar's authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Registrar shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Registrar's Agreement, the Issuer hereby agrees to pay to the Registrar the compensation heretofore agreed by the parties and set forth in the attached invoice.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Resolution with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Resolution, the terms of the Resolution shall govern.

6. The Issuer and the Registrar each warrants and represents that it is duly authorized and empowered to execute and enter into this Registrar's Agreement and that neither such execution nor the performance of its duties hereunder or under the Resolution will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Registrar's Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective address:

ISSUER:

Meadow Creek Public Service District
P.O. Box 64
Meadow Creek, WV 25977-0064
Attention: Chairman

REGISTRAR:

United Bank, Inc.
500 Virginia Street East
Charleston, WV 25301
Attention: Corporate Trust Department

The Issuer and the Registrar shall notify the other in writing of any change of address.

8. The Registrar is hereby requested and authorized to authenticate, register and deliver the Bonds in accordance with the Resolution.

IN WITNESS WHEREOF, the parties hereto have respectively caused this Registrar's Agreement to be signed in their names and on their behalf, all as of the date first written above.

MEADOW CREEK PUBLIC SERVICE DISTRICT

Chairman

UNITED BANK, INC.

Authorized Officer

EXHIBIT A

See Resolution (Tab No. 10)

See Supplemental Resolution (Tab No. 11)

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.10

CERTIFICATE OF REGISTRATION

UNITED BANK, INC., Charleston, West Virginia, as Registrar (the "Registrar"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), of Meadow Creek Public Service District (the "Issuer"), dated January 12, 2016, in the principal amount of $619,888, numbered AR-1, registered as to principal only, in the name of "West Virginia Water Development Authority" in the books of the Issuer kept for that purpose at our office, by a duly authorized officer on behalf of the Registrar.

WITNESS my signature on this 12th day of January, 2016.

UNITED BANK, INC.,
as Registrar

Authorized Officer

WEST VIRGINIA MUNICIPAL BOND COMMISSION
900 Pennsylvania Avenue, Suite 1117
Charleston, WV 25302
(304) 558-3971

3.11
NEW ISSUE REPORT FORM
Date of Report: January 12, 2016

ISSUE: Meadow Creek Public Service District Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund)

ADDRESS: P.O. Box 64, Meadow Creek, WV 25977-0064 COUNTY: Summers

PURPOSE OF ISSUE: New Money X
Refunding: _____ Refunds issue(s) dated: _____

ISSUE DATE: January 12, 2016 CLOSING DATE: January 12, 2016

ISSUE AMOUNT: $619,888 RATE: 2%

1st DEBT SERVICE DUE: September 1, 2017 1st PRINCIPAL DUE: December 1, 2017

1st DEBT SERVICE AMOUNT: $6,882.44 PAYING AGENT: Municipal Bond Commission

BOND COUNSEL: Jackson Kelly PLLC
Contact Person: Samme L. Gee, Esquire
Phone: (304) 340-1318

UNDERWRITERS COUNSEL: Kauffelt & Kauffelt
Contact Person: Mark Kauffelt, Esquire
Phone: (304) 345-1272

CLOSING BANK: First Century Bank
Contact Person: _____
Phone: (304) 466-2311

ESCROW TRUSTEE: _____
Contact Person: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT:
Contact Person: Shirley Richmond
Position: Office Manager
Phone: (304) 466-4429
E-Mail: sjrichmond@outlook.com

OTHER: WV Infrastructure & Jobs Development Council
Contact Person: Jim Ellars
Function: Program Manager
Phone: (304) 414-6501 Ext 106

DEPOSITS TO MBC AT CLOSE: _____
By _____ Wire
_____ Check

Accrued Interest: $_____
Capitalized Interest: $_____
Reserve Account: $_____
Other: _____ $_____

REFUNDS & TRANSFERS BY MBC AT CLOSE:
By _____ Wire
_____ Check
_____ IGT

To Escrow Trustee: $_____
To Issuer: $_____
To Cons. Invest. Fund $_____
To Other: _____ $_____

NOTES: The Reserve Fund will be funded over ten (10) years.

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: _____
Transfers Required: _____

Subject: Modification Approval for WVG550745-A for Meadow Creek PSD in Summers County
From: DEP NPDESEP <DEP.NPDESEP@wv.gov>
Date: 5/13/2015 3:11 PM
To: DEP NPDESEP <DEP.NPDESEP@wv.gov>, "sjrichmond@outlook.com" <sjrichmond@outlook.com>
CC: "Kershner, Susan J" <Susan.J.Kershner@wv.gov>, "Lilly, James K (DEP)" <James.K.Lilly@wv.gov>, "McGee, James L" <James.L.McGee@wv.gov>, "Maddox, Mylinda A" <Mylinda.A.Maddox@wv.gov>, "jwood@staffordconsultantsinc.com" <jwood@staffordconsultantsinc.com>, "Layton, Mavis L" <Mavis.L.Layton@wv.gov>

Shirley Richmond
Meadow Creek PSD
PO Box 64
Meadow Creek, WV 25977

This email serves as Modification No.1 of your existing WV/NPDES Water Pollution Control Permit Registration No. WVG550745 issued September 08, 2011.

After review and consideration of Permit Modification Application WVG550745-A, dated the 15th day of January, 2014, the subject permit is hereby modified to allow installation of a new 40,000 GPD wastewater treatment plant, including a bar screen, a 10,318 gallon aerated surge tank, a 40,000 gallon aeration basin, a 8,694 gallon aerated sludge holding tank, and a tablet chlorination/de-chlorination disinfection system.

Your treatment classification remains Category 1 and maximum flow remains at 25,000 gallons per day. You should continue to use the Discharge Monitoring Report (DMR) forms from the previous reissuance, and submit electronically as applicable.

All other terms and conditions of the general permit and registration shall remain in effect and unchanged.

If you have any questions, please do not hesitate to contact Brian Bailey at (304) 926-0499 Ext. 1021 or by email at Brian.D.Bailey@wv.gov .

Scott G. Mandirola
Director
WV DEP-Division of Water & Waste Mgt.
601 57th St SE
Charleston, WV 25304-2345
Phone: (304) 926-0495
Fax: (304) 926-0463

State of West Virginia

OFFICE OF ENVIRONMENTAL HEALTH SERVICES

350 CAPITOL STREET, ROOM 313 CHARLESTON, WV 25301-3713
Telephone (304) 558-2981

PERMIT

PROJECT: (Sewer) WWTP Replacement & Sewer Extension **PERMIT NO.:** 19,571

LOCATION: Meadow Creek **COUNTY:** Summers **DATE:** 4-29-2015

THIS IS TO CERTIFY that after reviewing plans, specifications, application forms, and other essential information that

Meadow Creek Public Service District
P. O. Box 64
Meadow Creek, West Virginia 25977

is hereby granted approval to: install approximately 4,636 LF of 8" sewer line; necessary manholes and cleanouts; one (1) 10.8 GPM duplex grinder pump station; one (1) 70 GPM duplex grinder pump station; five (5) simplex grinder pump stations; approximately 516 LF of 1 ½ ", 1,963 LF of 2" and 3,087 LF of 3" force main; and to replace the existing Meadow Creek WWTP with a new 40,000 GPD packaged extended aeration WWTP with an aerated baffled surge tank with a flow control chamber with two (2) 90 GPM pumps and a V-notch weir, aerated sludge holding chamber, chlorination/de-chlorination and piping of effluent discharge to the New River. The new WWTP will be enclosed by a minimum six (6) feet high fence with locking gates.

The sewer line extension will serve **24** new customers in the Meadow Creek area and the replacement WWTP will serve **83** customers in the Meadow Creek area.

The Environmental Engineering Division of the **OEHS Beckley District Office, (304) 256-6666**, is to be notified when construction begins.

Validity of this permit is contingent upon conformity with plans, specifications, application forms, and other information submitted to the West Virginia Bureau for Public Health.

