

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

**Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)**

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MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

**SEWER REVENUE BONDS, SERIES 2012 A
(WEST VIRGINIA SRF PROGRAM); AND
SEWER REVENUE BONDS, SERIES 2012 B
(WEST VIRGINIA SRF PROGRAM/GREEN)**

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MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A PUBLIC SEWERAGE SYSTEM OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE WASTEWATER DISTRICT OF \$16,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM); AND \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN); 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 A BOND PURCHASE 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 BOARD OF DIRECTORS OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY:

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, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 22C, Article 2 and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature 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. Moorefield/Hardy County Wastewater Authority (the "Issuer") is a public corporation and governmental instrumentality of the State of West Virginia in Hardy County of said State.

B. The Issuer deems it necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed a public sewerage system, consisting of construction of a regional wastewater treatment plant, transmission lines, collection facilities, and necessary appurtenances relating thereto,

together with all appurtenant facilities (collectively, the "Project"), which constitute properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes (the Project and any further improvements or extensions thereto are herein called the "System"), in accordance with the plans and specifications prepared by the Consulting Engineers, which plans and specifications have heretofore been filed with the Issuer.

C. The Issuer intends to permanently finance a portion of the costs of acquisition and construction of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Water Pollution Control Revolving Fund, all pursuant to the Act. The cost of the Project is more fully described in Section 2.01 herein.

D. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds in the total aggregate principal amount of \$16,500,000, in two or more series (collectively, the "Series 2012 Bonds"), being the (1) Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), in the aggregate principal amount of \$16,500,000 (the "Series 2012 A Bonds"); and (2) Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), in the aggregate principal amount of \$1,500,000 (the "Series 2012 B Bonds"), (collectively, the "Series 2012 Bonds"), to permanently finance a portion of the costs of acquisition and construction 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 all property rights, easements and franchises deemed necessary or convenient therefor; interest, if any, upon the Series 2012 Bonds prior to and during acquisition and construction of the Project and for a period not exceeding 6 months after completion of acquisition and construction 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, including the SRF Administrative Fee (as hereinafter defined), discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2012 Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition or construction 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 2012 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 2012 Bonds be sold to the Authority pursuant to the terms and provisions of a Bond Purchase Agreement by and among the Issuer, the Authority and the West Virginia Department of Environmental Protection (the "DEP"), all in a form satisfactory to the respective parties (the "Bond

Purchase Agreement”), approved hereby if not previously approved by resolution of the Issuer.

G. On the Closing Date there will be no outstanding obligation of the Issuer which will rank on a parity with the Series 2012 Bonds as to liens, pledge, source of and security for payment.

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 2012 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 Bond Purchase Agreement relating to authorization of the acquisition, construction and operation of the Project and the System and issuance of the Series 2012 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 West Virginia Infrastructure and Jobs Development 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 2012 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 2012 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 2012 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 Chapter 22C, Article 2 of the West Virginia Code of 1931 and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature, as amended and in effect on the date of adoption hereof.

“Bond Purchase Agreement” means the Bond Purchase Agreement heretofore entered into, or to be entered into, by and among the Issuer, the Authority and the

DEP, providing for the purchase of the Series 2012 Bonds from the Issuer by the Authority, the form of which shall be approved, and the execution and delivery by the Issuer authorized and directed or ratified by the Supplemental Resolution.

“Authority” means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2012 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 DEP under the Act.

“Authorized Officer” means the President of the Governing Body of the Issuer or any temporary President 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.

“Bond Registrar” means the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns.

“Bonds” means, collectively, the Series 2012 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.

“Closing Date” means the date upon which there is an exchange of the Series 2012 Bonds for all or a portion of the proceeds of the Series 2012 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 Triad Engineering, Inc., St. Albans, 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 1.02D hereof to be a part of the cost of acquisition and construction of the Project.

“DEP” means the West Virginia Department of Environmental Protection or any other agency, board or department of the State that succeeds to the functions of the DEP.

“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 board of directors 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.

“Grants” means all monies received by the Issuer on account of any Grant for the Project.

“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 Moorefield/Hardy County Wastewater Authority, a corporation and governmental instrumentality of the State of West Virginia in Hardy 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 2012 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.

“Operation and Maintenance Agreement” means the operation and maintenance agreement between the Issuer and the Town of Moorefield.

“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, the SRF Administrative Fee, 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 2012 Bonds in the Supplemental Resolution.

“President” means the President of the Governing Body of the Issuer.

“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.

“Registrar” means the Bond Registrar.

“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 by Section 5.01 hereof.

“Reserve Accounts” means, the reserve accounts established for the Series 2012 Bonds.

“Reserve Requirement” means, the amounts required to be on deposit in the Reserve Accounts of the Series 2012 Bonds.

“Revenue Fund” means the Revenue Fund established by Section 5.01 hereof.

“Secretary” means the Secretary of the Governing Body of the Issuer.

“Series 2012 Bonds” means, collectively, the Series 2012 A Bonds and the Series 2012 B Bonds.

“Series 2012 Bonds Construction Trust Fund” means the Series 2012 Bonds Construction Trust Fund established by Section 5.01 hereof.

“Series 2012 A Bonds” means the Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), of the Issuer, authorized by this Resolution.

“Series 2012 A Bonds Reserve Account” means the Series 2012 A Bonds Reserve Account established by Section 5.02 hereof.

“Series 2012 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 2012 A Bonds in the then current year or any succeeding year.

“Series 2012 A Bonds Sinking Fund” means the Series 2012 A Bonds Sinking Fund established by Section 5.02 hereof.

“Series 2012 B Bonds” means the Sewer Revenue Bonds, Series 2012 B West Virginia SRF Program/Green), of the Issuer, authorized by this Resolution.

“Series 2012 Notes” means the Issuer’s Sewerage System Grant Anticipation Notes, Series 2012 (West Virginia Water Development Authority), issued simultaneously with the Series 2012 Bonds.

“Sinking Funds” means, collectively, the respective Sinking Funds established for the Series 2012 Bonds.

“SRF Administrative Fee” means any administrative fee required to be paid under the Bond Purchase Agreement for the Series 2012 A Bonds.

“SRF Program” means the State’s Water Pollution Control Revolving Fund Program, under which the Authority purchases the water pollution control revenue bonds of local governmental entities satisfying certain legal and other requirements with the proceeds of a capitalization grant award from the United States Environmental Protection Agency and funds of the State.

“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 2012 Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2012 Bonds, and not 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 2012 Bonds, or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Sinking Funds and the Reserve Accounts.

“System” means the complete properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewage or industrial wastes, 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.

“Town” means the Town of Moorefield, a municipal corporation and political subdivision of the State of West Virginia, in Hardy County thereof, and, unless the

context clearly indicates otherwise, includes the Governing Body and any other commission, board or department established by the Issuer to operate and maintain the System.

“West Virginia Infrastructure Fund” means the West Virginia Infrastructure Fund established in accordance with Chapter 31, Article 15A, Section 9 of the West Virginia Code of 1931, as amended and in effect on the date of adoption hereof.

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 ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 2.01. Authorization of Acquisition and Construction of the Project. There is hereby authorized and ordered the acquisition and construction of the Project, at an estimated cost of \$40,401,000 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 2012 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 construction of the Project, in an amount and otherwise compatible with the financing plan submitted to the Authority and the DEP.

The cost of the Project is estimated to be \$40,401,000, of which approximately \$16,500,000 will be obtained from proceeds of the Series 2012 A Bonds, approximately \$1,500,000 will be obtained from the Series 2012 B Bonds; approximately \$5,500,000 will be obtained from U.S. Environmental Protection Agency STAG Grants, approximately \$1,500,000 will be obtained as a grant from Pilgrims Pride Corporation, approximately \$4,000,000 will be obtained as a grant from the West Virginia Infrastructure Council, approximately \$6,000,000 will be obtained as a grant from the West Virginia Infrastructure Council pursuant to Senate Bill 676; approximately \$5,000,000 will be obtained as a West Virginia Economic Development Authority grant, and approximately \$401,000 will be obtained from the Town of Moorefield.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF BOND PURCHASE AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest, if any, on the Series 2012 A Bonds, funding the Series 2012 A Bonds Reserve

Account, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2012 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 2012 Bonds of the Issuer. The Series 2012 Bonds shall be issued in three or more series, each as a single bond, designated respectively as "Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program)," in the principal amount of 16,500,000, and "Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green)" in the principal amount of \$1,500,000, and all shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2012 Bonds remaining after funding of the Series 2012 A Bonds Reserve Account (if funded from Bond proceeds) and capitalizing interest, if any, on the Series 2012 A Bonds, if any, shall be deposited in or credited to the Series 2012 Bond Construction Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds.

A. The Series 2012 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 Bond Purchase Agreement. The Series 2012 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 2012 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 2012 A Bonds shall be issued in the form of a single bond for each series, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of each series of the Series 2012 A Bonds. The Series 2012 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.

B. The Series 2012 B Bonds shall be issued in such principal amount; shall not bear interest; 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 Bond Purchase Agreement. The Series 2012 B Bonds shall be forgivable as to principal.

As provided by the Supplemental Resolution, the Series 2012 B Bonds shall initially be issued each as one series, fully registered to the Authority. The Series 2012 B

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; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

C. 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 2012 Bonds shall be executed in the name of the Issuer by the President, and the seal of the Issuer 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 2012 Bonds shall cease to be such officer of the Issuer before the Series 2012 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 2012 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 2012 Bonds shall be the bank or other entity to be designated as such in the Supplemental Resolution and its successors and assigns. No Series 2012 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 2012 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 2012 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 2012 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 2012 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 2012 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 2012 Bonds or transferring the registered Series 2012 Bonds are exercised, all Series 2012 Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Series 2012 Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of Series 2012 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 on the Series 2012 Bonds or, in the case of any proposed redemption of Series 2012 Bonds, next preceding the date of the selection of Bonds to be redeemed, and ending on such interest payment date or redemption date.

Section 3.06. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 2012 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 2012 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 2012 Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2012 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 2012 Bonds (to the extent required) shall be secured forthwith equally and ratably with each other 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 2012 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 2012 Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2012 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 2012 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 2012 Bonds to the original purchasers;
- C. An executed and certified copy of the Bond Legislation;
- D. An executed copy of the Bond Purchase Agreement; and
- E. The unqualified approving opinions of bond counsel on the Series 2012 Bonds.

Section 3.10. Form of Bonds. The text of each series of the Series 2012 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 2012 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SEWER REVENUE BONDS, SERIES 2012 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: The ____ day of _____, 2012, that MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, a public corporation and governmental instrumentality of the State of West Virginia in Hardy 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 _____ 1, 20__ to and including _____ 1, 20__, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee of 0.5% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing _____ 1, 20__, as set forth on said EXHIBIT B.

This Bond shall bear no interest. 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 Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2012.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a public sewerage system 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 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 22C, Article 2 of the West Virginia Code of 1931, as amended and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2012, and a Supplemental Resolution duly adopted by the Issuer on _____, 2012 (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 ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN), DATED _____, 2012, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$ _____ (THE "SERIES 2012 B BONDS").

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, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2012 B Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2012 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 a corporate 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 2012 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 on a parity with or junior to the Bonds, including the Series B Bonds; provided however, that so long as there exists in the Series 2012 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, including the Series 2012 B 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 The Huntington National Bank, 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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY has caused this Bond to be signed by its President and its corporate seal 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]

President

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2012 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: _____, 20__.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(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: _____, 20____.

In the presence of:

(FORM OF SERIES 2012 B BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SEWER REVENUE BONDS, SERIES 2012 B
(WEST VIRGINIA SRF PROGRAM/GREEN)

No. BR-1

\$ _____

KNOW ALL MEN BY THESE PRESENTS: The ____ day of _____, 2012, that MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, a public corporation and governmental instrumentality of the State of West Virginia in Hardy 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. The Series 2012 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. Principal amounts advanced will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. This Bond shall be deemed no longer outstanding after the last advance is forgiven.

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 Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated _____, 2012.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a public sewerage system 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 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 22C, Article 2 of the West Virginia Code of 1931, as amended and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on _____, 2012, and a Supplemental Resolution duly adopted by the Issuer on _____, 2012 (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 ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED _____, 2012, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$ _____ (THE "SERIES 2012 A BONDS").

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, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2012 A Bonds 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 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 on a parity with or junior to the Bonds, including the Series 2012 A Bonds; provided however, that so long as the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Series 2012 A Bonds, have 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 The Huntington National Bank, 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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY has caused this Bond to be signed by its President and its corporate seal 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]

President

ATTEST:

Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2012 B 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: _____, 2012.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A
RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(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 \$ _____

(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: _____, 20__.

In the presence of:

Section 3.11. Sale of Bonds; Approval and Ratification of Execution of Bond Purchase Agreement. The Series 2012 Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Bond Purchase Agreement. If not so authorized by previous resolution, the President is specifically authorized and directed to execute the Bond Purchase 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, attest the same and deliver the Bond Purchase Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Bond Purchase Agreement, including all schedules and exhibits attached thereto, are hereby approved and incorporated into this Bond Legislation.

Section 3.12. "Amended Schedule" Filing. Upon completion of the acquisition and construction of the Project, the Issuer will file with the Authority and the DEP a schedule, the forms of which will be provided by the DEP, setting forth the actual costs of the Project and sources of funds therefor.

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 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 2012 Bonds Construction Trust Fund.

Section 5.02. Establishment of Funds and Accounts with Commission. The following special funds or accounts are hereby created 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 2012 A Bonds Sinking Fund; and
- (2) Series 2012 A Bonds Reserve Account.

Funds and accounts are not established for the Series 2012 B Bonds as the principal will be forgiven at the end of the fiscal year in which advanced.

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 Revenue Fund all Operating Expenses of the System.

(2) 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 2012 A Bonds, for deposit in the Series 2012 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2012 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 2012 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.

(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 2012 A Bonds, if not fully funded upon issuance of the Series 2012 A Bonds, for deposit in the Series 2012 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2012 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2012 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 2012 A Bonds Reserve Requirement.

(4) 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 ½% 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 2012 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2012 A Bonds as the same shall become due. Monies in the Series 2012 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2012 A Bonds, as the same shall come due, when other monies in the Series 2012 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2012 A Bonds Sinking Fund and the Series 2012 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 2012 Bond Construction Trust Fund, and following completion of construction 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 2012 A Bonds, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2012 A Bonds Reserve Account which result in a reduction in the balance therein to below the Series 2012 A Bonds 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 2012 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 2012 A Bonds Sinking Fund or the Series 2012 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2012 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 2012 A Bonds Sinking Fund and the Series 2012 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. 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 2012 A Bonds Sinking Fund and the Series 2012 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2012 A Bonds Sinking Fund and the Series 2012 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2012 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 2012 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. The Issuer shall also 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 SRF Administrative Fee as set forth in the Schedule Y attached to the Bond Purchase Agreement for the Series 2012 A Bonds.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Bond Purchase 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 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.

H. The Gross Revenues of the System shall only be used for purposes of the System.

ARTICLE VI

BOND PROCEEDS; CONSTRUCTION DISBURSEMENTS

Section 6.01. Application of Bond Proceeds: Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2012 Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2012 A Bonds, there shall first be deposited with the Commission in the Series 2012 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 2012 A Bonds for the period commencing on the date of issuance of the Series 2012 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 2012 A Bonds, there shall be deposited with the Commission in the Series 2012 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2012 A Bonds Reserve Account.

C. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2012 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2012 Bonds Construction Trust 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 2012 A Bonds.

D. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2012 B Bonds, such monies shall be deposited with the Depository Bank in the Series 2012 Bonds Construction Trust 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 2012 B Bonds.

E. 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 2012 Bonds shall be applied as directed by the DEP.

Section 6.02. Disbursements From the Bond Construction Trust Fund. On or before the Closing Date, the Issuer shall have delivered to the DEP and the Authority a report listing the specific purposes for which the proceeds of the Series 2012 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 2012 Bonds Construction Trust Fund shall be made only after submission to and approval from the DEP, of a completed and signed "Payment Requisition Form," a form of which is attached to the Bond Purchase Agreement for the Series 2012 Bonds in compliance with the construction schedule, and

Pending such application, monies in the Series 2012 Bonds Construction Trust 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 2012 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 2012 Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2012 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 this Bond Legislation.

Section 7.03. Bonds Secured by Pledge of Net Revenues; Lien Positions with Respect to Bonds. The payment of the debt service of the Series 2012 Bonds shall be secured forthwith equally and ratably with each other 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 2012 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 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 Bond Purchase Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth and approved and described in the Commission Order of the Public Service Commission of West Virginia entered August 31, 2011 in Case No. 11-0238-S-CN, and such rates are hereby adopted.

So long as the Series 2012 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 Bond Purchase Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with the Series 2012 Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Bond Purchase 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 Bond Purchase Agreement.

Section 7.05. Sale of the System. So long as the Series 2012 Bonds are outstanding and except as otherwise required by law or with the written consent of the DEP 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 2012 Bonds, immediately be remitted to the Commission for deposit in the Sinking Funds, and, with the written permission of the DEP 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 2012 Bonds. Any balance remaining after the payment of the Series 2012 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 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 2012 Bonds. All obligations issued by the Issuer after the issuance of the Series 2012 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 2012 Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds 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 2012 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 2012 Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the DEP 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 2012 Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the DEP 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 2012 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 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 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 2012 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 2012 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 DEP, 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 DEP and the Authority such documents and information as they may reasonably require in connection with the acquisition, construction 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 DEP 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 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.

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 DEP, the Authority, or any other original purchaser of the Series 2012 Bonds, and shall mail in each year to any Holder or Holders of the Series 2012 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 2012 Bonds, and shall submit said report to the DEP and the Authority, or any other original purchaser of the Series 2012 Bonds. Such audit report submitted to the DEP and the Authority shall include a statement that the Issuer is in compliance with the terms and provisions of the Act, the Bond Purchase 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 Bond Purchase 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 be and remain the property of the Issuer.

The Issuer shall permit the DEP 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 construction of the Project, the Issuer shall also provide the DEP 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 DEP and the Authority with respect to the System pursuant to the Act.

The Issuer shall provide the DEP 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 Bond Purchase Agreement for the Series 2012 Bonds or as promulgated from time to time.

Section 7.09. Rates. Prior to the issuance of the Series 2012 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 2012 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2012 Bonds; provided that, in the event that amounts equal to or in excess of the reserve requirements are on deposit in the Series 2012 A Bonds Reserve Account, and the reserve accounts for obligations on a parity with or junior to the Series 2012 Bonds, are funded at least at the requirement therefor, 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 2012 Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with or junior to the Series 2012 Bonds, including the Prior 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 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 DEP and the Authority within 30 days of adoption thereof. The Issuer shall mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the DEP 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 DEP 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 Bond Purchase Agreement, and forward a copy of such report to the DEP 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 Bond Purchase 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 DEP and the Authority, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the DEP 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 DEP 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 DEP, the Authority and the Issuer at the completion of construction that construction 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 As-Built Plans, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Issuer shall notify the DEP in writing of such receipt. The Issuer shall submit a "Performance Certificate," a form of which is attached to the Bond Purchase Agreement for the Series 2012 Bonds as Exhibit A, to the DEP 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 DEP 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 to operate the System during the entire term of the Bond Purchase Agreement. To the extent operation and maintenance is performed by the Town, the Issuer shall enforce the Operation and Maintenance Agreement to fulfill compliance with this covenant.

The Issuer shall serve the additional customers at the location(s) as set forth in the 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 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:

- (1) 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 Bond Purchase 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) WORKER'S 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 construction 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 construction of the Project to carry such worker's 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 DEP and the Issuer shall verify such insurance prior to commencement of construction. In the event the Bond Purchase Agreement so require, 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 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, Operation and Maintenance 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 DEP 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 2012 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 2012 Bonds.

Section 7.20. Compliance with Bond Purchase Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Bond Purchase Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the DEP 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 DEP, 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 shall be submitted to the Authority and the Public Service Commission of the West Virginia (the "PSC") in the manner prescribed by and the guidelines established by the Authority and the PSC.

Section 7.21. Securities Laws Compliance. The Issuer will provide the Authority, in a timely manner, with any and all information that may be requested of it (including its annual audit report, financial statements, related information and notices of changes in usage and customer base) so that the Authority may comply with the provisions of SEC Rule 15c2-12 (17 CFR Part 240).

Section 7.22. Contracts; Change Orders, Public Releases.

A. The Issuer shall, simultaneously with the delivery of the Series 2012 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 DEP for written approval. The Issuer shall obtain the written approval of the DEP before expending any proceeds of the Series 2012 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 DEP before expending any proceeds of the Series 2012 Bonds made available due to bid or construction or project underruns.

C. The Issuer shall list the funding provided by the DEP 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; USE OF PROCEEDS

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 2012 Bonds are Outstanding and as long thereafter as necessary to assure the exclusion of interest, if any, on the Series 2012 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 2012 Bonds as a condition to issuance of the Series 2012 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 2012 Bonds as may be necessary in order to maintain the status of the Series 2012 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 2012 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 DEP, as the case may be, from which the proceeds of the Series 2012 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 DEP, 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 2012 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 2012 Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2012 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 2012 Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2012 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 construction 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 2012 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 2012 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 2012 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 2012 Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2012 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 2012 Bonds shall be made without the consent in writing of the Registered Owners of the Series 2012 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 therefor 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 2012 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 2012 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, the Supplemental Resolution, or the Series 2012 Bonds.

Section 11.04. Headings, Etc. 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.

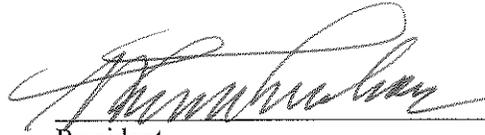
Section 11.05. Conflicting Provisions Repealed. All orders or resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

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 President, 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.

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Section 11.07. Effective Date. This Resolution shall take effect immediately upon adoption.

Adopted this 15th day of March, 2012.



President

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Board of MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY on the 15th day of March, 2012.

Dated: March 26, 2012.

[SEAL]


Secretary

621500.00001

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN), OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE SERIES 2012 BONDS.

WHEREAS, the Board (the "Governing Body") of Moorefield/Hardy County Wastewater Authority (the "Issuer") has duly and officially adopted a bond resolution on March 15, 2012 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A PUBLIC SEWERAGE SYSTEM OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE WASTEWATER DISTRICT OF \$16,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), AND \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN); 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 A

BOND PURCHASE 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, 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 2012 A (West Virginia SRF Program) and Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer (collectively, the "Series 2012 Bonds" and individually, the "Series 2012 A Bonds"; and the "Series 2012 B Bonds"), in the respective aggregate principal amounts not to exceed \$16,500,000, and \$1,500,000 and has authorized the execution and delivery of the Bond Purchase Agreement relating to the Series 2012 Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), all in accordance with Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond Resolution it is provided that the form of the Bond Purchase Agreement and the exact principal amounts, dates, maturity dates, redemption provisions, interest rates, interest and principal payment dates, sale prices and other terms of the Series 2012 Bonds should be established by a supplemental resolution pertaining to the Series 2012 Bonds; and that other matters relating to the Series 2012 Bonds be herein provided for;

WHEREAS, the Bond Purchase Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Series 2012 Bonds are proposed to be purchased by the Authority pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bond Purchase Agreement be approved and ratified by the Issuer, that the exact principal amounts, the dates, the maturity dates, the redemption provisions, the interest rates, the interest and principal payment dates, the sale prices and other terms of the Series 2012 Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2012 Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer:

A. Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$16,500,000. The Series 2012 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2052 and shall bear no interest. The principal

of the Series 2012 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014 to and including March 1, 2052 and in the amounts as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Series 2012 A Bonds. The Series 2012 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2012 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.5% of the principal amount of the Series 2012 A Bonds set forth in "Schedule Y" attached to the Bond Purchase Agreement.

B. Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of \$1,500,000. The Series 2012 B Bonds shall bear no interest. The principal amounts advanced of the Series 2012 B Bonds shall be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2012 B Bond shall be deemed no longer outstanding after the last advance is forgiven. The Series 2012 B Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2012 B Bonds. The Series 2012 B Bonds are not subject to the SRF Administrative Fee.

Section 2. All other provisions relating to the Series 2012 Bonds and the text of the Series 2012 Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Bond Purchase Agreement, copies of which are incorporated herein by reference, and the execution and delivery of the Bond Purchase Agreement by the President, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the applications to the DEP and the Authority. The price of the Series 2012 Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2012 Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2012 Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2012 Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the President, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2012 Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate First United Bank & Trust, Oakland, Maryland, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2012 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2012 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2012 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2012 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2012 Bonds shall be deposited in or credited to the Series 2012 Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Series 2012 Bonds and related costs.

Section 10. A. The Sub Grant Agreement by and between the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority is hereby approved.

B. The Operation & Maintenance Agreement between the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority is hereby approved.

C. The Agreement for the Transportation and Treatment of Wastewater by and among Pilgrim's Pride Corporation, the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority is hereby approved.

Section 11. The President and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2012 Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2012 Bonds may be delivered on or about March 26, 2012, to the Authority pursuant to the Bond Purchase Agreement.

Section 12. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2012 Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 15th day of March, 2012.

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

By:  _____
Its: President

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Board of Moorefield/Hardy County Wastewater Authority on the 15th day of March, 2012.

Dated: March 26, 2012.

[SEAL]


Secretary

SRF-BPA-1
(10/11)

BOND PURCHASE AGREEMENT

THIS WATER POLLUTION CONTROL REVOLVING FUND BOND PURCHASE AGREEMENT (the "Bond Purchase Agreement"), made and entered into in several counterparts, by and among the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), the WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION (the "DEP"), and the local government designated below (the "Local Government").

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
(SRF C544370/2007S-977)
(Local Government)

W I T N E S S E T H:

WHEREAS, the United States Congress under Title VI of the federal Clean Water Act, as amended (the "Clean Water Act"), has provided for capitalization grants to be awarded to states for the express purpose of establishing and maintaining state water pollution control revolving funds for the planning, design, construction, acquisition and/or improvement of wastewater treatment facilities;

WHEREAS, pursuant to the provisions of Chapter 22C, Article 2 of the Code of West Virginia, 1931, as amended (the "Act"), the State of West Virginia (the "State") has established a state water pollution control revolving fund program (the "Program") to acquire bonds of particular local governments pursuant to the Clean Water Act;

WHEREAS, under the Act the DEP is designated the instrumentality to enter into capitalization agreements with the United States Environmental Protection Agency ("EPA") to accept capitalization grant awards (U.S. General Services Administration; Catalog of Federal Domestic Assistance, 32nd Edition ' 66.458 (1998)) and DEP has been awarded capitalization grants to partially fund the Program;

WHEREAS, under the Act and under the direction of DEP, the Authority has established a permanent perpetual fund known as the “West Virginia Water Pollution Control Revolving Fund” (hereinafter the “Fund”);

WHEREAS, pursuant to the Act, the Authority and DEP are empowered to utilize moneys from the Fund to purchase the bonds of local governments to provide the financing for the acquisition or construction of wastewater treatment projects by such local governments, all subject to such provisions and limitations as are contained in the Clean Water Act and the Act;

WHEREAS, the Local Government constitutes a local government as defined by the Act;

WHEREAS, the Local Government is included on the DEP State Project Priority List and the Intended Use Plan and has met DEP’s pre-application requirements for the Program;

WHEREAS, the Local Government is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a wastewater treatment project and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Local Government;

WHEREAS, the Local Government intends to construct, is constructing or has constructed such a wastewater treatment project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the “Project”);

WHEREAS, the Local Government has completed and filed with the Authority and DEP an Application for Purchase of Bonds with attachments and exhibits and an Amended Application for Purchase of Bonds also with attachments and exhibits (together, as further revised and supplemented, the “Application”), which Application is incorporated herein by this reference;

WHEREAS, having reviewed the Application and the Fund having available sufficient funds therefor, the Authority and DEP are willing to lend the Local Government the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Local Government with moneys held in the Fund, subject to the Local Government's satisfaction of certain legal and other requirements of the Program; and

WHEREAS, the Local Government meets the “disadvantaged community” provisions of the SRF Regulations.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Local Government, DEP and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms “Authority,” “cost,” “fund,” “local government,” and “project” have the definitions and meanings ascribed to them in the Act or in the SRF Regulations.

1.2 “Consulting Engineers” means the professional engineer, licensed by the State, designated in the Application and any successor thereto.

1.3 “Local Act” means the official action of the Local Government required by Section 4.1 hereof, authorizing the Local Bonds.

1.4 “Local Bonds” means the revenue bonds to be issued by the Local Government pursuant to the provisions of the Local Statute, as hereinafter defined, and to be purchased by the Authority with money held in the Fund, all in accordance with the provisions of this Bond Purchase Agreement.

1.5 “Local Statute” means the specific provisions of the Code of West Virginia, 1931, as amended, pursuant to which the Local Bonds are issued.

1.6 “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.

1.7 “Program” means the wastewater treatment facility acquisition, construction and improvement program coordinated through the capitalization grants program established under the Clean Water Act and administered by DEP.

1.8 “Project” means the wastewater treatment facility project hereinabove referred to, to be constructed or being constructed by the Local Government in whole or in part with the net proceeds of the Local Bonds or being or having been constructed by the

Local Government in whole or in part with the proceeds of bond anticipation notes or other interim financing, which is to be paid in whole or in part with the net proceeds of the Local Bonds.

1.9 “SRF Regulations” means the regulations set forth in Title 47, Series 31 of the West Virginia Code of State Regulations, as amended.

1.10 “System” means the wastewater treatment facility owned by the Local Government, 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.

1.11 Additional terms and phrases are defined in this Bond Purchase 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 Local Government by the Consulting Engineers, the DEP and Authority having found, to the extent applicable, that the Project is consistent with the applicable provisions of the Program.

2.2 Subject to the terms, conditions and provisions of this Bond Purchase Agreement and the Local Act, the Local Government 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 Local Government 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 Local Government, 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 is approved by DEP and the Authority.

2.4 The Local Government agrees that the Authority and DEP and their respective 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 Local Government further agrees that the Authority and DEP and their respective duly authorized agents 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 DEP with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Local Government 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 Local Government shall permit the Authority and DEP, acting by and through their Directors or 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 Local Government shall submit to the Authority and DEP such documents and information as it 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 Local Bonds proceeds or of any State and federal grants or other sources of financing for the Project.

2.6 The Local Government agrees that it will permit the Authority and DEP and their respective agents to have access to the records of the Local Government 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 Local Government 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 Local Government 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 Authority and DEP and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Local Government, the Local Government or (at

the option of the Local Government) 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 Local Government, 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 Local Government on or before the Date of Closing, as hereinafter defined, and maintained so long as any of the Local Bonds are outstanding. Prior to commencing operation of the Project, the Local Government 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 Local Government shall provide and maintain competent and adequate engineering services satisfactory to the Authority and DEP 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, DEP and the Local Government 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. The Local Government shall require the Consulting Engineers to submit Record Drawings, as defined in the SRF Regulations, to it within 60 days of the completion of the Project. The Local Government shall notify DEP in writing of such receipt. The Local Government shall submit a Performance Certificate, the form of which is attached hereto as Exhibit A, and being incorporated herein by reference, to DEP within 60 days of the end of the first year after the Project is completed.

2.10 The Local Government shall require the Consulting Engineers to submit the final or updated Operation and Maintenance Manual, if necessary as defined in the SRF Regulations, to DEP when the Project is 90% completed. The Local Government shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Local Government shall employ a state certified plant operator prior to the Project being 50% complete and notify the DEP of such employment. The Local Government shall retain the operator(s) to operate the System during the entire term of this Loan Agreement.

2.11 The Local Government hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Authority, DEP 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 Local Government, 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 B and incorporated herein by reference, and forward a copy by the 20th of each month to the DEP and the Authority.

2.13 The Local Government, during construction of the Project, shall complete Payment Requisition Forms, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward such forms to DEP in compliance with the Local Government's construction schedule.

ARTICLE III

Conditions to Purchase of Local Bonds; Issuance of Local Bonds

3.1 The agreement of the Authority and DEP to purchase the Local Bonds is subject to the Local Government's fulfillment, to the satisfaction of the Authority and DEP, 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 Local Government shall have delivered to the Authority and DEP a report listing the specific purposes for which the proceeds of the Local Bonds will be expended and the procedures as to the disbursement of bond proceeds, including an estimated monthly draw schedule;

(b) The Local Government shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Bond Purchase Agreement;

(c) The Local Government 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;

(d) The Local Government 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 proceeds of the Local Bonds will refund an interim construction financing, the Local Government must either be constructing or have constructed its Project for a cost and as

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otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and DEP shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit D;

(e) The Local Government 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 DEP shall have received a certificate of the Consulting Engineers to such effect;

(f) The Local Government shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the West Virginia Infrastructure and Jobs Development 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 DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(g) The Local Government shall have obtained any and all approvals for the issuance of the Local Bonds required by State law, and the Authority and DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(h) The Local Government 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 DEP shall have received an opinion of counsel to the Local Government, which may be local counsel to the Local Government, bond counsel or special PSC counsel but must be satisfactory to the Authority and DEP, to such effect;

(i) 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 DEP shall have received a certificate of the accountant for the Local Government, or such other person or firm experienced in the finances of local governments and satisfactory to the Authority and DEP, to such effect; and

(j) 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 and DEP shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of wastewater treatment projects and satisfactory to the Authority and DEP, to such effect, such certificate to be in form and substance satisfactory to the Authority and DEP, and evidence satisfactory to the Authority and DEP of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Bond Purchase Agreement, the rules and regulations promulgated by the Authority and DEP, including the SRF Regulations, 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 purchase the Local Bonds of the Local Government and the Local Government shall issue and sell the Local Bonds to the Authority, and in furtherance thereof it is agreed that the Local Government shall sell to the Authority and the Authority shall purchase 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 Local Bonds shall be secured and shall be repaid in the manner hereinafter provided in this Bond Purchase Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Local Government 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, DEP and the Local Government. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Closing."

3.5 The Local Government understands and acknowledges that it is one of several local governments which have applied to the Authority and DEP for financing of wastewater treatment projects and that the obligation of the Authority to purchase the Local Bonds is subject to the Local Government's fulfilling all of the terms and conditions of this

Bond Purchase Agreement on or prior to the Date of Closing and to the requirements of the Program. The Local Government specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Fund to purchase all the Local Bonds and that, prior to such purchase, the Authority may purchase the bonds of other local governments set out in the State Project Priority List, as defined in the SRF Regulations. The Local Government further specifically recognizes that all bonds will be purchased in conjunction with the SRF Regulations and with the prior approval of DEP.

3.6 The Local Government shall provide DEP with the appropriate documentation to comply with the special conditions regarding the public release and audit requirements, established by federal and State regulations as set forth in Exhibit E attached hereto at such times as are set forth therein.

ARTICLE IV

Local Bonds; Security for Local Bonds;
Repayment of Local Bonds; Interest on Local Bonds;
Fees and Charges

4.1 The Local Government shall, as one of the conditions of the Authority and DEP to purchase the Local Bonds, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Local Government in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows:

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues will 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 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 Local Government 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 net or gross revenues of the System as provided 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 Local Government shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or the SRF Regulations, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole or substantially as a whole, provided that the net proceeds to be realized from such sale, mortgage, lease or other disposition shall be sufficient to fully pay all of the Local Bonds outstanding and further provided that portions of the System when no longer required for the ongoing operation of such System as evidenced by certificates from the Consulting Engineer, may be disposed of with such restrictions as are normally contained in such covenants;

(v) That the Local Government 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 DEP; 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 Local Government 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 Local Government 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 Local Government 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 and all rights as set forth in Section 5 of the Act;

(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 Local Government will not grant any franchise to provide any services which would compete with the System;

(xi) That the Local Government 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 DEP, 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 Local Government's revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Local Government 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 DEP 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, except for accrued interest and capitalized interest, if any, 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 Local Government 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 Local Government, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and DEP, 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 Local Government may authorize redemption of the Local Bonds with 30 days written notice to the Authority;

(xvi) That the West Virginia Municipal Bond Commission (the "Commission") shall serve as paying agent for all Local Bonds;

(xvii) That the Local Government 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 Local Government shall complete the Monthly Payment Form, attached hereto as Exhibit F 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;

(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 Local Government 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 Local Government shall have obtained the certificate of the Consulting Engineers 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 DEP, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and DEP 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;

(xx) That the Local Government 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 Local Government, then the Local Government shall enter into a termination agreement with the water provider; and

(xxi) That the Local Government shall submit all proposed change orders to the DEP for written approval. The Local Government shall obtain the written approval of the DEP before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule A attached to the certificate of the Consulting Engineer. The Local Government shall obtain the written approval of the DEP before

expending any proceeds of the Local Bonds available due to bid/construction/project underruns.

The Local Government hereby represents and warrants that the Local Act has been or shall be duly adopted or enacted 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 nationally recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit G.

4.2 The Local Bonds shall be secured by the pledge and assignment by the Local Government, as effected by the Local Act, of the fees, charges and other revenues of the Local Government from the System.

4.3 At least five percent (5%) of the proceeds of the Local Bonds will be advanced on the Date of Closing. The remaining proceeds of the Local Bonds shall be advanced by the DEP monthly as required by the Local Government to pay Costs of the Project, provided, however, if the proceeds of the Local Bonds will be used to repay an interim financing, the proceeds will be advanced on a schedule mutually agreeable to the Local Government, the DEP and the Authority. The Local Bonds shall not bear interest during the construction period but interest shall commence accruing on the completion date as defined in the SRF Regulations, provided that the annual repayment of principal and payment of interest shall begin not later than one (1) year after the completion date. The repayment of principal and interest on the Local Bonds shall be as set forth on Schedule Y 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.

4.4 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 Local Government. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series.

4.5 As provided by the SRF Regulations, the Local Government agrees to pay from time to time, if required by the Authority and DEP, the Local Government's allocable share of the reasonable administrative expenses of the Authority relating to the Program. Such administrative expenses shall be determined by the Authority and shall include, without limitation, Program expenses, legal fees paid by the Authority and fees paid to the trustee and paying agents for any bonds or notes to be issued by the Authority for contribution to the Fund and the fees and expenses of any corporate trustee for the Fund.

4.6 The obligation of the Authority to purchase the Local Bonds shall be conditioned upon the availability of moneys in the Fund in such amount and on such terms and conditions as, in the sole judgment of the Authority, will enable it to purchase the Local Bonds.

ARTICLE V

Certain Covenants of the Local Government; Imposition and Collection of User Charges; Payments To Be Made by Local Government to the Authority

5.1 The Local Government hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Bond Purchase Agreement and the Local Act. The Local Government hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to purchase the Local Bonds, 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 Bond Purchase Agreement, the Local Government 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 Bond Purchase Agreement.