FOR THE DIRECTOR,

William S. Herold, Jr., P.E., Assistant Manager
Infrastructure and Capacity Development
Environmental Engineering Division

WSH:kls

pc: Stafford Consultants, Inc.
Jefferson Brady PE, DEP
Jim Weimer, PE, PSC-Engineering Division
Summers County Health Department
OEHS-EED Beckley District Office

Eric Combs

From: Stacy Fowler <sfowler@staffordconsultantsinc.com>
Sent: Monday, August 17, 2015 8:54 PM
To: Eric Combs
Subject: Fwd: FW: Approval for WVR107215, Wastewater Collection System Project, Summers Co., 2.57 Acres

Eric,

Below is the Stormwater permit.

Thanks,

Stacy A. Fowler, P.E.
Stafford Consultants, Inc.

---------- Forwarded message ----------
From: "Shirley Richmond" <sjrichmond@outlook.com>
Date: Aug 17, 2015 7:33 PM
Subject: FW: Approval for WVR107215, Wastewater Collection System Project, Summers Co., 2.57 Acres
To: "Stacy Fowler" <sfowler@staffordconsultantsinc.com>
Cc:

Stacy, This is what I received. Shirley

From: DEP.NPDESEP@wv.gov
To: sjrichmond@outlook.com
Subject: FW: Approval for WVR107215, Wastewater Collection System Project, Summers Co., 2.57 Acres
Date: Mon, 17 Aug 2015 19:32:21 +0000

From: DEP NPDESEP
Sent: Thursday, October 30, 2014 3:54 PM
To: DEP NPDESEP; sjrichmond@outlook.com
Cc: Hendley, John H; Lilly, James K (DEP); McGee, James L
Subject: Approval for WVR107215, Wastewater Collection System Project, Summers Co., 2.57 Acres

Shirley Richmond

Meadow Creek PSD

PO Box 64

Meadow Creek, WV 25977

Physical Site Location: Co. Rt. 7, Meadow Creek

Please be advised that this e-mail constitutes approval for your **Notice of Intent** construction activity and your registration no. is **WVR107215**. You are now authorized to operate under WV/NPDES General Water Pollution Control Permit No. WV0115924, issued on December 5, 2012.

You should carefully read the contents of this General Permit and become familiar with all requirements needed to remain in compliance with your permit. A "Notice of Termination" form is to be completed and submitted when all disturbed areas are stabilized. You can find the permit and Notice of Termination form via the Internet by visiting Permitting, Division of Water and Waste Management at www.dep.wv.gov . Your annual permit fee has been assessed as $100.00. You will be invoiced by this agency upon the anniversary date of this approval date. Failure to submit the annual fee within ninety (90) days of the due date will render your permit void upon the date you are mailed a certified written notice to that effect. Please be advised that a pro-rated annual permit fee may be assessed upon the completion date and proper stabilization.

If you have any questions relative to this approval, please do not hesitate to contact Alice Cooper at (304) 926-0499 Ext. 1103 or by email at Alice.E.Cooper@wv.gov .

Scott G. Mandirola, Director

WV DEP-Division of Water & Waste Mgt.

601 57th St. SE

Charleston, WV 25304-2345

Phone: (304) 926-0495

Fax: (304) 926-0496

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 1/5/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Bill Bailey Insurance Agency
701 Highland Avenue
P. O. Box 246
Williamstown WV 26187

CONTACT NAME: Renee Shotwell
PHONE (A/C, No, Ext): (304)375-4900 FAX (A/C, No): (304)375-2182
E-MAIL ADDRESS: rshotwell@bb-ins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: American Alternative Insurance	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
Meadow Creek PSD
PO Box 64
Meadow Creek WV 25977

COVERAGES CERTIFICATE NUMBER: CL161502657 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE / X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
				GPPA-PP-6050119-05	4/1/2015	4/1/2016	MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 3,000,000
	X POLICY / PRO-JECT / LOC						PRODUCTS - COMP/OP AGG	$ 3,000,000
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$ 1,000,000
	X EXCESS LIAB / X CLAIMS-MADE						AGGREGATE	$ 1,000,000
	DED / RETENTION $			GPPA-PP-6050119-05	4/1/2015	4/1/2016		$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N/A						E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER
(304)431-7235
WV Water Development Authority
1009 Bullitt Street
Charleston, WV 25301

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
William Bailey/RDS

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JACKSONKELLY
ATTORNEYS AT LAW PLLC
500 LEE STREET EAST • SUITE 1600 • P.O. BOX 553 • CHARLESTON, WEST VIRGINIA 25322 • TELEPHONE: 304-340-1000 • TELECOPIER: 304-340-1130
www.jacksonkelly.com

CLOSING MEMORANDUM

3.14

To: **Shirley Richmond, PSD**
Jim Ellars, IJDC
Sheila Miller, WDA
Sara Rogers, MBC

From: **Samme L. Gee**

Date: **January 12, 2016**

Re: **Meadow Creek Public Service District**
Sewer Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)
[IJDC Project No. 2011S-1303]

1. DISBURSEMENTS TO DISTRICT

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2016 A Bonds Proceeds
Amount:	$24,000
Date:	January 12, 2016
Form:	Wire
Payee:	Meadow Creek Public Service District
Bank:	Frist Century Bank 321 Temple Street, Hinton, WV 25951
ABA:	051500601
Account #:	4300006288
Contact:	(304) 466-2311
Account Name:	Meadow Creek Sewer Project

WEST VIRGINIA DEVELOPMENT OFFICE
GRANT AWARD

Grant Number: 14-653	
CFDA Number:	**State Acct. No.:** 8705-2013-0307-130-128
Fiscal Year: 2013	**Program Name:** ARC

Grantee Name & Address:	**F.E.I.N.**
Summers County Commission PO Box 97 Hinton, WV 25951	

Grant Period:
From: October 23, 2013
To: June 30, 2016

Project Name: Meadow Creek

Grant ID: A13DC540001

Project Number: 13ARCP17702

Project Description

Implement the program described in the attached grant agreement.

Change Orders

Number: **Date:** **Purpose:**

TERMS AND CONDITIONS ARE ON FILE IN THE WEST VIRGINIA DEVELOPMENT OFFICE AND AVAILABLE FOR INSPECTION. A COPY OF THE ORIGINAL AGREEMENT IS ATTACHED TO TRANSMITTAL _____, PROCESSED ON OR ABOUT _____.
PAYMENT NUMBER_____.

Submitted By: James Bush

TOTAL AMOUNT OF THIS GRANT $1,578,112.00

Authorized Signature:

Title: Executive Director

Date: 12/6/2013

14-653
13ARCP17702

State of West Virginia
Earl Ray Tomblin
Governor

Office of the Governor
State Capitol
1900 Kanawha Boulevard, East
Charleston, WV 25305

Telephone: (304) 558-2000
Toll Free: (888) 438-2731
Fax: (304) 342-7025
www.governor.wv.gov

September 5, 2013

The Honorable Bill Lightner
President
Summers County Commission
120 Ballengee Street
Hinton, West Virginia 25951

Dear Commissioner Lightner:

I am pleased to inform you that I have approved the Summers County Commission project application in the amount of $1,578,112 for Appalachian Regional Commission (ARC) assistance, and I am forwarding the project for the Commission's review.

The project will upgrade the existing wastewater treatment plant and allow for sewer line extensions to serve 84 new and existing residential and commercial customers in the Meadow Creek area of Summers County. The project will provide new service and upgrades as well as increase the ability of businesses to locate and operate in the area.

You must not proceed with this project until you have been officially notified that it has been approved by the Commission.

I am pleased to work with you to make this improvement a reality for the citizens of West Virginia.

Sincerely,

Earl Ray Tomblin
Governor

ERT:jeb

State of West Virginia
Earl Ray Tomblin
Governor

Office of the Governor
State Capitol
1900 Kanawha Boulevard, East
Charleston, WV 25305

Telephone: (304) 558-2000
Toll Free: (888) 438-2731
Fax: (304) 342-7025
www.governor.wv.gov

December 12, 2012

The Honorable Jerry E. Berry
President
Summers County Commission
Post Office Box 97
Hinton, West Virginia 25951

Dear Commissioner Berry:

Thank you for your application to the Small Cities Block Grant Program for the Meadow Creek Sewer Project.