5.3 In the event the Local Government defaults in any payment due to the Authority pursuant to this Bond Purchase Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Local Bonds next due, from the date of the default until the date of the payment thereof.

5.4 The Local Government hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Local Government, the Authority may exercise any or all of the rights and powers granted under Section 5 of the Act, including, without limitation, the right to impose, enforce and collect charges of the System.

ARTICLE VI

Other Agreements of the Local Government

6.1 The Local Government hereby acknowledges to the Authority and DEP its understanding of the provisions of the Act, vesting in the Authority and DEP certain powers, rights and privileges with respect to wastewater treatment projects in the event of default by the Local Government in the terms and covenants of this Bond Purchase Agreement, and the Local Government hereby covenants and agrees that, if the Authority should hereafter have recourse to said rights and powers, the Local Government shall take no action of any nature whatsoever calculated to inhibit, nullify, void, delay or render nugatory such actions of the Authority in the due and prompt implementation of this Bond Purchase Agreement.

6.2 The Local Government hereby warrants and represents that all information provided to the Authority and DEP in this Bond Purchase 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 purchasing and receiving the Local Bonds, the Authority and DEP shall have the right to cancel all or any of their obligations under this Bond Purchase Agreement if (a) any representation made to the Authority and DEP by the Local Government in connection with the issuance of the Local Bonds shall be incorrect or incomplete in any material respect or (b) the Local Government 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, the SRF Regulations or this Bond Purchase Agreement.

6.3 The Local Government hereby agrees to repay on or prior to the Date of Closing any moneys due and owing by it to the Authority or any other lender for the planning or design of the Project, provided that such repayment shall not be made from the proceeds of the Local Bonds.

6.4 The Local Government 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 Local Government fails to make any such rebates as required, then the Local Government 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.

6.5 Notwithstanding Section 6.4, the Authority and DEP may at any time, in their sole discretion, cause the rebate calculations prepared by or on behalf of the Local Government to be monitored or cause the rebate calculations for the Local Government to be prepared, in either case at the expense of the Local Government.

6.6 The Local Government hereby agrees to give the Authority and DEP 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.

6.7 The Local Government hereby agrees to file with the Authority and DEP upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule A to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Schedules X and Y shall be attached to this Bond Purchase Agreement by the Authority as soon as practicable after the Date of Closing is established and shall be approved by an official action of the Local Government supplementing the Local Act, a certified copy of which official action shall be submitted to the Authority.

7.2 If any provision of this Bond Purchase 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 Bond Purchase Agreement, and this Bond Purchase Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.3 This Bond Purchase 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 Bond Purchase Agreement.

7.4 No waiver by any party of any term or condition of this Bond Purchase 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 Bond Purchase Agreement.

7.5 This Bond Purchase Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Local Bonds and constitutes the entire agreement between the parties hereto in respect thereof.

7.6 By execution and delivery of this Bond Purchase Agreement, notwithstanding the date hereof, the Local Government 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.

7.7 This Bond Purchase Agreement shall terminate upon the earlier of:

(i) written notice of termination to the Local Government from either the Authority or DEP;

(ii) 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 DEP if the Local Government has failed to deliver the Local Bonds to the Authority;

(iii) termination by the Authority and DEP pursuant to Section 6.2 hereof; or

(iv) payment in full of the principal of and interest on the Local Bonds and of any fees and charges owed by the Local Government to the Authority or DEP; provided that the amount of the Local Bonds purchased under this Bond Purchase Agreement in any succeeding fiscal year is contingent upon funds being appropriated by the State legislature or otherwise being available to purchase the Local Bonds. In the event funds are not appropriated or otherwise available to purchase all of the Local Bonds, the responsibility of the Authority and DEP to purchase the Local Bonds is terminated; provided further that the obligation of the Local Government to repay the outstanding amount of the Local Bonds is not terminated due to such non-funding on any balance of the Local Bonds. The DEP agrees to use its best efforts to have the amount contemplated under this Bond Purchase Agreement included in its budget. Non-appropriation or non-funding of the Loan shall not be considered an event of default under this Bond Purchase Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Bond Purchase Agreement to be executed by their respective duly authorized officers as of the date executed below by the Authority.

MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY

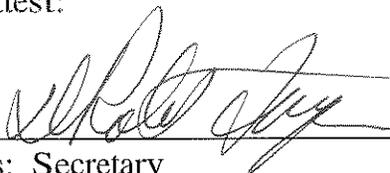
(SEAL)

By:  _____

Its: President

Date: March 26, 2012

Attest:



Its: Secretary

WEST VIRGINIA DEPARTMENT OF
ENVIRONMENTAL PROTECTION, DIVISION
OF WATER AND WASTE MANAGEMENT

By:  _____

Its: Director

Date: March 26, 2012

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

(SEAL)

By:  _____

Its: Executive Director

Date: March 26, 2012

Attest:



Its: Authorized Officer

EXHIBIT A

FORM OF PERFORMANCE CERTIFICATE

[To Be Provided By DEP]

EXHIBIT B

MONTHLY FINANCIAL REPORT

Name of Local Government _____
 Name of Bond Issue(s) _____
 Type of Project _____ Water _____ Wastewater _____
 Fiscal Year _____ Report Month _____

<u>Item</u>	<u>Current Month</u>	<u>Total Year To Date</u>	<u>Budget Year To Date</u>	<u>Budget Year To Date Minus Total Year To Date</u>
1. Gross Revenues	_____	_____	_____	_____
2. Operating Expenses	_____	_____	_____	_____
3. Bond Payments:				
<u>Type of Issue</u>				
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 Local Government 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 Local Government 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 Local Government.

The Local Government must complete the Monthly Financial Report and forward it to the Water Development Authority by the 20th 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 C

PAYMENT REQUISITION FORM

(All Copies to Be Provided by DEP for Each Project)

EXHIBIT D

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 meaning set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Bond Purchase Agreement by and among the Issuer, the West Virginia Water Development Authority (the "Authority"), and the West Virginia Department of Environmental Protection (the "DEP"), 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 DEP and any change orders approved by the Issuer, the DEP 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 attached hereto as Exhibit A, and my firm¹ has ascertained that 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 DEP 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 thereof², the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Bond Purchase 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 DEP; and (xi) attached hereto as Exhibit A is the final amended "Schedule A - 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 _____, _____.

By _____
West Virginia License No. __

[SEAL]

¹If 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".

²If 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 E

SPECIAL CONDITIONS

A. **PUBLIC RELEASE REQUIREMENT** – The Local Government agrees to include, when issuing statements, press releases, requests for proposals, bid solicitations, ground breaking or project dedication program documents and other documents describing projects or programs funded in whole or in part with Federal money, (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

B. **AUDIT REQUIREMENT** (Supplement to Article IV 4.1 (b) (xi)) – Effective October 1, 2003, the Local Government that receives \$500,000 or more (in federal funds) in a fiscal year must obtain audits in accordance with the Single Audit Act and the applicable OMB Circular or any successor thereto. Financial statement audits are required once all funds have been received by the Local Government.

C. **ASSET MANAGEMENT** – The Local Government shall submit an acceptable asset management plan or where applicable, updated plans, to DEP no later than six months following substantial completion of the Project. This requirement shall be included in the bond closing documents.

D. **WAGE RATES** – The Local Government shall require that all laborers and mechanics employed by its contractors and subcontractors be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 32 of title 40, United States Code. The Local Government must require that contractors and subcontractors obtain wage determinations from DOL and comply with DOL guidance and regulations implementing wage rate requirements.

E. **CLOSING REQUIREMENTS** – The Closing is contingent on the DEP's receipt of the following:

- a) Final Title Opinion acceptable to the DEP;
- b) Final Executed Transportation and Treatment Agreement acceptable to the DEP;
- c) Final executed Sub-Grant Agreement acceptable to the DEP; and
- d) Final PSC approval.

EXHIBIT F

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
180 Association Drive
Charleston, WV 25311

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 Local Government] on [Date].

Sinking Fund:

Interest \$_____

Principal \$_____

Total: \$_____

Reserve Account: \$_____

Witness my signature this ____ day of_____.

[Name of Local Government]

By: _____
Authorized Officer

Enclosure: copy of check(s)

{C2285467.1}

EXHIBIT G

OPINION OF BOND COUNSEL FOR LOCAL GOVERNMENT

[To Be Dated as of Date of Closing]

West Virginia Water Development Authority
180 Association Drive
Charleston, WV 25311

West Virginia Department of Environmental Protection
601 57th Street
Charleston, WV 25304

Ladies and Gentlemen:

We are bond counsel to _____ (the "Local Government"), a
_____.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a bond purchase agreement dated ____, ____, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), among the Local Government, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and (ii) the issue of a series of revenue bonds of the Local Government, dated _____, __ (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Local Bonds are issued in the principal amount of \$_____, in the form of one bond, registered as to principal only to the Authority, with principal payable quarterly on March 1, June 1, September 1, and December 1 of each year, beginning _____ 1, ____, and ending __ 1, ____, all as set forth in the "Schedule Y" attached to the Bond Purchase 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 Local Government on _____, as supplemented by the

supplemental resolution duly adopted by the Local Government on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Bond Purchase 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 Bond Purchase 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 Bond Purchase Agreement has been duly authorized by and executed on behalf of the Local Government and is a valid and binding special obligation of the Local Government, enforceable in accordance with the terms thereof.

2. The Bond Purchase Agreement inures to the benefit of the Authority and the DEP and cannot be amended so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Local Government without the consent of the Authority and the DEP.

3. The Local Government 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 Local Government and constitute valid and binding obligations of the Local Government, enforceable against the Local Government 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 Bond Purchase Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Local Government to the Authority and are valid, legally enforceable and binding special obligations of the Local Government, 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,

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

A.	Series A Bonds (CWSRF Base Program)	
	Principal Amount of Local Bonds	\$16,500,000
	Purchase Price of Local Bonds	\$16,500,000

The Local Bonds shall bear no interest. Commencing September 1, 2014, principal of the Local Bonds is payable quarterly, with an administrative fee of .5%. 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 Local Government shall submit its payments monthly to the Commission with instructions that the Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority. If the Reserve Account is not fully funded at closing, the Local Government shall commence the payment of the 1/120 of the maximum annual debt service on the first day of the month it makes its first monthly payment to the Commission. The Local Government shall instruct the Commission to notify the Authority of any monthly payments which are not received by the 20th day of the month in which the payment was due.

The Local Bonds are fully registered in the name of the Authority as to principal only and the Local Bonds shall grant the Authority a first lien on the net or gross revenues of the Local Government's system as provided in the Local Act.

The Local Government may prepay the Local Bonds in full at any time at the price of par upon 30 days' written notice to the Authority and DEP. The Local Government shall request approval from the Authority and DEP in writing of any proposed debt which will be issued by the Local Government on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

Number of New Customers to Be Served: 2
Location: Moorefield area of Hardy County

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Local Government: none.

B.	Series B Bonds (CWSRF Forgiveness)	
	Principal Amount of Local Bonds	\$1,500,000
	Purchase Price of Local Bonds	\$1,500,000

The Local Bonds shall bear no interest. The Authority at the direction of the DEP shall forgive the principal amount of the Local Bonds. The principal amounts advanced under the Series B Bonds will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series B Bonds shall be deemed no longer outstanding after the last advance is forgiven.

The Local Bonds are fully registered in the name of the Authority.

The Local Government shall make monthly payments into the Renewal and Replacement Fund as required by Section 4.1 of this Agreement for at least the term of the Local Bonds.

The Local Government shall notify the Authority and the Council of any proposed bond indebtedness secured by the revenues of the System.

SCHEDULE Y DEBT SERVICE SCHEDULE

NET DEBT SERVICE Moorefield/Hardy County Wastewater Authority SRF

0% Interest Rate
0.5% Administrative Fee

Date	Principal	Interest	Total Debt		Net Debt Service
			Service	Admin Fee	
9/1/2014	109,272		109,272	10,380.78	119,652.78
12/1/2014	109,272		109,272	10,380.78	119,652.78
3/1/2015	109,272		109,272	10,380.78	119,652.78
6/1/2015	109,272		109,272	10,380.78	119,652.78
9/1/2015	109,272		109,272	10,380.78	119,652.78
12/1/2015	109,272		109,272	10,380.78	119,652.78
3/1/2016	109,272		109,272	10,380.78	119,652.78
6/1/2016	109,272		109,272	10,380.78	119,652.78
9/1/2016	109,272		109,272	10,380.78	119,652.78
12/1/2016	109,272		109,272	10,380.78	119,652.78
3/1/2017	109,272		109,272	10,380.78	119,652.78
6/1/2017	109,272		109,272	10,380.78	119,652.78
9/1/2017	109,272		109,272	10,380.78	119,652.78
12/1/2017	109,272		109,272	10,380.78	119,652.78
3/1/2018	109,272		109,272	10,380.78	119,652.78
6/1/2018	109,272		109,272	10,380.78	119,652.78
9/1/2018	109,272		109,272	10,380.78	119,652.78
12/1/2018	109,272		109,272	10,380.78	119,652.78
3/1/2019	109,272		109,272	10,380.78	119,652.78
6/1/2019	109,272		109,272	10,380.78	119,652.78
9/1/2019	109,272		109,272	10,380.78	119,652.78
12/1/2019	109,272		109,272	10,380.78	119,652.78
3/1/2020	109,272		109,272	10,380.78	119,652.78
6/1/2020	109,272		109,272	10,380.78	119,652.78
9/1/2020	109,272		109,272	10,380.78	119,652.78
12/1/2020	109,272		109,272	10,380.78	119,652.78
3/1/2021	109,272		109,272	10,380.78	119,652.78
6/1/2021	109,272		109,272	10,380.78	119,652.78
9/1/2021	109,272		109,272	10,380.78	119,652.78
12/1/2021	109,272		109,272	10,380.78	119,652.78
3/1/2022	109,272		109,272	10,380.78	119,652.78
6/1/2022	109,272		109,272	10,380.78	119,652.78
9/1/2022	109,272		109,272	10,380.78	119,652.78
12/1/2022	109,272		109,272	10,380.78	119,652.78
3/1/2023	109,272		109,272	10,380.78	119,652.78
6/1/2023	109,272		109,272	10,380.78	119,652.78
9/1/2023	109,272		109,272	10,380.78	119,652.78
12/1/2023	109,272		109,272	10,380.78	119,652.78
3/1/2024	109,272		109,272	10,380.78	119,652.78
6/1/2024	109,272		109,272	10,380.78	119,652.78
9/1/2024	109,272		109,272	10,380.78	119,652.78
12/1/2024	109,272		109,272	10,380.78	119,652.78
3/1/2025	109,272		109,272	10,380.78	119,652.78
6/1/2025	109,272		109,272	10,380.78	119,652.78
9/1/2025	109,272		109,272	10,380.78	119,652.78
12/1/2025	109,272		109,272	10,380.78	119,652.78
3/1/2026	109,272		109,272	10,380.78	119,652.78
6/1/2026	109,272		109,272	10,380.78	119,652.78

NET DEBT SERVICE					
Moorefield/Hardy County Wastewater Authority					
SRF					
0% Interest Rate					
0.5% Administrative Fee					
Date	Principal	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2026	109,272		109,272	10,380.78	119,652.78
12/1/2026	109,272		109,272	10,380.78	119,652.78
3/1/2027	109,272		109,272	10,380.78	119,652.78
6/1/2027	109,272		109,272	10,380.78	119,652.78
9/1/2027	109,272		109,272	10,380.78	119,652.78
12/1/2027	109,272		109,272	10,380.78	119,652.78
3/1/2028	109,272		109,272	10,380.78	119,652.78
6/1/2028	109,272		109,272	10,380.78	119,652.78
9/1/2028	109,272		109,272	10,380.78	119,652.78
12/1/2028	109,272		109,272	10,380.78	119,652.78
3/1/2029	109,272		109,272	10,380.78	119,652.78
6/1/2029	109,272		109,272	10,380.78	119,652.78
9/1/2029	109,272		109,272	10,380.78	119,652.78
12/1/2029	109,272		109,272	10,380.78	119,652.78
3/1/2030	109,272		109,272	10,380.78	119,652.78
6/1/2030	109,272		109,272	10,380.78	119,652.78
9/1/2030	109,272		109,272	10,380.78	119,652.78
12/1/2030	109,272		109,272	10,380.78	119,652.78
3/1/2031	109,272		109,272	10,380.78	119,652.78
6/1/2031	109,272		109,272	10,380.78	119,652.78
9/1/2031	109,272		109,272	10,380.78	119,652.78
12/1/2031	109,272		109,272	10,380.78	119,652.78
3/1/2032	109,272		109,272	10,380.78	119,652.78
6/1/2032	109,272		109,272	10,380.78	119,652.78
9/1/2032	109,272		109,272	10,380.78	119,652.78
12/1/2032	109,272		109,272	10,380.78	119,652.78
3/1/2033	109,272		109,272	10,380.78	119,652.78
6/1/2033	109,272		109,272	10,380.78	119,652.78
9/1/2033	109,272		109,272	10,380.78	119,652.78
12/1/2033	109,272		109,272	10,380.78	119,652.78
3/1/2034	109,271		109,271	10,380.78	119,651.78
6/1/2034	109,271		109,271	10,380.78	119,651.78
9/1/2034	109,271		109,271	10,380.78	119,651.78
12/1/2034	109,271		109,271	10,380.78	119,651.78
3/1/2035	109,271		109,271	10,380.78	119,651.78
6/1/2035	109,271		109,271	10,380.78	119,651.78
9/1/2035	109,271		109,271	10,380.78	119,651.78
12/1/2035	109,271		109,271	10,380.78	119,651.78
3/1/2036	109,271		109,271	10,380.78	119,651.78
6/1/2036	109,271		109,271	10,380.78	119,651.78
9/1/2036	109,271		109,271	10,380.78	119,651.78
12/1/2036	109,271		109,271	10,380.78	119,651.78
3/1/2037	109,271		109,271	10,380.78	119,651.78
6/1/2037	109,271		109,271	10,380.78	119,651.78
9/1/2037	109,271		109,271	10,380.78	119,651.78
12/1/2037	109,271		109,271	10,380.78	119,651.78
3/1/2038	109,271		109,271	10,380.78	119,651.78
6/1/2038	109,271		109,271	10,380.78	119,651.78

NET DEBT SERVICE
Moorefield/Hardy County Wastewater Authority
SRF
0% Interest Rate
0.5% Administrative Fee

Date	Principal	Interest	Total Debt		Net Debt
			Service	Admin Fee	Service
9/1/2038	109,271		109,271	10,380.78	119,651.78
12/1/2038	109,271		109,271	10,380.78	119,651.78
3/1/2039	109,271		109,271	10,380.78	119,651.78
6/1/2039	109,271		109,271	10,380.78	119,651.78
9/1/2039	109,271		109,271	10,380.78	119,651.78
12/1/2039	109,271		109,271	10,380.78	119,651.78
3/1/2040	109,271		109,271	10,380.78	119,651.78
6/1/2040	109,271		109,271	10,380.78	119,651.78
9/1/2040	109,271		109,271	10,380.78	119,651.78
12/1/2040	109,271		109,271	10,380.78	119,651.78
3/1/2041	109,271		109,271	10,380.78	119,651.78
6/1/2041	109,271		109,271	10,380.78	119,651.78
9/1/2041	109,271		109,271	10,380.78	119,651.78
12/1/2041	109,271		109,271	10,380.78	119,651.78
3/1/2042	109,271		109,271	10,380.78	119,651.78
6/1/2042	109,271		109,271	10,380.78	119,651.78
9/1/2042	109,271		109,271	10,380.78	119,651.78
12/1/2042	109,271		109,271	10,380.78	119,651.78
3/1/2043	109,271		109,271	10,380.78	119,651.78
6/1/2043	109,271		109,271	10,380.78	119,651.78
9/1/2043	109,271		109,271	10,380.78	119,651.78
12/1/2043	109,271		109,271	10,380.78	119,651.78
3/1/2044	109,271		109,271	10,380.78	119,651.78
6/1/2044	109,271		109,271	10,380.78	119,651.78
9/1/2044	109,271		109,271	10,380.78	119,651.78
12/1/2044	109,271		109,271	10,380.78	119,651.78
3/1/2045	109,271		109,271	10,380.78	119,651.78
6/1/2045	109,271		109,271	10,380.78	119,651.78
9/1/2045	109,271		109,271	10,380.78	119,651.78
12/1/2045	109,271		109,271	10,380.78	119,651.78
3/1/2046	109,271		109,271	10,380.78	119,651.78
6/1/2046	109,271		109,271	10,380.78	119,651.78
9/1/2046	109,271		109,271	10,380.78	119,651.78
12/1/2046	109,271		109,271	10,380.78	119,651.78
3/1/2047	109,271		109,271	10,380.78	119,651.78
6/1/2047	109,271		109,271	10,380.78	119,651.78
9/1/2047	109,271		109,271	10,380.78	119,651.78
12/1/2047	109,271		109,271	10,380.78	119,651.78
3/1/2048	109,271		109,271	10,380.78	119,651.78
6/1/2048	109,271		109,271	10,380.78	119,651.78
9/1/2048	109,271		109,271	10,380.78	119,651.78
12/1/2048	109,271		109,271	10,380.78	119,651.78
3/1/2049	109,271		109,271	10,380.78	119,651.78
6/1/2049	109,271		109,271	10,380.78	119,651.78
9/1/2049	109,271		109,271	10,380.78	119,651.78
12/1/2049	109,271		109,271	10,380.78	119,651.78
3/1/2050	109,271		109,271	10,380.78	119,651.78
6/1/2050	109,271		109,271	10,380.78	119,651.78

NET DEBT SERVICE					
Moorefield/Hardy County Wastewater Authority					
SRF					
0% Interest Rate					
0.5% Administrative Fee					
Date	Principal	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2050	109,271		109,271	10,380.78	119,651.78
12/1/2050	109,271		109,271	10,380.78	119,651.78
3/1/2051	109,271		109,271	10,380.78	119,651.78
6/1/2051	109,271		109,271	10,380.78	119,651.78
9/1/2051	109,271		109,271	10,380.78	119,651.78
12/1/2051	109,271		109,271	10,380.78	119,651.78
3/1/2052	109,272		109,272	10,380.78	119,652.78
	16,500,000		16,500,000	1,567,497.78	18,067,497.78

Notes:

Admin Fee Calculation:

- (i) Total Admin Fee generated from 0.5% of bond value based on quarterly payments
- (ii) Total Admin Fee paid in equal quarterly payments rounded up to the nearest cent

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

At as session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 31st day of August 2011.

CASE NO. 11-0238-S-CN

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY, and TOWN OF MOOREFIELD,

Application for certificate of convenience and necessity for the construction and operation of wastewater collection, transportation and treatment facilities; for approval of funding related to said project; and, for approval of rates and charges and related agreements.

COMMISSION ORDER

The Commission grants a Certificate of Convenience and Necessity as conditioned in this Order.

INTRODUCTION

The need for and siting of wastewater treatment plants tends to generate strong and mixed views. The construction of these plants addresses vital public health and safety concerns by stopping the infiltration of sewage and waste streams into the environment; unfortunately, the siting of those plants also engenders fear about possible quality of life concerns for those located near the site of the plant. That is no different in this case. There was little opposition to the concept of a new treatment plant to replace the existing wastewater treatment facilities in and near the Town of Moorefield (Moorefield or Town) and little opposition to the need for that plant.

The principal concerns expressed during the hearings by the protestants and intervenor related to the location or locations for the plant, the impact of the proposed site on historical events and places in the Moorefield area and whether sufficient study and consideration of alternative site locations had been vetted by the Applicants. In order to get a better appreciation of those issues, the Commission conducted, in Moorefield, a public comment hearing, two days of evidentiary hearings and, following those hearings, a "view" of the location of existing plants and the site of the proposed plant.

While the Commission understands the concerns expressed by Dr. Kathleen E. Taylor (Dr. Taylor), as an intervenor, and the public protests expressed at the public

comment hearings, we believe, as detailed in this Order, that the examination of the proposed site and alternate sites by Moorefield was adequate and that due consideration and diligence were given to the quality of life, environmental concerns and the historical significance of the area expressed in the hearing.

Background

On February 18, 2011, the Moorefield/Hardy County Wastewater Authority (Authority) and Moorefield (collectively, Applicants) filed a joint application for a certificate of convenience and necessity to construct and operate wastewater collection, transportation and treatment facilities (the Project) to provide wastewater treatment services for Moorefield, Pilgrim's Pride Corporation (Pilgrim's Pride) and to unincorporated areas of Hardy County, and to meet the enhanced and more stringent nutrient removal requirements of the Chesapeake Bay Compact. The proposed location of the Project is along the eastern side of US Route 220, north of Moorefield, Hardy County, West Virginia, approximately 1.9 miles from the Moorefield Corporation limits and in the Moorefield District as shown on Tax Map 224, Parcel 8.1 (the Proposed Site).

By Order issued February 22, 2011, the Commission required the Applicants to publish notice of the filing of the certificate application. The notice provided thirty days for interested persons or entities to file a written protest or request to intervene. On March 8, 2011, the Applicants filed an affidavit of publication from The Moorefield Examiner showing that the Applicants published notice of the Project in that newspaper on March 2, 2011. Based on the publication date, the intervention and protest period closed after April 1, 2011.

By filings on March 7, 2011 and March 16, 2011, Dr. Taylor filed a petition to intervene.

By Order issued April 12, 2011, the Commission granted the Applicants' request for expedited treatment; granted Dr. Taylor's petition to intervene; adopted a procedural schedule for discovery and hearing dates; and required the Applicants to publish notice of the hearings for two consecutive weeks prior to the hearing.

On April 20, 2011, the Applicants filed a motion to expedite the transcript and order an expedited briefing schedule.

By Order issued June 14, 2011, the Commission granted the Applicants' motion to expedite the transcripts and briefing, and clarified the obligation of the parties and Pilgrim's Pride to file responses to Dr. Taylor's discovery requests.

On June 23, 2011, the Applicants made a filing attaching a June 22, 2011 letter from the West Virginia Infrastructure and Jobs Development Council (WVIJDC) indicating the WVIJDC voted to approve a \$2,000,000 Grant Anticipation Note (GAN). The June 22, 2011 letter provides that the \$2,000,000 will be provided from a Water Development GAN to be paid by grant receipts received pursuant to Senate Bill 245 (SB 245). The letter further stated that it should not be construed as funding approval from the WVIJDC but that the final grant amount would be established after the Applicants receive acceptable bids for the Project. The WVIJDC will set aside a portion of the Infrastructure Fund to make the grant upon the Applicants' compliance with the program requirements.

On June 29, 2011, Commission Staff filed a Memorandum commenting that the June 22, 2011 WVIJDC letter did not specify the terms of the GAN and indicated that Staff was unable to calculate the rate impact if the Applicants are unable to secure permanent grant funding from Senate Bill 245 or any other source. Staff also reported that the Applicants and WDA provided Staff with a WDA letter dated June 23, 2011, stating that WVIJDC voted to provide a \$2,000,000 GAN to be taken out with grant receipts received pursuant to SB 245 and any other source of grant funds received by the Town or by the Hardy County Wastewater Authority. This letter disclosed that WVIJDC authorized the WDA to purchase a GAN from the Applicants in an amount not to exceed \$2 million. The letter further disclosed that if purchased, the GAN would be secured by grant receipts by the Authority or the Town of Moorefield pursuant to SB 245 and any other source of grant funds received by the Authority that were not included in the original Project budget. The letter also provided that the GAN proceeds would be the last dollars drawn to pay for costs of the Project. Staff reported that the WDA June 23, 2011 letter did not specify the terms of the GAN and that Staff was unable to identify what the rate impact might be on the customers if the Authority is unable to secure permanent grant funding from SB 245 or any other source. Staff concluded that the Project funding remained unclear. Aside from the funding issue, Staff expressed no other concerns about Project approval.

On June 29, 2011, the Applicants filed a copy of a WDA letter dated June 23, 2011, referenced in the Staff June 29, 2011 Memorandum. The Applicants also filed a supplemental letter from the WDA dated June 29, 2011, stating that the terms of the GAN that the WDA will purchase from the Authority are an amount not to exceed \$2,000,000; a term not to exceed three years; and an interest rate of three percent (to be capitalized).

On July 1, 2011, the Applicants filed a motion to take the deposition of Michael Warwick, Engineer with the West Virginia Department of Environmental Protection (DEP), Division of Water and Waste Management.

By Orders issued July 6, 2011, and July 7, 2011, the Commission granted the motion to take Mr. Warwick's deposition. The deposition occurred on July 7, 2011, and the Applicants filed a copy of the deposition transcript as post-hearing Exh. MAW-1A.

On July 8, 2011, the Applicants filed an affidavit of publication showing that the Notice of Hearing was published in The Moorefield Examiner on June 22, and June 29, 2011.

The Commission held a public comment hearing in Moorefield on July 12, 2011 and evidentiary hearings on July 13 and 14, 2011 in Moorefield as scheduled. References to the July 13, 2011 hearing transcript will appear as "Tr. II at [page number]" and references to the July 14, 2011 hearing transcript will appear as "Tr. III at [page number]."

Post-hearing briefs were filed by the Applicants, Dr. Taylor and Staff.

DISCUSSION

The construction of the Project requires a Certificate of Convenience and Necessity (Certificate) from the Commission. Specifically, West Virginia law provides in W.Va. Code §24-2-11 (a) and (b):

(a) No public utility... shall begin construction of any plant... for furnishing to the public any [utility] service ... unless and until it shall obtain from the public service commission a certificate of convenience and necessity authorizing such construction

In considering whether to grant a Certificate, the Commission must assess whether the general public convenience will be served and assess the public necessity for the Project. Sexton v. Public Service Commission, 188 W. Va. 305, 423 S.E.2d 914 (1992).

The Commission has an obligation with regard to any certificate application, whether it is filed by a private utility, a public service district or a municipality, to examine whether the project is economically feasible and financially viable. That includes assuring that there is adequate financing to fund the proposed project. Town of Man and Man Water Works, Inc., Case No. 81-433-W-PC, Order affirming Hearing Examiner's Decision, April 16, 1982, 69 ARPSCWV 1893; Ohio County Public Service District, Case No. 82-482-S-CN, Order affirming Hearing Examiner's Decision Without Prejudice, April 8, 1983, 70 ARPSCWV 2049. Sexton v. Public Service Commission, 188 W. Va. 305, 423 S.E.2d 914, (1992).

Scope of the Project

The Project includes a new wastewater treatment plant with a design capacity of 4.10 million gallons per day (MGD). The plant is designed to meet the Chesapeake Bay Compact nutrient removal requirements. The plant will also include a static pile composting facility. The Project also includes a new regional wastewater pumping station, approximately three and one-half miles of new sewer force mains, and approximately 0.65 miles of new gravity collectors and mains. Exh. JF-1; Fowler, Tr. III at 27. The estimated total Project cost is \$34,355,500. Ramsey, *Id.* at 239. Financing for the Project is discussed later in this Order. The wastewater treatment plant will be located on a sixty-five acre tract of land in Old Fields currently owned by Pilgrim's Pride. The necessary property will be donated to the Authority. The Project meets all buffer zone requirements imposed by other state agencies with respect to proximity to residences or commercial structures. Ramsey, *Id.* at 247-250. Exhs. JER-5 and JER-6. The Project also includes landscaping and building design intended to mitigate adverse effects on the historical resources and rural nature of the land. Exh. JER-7.

The facility plan for the Project was originally drafted by AECOM and subsequent engineering work was awarded to Triad Engineering, Inc. because of cost concerns. Testimony of Project Engineer Jack Ramsey of Triad Engineering, Tr. II at 223-24. Staff stated that the AECOM engineering review was thorough and the plans and specifications for the Project are excellent. Testimony of Jonathan Fowler, Staff Engineer, Tr. III at 15-16; Exh. JER-1 (AECOM Facilities Plan). Four existing wastewater treatment facilities including the Town of Moorefield plant, two plants at Pilgrim's Pride, and the Robert C. Byrd Industrial Park package plant, will be removed from service as a result of the Project. Ramsey, Tr. II at 244-45. All flows will be pumped to the Proposed Site. *Id.* at 245-46, 273. The sewer transmission line from Moorefield to the wastewater treatment plant in Old Fields will cross beneath the South Branch River. *Id.* at 262.

The static pile composting facility will produce pathogen-free Class A compost that is safe for use in residential yards and in agriculture. Fowler, Tr. III at 27. The compost will be comprised of sludge from the treatment plant that has been de-watered through a press, mixed with sawdust and wood chips, and placed on a concrete pad and covered. Blowers will be applied to the compost for twenty-four days and the finished product will be given to interested parties or local companies or for sale as mulch. Ramsey, Tr. II at 285-86, 288; 304. If the compost cannot be sold or given away, the Authority will de-water the sludge and transport it to a landfill. *Id.* at 288. Dr. Taylor raised a concern about future land application of the sludge. Exh. TC-14. Mr. Fowler explained that the DEP issued National Pollutant Discharge Elimination System (NPDES) permit will not allow the Authority to spread the sludge across land. Fowler, Tr. III at 35-36. Mr. Fowler stated his opinion, however, that the location of the composting facility in the South Branch Valley agricultural area will give the composting facility a good chance of financial viability. *Id.* at 32-33.

If the Project bids come in higher than expected, the composting facility may be eliminated from the Project, and in that event sludge would be transported to a landfill. Transporting the sludge would increase the operation and maintenance expenses of the treatment plant, and the Authority would need to recover those increased expenses in rates. Ramsey, Tr. II at 302-03; Griffith, Id. at 321-22. Mr. Fowler estimates that the transportation costs would be about \$100,000 per year. Fowler, Tr. III at 28.

At the time of completion, the Project will have two customers, the Town and Pilgrim's Pride, which will utilize approximately three million gallons per day of plant capacity. Additional customers can also be added and served pursuant to the main line extension rules of the Commission. Testimony of Lucas Gagnon, Tr. II at 186, 215, 226; Warwick, Exh. MAW-1A at 36. The Staff-recommended tariff for the Authority includes rates for potential additional customers. Testimony of Karen Buckley, Commission Utilities Analyst, Tr. III at 54, 59; Exh. JF-1, Attachment 2. The West Virginia DEP believes that the Project will provide adequate capacity for future growth during the next twenty years. Warwick, Exh. MAW-1A at 38. The Proposed Site has sufficient space for expansion if additional treatment capacity becomes necessary. Ramsey, Tr. II at 267.

Need for the Project

The evidence presented in this case establishes a need for an upgrade in sewage treatment facilities for the area. The existing Moorefield facility is in a floodplain and must be upgraded to comply with the Chesapeake Bay Compact nutrient reduction requirements. Testimony of Phillis Cole, Tr. II at 15; Testimony of Lucas Gagnon, Id. at 179; Testimony of Jonathan Fowler, Tr. III at 9. The need for the Project is documented in DEP consent orders issued to the Town. Fowler, Id. at 9; Deposition of Michael A. Warwick, Exh. MAW-1A at 10-13. Mr. Ramsey testified that none of the four plants to be replaced by the Project currently meets Chesapeake Bay nutrient requirements. The new plant will substantially lessen the nitrogen, by fifty-five percent, and phosphorus, by ninety-two percent, being discharged into the waterways. Ramsey, Tr. II at 255-56. See also, Fowler, Tr. III at 10, 39. The DEP, following an environmental assessment of the Project, issued a Finding of No Significant Impact (FONSI) for the Project on February 1, 2010. Exh. LG-7.

Mr. Gagnon, the Moorefield Public Works Director and Engineer, stated that the City had two options with respect to sewer utility upgrades. One was to build a stand-alone plant for the Town, and the second was to join in on a regional plant that would include Pilgrim's Pride, Hardy County and the Town. Gagnon, Tr. II at 179. Commission Staff has concluded that the Project is necessary. Exh. JF-1 at 6. No party contests a need for Chesapeake Bay compliant wastewater treatment for the area. Furthermore, additional treatment capacity is required to support the area's poultry industry. Fowler, Tr. III at 9.

The proposed Project is designed to meet the expected twenty percent population growth in Hardy County over the next twenty years. Cole, Tr. II at 77-78.

Because the Project will replace four existing plants that do not meet Chesapeake Bay Compact effluent requirements, the undisputed need for compliance with the Chesapeake Bay Compact and the need for additional treatment capacity in the region, the Commission concludes that the evidentiary record in this case establishes that the Project is necessary.

Convenience

Historical and Cultural Impact

The potential impact of the Project on the historical and cultural resources of the Proposed Site is an appropriate consideration when evaluating the public convenience of the Project. Dr. Taylor objects to use of the Proposed Site because of its association with the Civil War Battle of Moorefield and a potential for negative impact on area tourism.

The Proposed Site is associated with the Civil War Battle of Moorefield and is located within the Middle South Branch Valley rural historic district, a location with extensive prehistoric occupation. Testimony of Susan Pierce Director of the Historic Preservation Section of the West Virginia Division of Culture and History (SHPO) and Deputy State Historic Preservation Officer. Tr. II at 102, 126, 138.

Jeffrey H. Maymon works for Goodwin and Associates, a contractor hired by the Applicants to conduct an archaeological survey of the Proposed Site. Mr. Maymon conducted that survey in accordance with State standards that require fifteen meter interval testing of land to be disturbed by construction along the proposed sewer line placement and the footprint of the proposed wastewater treatment plant. Maymon, Tr. II at 161-63; Exh. JHM-1. The archaeological survey did not reveal any evidence of a battlefield. Id. at 168; Exh. JHM-1; See also Exh. TC-4 survey did reveal two archaeologically significant sites. Triad redesigned or relocated components of the plant and the transmission line to avoid those sites. Maymon, Tr. II at 168; Ramsey, Id. at 269-70.

Dr. Stephen Smith, PhD, a historian called as a witness by Dr. Taylor, testified that he was not surprised that the archaeological survey failed to discover evidence of a battlefield because the Battle of Moorefield was a moving cavalry engagement that did not involve digging of trenches. Furthermore, the land has had a wide range of occupancy from pre-historic times to present day. Smith, Tr. II at 354-56. Dr. Smith stated that horses likely grazed near the river making it likely that soldiers camped near the river, where the archaeological surveys were not performed. Id. at 358.