Your request has been approved in the amount of $200,000 for a Design and Administration Grant. These funds will enable you to complete engineering design and required administrative services.

In order to effectively utilize the limited dollars available, the West Virginia Development Office created a program to assist communities with the engineering and administrative components of selected projects. This grant does not secure funding for the balance of the request in your application. The designed project must be resubmitted and will be competitively reviewed and considered for funding based on an amended application, availability of funds, and other requests pending at that time.

Please be advised that the West Virginia Development Office reserves the right to withdraw these funds if your project does not proceed on schedule. Should you have any questions, please call Mr. Kevin Meadows of the West Virginia Development Office, at 304-558-2234.

I am pleased to assist with these improvements for the citizens of Summers County.

Best regards,

Earl Ray Tomblin
Governor

12SCBG0006

HRT: ef

WATER OR WASTE SYSTEM GRANT AGREEMENT

UNITED STATES DEPARTMENT OF AGRICULTURE

RURAL UTILITIES SERVICE

THIS AGREEMENT dated August 4, 2003 between

Meadow Creek Public Service District

a public corporation organized and operating under

Chapter 16 Article 13A, West Virginia Code
(Authorizing Statute)

herein called "Grantee," and the United States of America acting through the Rural Utilities Service, Department of Agriculture, herein called "Grantor," WITNESSETH:

WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) (sewer) system to serve the area under jurisdiction at an estimated cost of $ 15,000.00 and has duly authorized the undertaking of such project.

Grantee is able to finance not more than $ 0.00 of the development cost through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge

Said sum of $ 0.00 has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed $ 15,000.00 or 100.00% percent of said development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of the grant.

As a condition of this grant agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated into this agreement by reference, and such other statutory provisions as are specifically set forth herein.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306 (a) of the Consolidated Farm and Rural Development Act the purpose only of defraying a part not to exceed 100.00% percent of the development costs, as defined by applicable Rural Utilities Service Instructions.

GRANTEE AGREES THAT GRANTEE WILL:

A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.

B. Permit periodic inspection of the construction by a representative of Grantor during construction.

C. Manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.

D. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges,* ~~whether for connection or classes of service adopted by resolution dated~~ xxxxxxxxxxxxxxxxxxxxxxxxxx, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

* as approved by the West Virginia Public Service Commission.

E. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

F. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

G. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, another agreement of the same type need not be executed in connection with this grant.

I. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated herein above with the interest at the rate of 5 percentum per annum from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

J. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

K. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency. When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.
[Revision 1, 04/17/1998]

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

This Grant Agreement covers the following described real property (use continuation sheets as necessary).

L. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with grant funds. Equipment means tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. A Grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.
[Revision 1, 04/17/1998]

1. Use of equipment.

(a) The Grantee shall use the equipment in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other Federally sponsored activities, if any, in the following order of priority:

(1) Activities sponsored by the Grantor.

(2) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the equipment was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other Federally sponsored projects.

2. Disposition of equipment. When the Grantee no longer needs the equipment as provided in paragraph (a) above, the equipment may be used for other activities in accordance with the following standards:

(a) Equipment with a current per unit fair market value of less than $5,000. The Grantee may use the equipment for other activities without reimbursement to the Federal Government or sell the equipment and retain the proceeds.

(b) Equipment with a current per unit fair market value of $5,000 or more. The Grantee may retain the equipment for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value or proceeds from sale of the equipment. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee requests and the following procedures shall govern:

( ) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share ten percent of the proceeds, for Grantee's selling and handling expenses.

(2) If the Grantee is instructed to ship the equipment elsewhere the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.

(3) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall also include:

(a) Records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the project for which the equipment was acquired; location, use and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need need for the equipment.

(c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated an fully documented.

(d) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

(e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return.

This Grant Agreement covers the following described equipment (use continuation sheets as necessary).

M. Provide Financial Management Systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.

2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.

3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.

4. Accounting records supported by source documentation.

N. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.

O. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.

P. Provide an audit report prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.

Q. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or instrumentality's of states shall not be held accountable for interest earned on grant funds pending their disbursement

R. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in item K above.

S. To include in all contracts for construction or repair a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

T. To include in all contracts in excess of $100,000 a provision that the contractor agrees to comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees: **[Revision 1. 11/20/1997]**

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award.

[Revision 1, 11/20/97]

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term "facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plant, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed **$ 15,000.00** which it will advance to Grantee to meet not to exceed **100.0%** percent of the project development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph I above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

In witness whereof Grantee on the date first above written has caused these presence to be executed by its duly authorized

Chairman

and attested and its corporate seal affixed by its duly authorized

Secretary

Attest:

Meadow Creek Public Service District

By: Dale E. Shafer
Dale E. Shafer

(Title) Chairman

By: Shirley Richmond
Shirley Richmond

(Title) Secretary

UNITED STATES OF AMERICA

RURAL UTILITIES SERVICE

By: Rose Mary Christian 4/13/04 Rural Development Specialist
Rose Mary Christian (Title)

MAY 0 3 2004

Box 64
Meadow Creek WV 25977
April 29, 2004

Rural Development
USDA
481 Ragland Road
Beckley WV 25901

Attention: Rose Mary Christian

Dear Mrs. Christian:

I am enclosing a copy of the check which I sent to Stafford Consultants, Inc. for $15,000.00.

If this is not what you want, please let me know.

Sincerely,

Meadow Creek PSD
Office Manager
Shirley Richmond
enclosure

MEADOW CREEK PUBLIC SERVICE DISTRICT
SANDSTONE DIVISION
P.O. BOX 64
MEADOW CREEK, WV 25977

1242

Date 4/15/04

Pay to the order of Stafford Consultants, Inc. $ 15,000.00

Fifteen Thousand and 00/100 Dollars

FIRST CENTURY BANK

For report + study

Shirley Richmond

⑈001242⑈ ⑆051500060⑆ 1030000050⑈ ⑈0001500000⑈

DDA Debits - 04/20/2004

ENDORSE HERE:

DEPOSIT TO THE ACCOUNT OF
STAFFORD CONSULTANTS, INC.
ACCT. # 004977

DO NOT SIGN / PRINTS / STAMP BELOW THIS LINE
FOR FINANCIAL INSTITUTION USE ONLY

04/20/04 01 02001385

FEDERAL RESERVE BANK RICHMOND

FCB IND P374133340
000000023504997
04/19/2004 018 >051501299<

DDA Debits - 04/20/2004

DEPOSIT TICKET

FIRST CENTURY BANK
HINTON, WEST VIRGINIA

grant money for study for new plant - Stafford Consultants - PER 4/16/04

MEADOW CREEK PUBLIC SERVICE DISTRICT
SANDSTONE DIVISION
P.O. BOX 94
MEADOW CREEK, WV 25977

$ 512

TOTAL

⑆051500801⑆0300000050⑈

1st Century Bank, NA

10,512.00

A [illegible] FOR DEPOSIT AT
FIRST CENTURY BANK, NA [illegible]
[illegible] PRESENTLY [illegible] TO A
[illegible]

United States Treasury 16-61 000 K 347,328,993

Check No.

03 24 04 77 KANSAS CITY, MO 3091 08451304

12200408 M1 RD 0000A04221

Pay to the order of MEADOW CREEK PSD
C/O USDA RURAL DEVELOPMENT
481 RAGLAND ROAD
BECKLEY, WV 25801

$**15000*00

VOID AFTER ONE YEAR

PREDEVELOPMENT PLANNING GRANT FY03
ASSISTANCE TYP 575 CK DATE 03-24-04

⑈30910⑈ ⑆000000518⑆ 08451304⑈ 040304

Received by

Dale Shafer Chairman 4/15/04
Dale Shafer,

MEADOW CREEK PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2016 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

3.16

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

First Century Bank, Hinton, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Resolution and a Supplemental Resolution adopted by Meadow Creek Public Service District (the "Issuer") on January 6, 2016 (collectively, the "Resolution"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), in the aggregate principal amount of $619,888, dated January 12, 2016, and agrees to serve as Depository Bank, all as set forth in the Resolution.