Susan Pierce testified that SHPO acted as a consulting party to the federal Environmental Protection Agency (EPA) in conducting a review of the Proposed Site pursuant to Section 106 of the National Historic Preservation Act of 1966, 16 USCS §§ 470 et seq., and federal regulations found at 36 CFR part 800. Ms. Pierce's office followed the review steps dictated by the federal regulations. The first step was identification of historic resources; the second step was assessment of whether the Project would have an adverse effect on historic resources. In this case, because her office found that the proposed Project would have an adverse effect on historical resources, the federal agency had to determine whether the adverse effect could be avoided, minimized or mitigated. Pierce Tr. II at 106; Exh. TC-2 (Pierce letter to Jack Ramsey, Triad dated March 21, 2008); Exh. TC-5 (Pierce letter to Mr. John A. Armstead, EPA dated September 21, 2009); Exh. SMP-1 (Pierce letter to Kelly Williams). Ms. Pierce also stated that part of the review included whether archaeological sites will be impacted by the Project. Peirce, Tr. II at 117.

As part of the Section 106 process, Ms. Pierce is aware that a public meeting occurred in June of 2009. In addition, Triad contacted the American Battlefield Protection Program by letter and invited that entity to review and comment on the Project. The EPA contacted the Hardy County Historical Society by letter and formally invited the Society to be a consulting party on the EPA review of the historical impact of Project. Pierce, Tr. II at 129; Exhs. TC-6 and TC-7. The EPA determined that the requirements of Section 106 of the National Historic Preservation Act, including mitigation of the adverse impact of the Project on archaeological sites, were met under the provisions of a Memorandum of Agreement between the EPA, the SHPO and the Town of Moorefield (MOA) admitted into evidence as Exhibit SMP-2. The EPA then submitted the MOA to the federal Advisory Council on Historic Preservation (ACHP). Pierce, Tr. II at 114-116, 118; Exh. SMP-3. The ACHP responded by letter to the EPA stating that the filing of the MOA and execution of its terms completed the requirements for Section 106 of the National Historic Preservation Act and the associated federal regulations. Pierce, Tr. II at 116-17; Exh. SMP-4.

As documented in the MOA, and as testified to by Ms. Pierce and Mr. Ramsey, the possible adverse effects of the Project on historical resources will be mitigated by landscaping, natural features (such as earthen berms) and trees to minimize visual impacts. Pierce, Tr. II at 121-23; Exhs. SMP-1 and SMP-2; Ramsey, Tr. II at 251-52; Exh. JER-7. In addition, the Project administrative building, the structure that will be most prominently in view from the road, will be designed to look like a barn in order to blend into the rural surroundings. Other Project buildings will also be designed in the barn style but will be obscured from view from the road by landscaping. Ramsey, Tr. II at 253-54; Exh. JER-7.

Ms. Pierce stated that the Project was designed to avoid two specific archaeological resources, and the MOA required that additional testing occur with respect to three more archaeological resources. Pierce, Tr. II at 138. If the Project is to be expanded in the future beyond the current footprint, additional archaeological surveys must be conducted on the site. Id. at 123.

Both Mr. Gagnon and Mr. Ramsey testified that the Authority was in compliance with the MOA. Gagnon, Tr. II at 195; Ramsey, Tr. II at 255. Mr. Gagnon explained that phase one and phase two archaeological studies are complete and phase three will be performed once construction commences. Id. at 195.

As established by the evidence, the lead state and federal agencies charged with protection of the historical and cultural resources on the Proposed Site are EPA, the ACHP and SHPO. In conducting its review, this Commission considers whether an Applicant has complied with the requirements of those agencies. The evidence presented in this case establishes that the Applicants have performed all the steps necessary under Section 106 of the National Historic Preservation Act, have or will mitigate the potential adverse impacts on the historical and cultural resources that SHPO determined were present on the Proposed Site, and have obtained the proper approvals to proceed with construction after the Commission issues a Certificate of Convenience and Necessity. The Commission agrees that the planned landscaping, the barn-style building design, and the avoidance of archaeological resources will mitigate any adverse impacts of the Project.

Project Financing and Rate Impact

The Commission considers project cost and financing in its assessment of the public convenience. Mr. Jack Ramsey of Triad testified that the Applicants hired his firm after a prior engineering firm, AECOM, designed the Project. Triad performed value engineering services and was able to modify the design to lower Project costs by just under \$1.6 million. Ramsey, Tr. II at 233-35, 279-83; Exh. JER-2.

The proposed financing of the estimated Project costs of \$36,355,500 includes:

- West Virginia DEP State Revolving Fund Loan of \$16,500,000
- DEP State Revolving Debt Forgiveness of \$1,000,000
- DEP State Revolving Green Grant of \$500,000
- 2008 State Tribal Assistance (STAG grant) of \$2,954,500
- 2009 STAG grant of \$3,000,000
- 2010 STAG grant of \$2,500,000
- West Virginia Economic Development Fund grant of \$5,000,000
- WDA grant anticipation note (GAN) in the amount of \$2,000,000
- Pilgrim's Pride in-kind contribution of \$1,500,000

Town of Moorefield in-kind contribution of \$401,000
WVIJDC grant in the amount of \$1,000,000.

Cole, Tr. II at 26-28; Exhs. PC-2 through PC-10; Ramsey, Id. at 240; Griffith, Id. at 313, Exh. MGD-1; Exh. JF-1 at 2. The 2008 STAG grant was recently "uncommitted" or rescinded. Buckley, Tr. III at 57-58; Exh. LG-6. The Staff position is that while the funding package is quite favorable because it is comprised of fifty-five percent grant monies, the Project remains underfunded because the source of the GAN is undetermined. Exh. JF-1 at 5; Buckley, Tr. III at 55-56, 60-62; Exhs. PSC-9 and PSC-10. John C. Stump, bond counsel to the Authority, testified, however, that the GAN is committed money and the source of the GAN will be either SB 245 funds or another source. Stump, Tr. II at 330, 348-50.

Mr. Gagnon testified that if the Town had pursued a stand-alone project to serve Town residents only, the per-customer rate impact would have been tremendous as compared to the proposed Project rates. Gagnon, Tr. II at 179-80. Mr. Fowler agreed that a regional system is clearly less expensive for Town customers because the plant operation will be subsidized by the large flows from Pilgrim's Pride. Fowler, Tr. III at 18. A Town sewer customer billed for 4,000 gallons of water usage per month will experience a Project-related rate increase of only ten cents. Gagnon, Tr. II at 181; Testimony of Michael D. Griffith, Certified Public Accountant, Id. at 309, 311. Mr. Griffith explained, however, that other factors not related to the Project may result in the Town passing an ordinance for a higher rate. Id. at 310-11, 320. Staff filed recommended post-Project rates and Mr. Griffith agreed that the Commission should adopt the Staff-recommended post-Project rates for the Authority. Griffith, Id. at 313; Exh. JF-1, Schedule 2.

Dr. Taylor questioned Mr. Fowler about whether it is fair that the Town customers would pay the same treatment rate by volume as Pilgrim's Pride when the poultry plant generates wastewater with a higher concentration of nitrogen, phosphorous, fats, oil and grease. Mr. Fowler explained that Town customers will not be unfairly burdened because the NPDES permit will require Pilgrim's Pride to pre-treat its wastewater. Pre-treatment will result in the load percentages on the treatment plant being very close to the expected flow proportions. Fowler, Tr. III at 21-23.

As a resale customer of the Authority, the Town will be responsible for 15.84 percent of the total debt service and operation and maintenance expenses associated with the Project. The Town's cost of service will include three pre-existing debt issuances associated with the Town collection system and one debt issuance associated with the Town's former wastewater treatment plant. Griffith, Tr. II at 315-16, 318; Mr. Stump, Id. at 326-28. Pilgrim's Pride will initially be responsible for 84.16 percent of operation and maintenance costs for the Project. Over time, the percent portion assigned to Pilgrim's

Pride can vary based on actual flows and future Cost of Service Studies. Gagnon, Id. at 185, 227-28; Exh. LG-2 at 13-14, Articles 3.7 and 3.9.

The payment arrangements are memorialized in an Agreement for the Transportation and Treatment of Wastewater between the Town and the Authority (Transportation Agreement). Exh. LG-2. Disputes arising between the parties to the Transportation Agreement will be resolved by the Commission, or, if the Commission lacks jurisdiction, by the Hardy County Circuit Court. Exh. LG-2 at Article 11. Staff reviewed the Transportation Agreement, and recommended changes that have been incorporated in the current version. Fowler Tr. III at 14; Exh. JF-2; Exh. LG-2.

Pilgrim's Pride has agreed to maintain an irrevocable security instrument or letter of credit in the amount of 84.16 percent of the debt service in order to mitigate the risk that Pilgrim's Pride will cease operations. Exh. LG-3 at 11, 19, Articles 3 and 5.1; Gagnon, Tr. II at 186, 221-23; Stump, Id. at 333-36, 339-40. The Authority and its lenders will determine whether the security instrument is satisfactory. Stump, Id. at 339-40, 343-44. The security instrument will also cover one month of the Pilgrim's Pride portion of the operation and maintenance expenses of the plant. Gagnon, Id. at 187, 221-23. If for some reason the flow from Pilgrim's Pride ceases, the plant is designed so that one-half of the plant can be shut down to reduce operation and maintenance costs. If Pilgrim's Pride is no longer a customer of the Authority, a rate increase for remaining customers is an option for recovery of operation and maintenance costs. Id. at 218-19.

The Town will provide the Authority with operation and maintenance services using Town personnel pursuant to an Operation and Maintenance Agreement (O&M Agreement). Exh. LG-4. Staff reviewed the O&M Agreement, and recommended changes that are incorporated in the current version. Fowler, Tr. III at 14; Exh. JF-2.

On review of the evidence presented, the Commission concludes that the Project as proposed is a cost-effective solution to meet the residential and industrial wastewater treatment needs of the region. The proposed Project-related sewer rates are extremely reasonable in view of the significant upgrade in environmental compliance that the Project represents, particularly in regard to the Chesapeake Bay Compact nutrient removal requirements. Because there is some degree of uncertainty associated with the GAN and 2008 STAG funding, this Order conditions the issuance of the Certificate of Convenience and Necessity on availability and documentation by the Authority of committed grants or other assured funding sufficient to cover the cost of the Project. We note that the total amount of the 2008 STAG or the grants to retire the WDA GAN may not be needed if the bids received reduce the cost of the Project. The condition we are placing on the Certificate of Convenience and Necessity is either a reduction in the Project cost or receipt of final funding approvals to cover the Project financing or some equivalent combination. The Commission will approve both the Transportation Agreement and the O&M Agreement.

Risk of Flooding

Dr. Taylor raised questions as to the environmental risk of flooding with respect to the Project. Exhs. TC-10 and TC-14. Mr. Gagnon testified that although approximately one-half of the sixty-five acres of land donated by Pilgrim's Pride is beneath the 100-year floodplain, all of the wastewater treatment facilities, including the pump station, are above the 100-year floodplain. Gagnon, Tr. II at 196-97. See also Exh. JER-7. A portion of the composting pad is below the 100-year floodplain, but a floodwall will be constructed around that portion of the pad to elevate it above the 100-year floodplain. Gagnon, Tr. II at 197-98; Ramsey, Id. at 257-58.

Mr. Warwick is an engineer with the Clean Water State Revolving Fund Program, Division of Water and Waste Management, and West Virginia DEP. Exh. MAW-1A at 6. Mr. Warwick testified in deposition that the Applicants have satisfied potential flood-related issues for the facilities. Id. at 18-19, 49-50.

David Mathias, a witness called by Dr. Taylor, testified about previous floods associated with the South Branch of the Potomac River and noted that floods had destroyed bridges in 1935 and in 1985. Water rose above the newly-constructed bridge in 1996. The river is dangerous during floods and people have drowned. Mathias, Tr. II at 360-362. Mr. Mathias stated that flooding worsened since the commercial development of Wal-Mart and Ponderosa because of runoff from pavement which has resulted in formation of a new river channel. Mr. Mathias presented seventeen photographs showing instances of high water in various locations including near the Proposed Site. Exh. DM-1. Mr. Mathias stated that high water as shown in his photographs has occurred three times so far during 2011. Mathias, Tr. II at 362-369. Mr. Mathias also presented photographs taken during the 1985 flood. Exh. DM-2.

Mr. Fowler testified that the West Virginia DEP regulations require a wastewater treatment plant to be operational at the 25-year flood level and protected at the 100-year flood level. Mr. Fowler confirmed that the Project is protected to the 100-year flood level and has room for expansion above the 100-year flood level. Mr. Fowler stated that he had reviewed the photographs presented by Mr. Mathias and concluded that the high water shown in the photos was on land below the proposed wastewater treatment plant location. Fowler, Tr. III at 47-50.

The Commission concludes that the evidence presented in this proceeding shows that the Project facilities are all located above the 100-year floodplain with the exception of a portion of the composting facility, and that facility will be adequately protected against flooding by a floodwall. The DEP has reviewed and approved the facilities plan and the DEP witness testified that the Applicants have addressed all flood-related issues with respect to the Proposed Site.

River Crossing and Length of Transmission Line

Dr. Taylor questioned witnesses about the possibility of environmental risk and the extra expense associated with a sewage transmission crossing beneath a river. Mr. Warwick of the DEP stated, however, that river crossings for sewage lines are common and present no greater risk than other sewer lines. MAW-1A at 39-40. Mr. Ramsey stated that pipes of this nature are common and that most water and sewer projects include a river or creek crossing. He denied that the river crossing would result in a sink-trap effect where flows would collect because the line will be subject to constant pumping and consistent flow. In addition, there would be shut-off valves on both sides of the river crossing to facilitate flushing if necessary. Ramsey, Tr. II at 262-64.

In response to concerns raised by Dr. Taylor with respect to the distance that wastewater would be pumped from Town to the Proposed Site, Mr. Ramsey stated that the four to five mile pumping distance from Pilgrim's Pride and Moorefield to the Proposed Site does not present an environmental risk. He explained that the maximum pressure point in the sewer main will be seventy pounds per square inch (PSI) at the pump station in Town and diminish from that point on, while the pipe is designed to withstand one hundred-fifty PSI under land, and two hundred PSI under the river. Ramsey, Tr. II at 273, 275-76; See also Fowler, Tr. III at 26-27.

Mr. Fowler confirmed that the piping under the river is of a higher density polyethylene than the pipes to be buried in a land trench. He also noted that drill mud will remain in the pipe tunnel beneath the river as a buffer to protect the pipe and support the loads. There will not be any joints in the shore to shore pipe. Fowler, Tr. III at 23-24. Mr. Fowler explained that the leakage and breakage issues that occur during floods with older water and sewer line river crossings are not an issue with new installations because technology now allows installation beneath bedrock below the river bed. Fowler, Id. at 26. Mr. Fowler also stated that one of the requirements of the NPDES permit program is that the entire sewer system will have a written spill prevention control and countermeasure plan before operation begins. Fowler, Id. at 11. Mr. Fowler confirmed that forced mains are self-cleaning and that velocity will scour material from the pipe and move it toward the treatment plant. Fowler, Id. at 25.

The testimony supports the Commission's conclusion that the planned river crossing and pumping distance do not appreciably increase the environment risk of the Project.

Odor

Mr. Ramsey testified that with proper operation the the odor associated with the Project should at most be a musty, wet dirt smell, only perceptible with substantial wind. However, it is not reasonable to say that there will never be an odor. Ramsey, Tr. II at

264. Triad addressed one odor issue by moving the bar screen from the pump station to the wastewater treatment plant. Mr. Ramsey explained that a bar screen head works can be a source of odor, and if it were located at the pump station it would be nearer to residential and commercial development. The potential odor impacts are reduced by relocating it to the Proposed Site. *Id.* at 281, 296-98, 301. Mr. Fowler confirmed that relocation of the head works to the plant will greatly reduce the potential for odor generation near the residential and commercial area of the pump station. Fowler, Tr. III at 12-13. The Project operators will use a chemical at the head works to combat the hydrogen sulfide and odor issues. In addition, the location of the screw press and the mixing of raw sludge with additives (woodchips, sawdust and lime) in an enclosed building will mitigate odor. Ramsey, Tr. II at 298-99; Fowler, Tr. III at 34.

Mr. Fowler stated that the odor associated with the composting facility will be minimized during processing by a cover. There will be no spraying or spreading of material on the land. The finished compost will have a mild odor similar to mulch. Fowler, Tr. III at 33, 35-36.

As testified to in this case, all wastewater treatment plants have some associated odor. Witnesses for the Applicants represent that the technology and treatment methods of the Project will mitigate the potential for foul odors and that the odors are likely to be similar to musty soil and mulch, and may not be perceptible absent significant wind. The treatment of sewage is an absolute necessity in modern society to preserve public health and protect the environment. As indicated earlier, although the Commission understands that no one wishes to reside adjacent to a wastewater treatment plant, the plant must be located somewhere. The Commission concludes that the established public need for the Project and the other considerations with respect to the public convenience of the Project outweigh the inconvenience to those nearby of possible intermittent odor.

Public Notice and Participation

Dr. Taylor has asserted that public notices of the June 4, 2009 meeting were inadequate and pointed out that only one member of the public appeared. Exh. TC-12. Dr. Taylor presented exhibits that she believes show that the public notices did not specifically identify the Proposed Site. Exh. TC-11; Exh. TC-12. Public legal notices prior to and during this proceeding have included: 1) a May 20, and May 27, 2009 publication by Moorefield noticing a public meeting about the Project that was held on June 4, 2009. (A report of the public meeting held on June 4, 2009 is included in the AECOM facilities plan. Fowler, Tr. III at 17; Exh. JER-1, Section 5.4.) The newspaper notice did not state the location of the proposed wastewater treatment plant. Exh. TC-11; 2) a Notice of Filing published on March 2, 2011, issued by the Public Service Commission and published in The Moorefield Examiner that described a proposed wastewater treatment project in Hardy County. This notice provided an opportunity to protest and to intervene in this case; 3) a Notice of Hearing published on June 22, 2011

and on June 29, 2011 that described the location of the Project as “on the east side of US 220 north approximately 1.9 miles from the Moorefield Corporation limits and is located in the Moorefield District as shown on Tax Map 224, Parcel 8.1.” This notice stated that interested persons could attend the hearing and file written comments in the case.

In addition to legal notices, The Moorefield Examiner newspaper published a number of articles beginning in 2002 that described the proposed Project location. A compilation of the newspaper articles was admitted into evidence as Commission Request Exhibit 1. The articles include 1) a January 2002 article titled, “Town Asks Corps to Oversee Wastewater Assessment” containing a statement that a wastewater treatment system had been designed for location “several miles north of town”; 2) a January 31, 2007 article titled, “Plans For The Regional Sewer Plant Move Forward” that includes a statement that “the Town is considering a site located north of Moorefield on the east side of US 220 near Old Fields. The site is approximately 30 acres and is currently owned by Pilgrim’s Pride.”; 3) an April 2, 2008 article titled, “Regional Sewer System Will Reduce Water Pollution” containing a statement that a Moorefield area regional sewer plant “would be built on 40 acres in Old Fields. The property is owned by Pilgrim’s Pride.” The same article states that financing for the plant includes “a Pilgrim’s Pride contribution of the land in Old Fields worth \$1.5 million.”; 4) a July 14, 2010 article titled, “Moorefield Council Hears Concerns About the Sewage Treatment Plant” reporting that Dr. Taylor questioned the Town of Moorefield city council as to “the chosen location near Old Fields which required the sewage to be pumped four miles north from town and under the river.” The same article states, “The waste treatment facility will be located along U.S. 220 north, along a major artery.”; 5) a July 28, 2010 article summarizing Hardy County Commission proceedings and under a heading “Regional Wastewater Plant” stating, “The proposed wastewater facility will be located in Old Fields, four miles north of Moorefield.”; 6) an April 20, 2011 article titled “Good News, Bad News for Regional Sewer Application” containing a statement, “The facility is to be located on a 30-acre tract off US Route 220 North near Old Fields.”; 7) a June 8, 2011 editorial; 8) a July 6, 2011 article titled “Public Hearing on Regional Sewer Scheduled” containing a statement, “Pending approval, the facility will be built along Route 220 North, in Old Fields, five miles north of town.”

Ms. Cole maintained at the hearing that newspaper coverage of developing plans for the Project informed the public that the Proposed Site was under consideration since at least 2006. Cole, Tr. II at 96; Tr. III at 64-68, 74; Comm’n Request Exh. 1. Mr. Warwick testified that the Applicants met all publication requirements for the DEP issuance of a FONSI. Exh. MAW-1A at 72-73.

At the Commission public comment hearing held on July 12, 2011, nine persons provided public comment and more persons were in attendance. The case file of this proceeding contains over three hundred and fifty letter of public comment. The Commission concludes that the newspaper coverage and the legal notices of the Project

provided adequate public notice of the Project and its proposed location. The sufficiency of notice is supported in part by the substantial number of persons who have filed public comment in this proceeding and who attended the July 12, 2011 hearing.

Consideration of Alternative Plant Locations

Ms. Cole testified about alternative plant location sites that the Town considered for construction of a new wastewater treatment plant, including the current Town wastewater treatment plant location, the Renick Williams property in the area of Cinema Six, property in Old Fields north of Moorefield on the west side of US 220, and the Proposed Site on property in Old Fields north of Moorefield on the east side of US 220. Cole, Tr. II at 41-46; Exhs. PC-11 and PC-12. Ms. Cole explained that in the Town evaluation of the existing Town wastewater treatment plant site, the Town determined that flood-proofing would cost \$2.5 million, but Mr. Ramsey noted that flood-proofing would not address nutrient reduction requirements. Cole, Tr. II at 15; Ramsey, *Id.* at 257.

Ms. Pierce stated that because the SHPO review determined that historical and archaeological resources would be impacted, and mitigation of the impacts was pursued, the Authority was required to demonstrate that it had considered project alternatives. Pierce, Tr. II at 107. Ms. Pierce stated the opinion of the SHPO that the Applicants, in good faith, completed the Section 106 review process requirements and may proceed with construction at the Proposed Site pursuant to the provisions of the MOA. *Id.* at 120; 154-156.

Mr. Warwick testified that DEP is aware that other sites for the Project were considered and rejected, included the existing Moorefield wastewater treatment plant site and a site north of Town, but not as far north as the Proposed Site. Exh. MAW-1A at 51, 75-76. Mr. Fowler was aware of other sites that were evaluated by Project engineers, including the existing Town wastewater treatment plant site, a site west of Route 220 and across from the Proposed Site, a site in the area of the current Cinema Six and Wal-Mart, and a site near Caledonia Heights. Fowler, Tr. III at 10, 42.

Dr. Taylor's position is that the Applicants failed to consider any number of other possible alternative site locations that might be better suited for a wastewater treatment plant. The evidence shows, however, that the Applicants considered at least four alternative sites before deciding on the Proposed Site. The evidence also establishes that SHPO concluded that the Applicants satisfied the requirement to consider alternatives before deciding to mitigate impacts on the historical and cultural resources at the Proposed Site. This Commission does not endorse the concept that every conceivable plant site must be investigated; instead, all that is required is a showing that the selected site is reasonable and that another site has not been shown to be more reasonable or better suited. The Commission has not been presented with any evidence that an alternate site is better suited. Furthermore, the Commission concludes that in evaluating the possible

site alternatives, it was reasonable for the Town to view the Proposed Site in a favorable light given the fact that the property for the Project would be donated, thus eliminating the need to include cost of land acquisition in the Project costs.

Conclusion

The evidence clearly supports the public convenience and necessity of the proposed Project and the Applicants have satisfied all requirements and received all required permits and approvals from the EPA, ACHP, and SHPO, to proceed with construction. The Applicants have received a FONSI from DEP and the Commission understands that the Applicants are in the final stages of obtaining the DEP NPDES permit for the Project. The Applicants have received funding commitments from substantially all of the funding agencies, but further steps are necessary for all funding to be secured. The Commission will issue a Certificate of Convenience and Necessity to the Authority as conditioned in this Order.

FINDINGS OF FACT

1. The Project includes a new Chesapeake Bay Compact compliant wastewater treatment plant with a design capacity of 4.10 MGD. The Project will replace four existing sewage treatment facilities that cannot meet Chesapeake Bay Compact nutrient removal requirements. Ramsey, Tr. II at 244-45.
2. The Project will also include a static pile composting facility, a new regional wastewater pumping station, approximately three and one-half miles of new sewer force mains, and approximately 0.65 miles of new gravity collectors and mains. Exh. JF-1; Fowler, Tr. III at 27.
3. The current estimated total Project cost is \$34,355,500. Ramsey, Tr. II at 239.
4. The wastewater treatment plant will be located on a sixty-five acre tract of land in Old Fields currently owned by Pilgrim's Pride. The necessary property will be donated to the Authority for construction of the Project.
5. The Project meets all buffer zone requirements imposed by other state agencies with respect to proximity to residences or commercial structures. Ramsey, Tr. II at 247-250. Exhs. JER-5 and JER-6.
6. The DEP, following an environmental assessment of the Project, issued a Finding of No Significant Impact (FONSI) for the Project on February 1, 2010. Exh. LG-7.

7. The Project includes landscaping and building design intended to mitigate the adverse effects on the historical resources and rural nature of the land. Exh. JER-7.

8. All flows from the Town and Pilgrim's Pride will be pumped to the Proposed Site. Ramsey, Tr. II at 245-46, 273. The sewer transmission line from Moorefield to the wastewater treatment plant in Old Fields will cross beneath the South Branch River. Id. at 262.

9. The static pile composting facility should produce pathogen-free Class A compost that is safe for use in residential yards and in agriculture. Ramsey, Tr. II at 285-86, 288; 304; Fowler, Tr. III at 27.

10. If the compost cannot be sold or given away, the Authority will cease composting and instead de-water the sludge and transport it to a landfill. Ramsey, Tr. II at 288.

11. The DEP NPDES permit that will be issued for the Project will not allow spreading of sludge across land. Fowler, Tr. III at 35-36.

12. If the Project bids come in higher than expected, the composting facility may be eliminated from the Project, and in that event sludge would be transported to a landfill. Transporting the sludge would increase the operation and maintenance expenses of the treatment plant, and the Authority would need to recover those increased expenses in rates. Ramsey, Tr. II at 302-03; Griffith, Id. at 321-22.

13. At the time of completion, the Project will have two customers, the Town and Pilgrim's Pride, which will utilize approximately three million gallons per day of plant capacity. Additional customers can also be added and served pursuant to the main line extension rules of the Commission. Testimony of Lucas Gagnon, Tr. II at 186, 215, 226; Warwick, Exh. MAW-1A at 36.

14. The Staff-recommended tariff for the Authority includes rates for potential additional customers. Testimony of Karen Buckley, Commission Utilities Analyst, Tr. III at 54, 59; Exh. JF-1, Attachment 2.

15. The Project is designed to provide adequate capacity for future growth during the next twenty years. Warwick, Exh. MAW-1A at 38; Cole, Tr. II at 77-78. The Proposed Site has sufficient space for expansion if additional treatment capacity becomes necessary. Ramsey, Tr. II at 267.

16. None of the four plants to be replaced by the Project currently meet Chesapeake Bay nutrient requirements. The new plant will substantially lessen the

nitrogen, by fifty-five percent, and phosphorus, by ninety-two percent, being discharged into the waterways. Ramsey, Tr. II at 255-56. See also, Fowler, Tr. III at 10, 39.

17. No party contests a need for a wastewater treatment plant for the area that will meet the requirements of the Chesapeake Bay Compact.

18. The Proposed Site is associated with the Civil War Battle of Moorefield and is located within the Middle South Branch Valley rural historic district, a location with extensive prehistoric occupation. Pierce, Tr. II at 102, 126, 138; Smith, Id. at 354-56.

19. The Applicants hired Goodwin and Associates to conduct an archaeological survey of the Proposed Site in accordance with State standards that require fifteen meter interval testing of land to be disturbed by construction along the proposed sewer line placement and the footprint of the proposed wastewater treatment plant. Maymon, Tr. II at 161-63; Exh. JHM-1.

20. The archaeological survey did not reveal any evidence of a battlefield. Maymon, Tr. II. at 168; Exh. JHM-1; See also Exh. TC-4 (Pierce email to Kelly Williams dated April 14, 2011); Exh. SMP-1. The survey did reveal two archaeologically significant sites. Triad redesigned or relocated components of the plant and the transmission line to avoid those sites. Maymon, Tr. II at 168; Ramsey, Id. at 269-70.

21. SHPO acted as a consulting party to the federal EPA in conducting a review of the Proposed Site pursuant to Section 106 of the National Historic Preservation Act of 1966 and federal regulations found at 36 CFR part 800. Pierce, Tr. II at 106.

22. SHPO determined that the proposed Project would have an adverse effect on historical resources and EPA then determined whether the adverse effect could be avoided, minimized or mitigated. Pierce Tr. II at 106; Exh. TC-2 (Peirce letter to Jack Ramsey, Triad dated March 21, 2008); Exh. TC-5 (Pierce letter to Mr. John A. Armstead, EPA dated September 21, 2009); Exh. SMP-1 (Pierce letter to Kelly Williams).

23. Part of the SHPO review included a determination whether archaeological sites would be impacted by the Project. Peirce, Tr. II at 117.

24. As part of the Section 106 process, the Town held a public meeting about the Project in June of 2009. In addition, Triad contacted the American Battlefield Protection Program by letter and invited that entity to review and comment on the Project. The EPA contacted the Hardy County Historical Society by letter and formally invited the Society to be a consulting party on the EPA review of the historical impact of Project. Pierce, Tr. II at 129; Exhs. TC-6 and TC-7.

25. The EPA determined that the requirements of Section 106 of the National Historic Preservation Act, including mitigation of the adverse impact of the Project on archaeological sites, were met under the provisions of the MOA, Exhibit SMP-2. The EPA then submitted the MOA to the federal ACHP. Pierce, Tr. II at 114-116, 118; Exh. SMP-3.

26. The ACHP responded by letter to the EPA stating that the filing of the MOA and execution of its terms completed the requirements for Section 106 of the National Historic Preservation Act and the associated federal regulations. Pierce, Tr. II at 116-17; Exh. SMP-4.

27. The possible adverse effects of the Project on historical resources will be mitigated by landscaping, natural features, such as earthen berms, and trees to minimize visual impacts. Pierce, Tr. II at 121-23; Exhs. SMP-1 and SMP-2; Ramsey, Tr. II at 251-52; Exh. JER-7.

28. The Project administrative building, the structure that will be most prominently in view from the road, will be designed to look like a barn in order to blend into the rural surroundings. Other Project buildings are also designed to look like barns, but landscaping will obscure them from view from the road. Ramsey, Tr. II at 253-54; Exh. JER-7.

29. The Project was designed to avoid two specific archaeological resources, and the MOA required that additional testing occur with respect to three more archaeological resources. Pierce, Tr. II at 138. If the Project is to be expanded in the future beyond the current footprint, additional archaeological surveys must be conducted. Pierce, *Id.* at 123.

30. Triad performed value engineering services and was able to modify the design to lower Project costs by just under \$1.6 million. Ramsey, Tr. II at 233-35, 279-83; Exh. JER-2.

31. The proposed financing of the estimated Project costs of \$36,355,500 includes:

- West Virginia DEP State Revolving Fund Loan of \$16,500,000
- DEP State Revolving Debt Forgiveness of \$1,000,000
- DEP State Revolving Green Grant of \$500,000
- 2008 State Tribal Assistance (STAG grant) of \$2,954,500
- 2009 STAG grant of \$3,000,000
- 2010 STAG grant of \$2,500,000
- West Virginia Economic Development Fund grant of \$5,000,000
- WDA grant anticipation note (GAN) in the amount of \$2,000,000

Pilgrim's Pride in-kind contribution of \$1,500,000
Town of Moorefield in-kind contribution of \$401,000
WVIJDC grant in the amount of \$1,000,000.

Cole, Tr. II at 26-28; Exhs. PC-2 through PC-10; Ramsey, Tr. II at 240; Griffith, Tr. II at 313, Exh. MGD-1; Exh. JF-1 at 2.

32. The 2008 STAG grant was recently uncommitted or rescinded. Buckley, Tr. III at 57-58; Exh. LG-6.

33. The source of the GAN monies will be Senate Bill 245 revenues or another source. Exh. JF-1 at 5; Buckley, Tr. III at 55-56, 60-62; Exhs. PSC-9 and PSC-10; Stump, Tr. II at 330, 348-50.

34. A stand-alone sewage treatment project for the Town would result in significantly higher rates for Town customers than the Project rates. Gagnon, Tr. II at 179-80. A regional system is less expensive for Town customers because the plant operation will be subsidized by the large flows from Pilgrim's Pride. Fowler, Tr. III at 18.

35. A Town sewer customer billed for 4,000 gallons of water usage per month will experience a Project-related rate increase of ten cents. Gagnon, Tr. II at 181; Griffith, Tr. II at 309, 311.

36. The Town and Staff agree that the Commission should adopt the Staff-recommended post-Project rates for the Authority. Griffith, Tr. II at 313; Exh. JF-1, Schedule 2.

37. The NPDES permit will require Pilgrim's Pride to pre-treat its wastewater which will result in the load percentages of the Town and Pilgrim's Pride on the treatment plant being very close to the expected flow proportions. Fowler, Tr. III at 21-23.

38. The Town will be responsible for 15.84 percent of the total debt service and operation and maintenance expenses associated with the Project. Pilgrim's Pride will initially be responsible for 84.16 percent of operation and maintenance costs for the Project. Over time, the percent portions can vary based on actual flows and future Cost of Service Studies. Gagnon, Tr. II at 185, 227-28; Exh. LG-2 at 13-14, Articles 3.7 and 3.9.

39. Project debt and operation and maintenance payment arrangements are memorialized in the Transportation Agreement. Exh. LG-2.

40. Pilgrim's Pride has agreed to maintain an irrevocable security instrument or letter of credit, approved by the Authority and its lenders, in the amount of 84.16 percent of the debt service to mitigate the risk that Pilgrim's Pride will cease operations. Exh. LG-3 at 11, 19, Articles 3 and 5.1; Gagnon, Tr. II at 186, 221-23; Stump, Id. at 333-36, 339-40, 343-44. The security instrument will also cover one month of the Pilgrim's Pride portion of the operation and maintenance expenses of the plant. Gagnon, Id. at 187, 221-23.

41. If for some reason the flow from Pilgrim's Pride ceases, the wastewater treatment plant is designed so that one-half of the plant can be shut down to reduce operation and maintenance costs. Gagnon, Tr. II at 218. If Pilgrim's Pride is no longer a customer of the Authority, a rate increase for remaining customers is an option for recovery of operation and maintenance costs. Id. at 219.

42. Town personnel will provide the Authority with Project operation and maintenance services under the O&M Agreement. Exh. LG-4.

43. Approximately one-half of the sixty-five acres of land donated by Pilgrim's Pride is beneath the 100-year floodplain, but all of the wastewater treatment facilities, including the pump station, are above the 100-year floodplain. Gagnon, Tr. II at 196-97. See also Exh. JER-7.

44. A portion of the composting pad is below the 100-year floodplain, and a floodwall will be constructed around that portion of the pad to elevate it above the 100-year floodplain. Gagnon, Tr. II at 197-98; Ramsey, Id. at 257-58.

45. DEP concluded that the Applicants have satisfied potential flood-related issues for the facilities. Warwick, Exh. MAW-1A at 18-19, 49-50.

46. The Project has room for expansion above the 100-year flood level. Fowler, Tr. III at 50.

47. River crossings for sewage lines are common and present no greater risk than other sewer lines. Warwick, Exh. MAW-1A at 39-40; Ramsey, Tr. II at 262-64; Fowler, Tr. III at 23-26.

48. The four to five mile pumping distance from Pilgrim's Pride and Moorefield to the Proposed Site does not present an increased environmental risk. Ramsey, Tr. II at 273, 275-76; See also Fowler, Tr. III at 26-27.

49. With proper operation the odor associated with the Project should at most be a musty, wet dirt smell, only perceptible with substantial wind. Ramsey, Tr. II at 264; Fowler, Tr. III at 33, 35-36.

50. Triad designed the pump station and plant to reduce a potential odor impact from a bar screen by relocating it from the pump station to the wastewater treatment plant where it will be further removed from residential and commercial development. Ramsey, Tr. II at 281, 296-98, 301; Fowler, Tr. III at 12-13.

51. Use of a chemical at the head works will combat hydrogen sulfide and odor issues. In addition, the location of the screw press and the mixing of raw sludge with additives (woodchips, sawdust and lime) in an enclosed building will mitigate odor. Ramsey, Tr. II at 298-99; Fowler, Tr. III at 34.

52. Odor associated with the composting facility will be minimized during processing by a cover.

53. Public legal notices prior to and during this proceeding have included: 1) a May 20, and May 27, 2009 publication by the Town of Moorefield noticing a public meeting about the Project that was held on June 4, 2009. This newspaper notice did not state the location of the proposed wastewater treatment plant. Exh. TC-11; 2) a Notice of Filing published on March 2, 2011, issued by the Public Service Commission and published in The Moorefield Examiner that described a proposed wastewater treatment project in Hardy County. This notice provided an opportunity to protest and to intervene in this case; 3) a Notice of Hearing published on June 22, 2011 and on June 29, 2011 that described the location of the Project as "on the east side of US 220 north approximately 1.9 miles from the Moorefield Corporation limits and is located in the Moorefield District as shown on Tax Map 224, Parcel 8.1." This notice stated that interested persons could attend the hearing and file written comments in the case.

54. In addition to legal notices, The Moorefield Examiner newspaper published a number of articles beginning in 2002 that described the proposed Project location. A compilation of the newspaper articles was admitted into evidence as Commission Request Exhibit 1.

55. Only one member of the public appeared at the June 4, 2009 public meeting. Exh. TC-12; Fowler, Tr. III at 17; Exh. JER-1, Section 5.4.

56. Before deciding on the Proposed Site, the Town considered and rejected other alternatives including: 1) the current Town wastewater treatment plant location; 2) the Renick Williams property in the area of Cinema Six; 3) property in Old Fields north of Moorefield on the west side of US 220; and 4) a site near Caledonia Heights. Cole, Tr. II at 41-46; Exhs. PC-11 and PC-12; See also Warwick, Exh. MAW-1A at 51, 75-76; Fowler, Tr. III at 10, 42.

57. Flood-proofing the existing Town wastewater treatment plant would cost \$2.5 million, but flood-proofing would not address nutrient reduction requirements. Cole, Tr. II at 15; Ramsey, *Id.* at 257.

58. The fact that Pilgrim's Pride donated the Proposed Site eliminated the need to include cost of land acquisition in Project costs.

59. The DEP concluded that the Applicants met all publication requirements for the DEP issuance of a FONSI. Warwick, Exh. MAW-1A at 72-73.