WITNESS my signature on this 12th day of January, 2016.

FIRST CENTURY BANK

Authorized Officer

SWEEP RESOLUTION

WHEREAS, Meadow Creek Public Service District (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes monthly debt service payments on the Bonds by check to the West Virginia Municipal Bond Commission (the "MBC") which in turn pays the owners of the Bonds and deposits funds in the reserve accounts;

WHEREAS, the MBC may accept such monthly payments by electronic funds transfer thereby eliminating delay in payments and lost checks;

WHEREAS, PURSUANT TO Chapter 13, Article 3, Section 5a, the MBC has established fees for its services (the "MBC Fee");

WHEREAS, the Issuer find and determines that it is in the best interest of the Issuer, its citizens and the owners of the Bonds that the monthly debt service and reserve fund payments be made by electronic transfer with the State Treasurer **sweeping** the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, along with the MBC Fee, shall be made to the MBC by electronic transfer by the State Treasurer form the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

2) The Chairman and Secretary/Treasurer are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 6th day of January, 2016.

Charles Tabnor
(Authorized Officer)

JoAnne Burdette
(Authorized Officer)

William C. Boyd
(Authorized Officer)

MEADOW CREEK
PUBLIC SERVICE DISTRICT

Post Office Box 64
Meadow Creek, WV 25977

PHONE: (304)466-4429

January 6, 2016

Mr. James W. Ellars, PE
Executive Director
WV Infrastructure & Jobs Development Council
1009 Bullitt Street
Charleston, WV 25301

RE: MEADOW CREEK SEWER PROJECT – IJDC LOAN#: 2011S-1303
REQUISITION: ONE (1)

Dear Mr. Ellars:

Enclosed please find **IJDC LOAN REQUISITION #1** in the amount of $24,000.00 for the **Meadow Creek PSD-Meadow Creek Sewer Project** along with the associated invoices for your review and approval.

Should you have any questions concerning this payment request, please contact me or Lori Shrewsbury at Region I Planning & Development Council at 304-431-7225.

Sincerely,

C.M. Richmond
Chairman

Enclosures

email/cc: Stafford Consultants

MEADOW CREEK PSD
MEADOW CREEK SEWER PROJECT

SCBG/ARC INVOICES FOR APPROVAL

January 2016

Payment is approved to the following vendors for their respective invoices:

PAYEE	DESCRIPTION	AMOUNT
REGION I PDC	Administrative Invoices	$0.00
STAFFORD CONSULTANTS, INC.	Engineering Invoices	$3,500.00
WILLIAM S. WINFREY , II	Legal Fees	$0.00
UNITED BANK	Registrar Fee	$500.00
JACKSON KELLY PLLC	Bond Council Invoice	$20,000.00
SUMMERS COUNTY CLERK	Recording Fees	$0.00
WV DIVISION OF HIGHWAYS	Highway Permit	$0.00

TOTAL INVOICES $24,000.00

APPROVED BY:

C M Richmond

C.M. RICHMOND, CHAIRMAN
MEADOW CREEK PSD

1/6/16

Date

FUNDING/REIMBURSEMENT REQUESTS

SUMMERS COUNTY COMMISSION - SCBG $0.00

SUMMERS COUNTY COMMISSION - ARC $0.00

MEADOW CREEK PSD- IJDC $24,000.00

RESOLUTION OF THE MEADOW CREEK PSD
APPROVING INVOICES RELATING TO CONSTRUCTION AND
OTHER SERVICES FOR THE MEADOW CREEK SEWER PROJECT
AND AUTHORIZING PAYMENT THEREOF,

WHEREAS, the Meadow Creek PSD has reviewed the invoices attached hereto and incorporated herein by reference relating to the construction of the Meadow Creek Sewer Project funded by the West Virginia Infrastructure & Jobs Development Council Loan (IJDC), West Virginia Development Office (SCBG), and the Appalachian Regional Coucil (ARC),

and finds as follows:

a. That none of the items for which the payment is proposed to be made has formed the basis for any disbursement heretofore made.

b. That each item for which the payment is proposed to be paid is or was necessary in connection with the project and constitutes a cost of the project.

c. That each of such costs has been otherwise property incurred.

d. That payment for each of the items proposed is due and owing as the date hereof.

NOW, THEREFORE, BE IT RESOLVED BY THE MEADOW CREEK PSD AS FOLLOWS:

There is herby authorized and directed the payment of the attached invoices as follows:

VENDOR NAME/ PAYEE	TOTAL AMOUNT	SCBG GRANT	ARC GRANT	IJDC LOAN	
Stafford Consultants (Engineering)	$3,500.00			3,500.00	
REGION I PDC (ADMIN)	$0.00				
UNITED BANK	$500.00			500.00	
William S. Winfrey, II (ATTORNEY)	$0.00				
JACKSON KELLY PLLC (Bond Council)	$20,000.00			20,000.00	
Tri-State Pipeline (Construction)	$0.00				
	$0.00				
TOTALS	$24,000.00	$0.00	$0.00	$24,000.00	

ADOPTED BY THE Meadow Creek PSD, at their meeting held the 6th day of January 2016.

Meadow Creek PSD

BY: C M Richmond

C.M. Richmond IT'S CHAIRMAN

MEADOW CREEK SEWER PROJECT

As of January 6, 2016

RUS	SCHEDULE B BUDGET	Adjustments	FINAL BUDGET	Paid Prior to this Draw	Requested this draw	Requested to date	Remaining Funds
ENGINEERING BASIC	$15,000.00		$15,000.00	$15,000.00		$15,000.00	$0.00
Total	$15,000.00	$0.00	$15,000.00	$15,000.00	**$0.00**	$15,000.00	$0.00

SCBG DESIGN	SCHEDULE B BUDGET	Adjustments	FINAL BUDGET	Paid Prior to this Draw	Requested this draw	Requested to date	Remaining Funds
ACCOUNTANT	$15,000.00	($9,197.06)	$5,802.94	$5,451.25		$5,451.25	$351.69
ADMINISTRATION	$20,000.00		$20,000.00	$17,882.04		$17,882.04	$2,117.96
ENGINEERING BASIC	$68,044.00		$68,044.00	$68,044.00		$68,044.00	$0.00
ENGINEERING SPECIAL	$42,066.00	$4,235.56	$46,301.56	$46,301.56		$46,301.56	$0.00
ARCHAELOGICAL	$5,890.00		$5,890.00	$5,890.00		$5,890.00	$0.00
LEGAL	$14,000.00		$14,000.00	$13,618.96		$13,618.96	$381.04
LANDS & ROW	$25,000.00	$2,405.50	$27,405.50	$27,405.50		$27,405.50	$0.00
PERMITS	$10,000.00	$2,556.00	$12,556.00	$12,556.00		$12,556.00	$0.00
Total	$200,000.00	$0.00	$200,000.00	$197,149.31	**$0.00**	$197,149.31	$2,850.69

ARC GRANT	SCHEDULE B BUDGET	Adjustments	FINAL BUDGET	Held Prior to this Draw	Held this draw	Held to date	Remaining Funds
CONSTRUCTION	$1,242,538.00	-$75,691.70	$1,166,846.30			$0.00	$1,166,846.30
ADMINISTRATION	$55,000.00		$55,000.00	$33,026.82		$33,026.82	$21,973.18
ENGINEERING-BASIC	$96,494.00	$6,866.00	$103,360.00	$28,297.20		$28,297.20	$75,062.80
ENGINEERING - INSPECTION	$124,400.00		$124,400.00			$0.00	$124,400.00
ENGINEERING - SPECIAL	$38,680.00	$38,971.64	$77,651.64	$24,894.57		$24,894.57	$52,757.07
ARCHAELOGICAL	$5,000.00	-$5,000.00	$0.00			$0.00	$0.00
LEGAL	$16,000.00		$16,000.00	$8,887.50		$8,887.50	$7,112.50
ACCOUNTING		$9,197.06	$9,197.06			$0.00	$9,197.06
ACQUISITION		$7,594.50	$7,594.50			$0.00	$7,594.50
PERMITS		$18,062.50	$18,062.50	$17,062.50		$17,062.50	$1,000.00
Total	$1,578,112.00	$0.00	$1,578,112.00	$112,168.59	**$0.00**	$112,168.59	$1,465,943.41

IJDC LOAN	SCHEDULE B BUDGET	Adjustments	FINAL BUDGET	Paid/Held Prior to this Draw	Requested/Held this draw	Requested/Held to date	Remaining Funds
CONSTRUCTION:							
Construction Contract No. 1	$201,124.38		$201,124.38			$0.00	**$201,124.38**
Construction Contingency	$62,175.00		$62,175.00			$0.00	**$62,175.00**
Meadow Creek Sewer System	$67,022.68		$67,022.68			$0.00	**$67,022.68**
Sandstone Plant Upgrades	$216,250.00		$216,250.00			$0.00	**$216,250.00**
Bid Underrun Construction Contingency	$19,315.94		$19,315.94			$0.00	**$19,315.94**
ENGINEERING:							
Study & Report	$3,500.00		$3,500.00		**$3,500.00**	$3,500.00	**$0.00**
ARCHAELOGICAL	$30,000.00		$30,000.00			$0.00	**$30,000.00**
BOND COUNCIL	$20,000.00		$20,000.00		**$20,000.00**	$20,000.00	**$0.00**
REGISTRAR FEE	$500.00		$500.00		**$500.00**	$500.00	**$0.00**
Total	$619,888.00	$0.00	**$619,888.00**	$0.00	**$24,000.00**	$24,000.00	**$595,888.00**

TOTAL PROJECT	SCHEDULE B BUDGET	Adjustments	FINAL BUDGET	Paid/Held Prior to this Draw	Requested/Held this draw	Requested/Held to date	Remaining Funds
Accountant	$15,000.00		$15,000.00	$5,451.25		$5,451.25	**$9,548.75**
Administration	$75,000.00		$75,000.00	$50,908.86		$50,908.86	**$24,091.14**
CONSTRUCTION:							
Construction Contract No. 1	$1,243,500.00		$1,243,500.00			$0.00	**$1,243,500.00**
Meadow Creek Sewer System	$191,493.36		$191,493.36			$0.00	**$191,493.36**
Sandstone Plant Upgrade	$216,250.00		$216,250.00			$0.00	**$216,250.00**
Construction Contingency	$111,490.94	($30,000.00)	$81,490.94			$0.00	**$81,490.94**
Engineering - Basic	$183,038.00	$6,866.00	$189,904.00	$111,341.20	**$3,500.00**	$114,841.20	**$75,062.80**
Engineering - Inspection	$124,400.00		$124,400.00			$0.00	**$124,400.00**
Engineering - Special	$80,746.00	$43,207.20	$123,953.20	$71,196.13		$71,196.13	**$52,757.07**
Legal	$30,000.00		$30,000.00	$22,506.46		$22,506.46	**$7,493.54**
Archaelogical	$10,890.00	$25,000.00	$35,890.00	$5,890.00		$5,890.00	**$30,000.00**
Lands & ROW	$25,000.00	$10,000.00	$35,000.00	$27,405.50		$27,405.50	**$7,594.50**
Permits	$10,000.00	$20,618.50	$30,618.50	$29,618.50		$29,618.50	**$1,000.00**
Project Contingency	$75,691.70	($75,691.70)	$0.00			$0.00	**$0.00**
Bond Council	$20,000.00		$20,000.00		**$20,000.00**		**$20,000.00**
Registrar Fee	$500.00		$500.00		**$500.00**	$500.00	**$0.00**
			$0.00			$0.00	**$0.00**
Total	**$2,413,000.00**	**$0.00**	**$2,413,000.00**	**$324,317.90**	**$24,000.00**	**$328,317.90**	**$2,084,682.10**

JACKSONKELLY
ATTORNEYS AT LAW PLLC

500 LEE STREET EAST • SUITE 1600 • P.O. BOX 553 • CHARLESTON, WEST VIRGINIA 25322 • TELEPHONE: 304-340-1000 • TELECOPIER: 304-340-1130
www.jacksonkelly.com

INVOICE

EMPLOYER I.D. NO. 550394215

January 12, 2016

23305/301

Meadow Creek Public Service District
P.O. Box 64
Meadow Creek, WV 25977-0064

Re: Meadow Creek Public Service District
Sewer Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

For legal fees and expenses rendered serving as bond counsel for the above-referenced transaction.

FEES & EXPENSES: $20,000.00

TOTAL STATEMENT: $20,000.00

Wiring Instructions:

Jackson Kelly PLLC
1600 Laidley Tower
500 Lee Street
PO Box 553
Charleston, WV 25301

Bank Name	Branch Banking & Trust
ABA Number	051503394
Account Number	5172879588
Reference Information:	23305/301

PROCESS FOR PAYMENT

GRANT# IJDC Loan
LINE ITEM Bond Counsel
BY _____ DATE 12-29-15

UNITED BANK
WEST VIRGINIA'S BANK

I N V O I C E

Date: January 12, 2016

To: Meadow Creek Public Service District
P.O. Box 64
Meadow Creek, WV 25977

Re: Meadow Creek Public Service District
Sewer Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

Amount Due: $ 500.00

Acceptance Fee	$ 500.00

Please remit to United Bank
Corporate Trust Department
P. O. Box 393
Charleston, WV

PROCESS FOR PAYMENT
Meadow Creek Sewer
GRANT# WDC Loan
LINE ~~ITEM~~ Reg. Fee
BY _____ DATE 1-6-16

4847-5992-9644.v1-1/5/16

RECEIVED
MAR 2 3 2004
REGION I PDC

STAFFORD CONSULTANTS, INC.
Federal ID No. 55-0656181
P.O. Box 5849
Princeton, WV 24740

Project: 00-6677.02 Meadow Creek PSD

Invoice No. 1
March 22, 2004

Meadow Creek Public Service District
P.O. Box 64
Meadow Creek, WV 25977

INVOICE FOR PROFESSIONAL SERVICES FOR THE PERIOD ENDING FEBRUARY 29, 2004

For professional services in accordance with our agreement dated April 2001 between the Meadow Creek Public Service District and Stafford Consultants, Inc. for work performed under the Report/Study Phase in connection with the Wastewater Treatment and Collection System.

Total Fee	18,500.00	
Percent Complete	100.00	
Total fee billed	18,500.00	
Fee previously billed	.00	
Current fee billing		18,500.00
	Invoice total	18,500.00

Approved By

Project Billing Summary

	Prior	Current	Total
PROFESSIONAL SERVICES	00	18,500.00	18,500.00
Total	.00	18,500.00	18,500.00

cc: Region I

PROCESS FOR PAYMENT
GRANT# RUS Grant $ 15,000
LINE ITEM IJDC Loan - $3,500
BY Eng - Basic
DATE 12-29-15