60. Part of the EPA and SHPO Section 106 review included whether the Applicants had considered alternatives and SHPO concluded that the Applicants, in good faith, completed the Section 106 review process requirements and may proceed with construction at the Proposed Site pursuant to the provisions of the MOA. Pierce, Tr. II at 120; 154-156.

CONCLUSIONS OF LAW

1. The construction of the Project requires a Certificate of Convenience and Necessity from the Commission. Specifically, West Virginia law provides in W.Va. Code §24-2-1 1 (a) and (b):

(a) No public utility... shall begin construction of any plant.. for furnishing to the public any [utility] service ... unless and until it shall obtain from the public service commission a certificate of convenience and necessity authorizing such construction

2. In considering whether to grant a Certificate, the Commission must assess whether the general public convenience will be served and assess the public necessity for the Project. Sexton v. Public Service Commission, 188 W. Va. 305, 423 S.E.2d 914 (1992).

3. The Commission has an obligation with regard to any certificate application, whether it is filed by a private utility, a public service district or a municipality, to examine whether the project is economically feasible and financially viable. That includes assuring that there is adequate financing to fund the proposed project. Town of Man and Man Water Works, Inc., Case No. 81-433-W-PC, Order affirming Hearing Examiner's Decision, April 16, 1982, 69 ARPSCWV 1893; Ohio County Public Service District, Case No. 82-482-S-CN, Order affirming Hearing Examiner's Decision Without Prejudice, April 8, 1983, 70 ARPSCWV 2049. Sexton v. Public Service Commission, 188 W. Va. 305, 423 S.E.2d 914, (1992).

4. The Project is necessary because there is a need for an upgrade in sewage treatment facilities because the existing Moorefield facility is in a floodplain, to comply with the Chesapeake Bay Compact nutrient reduction requirements, and to meet the need for additional treatment capacity in the region. Cole, July 13, 2011 Tr. II at 15; Gagnon, Id. at 179; Fowler, Tr. III at 9; Exh. JF-1 at 6; Warwick, Exh. MAW-1A at 10-13.

5. The potential impact of the Project on the historical and cultural resources of the Proposed Site is an appropriate consideration when evaluating the public convenience of the Project.

6. The lead state and federal agencies charged with protection of the historical and cultural resources on the Proposed Site are EPA, the ACHP and SHPO. Section 106 of the National Historic Preservation Act of 1966, 16 USCS §§ 470 et seq.

7. In conducting its public convenience review, the Public Service Commission considers whether an Applicant has complied with the requirements of the lead agencies charged with the protection of historical and cultural resources. The evidence presented in this case establishes that the Applicants have performed all the steps required by the National Historic Preservation Act. The Applicants have mitigated or will mitigate the potential adverse impacts on the historical and cultural resources that SHPO determined were present on the Proposed Site, and the Applicants have obtained the proper approvals to proceed with construction after the Commission issues a Certificate of Convenience and Necessity.

8. The Commission does not question the conclusions of the lead agencies that the MOA provisions for landscaping, barn-style buildings design, and the avoidance of archaeological resources will mitigate the adverse impacts on the Project on historical and cultural resources.

9. The Project is a cost-effective solution to meet the residential and industrial wastewater treatment needs of the region. The proposed Project-related sewer rates are reasonable in view of the significant upgrade in environmental compliance that the Project represents, particularly in regard to the Chesapeake Bay Compact nutrient removal requirements.

10. Because a degree of uncertainty exists with respect to the GAN and the 2008 STAG funding, it is appropriate to condition this Order and the issuance of the Certificate of Convenience and Necessity on the availability and documentation by the Authority of committed grants, or other assured funding sufficient to cover the cost of the Project.

11. The total amount of the 2008 STAG or the grants to retire the WDA GAN may not be needed if the bids received reduce the cost of the Project. The condition the

Commission is placing on the Certificate of Convenience and Necessity is either a reduction in the project cost or receipt of final funding approvals to cover the Project financing or some equivalent combination.

12. The Commission will approve both the Transportation Agreement and the O&M Agreement.

13. The evidence supports a conclusion that the Applicants have adequately addressed flood-related issues with respect to the Proposed Site.

14. There is no evidence to indicate that the planned river crossing and pumping distance will appreciably increase the environment risk of the Project.

15. The treatment of sewage is an absolute necessity in modern society to preserve public health and protect the environment. While the Commission understands that no one wishes to reside adjacent to a wastewater treatment plant, the plant must be located somewhere. The Commission concludes that the established public need for the Project and the other considerations with respect to the public convenience of the Project outweigh the inconvenience to those nearby of possible intermittent odor.

16. The newspaper coverage and legal notices of the Project provided adequate public notice of the Project and the Proposed Site.

17. The Commission does not endorse the concept that every conceivable site must be investigated; instead, all that is required is a showing that the selected site is reasonable and that another site has not been shown to be more reasonable or better suited. The Applicants' consideration of at least four alternative sites before deciding on the Proposed Site was adequate, and selection of the Proposed Site was reasonable. The record lacks any evidence to establish that a location other than the Proposed Site is better suited for the Project.

18. The evidence before the Commission supports a conclusion that the Project will serve the public convenience and necessity and should be approved.

ORDER

IT IS THEREFORE ORDERED that the application of the Moorefield/Hardy County Wastewater Authority and the Town of Moorefield for a Certificate of Convenience and Necessity to construct and operate wastewater collection, transportation and treatment facilities to provide wastewater treatment services for the Town of Moorefield, Pilgrim's Pride Corporation and to unincorporated areas of Hardy County, is granted as conditioned by this Order.

IT IS FURTHER ORDERED that Exhibit SMP-2 the Memorandum Agreement between the United States Environmental Protection Agency, SHPO, and the Town of Moorefield is admitted into the record.

IT IS FURTHER ORDERED that the Agreement for the Transportation and Treatment of Wastewater entered into the record of this case as Exh. LG-2 is approved without approving the specific terms and conditions thereof.

IT IS FURTHER ORDERED that the Operation and Maintenance Agreement entered into the record of this case as Exh. LG-4 is approved without approving the specific terms and conditions thereof.

IT IS FURTHER ORDERED that issuance of the Certificate of Convenience and Necessity is conditioned on the authority receiving assured funding commitments to cover the cost of the Project. If bids received reduce the total amount needed to fund the Project, this condition remains in effect but is limited to sufficient funding for the reduced Project cost.

IT IS FURTHER ORDERED that the Authority file a copy of its NPDES Permit for the Project prior to beginning construction.

IT IS FURTHER ORDERED that the Authority promptly file a copy of the engineer's certificate tabulation of bids for all contracts associated with the Project.

IT IS FURTHER ORDERED that the Authority promptly file a copy of the Certificate of Substantial Completion for all contracts associated with the Project.

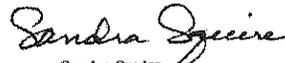
IT IS FURTHER ORDERED that the rates and charges attached to this Order as Attachment 1 are approved for use by the Authority upon substantial completion of the Project.

IT IS FURTHER ORDERED that if there are any significant changes in the plans or scope of the Project, or to the Project-related rates, the Authority must seek Commission approval. However, if there are changes in the costs or financing of the Project that will not impact the Project-related rates, the Authority need not seek Commission approval for the changes in costs or financing, but shall file an affidavit executed by its certified public accountant detailing the changes and verifying that post-Project rates are not affected.

IT IS FURTHER ORDERED that on entry of this Order this case is closed and will be removed from the Commission open docket.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order by electronic service on all parties of record who have filed an e-service agreement, and by United States First Class Mail on all parties of record who have not filed an e-service agreement, and on Commission Staff by hand delivery.

A True Copy, Teste:


Sandra Siquero
Executive Secretary

JML:tt
110238cg.doc

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
APPROVED TARIFF

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for domestic, commercial, industrial (except unusual industrial waste) and resale sewer service.

CONTRACT RATES

Town of Moorefield	\$ 15,175	per month
Pilgrim's Pride	\$182,996	per month

RATES (Metered water or metered wastewater flow)

Non Contract usage per month:

First 2,000 gallons used per month	\$17.00 per 1,000 Gallons
All over 2,000 gallons used per month	\$ 5.66 per 1,000 Gallons

Minimum Bill (2,000 gallons used per month) \$34.00 per Month

DELAYED PAYMENT PENALTY

The above schedule is net. On all current usage billings not paid in full when due, ten percent (10%) 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 charges are to be made whenever the utility installs a new tap fee to serve an applicant:

A tap fee of \$350 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 water service has been disconnected for non-payment of sewer bills, in conjunction with a water service termination agreement with the Town of Moorefield, a disconnection fee of \$25.00 shall be charged.

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SCHEDULE I continued.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in conjunction with a water service termination agreement with the Town of Moorefield, is reconnected, a reconnection fee of \$25.00 shall be charged.

Whenever water service has been disconnected for non-payment of sewer bills, in conjunction with a water service termination agreement with the Hardy County Public Service District, a disconnection fee of \$25.00 shall be charged.

Whenever water service, which has been previously disconnected or otherwise withheld for non-payment of a sewer bill in conjunction with a water service termination agreement with Hardy County Public Service District, is reconnected, a reconnection fee of \$25.00 shall be charged.

LEAK ADJUSTMENT

\$0.29 per 1,000 gallons of water is to be used when a bill reflects unusual water consumption which can be attributed to eligible leakage on customer's side of meter. This rate shall be applied to all such consumption above the customer's historical average usage.

SCHEDULE II

SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE AUTHORITY'S SANITARY SEWER SYSTEM

Where the Authority has discovered that a customer's roof drain, downspout, storm sewer or similar facilities conducting surface water have been connected to the Authority's sewer system, and such customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the Authority in accordance with the rules and regulations 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 Authority's approved rate per thousand gallons of metered water usage

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SCHEDULE II continued

The Authority 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.

SCHEDULE III

SURCHARGE FORMULA TO BE APPLIED IN THE CASES OF USERS PRODUCING UNUSUAL WASTE

The charge for the treatment of industrial waste will be calculated on the bases of the following formula:

$$C_i = V_o V_i + B_o B_i + S_o S_i$$

- C_i = charge to unusual users per year
- V_o = average unit cost of transport and treatment chargeable to volume, in dollars per gallon
- V_i = volume of waste water from unusual users, in gallons per year
- B_o = average unit cost of treatment, chargeable to Biochemical Oxygen Demand (BOD), in dollars per pound
- B_i = weight of BOD from unusual users, pounds per year
- S_o = average unit costs of treatment (including sludge treatment) chargeable to total solids, in dollars per pound
- S_i = weight of total solids from unusual users, in pounds per year

When an unusual user is to be served, a preliminary study of its wastes, and the cost of transport and treatment thereof, will be made at the owner's expense. Waste containing materials which, in the judgment of the Authority, should not be introduced into the sewer system need not be handled by it. The results of this preliminary study will be used to determine the feasibility of the proposed sewer service and the charge therefore, based upon the formula set out above.

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SCHEDULE III continued

Thereafter, unusual sewage will be monitored on a regular basis and at the conclusion of each fiscal year, based on the investigation aforesaid and audit of the Authority's records, new cost figures will be calculated for use in the above formula. The cost of establishing the monitoring facilities shall be paid by the unusual user. Such audited figures will then be used for the preliminary billing for the next fiscal year, at the end of which an adjustment will be made as aforesaid.

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SCHEDULE IV

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for wastewater and leachate haulers.

RATES

Commodity Charge - Each customer shall pay a commodity charge of \$25.00 per 1,000 gallons per load. Load will be the actual capacity of the truck or other transport method delivering wastewater and leachate. Actual capacity shall be determined, or verified solely, by the Authority.

DELAYED PAYMENT PENALTY

The above schedule is net. On all current usage billings not paid in full when due, ten percent (10%) 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.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the Authority or a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

**RESOLUTION AUTHORIZING THE WEST VIRGINIA
WATER DEVELOPMENT AUTHORITY TO MAKE A
GRANT TO THE MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY PURSUANT TO SB 676**

WHEREAS, pursuant to Section 9 of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act") six million dollars are to be deposited into a separate special fund established with the West Virginia Water Development Authority (the "WDA") for the purposes of paying debt service on bonds issued to provide funds to pay for costs of, or to make grants for, Chesapeake Bay and Greenbrier River Watershed Projects;

WHEREAS, Senate Bill 676 of the 2012 West Virginia Legislative Session amend the Act and requires the West Virginia Infrastructure and Jobs Development Council (the "Council") to direct the WDA to provide from the West Virginia Infrastructure Lottery Debt Service Fund moneys not needed to pay debt service in fiscal year 2013 a grant of \$6 million to a Chesapeake Bay Watershed Project which opened bids on December 28, 2011;

WHEREAS, the WDA has not issued Bonds secured by funds deposited into the West Virginia Infrastructure Lottery Debt Service Fund and therefore the \$6 million deposited into such fund for fiscal year 2013 is not needed to pay debt service;

WHEREAS, the Moorefield/Hardy County Wastewater Authority has submitted an application to the Council, has a Chesapeake Bay Watershed Project and opened bids for such Project on December 28, 2011; and

WHEREAS, in order to comply with Senate Bill 676, it is necessary for the Council to direct the WDA to provide a grant to the Moorefield/Hardy County Wastewater Authority of \$6 million from the West Virginia Infrastructure Lottery Debt Service Fund.

NOW, THEREFORE, be it resolved by the Board of the West Virginia Infrastructure and Jobs Development Council as follows:

- 1) The Council hereby directs the WDA to make a grant of \$6 million to the Moorefield/Hardy County Wastewater Authority.
- 2) The WDA shall enter into a grant agreement with Moorefield/Hardy County Wastewater Authority in order to evidence the grant which contains the customary provisions of grant agreements entered into for grants from the Infrastructure Fund.
- 3) This Resolution shall be effective immediately upon adoption.

Adopted this 21st day of March, 2012.



Executive Secretary



WEST VIRGINIA

Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

Tuesday, March 13, 2012

Kenneth Lowe, Jr.
Public Member

Phyllis Sherman, Recorder
Town of Moorefield
206 Winchester Avenue
Moorefield, WV 26836

David "Bones" McComas
Public Member

Ron Justice
Public Member

Re: Moorefield/Hardy Co. Wastewater Authority
New Sewer Plant/Line Extension
Project 2012S-1328 (originally 2007S-977)
IJDG Binding Commitment

Louis R. Spatafore
Public Member

Dear Phyllis Sherman:

Joseph Freeland
Public Member

The West Virginia Infrastructure and Jobs Development Council (Council) has reviewed the preliminary application for the above-named project (Project). The Council provides this binding offer of an additional \$3,000,000 Infrastructure Fund grant for the above-referenced Project. This brings the total amount of District 2 grant funds committed by the Council to \$4,000,000.

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Additionally, the Council approved a Grant Anticipation Note (GAN) in the amount of \$2,000,000 contingent, however, upon passage of pending legislation (SB676) which proposes to permit this project to fully participate in the proposed grant awards. However, since the Council's decision on March 7, 2012, the legislation was amended to provide for an additional \$6,000,000 of Infrastructure Fund grants funds, initially designated to service the bonds to be issued for Chesapeake Bay projects. The most recent change, if enacted, will obviate the need for the above-mentioned GAN. As of today, the bill is awaiting signature by the Governor. Therefore, on March 21, 2012, the Council will conduct a Special Meeting to address the most recent change in the legislation and its impact on the Council's funding for this project.

Barbara J. Pauley
Administrative Secretary

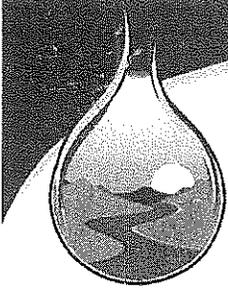
Subsequent to the Council's Special Meeting on March 21, 2012, a final funding commitment letter will be issued outlining the Council's actions.

If the Sponsor has any questions regarding this commitment, please contact James W. Ellars at (304) 414-6501 (X106).

Sincerely,

Kenneth Lowe, Jr.

- cc: Kathy Emery, P.E., DEP (via e-mail)
- Robert Rodecker, Esq. (via e-mail)
- Lucas Gagnon, Public Works Director, Town of Moorefield (via e-mail)
- Jack Ramsey, Triad Engineering, Inc. (via e-mail)
- Michael D. Griffith, Griffith & Associates (via e-mail)
- Samme Gee, Jackson Kelly PLLC (via e-mail)



WEST VIRGINIA

Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

Kenneth Lowe, Jr.
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

Louis R. Spatafore
Public Member

Joseph Freeland
Public Member

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

November 2, 2011

Steve Wilson, President
Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, WV 26836

Re: Moorefield/Hardy County Wastewater Authority
Sewer Project No. 2007S-977
Authority to Advertise for Bids

Dear Mr. Wilson:

During its meeting on this day, the Council authorized the Moorefield/Hardy County Wastewater Authority to advertise for bids for the above referenced project. Please submit the following items as soon as possible:

- copy of the completed Bid advertisement;
- copy of the affidavit of publication of the advertisement for bids;
- copy of the certified bid tabulations within five days after the bid opening.

A conference call should be set up with the working group within ten days of bid opening to discuss closing requirements.

It should be noted that this authorization is granted despite the following unresolved issues: 1) an existing gap in the project funding based on the current cost estimates, 2) the project sponsor's inability to obtain 100% of lands necessary for construction of the project. This Council does not typically authorize projects to bid under such circumstances. In this instance the Council recognized the atypical situation in which the sponsor finds itself, and believed an exception to the established policy was warranted for the following reasons:

- The sponsor recently lost a previously committed federal grant which created the funding gap;
- The project is of great importance to the State in terms of economic impact and future compliance with Chesapeake Bay standards.

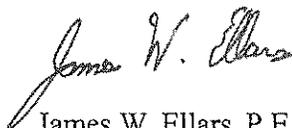
Please be advised that the Council cannot authorize a closing on financing unless sufficient funding is committed to cover all project-related costs and you have acquired all real property necessary for construction of the project.

The Contractors Association of West Virginia (CAWV) has established a clearinghouse to ensure several projects do not bid on the same day. Please contact Amber Stotts at 304-342-1166 before advertisement for information regarding other projects scheduled to bid. We recommend avoiding bid opening dates on Mondays, Fridays or days following a holiday.

We also recommend sending a set of plans and specifications for the project to the CAWV's Plan Room at 2114 Kanawha Boulevard, East, Charleston, WV 25311.

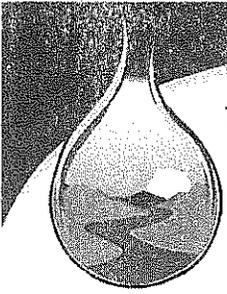
If you have any questions, please contact me at 304-414-6501 (X106).