STAFFORD CONSULTANTS, INC - MEADOW CREEK PSD SEWER

	TOTAL AMOUNT	STUDY & REPORT 01-4677.02	PRELIM. DESIGN 14677.08	FINAL DESIGN 01-4677.11	BIDDING / NEGOT. 01-4677.15	CONST. ADMIN. 01-4677.17	RES. PROJ. REP. 01-4677.18	SURVEY/MAPPING 01-4677.03	SOILS INVESTIGATION 01-4677.04	PROPERTY SURVEY 01-4677.05	Special Meetings 01-4677.20	Pending Applications 01-4677.43	ROW PLANS 01-4677.09	CONSTRUCTION STAKEOUT 01-4677.16	Additional Engineering 01-4677.22	Operations & Maintenance Manuals 01-4677.24	ONE YEAR WARRANTY 01-4677.25	RECORD DRAWINGS 01-4677.26	ARCHAEOLOGICAL SURVEY/MAPPING 01-4677.39	ASSET MANAGEMENT PLAN 01-4677.46
ORGINIAL CONTRACT	$296,438.00	$18,500.00	$37,492.00	$31,052.00	$12,414.00	$72,580.00	$124,400.00													
AMENDMENT #1	$44,246.00							$18,726.00	$10,180.00	$6,980.00			$3,070.00					$5,290.00		
AMENDMENT #2	$18,000.00	$11,000.00									$3,000.00	$4,000.00								
AMENDMENT #3	$4,000.00											$4,000.00								
AMENDMENT #4	$50,000.00																			$50,000.00
AMENDMENT #5 N/C	$0.00																			
AMENDMENT #6	$2,500.00											$2,500.00								
AMENDMENT #7	$23,000.00									$13,000.00			$10,000.00							
AMENDMENT #8	$2,990.00														$2,990.00					
AMENDMENT #9	$2,273.87								$2,273.87											
AMENDMENT #10	$2,500.00												$2,500.00							
AMENDMENT #11	$8,000.00			$3,500.00								$4,500.00								
AMENDMENT #12	$3,366.00			$3,366.00																
AMENDMENT #13	$4,235.56													$4,235.56						
AMENDMENT #14	$6,707.77							($6,314.53)	($4,252.03)	($17,057.69)	$13,602.21		$2,037.31	$15,000.00			$3,500.00		$192.50	
AMENDMENT #15	($30,000.00)																			($30,000.00)
	$0.00																			
TOTAL CONTRACT	$438,257.20	$29,500.00	$37,492.00	$37,918.00	$12,414.00	$72,580.00	$124,400.00	$12,411.47	$8,201.84	$2,922.31	$16,602.21	$15,000.00	$17,607.31	$15,000.00	$4,235.56	$2,990.00	$3,500.00	$5,290.00	$192.50	$20,000.00
PSD PAYMENT	$15,000.00	$15,000.00																		
SCBG DD#1	$19,848.85	$11,000.00	$1,874.60								$307.77	$5,728.50	$937.98							
SCBG DD#2	$6,338.39		$2,624.44					$2,749.78				$364.25	$599.92							
SCBG DD#3	$9,901.07		$1,124.76					$3,950.56		$2,498.58		$1,907.25	$419.92							
SCBG DD #4	$5,337.88		$3,749.20					$983.68			$605.00									
SCBG DD #5	$9,516.30		$5,623.80					$1,519.65		$356.40		$1,055.25	$801.70							$159.50
SCBG DD #6	$3,847.45		$3,749.20										$98.25							
SCBG DD #7	$2,002.95		$1,874.60										$128.35							
SCBG DD#8	$4,497.68		$1,874.60					$637.30		$65.08			$1,920.70							
SCBG DD#9	$5,912.54		$3,749.20										$2,163.34							
SCBG DD #10	$6,049.15		$3,749.20					$577.00					$1,722.95							
SCBG DD#11	$11,653.08		$7,498.40	$3,105.20				$55.00	$62.19				$932.29							
SCBG DD#13	$4,582.60			$3,105.20				$1,015.00	$398.40				$64.00							
SCBG DD#14	$4,657.80			$4,657.80																
SCBG DD#15	$10,969.26			$6,210.40				$749.50	$2,076.25		$225.00		$1,708.11							
SCBG DD#16/ARC DD#1	$15,006.85			$7,763.00					$5,610.00				$1,633.85							
ARC DD#2	$6,265.40			$6,210.40									$55.00							
ARC DD#3	$182.75												$182.75							
ARC DD#4	$739.75									$2.25		$737.50								
ARC DD# 5	$2,486.58											$2,486.58								
ARC DD#6	$271.20										$75.00		$196.20							
ARC DD#7	$347.35										$347.35									
SCBG DD#23	$4,235.56													$4,235.56						
ARC DD#8	$1,862.10				$1,862.10															
ARC DD# 9	$12,460.80			$6,866.00	$5,586.30								$8.50							
ARC DD#11	$18,563.99				$3,724.20				$55.00		$10,839.59	$2,153.45	$1,599.25						$192.50	
IJDC DD#1		$3,500.00																		
	$0.00																			
SPENT TO DATE	$182,537.33	$29,500.00	$37,492.00	$37,918.00	$11,172.60	$0.00	$0.00	$12,237.47	$8,201.84	$2,922.31	$12,399.71	$14,432.78	$15,173.06	$0.00	$4,235.56	$0.00	$0.00	$0.00	$192.50	$159.50
TOTAL AMOUNT	$438,257.20	$29,500.00	$37,492.00	$37,918.00	$12,414.00	$72,580.00	$124,400.00	$12,411.47	$8,201.84	$2,922.31	$16,602.21	$15,000.00	$17,607.31	$15,000.00	$4,235.56	$2,990.00	$3,500.00	$5,290.00	$192.50	$20,000.00
SPENT TO DATE	$182,537.33	$29,500.00	$37,492.00	$37,918.00	$11,172.60	$0.00	$0.00	$12,237.47	$8,201.84	$2,922.31	$12,399.71	$14,432.78	$15,173.06	$0.00	$4,235.56	$0.00	$0.00	$0.00	$192.50	$159.50
BALANCE REMAINING	$255,719.87	$0.00	$0.00	$0.00	$1,241.40	$72,580.00	$124,400.00	$174.00	$0.00	$0.00	$4,202.50	$567.22	$2,434.25	$15,000.00	$0.00	$2,990.00	$3,500.00	$5,290.00	$0.00	$19,840.50
PERCENT COMPLETE	41.65%	100.00%	100.00%	100.00%	90.00%	0.00%	0.00%	98.60%	100.00%	100.00%	74.69%	96.22%	86.17%	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%	0.80%

STAFFORD CONSULTANTS, INC - MEADOW CREEK PSD SEWER

	TOTAL AMOUNT	STUDY & REPORT 01-4677.02	PRELIM. DESIGN 14677.08	FINAL DESIGN 01-4677.11	BIDDING / NEGOT. 01-4677.15	CONST. ADMIN. 01-4677.17	RES. PROJ. REP. 01-4677.18	SURVEY/MAPPING 01-4677.03	SOILS INVESTIGATION 01-4677.04	PROPERTY SURVEY 01-4677.05	Special Meetings 01-4677.20	Funding Applications 01-4677.43	ROW PLANS 01-4677.09	CONSTRUCTION STAKEOUT 01-4677.16	Additional Engineering 01-4677.22	Operations & Maintenance Manuals 01-4677.24	ONE YEAR WARRANTY 01-4677.25	RECORD DRAWINGS 01-4677.26	ARCHAEOLOGICAL SURVEY/MAPPING 01-4677.59	ASSET MANAGEMENT PLAN 01-4677.66
ORGINIAL CONTRACT	$296,438.00	$18,500.00	$37,492.00	$31,052.00	$12,414.00	$72,580.00	$124,400.00													
AMENDMENT #1	$44,246.00							$18,726.00	$10,180.00	$6,980.00			$3,070.00					$5,290.00		
AMENDMENT #2	$18,000.00	$11,000.00									$3,000.00	$4,000.00								
AMENDMENT #3	$4,000.00											$4,000.00								
AMENDMENT #4	$50,000.00																			$50,000.00
AMENDMENT #5 N/C	$0.00																			
AMENDMENT #6	$2,500.00											$2,500.00								
AMENDMENT #7	$23,000.00									$13,000.00			$10,000.00							
AMENDMENT #8	$2,990.00														$2,990.00					
AMENDMENT #9	$2,273.87								$2,273.87											
AMENDMENT #10	$2,500.00												$2,500.00							
AMENDMENT #11	$8,000.00			$3,500.00								$4,500.00								
AMENDMENT #12	$3,366.00			$3,366.00																
AMENDMENT #13	$4,235.56													$4,235.56						
AMENDMENT #14	$6,707.77							($6,314.53)	($4,252.03)	($17,057.69)	$13,602.21		$2,037.31	$15,000.00			$3,500.00		$192.50	
AMENDMENT #15	($30,000.00)																			($30,000.00)
	$0.00																			
TOTAL CONTRACT	$438,257.20	$29,500.00	$37,492.00	$37,918.00	$12,414.00	$72,580.00	$124,400.00	$12,411.47	$8,201.84	$2,922.31	$16,602.21	$15,000.00	$17,607.31	$15,000.00	$4,235.56	$2,990.00	$3,500.00	$5,290.00	$192.50	$20,000.00
PSD PAYMENT	$15,000.00	$15,000.00																		
SCBG DD#1	$19,848.85	$11,000.00	$1,874.60								$307.77	$5,728.50	$937.98							
SCBG DD#2	$6,338.39		$2,624.44					$2,749.78				$364.25	$599.92							
SCBG DD#3	$9,901.07		$1,124.76					$3,950.56		$2,498.58		$1,907.25	$419.92							
SCBG DD #4	$5,337.88		$3,749.20					$983.68			$605.00									
SCBG DD #5	$9,516.30		$5,623.80					$1,519.65		$356.40		$1,055.25	$801.70							$159.50
SCBG DD #6	$3,847.45		$3,749.20										$98.25							
SCBG DD #7	$2,002.95		$1,874.60										$128.35							
SCBG DD#8	$4,497.68		$1,874.60					$637.30		$65.08			$1,920.70							
SCBG DD#9	$5,912.54		$3,749.20										$2,163.34							
SCBG DD #10	$6,049.15		$3,749.20					$577.00					$1,722.95							
SCBG DD#11	$11,653.08		$7,498.40	$3,105.20				$55.00	$62.19				$932.29							
SCBG DD#13	$4,582.60			$3,105.20				$1,015.00	$398.40				$64.00							
SCBG DD#14	$4,657.80			$4,657.80																
SCBG DD#15	$10,969.26			$6,210.40				$749.50	$2,076.25		$225.00		$1,708.11							
SCBG DD#16/ARC DD#1	$15,006.85			$7,763.00					$5,610.00				$1,633.85							
ARC DD#2	$6,265.40			$6,210.40									$55.00							
ARC DD#3	$182.75												$182.75							
ARC DD#4	$739.75									$2.25		$737.50								
ARC DD# 5	$2,486.58											$2,486.58								
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ARC DD#8	$1,862.10				$1,862.10															
ARC DD# 9	$12,460.80			$6,866.00	$5,586.30								$8.50							
ARC DD#11	$18,563.99				$3,724.20				$55.00		$10,839.59	$2,153.45	$1,599.25						$192.50	
IJDC DD#1		$3,500.00																		
	$0.00																			
SPENT TO DATE	$182,537.33	$29,500.00	$37,492.00	$37,918.00	$11,172.60	$0.00	$0.00	$12,237.47	$8,201.84	$2,922.31	$12,399.71	$14,432.78	$15,173.06	$0.00	$4,235.56	$0.00	$0.00	$0.00	$192.50	$159.50
TOTAL AMOUNT	$438,257.20	$29,500.00	$37,492.00	$37,918.00	$12,414.00	$72,580.00	$124,400.00	$12,411.47	$8,201.84	$2,922.31	$16,602.21	$15,000.00	$17,607.31	$15,000.00	$4,235.56	$2,990.00	$3,500.00	$5,290.00	$192.50	$20,000.00
SPENT TO DATE	$182,537.33	$29,500.00	$37,492.00	$37,918.00	$11,172.60	$0.00	$0.00	$12,237.47	$8,201.84	$2,922.31	$12,399.71	$14,432.78	$15,173.06	$0.00	$4,235.56	$0.00	$0.00	$0.00	$192.50	$159.50
BALANCE REMAINING	$255,719.87	$0.00	$0.00	$0.00	$1,241.40	$72,580.00	$124,400.00	$174.00	$0.00	$0.00	$4,202.50	$567.22	$2,434.25	$15,000.00	$0.00	$2,990.00	$3,500.00	$5,290.00	$0.00	$19,840.50
PERCENT COMPLETE	41.65%	100.00%	100.00%	100.00%	90.00%	0.00%	0.00%	98.60%	100.00%	100.00%	74.69%	96.22%	86.17%	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%	0.80%

STAFFORD CONSULTANTS, INC - MEADOW CREEK PSD SEWER

	TOTAL AMOUNT	STUDY & REPORT 01-4677.02	PRELIM. DESIGN 14677.06	FINAL DESIGN 01-4677.11	BIDDING / NEGOT. 01-4677.15	CONST. ADMIN. 01-4677.17	RES. PROJ. REP. 01-4677.18	SURVEY/MAPPING 01-4677.03	SOILS INVESTIGATION 01-4677.04	PROPERTY SURVEY 01-4677.05	Special Meetings 01-4677.20	Funding Applications 01-4677.43	ROW PLANS 01-4677.09	CONSTRUCTION STAKEOUT 01-4677.14	Additional Engineering 01-4677.22	Operations & Maintenance Manuals 01-4677.24	ONE YEAR WARRANTY 01-4677.25	RECORD DRAWINGS 01-4677.26	ARCHAEOLOGICAL SURVEY/MAPPING 01-4677.39	ASSET MANAGEMENT PLAN 01-4677.46
ORGINIAL CONTRACT	$296,438.00	$18,500.00	$37,492.00	$31,052.00	$12,414.00	$72,580.00	$124,400.00													
AMENDMENT #1	$44,246.00							$18,726.00	$10,180.00	$6,980.00			$3,070.00					$5,290.00		
AMENDMENT #2	$18,000.00	$11,000.00									$3,000.00	$4,000.00								
AMENDMENT #3	$4,000.00											$4,000.00								
AMENDMENT #4	$50,000.00																			$50,000.00
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AMENDMENT #13	$4,235.56														$4,235.56					
AMENDMENT #14	$6,707.77							($6,314.53)	($4,252.03)	($17,057.69)	$13,602.21		$2,037.31	$15,000.00			$3,500.00		$192.50	
AMENDMENT #15	($30,000.00)																			($30,000.00)
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TOTAL CONTRACT	$438,257.20	$29,500.00	$37,492.00	$37,918.00	$12,414.00	$72,580.00	$124,400.00	$12,411.47	$8,201.84	$2,922.31	$16,602.21	$15,000.00	$17,607.31	$15,000.00	$4,235.56	$2,990.00	$3,500.00	$5,290.00	$192.50	$20,000.00
PSD PAYMENT	$15,000.00	$15,000.00																		
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SCBG DD #4	$5,337.88		$3,749.20					$983.68			$605.00									
SCBG DD #5	$9,516.30		$5,623.80					$1,519.65		$356.40		$1,055.25	$801.70							$159.50
SCBG DD #6	$3,847.45		$3,749.20										$98.25							
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SCBG DD#13	$4,582.60			$3,105.20				$1,015.00	$398.40				$64.00							
SCBG DD#14	$4,657.80			$4,657.80																
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TOTAL AMOUNT	$438,257.20	$29,500.00	$37,492.00	$37,918.00	$12,414.00	$72,580.00	$124,400.00	$12,411.47	$8,201.84	$2,922.31	$16,602.21	$15,000.00	$17,607.31	$15,000.00	$4,235.56	$2,990.00	$3,500.00	$5,290.00	$192.50	$20,000.00
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PERCENT COMPLETE	41.65%	100.00%	100.00%	100.00%	90.00%	0.00%	0.00%	98.60%	100.00%	100.00%	74.69%	96.22%	86.17%	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%	0.80%

JACKSONKELLY
ATTORNEYS AT LAW PLLC

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4.1

January 12, 2016

Meadow Creek Public Service District
Meadow Creek, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Re: Meadow Creek Public Service District Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund)

Ladies and Gentlemen:

We are bond counsel to Meadow Creek Public Service District (the "Issuer") in connection with the issuance of its Sewer Revenue Bonds, Series 2016 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds").

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated January 12, 2016, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the issue of a series of revenue bonds of the Issuer, dated January 12, 2016 (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $619,888, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning December, 1, 2017, as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) paying the costs of acquisition and construction of the Project; and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of Chapter 16, Article 13A and Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the Bond Resolution duly adopted by the Issuer on January 6, 2016, as supplemented by the Supplemental Resolution duly adopted by the Issuer on January 6, 2016 (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized

and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

Based upon the foregoing and upon our examination of such other documents as we have deemed necessary, we are of the opinion as follows:

1. The Loan Agreement has been duly authorized by and executed on behalf of the Issuer and is a valid and binding special obligation of the Issuer, enforceable in accordance with the terms thereof.

2. The Loan Agreement inures to the benefit of the Authority and the Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Issuer without the consent of the Authority and the Council.

3. The Issuer is a duly organized and validly existing public service district, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Issuer and constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Issuer to the Authority and are valid, legally enforceable and binding special obligations of the Issuer, payable from the Net Revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, under the Act, exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof, and the interest on the Local Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

7. The Local Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from gross income for federal income tax purposes. We express no opinion regarding the excludability of such interest from the gross income of the owners thereof for federal income tax purposes or other federal tax consequences arising with respect to the Local Bonds.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

We have examined the executed and authenticated Local Bond numbered AR-1, and in our opinion the form of said bond and its execution and authentication are regular and proper.

Very truly yours,

Jackson Kelly PLLC

LAW OFFICES
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January 12, 2016

Meadow Creek Public Service District
Meadow Creek, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Jackson Kelly PLLC
Charleston, West Virginia

Re: Meadow Creek Public Service District
Sewer Revenue Bonds, Series 2016 A
(West Virginia Infrastructure Fund)

Ladies and Gentlemen:

I am counsel to Meadow Creek Public Service District (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Jackson Kelly PLLC, as bond counsel, relating to the above-captioned bonds of the Issuer (the "Bonds"), a loan agreement for the Bonds, all dated January 12, 2016, including all schedules and exhibits attached thereto (collectively, the "Loan Agreement"), by the Issuer and the West Virginia Water Development Authority (the "Authority") on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), a Resolution duly adopted by the Public Service Board of the Issuer (the "Board") on January 6, 2016, as supplemented by a Supplemental Resolution duly adopted on January 6, 2016 (collectively, the "Resolution"), orders of The County Commission of Summers County relating to the Issuer and the appointment of members of the Board, and other documents relating to the Bonds and the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Loan Agreement and the Resolution when used herein.

I am of the opinion that:

1. The Issuer is a duly created and validly existing public service district and is a public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System and to adopt the Resolution, all under the Act and other applicable provisions of law.

2. The members and officers of the Board have been duly and properly appointed and elected, have taken the requisite oaths and are thereby authorized to act on behalf of the Issuer in their respective capacities.

3. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority, constitutes a valid and binding agreement of the Issuer, enforceable in accordance with its terms.

4. The Resolution has been duly adopted by the Board and is in full force and effect.

5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Resolution, and the carrying out of the terms thereof, do not and will not, in any material respect, conflict with or constitute, on the part of the Issuer, a breach of or default under any resolution, agreement or other instrument to which the Issuer is a party or any existing law, regulation, court order or consent decree to which the Issuer is subject.

6. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates, registrations and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for the use of the System, including, without limitation, all requisite permits, approvals, orders and certificates from The County Commission of Summers County, the Council and the Public Service Commission of West Virginia (the "PSC").

7. To the best of my knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Loan Agreement, the Bonds and the Resolution, the operation of the System, the validity of the Bonds, the collection of the Gross Revenues or the pledge of the Net Revenues for the payment of the Bonds.

8. All successful bidders have made the required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Based upon my review of the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project, I am of the opinion that such surety bonds and policies: (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interest of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Resolution and the Loan Agreement; and (5) all such documents constitute valid and legally binding obligations of the parties thereto in accordance with the terms, conditions and provisions thereof.

9. The contracts contain language requiring the contractors to provide affidavits from all contractors and subcontractors indicating that each contractor and subcontractor have a drug free workplace policy pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended. The contractor has submitted a plan to implement the drug free workplace policy prior to the awarding of the contract pursuant to Chapter 21, Article 1D of the West Virginia Code of 1931, as amended.

10. The Issuer has received all orders, certificates and authorizations from the PSC necessary for the issuance of the Bonds, the acquisition and construction of the Project, and the operation of the System. The Issuer has taken all actions required for the imposition of such rates and charges, including, without limitation, the adoption of a resolution prescribing such rates and charges. The Issuer has received the PSC Order entered on June 10, 2015, and made final on June 30, 2015, in Case No. 14-1848-PSD-CN, granting the Issuer a Certificate of Convenience and Necessity for the Project, approving the financing of the Project and approving the rates for the System. The Order is in full force and effect.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Very truly yours,

William S. Winfrey, II

WSW,II/sw

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January 12, 2016 File No. 12-340(A)

James W. Ellars, P.E.
Executive Director
WV Infrastructure & Jobs Development Council
1009 Bullitt Street
Charleston, WV 25301

Katheryn D. Emery, P.E.
Division of Water and Waste Management
WV Department of Environmental Protection
601 - 57th Street, S.E.
Charleston, WV 25304

Re: Final Title Opinion for Meadow Creek Public Service District

Dear Mr. Ellars and Ms. Emery:

I am counsel to Meadow Creek Public Service District, (the "Issuer") in connection with a proposed project to construct the Wastewater Extension Project (the "Project"). I provide this final title opinion on behalf of the Issuer to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council (the "Council") for the Project. Please be advised of the following:

1. The Issuer is a duly created and validly existing Public Service District possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia to construct, operate and maintain the Project as approved by the West Virginia Bureau for Public Health.

2. The Issuer has obtained all necessary permits and approvals for the construction of the Project. The Certificate of Public Convenience and Necessity from the Public Service Commission of West Virginia was submitted to the Public Service Commission and has now been approved by the Public Service Commission by Final Order effective June 30, 2015.

3. I have investigated and ascertained the location of, and am familiar with the legal description of, the necessary sites, including easements and/or rights-of-way, required for the Project as set forth in the plans for the Project prepared by Stafford Consultants, Incorporated, the Consulting Engineer for the Project.

4. I have examined the records on file in the Office of the Clerk of the County Commission of Summers County, West Virginia, the county in which the Project is to be located, and, in my opinion, the Issuer has acquired legal title or such other estate or interest in all of the necessary site components for the Project, including all easements and/or rights-of-way, sufficient to assure undisturbed use and possession for the purpose of construction, operation and maintenance for the estimated life of the Project.

5. I hereby certify that all requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and WV State Code Chapter 54 have been met with all acquisitions.

6. All of the necessary rights-of-way and easements have been acquired by the Issuer. All real property acquisitions have been completed.

7. All deeds, easements and rights-of-way which have been acquired to date by the Issuer have been duly recorded in the Office of the Clerk of the County Commission of Summers County to protect the legal title to and interest of the Issuer.

8. There is no litigation concerning any aspect of the Project.

9. There are two (2) condemnation proceedings regarding this Project:

Connie Thomaschek and Sharon Cowger
Tax Map 8, Parcel 29
Easement ID #4-03C
Civil Action No. 15-C-43

Connie Thomaschek and Cameron Chico
Tax Map 3, Parcel 86
Easement ID #5-01
Civil Action No. 15-C-44

Both condemnations have been filed, and the Court has entered orders granting ownership of the easements to the Issuer.

10. In addition to the property which has been acquired by this Project, the Issuer has valid title to all of the property described in the list attached to this opinion.

Yours very truly,

William S. Winfrey, II

WSW,II/saw
cc: Meadow Creek Public Service District
Stafford Consultants, Incorporated
Region I Planning and Development Council
Lowe & Associates, PLLC