Sincerely,



James W. Ellars, P.E.
Executive Director

cc: Tom McNulty, P.E., AECOM Water (*via e-mail*)
Robert R. Rodecker (*via e-mail*)
Samme Gee, Esq., Jackson Kelly (*via e-mail*)
Kathy Emery, WVDEP (*via e-mail*)



WEST VIRGINIA

Infrastructure & Jobs Development Council

Gov. Earl Ray Tomblin
Chairman

June 22, 2011

Kenneth Lowe, Jr.
Public Member

The Honorable Gary Stalnaker
Mayor, Town of Moorefield
206 Winchester Avenue
Moorefield, WV 26836

David "Bones" McComas
Public Member

Ron Justice
Public Member

Re: Town of Moorefield
Sewer Project 2007S-977
Revised Binding Commitment Letter Correction
(Action Required by June 30, 2011)

Louis R. Spatafore
Public Member

Joseph Freehand
Public Member

Dear Mayor Stalnaker,

D. K. "Bud" Carr
Public Member

This correspondence is being issued to make a correction to the previous correspondence dated June 9, 2011. On June 2, 2011, the West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) voted to provide this revised binding offer of an Infrastructure Fund grant of approximately \$1,000,000 (Grant) to the Town of Moorefield (Town) for the above referenced sewer project (Project) contingent upon the Town receiving a binding commitment for a CWSRF loan. The Infrastructure Council also voted for the Town to receive a \$2,000,000 Water Development Authority Grant Anticipation Note to be taken out with grant receipts received pursuant to SB245 and any other source of grant funds received by the Town or by the Hardy County Wastewater Authority. At this time, the estimated total Project cost is \$36,355,500. Please contact the Water Development Authority at 304-414-6500 for specific information on the steps the Town needs to follow to apply for these funds. **Please note that this letter does not constitute funding approval from this agency.**

James W. Ellars, P.E.
Executive Director

The final Grant amount will be established after the Town has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Grant upon the Town's compliance with the program requirements.

Barbara J. Pauley
Administrative Secretary

If the Town has any questions regarding this commitment, please contact James W. Ellars at 304-414-6501 (X106).

Sincerely,

Kenneth Lowe, Jr.

cc: Kathy Emery, P.E., DEP (via e-mail)
Samme Gee, Jackson Kelly (via e-mail)
Chris Jarrett, WDA (via e-mail)
Tom McNulty, P.E., AECOM Water (via e-mail)



WEST VIRGINIA

Infrastructure & Jobs Development Council

RECEIVED

JUN 11 2011

TOWN OF MOOREFIELD
MOOREFIELD, WV

Gov. Earl Ray Tomblin
Chairman

June 9, 2011

Kenneth Lowe, Jr.
Public Member

The Honorable Gary Stalaker
Mayor, Town of Moorefield
206 Winchester Avenue
Moorefield, WV 26836

David "Bones" McComas
Public Member

Ron Justice
Public Member

Re: Town of Moorefield
Sewer Project 2007S-977
Revised Binding Commitment
(Action Required by June 30, 2011)

Louis R. Spatafore
Public Member

Joseph Freeland
Public Member

Dear Mayor Stalaker,

D. K. "Bud" Carr
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

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The final Grant amount will be established after the Town has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Grant upon the Town's compliance with the program requirements.

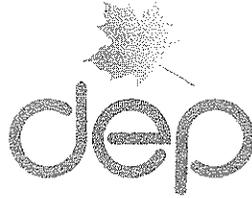
If the Town has any questions regarding this commitment, please contact James W. Ellars at 304-414-6501 (X106).

Sincerely,

Kenneth Lowe, Jr.

cc: Kathy Emery, P.E., DEP (via e-mail)
Samme Gee, Jackson Kelly (via e-mail)
Chris Jarrett, WDA (via e-mail)
Tom McNulty, P.E., AECOM Water (via e-mail)

corrected by IDDC letter dated 6/22/2011



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street S.E.
Charleston, WV 25304
Phone: (304) 926-0495
Fax: (304) 926-0496

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

March 15, 2011

Mr. Steve Wilson, President
Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, WV 26836

RE: Moorefield/Hardy County
Wastewater Authority
SRF No. C-544370
IJDC No. 2007S-977

Dear Mr. Wilson:

This letter is to confirm our intention of providing the long-term financing through the Clean Water State Revolving Fund ("Fund") program for the Authority's wastewater improvement project. The project is for the construction of a regional wastewater system serving the Town of Moorefield, Pilgrim's Pride poultry facilities, and the Robert C. Byrd Industrial Park.

We are hereby committing an amount of \$18,000,000 which contains the following three loan components:

1. A repayable loan amount of \$16,500,000 with a 0% interest rate, 0.5% annual administrative fee, for a term of 40 years (38-year repayment).
2. A forgivable loan amount of \$1,000,000. This forgivable loan amount is based upon the existing 4,000 gallon average sewer rate for residential customers in Moorefield being equal to or greater than \$35.26 (1.75% MHI).
3. An additional forgivable loan amount of \$500,000 is being committed for the "green" technology designation of the composting components of the treatment facility.

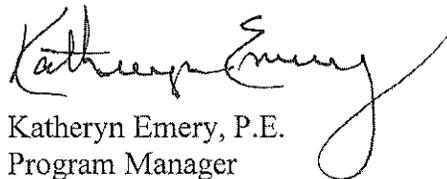
Page 2
Moorefield/Hardy County
Wastewater Authority
March 15, 2011

All of these funds are being provided through the base CWSRF program. The final loan amount may be adjusted after receipt of bids and submission of a formal application by the Authority.

If the Authority's bonds have not been issued to the Fund prior to September 15, 2011, it is understood that the Fund reserves the right to discontinue processing the Authority's application, and on that day will have no further responsibilities or obligations hereunder.

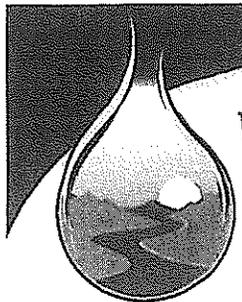
Should you have any questions, please do not hesitate to contact me at 304-926-0499, extension 1596, or Katheryn.D.Emery@wv.gov.

Sincerely,

A handwritten signature in black ink that reads "Kathryn Emery". The signature is written in a cursive style with a long, sweeping tail on the letter "y".

Katheryn Emery, P.E.
Program Manager
Clean Water SRF Program

cc: Town of Moorefield
Jack Ramsey, P. E., Triad Engineering, Inc.
Jim Ellars, P. E., WVIJDC
Samme Gee, Jackson Kelly PLLC
John Stump, Steptoe & Johnson PLLC
Michael Griffith
Robert Roedecker



WEST VIRGINIA

Infrastructure & Jobs Development Council

Gov. Joe Manchin, III
Chairman

October 7, 2010

Kenneth Lowe, Jr.
Public Member

David "Bones" McComas
Public Member

Ron Justice
Public Member

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

The Honorable Gary Stalnaker
Mayor, Town of Moorefield
206 Winchester Avenue
Cowen, WV 26836

Re: Town of Moorefield
Sewer Project 2007S-977
5G Costs Variance

Dear Mayor Stalnaker,

On October 6, 2010, the West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) voted to approve the 5G Costs Variance request for the Town of Moorefield's above-named project.

If the Town has any questions regarding this commitment, please contact James W. Ellars at 304-558-4607 (X201).

Sincerely,

Kenneth Lowe, Jr.

Enclosure – Sewer Technical Review Committee comments

cc: Mike Johnson, P.E., DEP (w/o enclosure) *(via e-mail)*
Robert R. Rodecker
Tom McNulty, P.E., AECOM Water



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, WV 25304
Telephone (304) 926-0495
Fax Number (304) 926-0496

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

MEMORANDUM

TO: Jim Ellars, P.E., Infrastructure Council

FROM: Katheryn Emery, ^{JE} P.E., Engineering Section Manager, DWWM

DATE: September 29, 2010

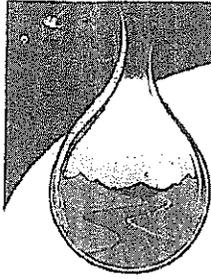
SUBJECT: Request for 5G Variance **2007S-977**
Town of Moorefield, Hardy County

REQUEST

The Town of Moorefield is requesting a variance from the requirement in 5G that limits engineering costs for water and sewer projects. Currently, the project design fees are 8.9% of the construction cost; when compared with the ASCE curve, they aren't to exceed 6.0%. The total engineering fees are 16.8% of the construction cost; when compared to the ASCE curve, they aren't to exceed 11.0%. The total fees were actually reduced to this level. Previously, they were estimated to be 20.5%.

RECOMMENDATION

The request for a variance from the 5G requirements for the above referenced project has been reviewed. I recommend that the Council grant the variance. This project has had to undergo additional studies and design changes that most other projects never encounter. A Phase I and II archaeological study had to be performed on this project and resulted in a redesign of a portion of the collection system. The wastewater treatment plant must also treat industrial strength waste in addition to domestic and also meet Chesapeake Bay limits. Between the level of complexity to design the plant, the additional requirements from the Army Corp of Engineers to build a part of the collection system at the toe of the North Moorefield levee, design changes required because of a property owner and the archaeological sensitivity of the area, the level of engineering required for the project was considerably higher. The ASCE curves do not take these issues into account and therefore, this project exceeded the curves. In fact, the ASCE manual states, "The scope of work, the complexity of assignments, and the required agency review submittals can vary radically from project to project. Factors such as these have resulted in a decline in the use of the graphs for estimating design fees for consultants over the years."



WEST VIRGINIA

Infrastructure & Jobs Development Council

RECEIVED
SEP 09 2010
TOWN OF MOOREFIELD
MOOREFIELD, WV

Gov. Joe Manchin, III
Chairman

September 1, 2010

Kenneth Lowe, Jr.
Public Member

The Honorable Gary Stalnaker
Mayor, Town of Moorefield
206 Winchester Avenue
Cowen, WV 26836

David "Bones" McComas
Public Member

Ron Justice
Public Member

Re: Town of Moorefield
Sewer Project 2007S-977 (Revised)
Binding Commitment
(Action Required by March 1, 2011)

James W. Ellars, P.E.
Executive Director

Barbara J. Pauley
Administrative Secretary

Dear Mayor Stalnaker,

The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) provides this binding offer of an Infrastructure Fund grant of approximately \$1,000,000 (Grant) to the Town of Moorefield (Town) for the above referenced sewer project (Project). This binding commitment in being offered contingent upon the Town receiving binding commitments from the Department of Environmental Protection for the \$19,083,513 CWSRF loan and the additional \$2,000,000 EPA STAG and will expire March 1, 2011. The Grant will be subject to the terms set forth on Schedule A attached hereto and incorporated herein by reference. The final Grant amount will be established after the Town has received acceptable bids for the Project. The Infrastructure Council will set aside a portion of the Infrastructure Fund to make the Grant upon the Town's compliance with the program requirements.

If the Town has any questions regarding this commitment, please contact James W. Ellars at 304-558-4607 (X201).

Sincerely,

Kenneth Lowe, Jr.

Enclosure -- Sewer Technical Review Committee comments

The Honorable Gary Stalaker
September 1, 2010
Page 2 of 3

cc: Mike Johnson, P.E., DEP (w/o enclosure) *(via e-mail)*
Samme Gee, Jackson Kelly (w/o enclosure) *(via e-mail)*
Tom McNulty, P.E., AECOM Water

NOTE: This letter is sent in triplicate. Please acknowledge receipt and immediately return two copies to the Infrastructure Council.

TOWN OF MOOREFIELD

By: _____

Its: _____

Date: _____

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Town of Moorefield
Sewer Project 2007S-977

SCHEDULE A

- A. Approximate Amount: \$1,000,000 Grant
- B. Loan: \$1,000,000
1. Grant Advancement Date(s): Monthly, upon receipt of proper requisition.
 2. Special Conditions: Binding commitment will expire March 1, 2011 if CWSRF and EPA STAG commitments are not received.

NOTICE: The terms set forth above are subject to change following the receipt of construction bids.

C. Other Funding:	WV EDA grant	\$ 5,000,000
	EPA STAG	8,366,000
	EPA STAG (not committed)	2,000,000
	CWSRF loan (0%, 30 yrs, .5% Adm Fee) (not committed)	19,083,513
	JBS pipe contribution	<u>2,294,000</u>
D. Total Project Cost:		<u>\$37,743,513</u>
E. Proposed User Rates:	Approximately \$35.26 / 4000 gallons	

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On this 26th day of March, 2012, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the Authority, and the undersigned President of Moorefield/Hardy County Wastewater Authority (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the date hereof, the Authority received the Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), of the Issuer, in the principal amount of \$16,500,000 numbered AR-1 (the "Series 2012 A Bonds"), and the Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer, in the principal amount of \$1,500,000, numbered BR-1 (the "Series 2012 B Bonds"), each issued as a single, fully registered Bond, and each dated March 26, 2012.

2. At the time of such receipt, all the Series 2012 A Bonds and the Series 2012 B Bonds had been executed by the President and the Secretary of the Issuer by their respective manual signatures, and the official seal of the Issuer had been affixed upon the Bonds.

3. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2012 A Bonds, of \$825,000, being a portion of the principal amount of the Series 2012 A Bonds. The balance of the principal amount of the Series 2012 A Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

4. The Issuer has received and hereby acknowledges receipt from the Authority, as the original purchaser of the Series 2012 B Bonds, of \$75,000, being a portion of the principal amount of the Series 2012 B Bonds. The balance of the principal amount of the Series 2012 B Bonds will be advanced by the Authority and the West Virginia Department of Environmental Protection to the Issuer as acquisition and construction of the Project progresses.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By: Sheila A. Miller
Its: Authorized Representative

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY

By: [Signature]
Its: President

621500.00001

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

The Huntington National Bank,
as Bond Registrar
Charleston, West Virginia

Ladies and Gentlemen:

On this 26th day of March, 2012, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of Moorefield/Hardy County Wastewater Authority Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), in the principal amount of \$16,500,000 (the "Series 2012 A Bonds"), Bond No. BR-1, constituting the entire original issue of Moorefield/Hardy County Wastewater Authority Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), in the principal amount of \$1,500,000 (the "Series 2012 B Bonds"), both dated March 26, 2012 (collectively, the "Series 2012 Bonds"), executed by the President and Secretary of Moorefield/Hardy County Wastewater Authority (the "Issuer") and bearing the official seal of the Issuer, respectively authorized to be issued under and pursuant to a Bond Resolution duly adopted by the Issuer on March 15, 2012, and a Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (collectively, the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-captioned Series 2012 Bonds, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of a Bond Purchase Agreement for the Series 2012 Bonds, dated March 26, 2012, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"); and

(4) Executed opinions of nationally recognized bond counsel regarding the validity of the Bond Purchase Agreement and the Series 2012 Bonds.

You are hereby requested and authorized to (i) deliver the Series 2012 A Bonds to the Authority upon payment to the Issuer of the sum of \$825,000, representing a portion of the principal amount of the Series 2012 A Bonds; and (ii) deliver the Series 2012 B Bonds to the Authority upon payment to the Issuer of the sum of \$75,000, representing a portion of the principal amount of the Series 2012 B Bonds. Prior to such delivery of the Series 2012 Bonds, you will please cause the Series 2012 Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the forms of Certificate of Authentication and Registration thereon.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY

By: 
Its: President

621500.00001

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SEWER REVENUE BONDS, SERIES 2012 A
(WEST VIRGINIA SRF PROGRAM)

No. AR-1

\$16,500,000

KNOW ALL MEN BY THESE PRESENTS: The 26th day of March, 2012, that MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, a public corporation and governmental instrumentality of the State of West Virginia in Hardy 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 SIXTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$16,500,000), 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 September 1, 2014 to and including March 1, 2052, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference. The SRF Administrative Fee of 0.5% (as defined in the hereinafter described Bond Legislation) shall also be payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014, as set forth on said EXHIBIT B.

This Bond shall bear no interest. 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 Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated March 26, 2012.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a public sewerage system 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 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 22C, Article 2 of the West Virginia Code of 1931, as amended and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature (collectively, the "Act"), and a Bond Resolution duly

adopted by the Issuer on March 15, 2012, and a Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (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 ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN), DATED MARCH 26, 2012, ISSUED CONCURRENTLY HEREWITH IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000 (THE "SERIES 2012 B BONDS").

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, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2012 B Bonds, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2012 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 a corporate 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 2012 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 on a parity with or junior to the Bonds, including the Series B Bonds; provided however, that so long as there exists in the Series 2012 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, including the Series 2012 B 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 The Huntington National Bank, 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.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY has caused this Bond to be signed by its President and its corporate seal 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]


President

ATTEST:


Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2012 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: March 26, 2012

THE HUNTINGTON NATIONAL BANK,
as Registrar


Authorized Officer

RECEIVED

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$825,000	March 26, 2012	(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

NET DEBT SERVICE
Moorefield/Hardy County Wastewater Authority
SRF
0% Interest Rate
0.5% Administrative Fee

Date	Principal	Interest	Total Debt		Net Debt
			Service	Admin Fee	Service
9/1/2014	109,272		109,272	10,380.78	119,652.78
12/1/2014	109,272		109,272	10,380.78	119,652.78
3/1/2015	109,272		109,272	10,380.78	119,652.78
6/1/2015	109,272		109,272	10,380.78	119,652.78
9/1/2015	109,272		109,272	10,380.78	119,652.78
12/1/2015	109,272		109,272	10,380.78	119,652.78
3/1/2016	109,272		109,272	10,380.78	119,652.78
6/1/2016	109,272		109,272	10,380.78	119,652.78
9/1/2016	109,272		109,272	10,380.78	119,652.78
12/1/2016	109,272		109,272	10,380.78	119,652.78
3/1/2017	109,272		109,272	10,380.78	119,652.78
6/1/2017	109,272		109,272	10,380.78	119,652.78
9/1/2017	109,272		109,272	10,380.78	119,652.78
12/1/2017	109,272		109,272	10,380.78	119,652.78
3/1/2018	109,272		109,272	10,380.78	119,652.78
6/1/2018	109,272		109,272	10,380.78	119,652.78
9/1/2018	109,272		109,272	10,380.78	119,652.78
12/1/2018	109,272		109,272	10,380.78	119,652.78
3/1/2019	109,272		109,272	10,380.78	119,652.78
6/1/2019	109,272		109,272	10,380.78	119,652.78
9/1/2019	109,272		109,272	10,380.78	119,652.78
12/1/2019	109,272		109,272	10,380.78	119,652.78
3/1/2020	109,272		109,272	10,380.78	119,652.78
6/1/2020	109,272		109,272	10,380.78	119,652.78
9/1/2020	109,272		109,272	10,380.78	119,652.78
12/1/2020	109,272		109,272	10,380.78	119,652.78
3/1/2021	109,272		109,272	10,380.78	119,652.78
6/1/2021	109,272		109,272	10,380.78	119,652.78
9/1/2021	109,272		109,272	10,380.78	119,652.78
12/1/2021	109,272		109,272	10,380.78	119,652.78
3/1/2022	109,272		109,272	10,380.78	119,652.78
6/1/2022	109,272		109,272	10,380.78	119,652.78
9/1/2022	109,272		109,272	10,380.78	119,652.78
12/1/2022	109,272		109,272	10,380.78	119,652.78
3/1/2023	109,272		109,272	10,380.78	119,652.78
6/1/2023	109,272		109,272	10,380.78	119,652.78
9/1/2023	109,272		109,272	10,380.78	119,652.78
12/1/2023	109,272		109,272	10,380.78	119,652.78
3/1/2024	109,272		109,272	10,380.78	119,652.78
6/1/2024	109,272		109,272	10,380.78	119,652.78
9/1/2024	109,272		109,272	10,380.78	119,652.78
12/1/2024	109,272		109,272	10,380.78	119,652.78
3/1/2025	109,272		109,272	10,380.78	119,652.78
6/1/2025	109,272		109,272	10,380.78	119,652.78
9/1/2025	109,272		109,272	10,380.78	119,652.78
12/1/2025	109,272		109,272	10,380.78	119,652.78
3/1/2026	109,272		109,272	10,380.78	119,652.78
6/1/2026	109,272		109,272	10,380.78	119,652.78

NET DEBT SERVICE
 Moorefield/Hardy County Wastewater Authority
 SRF
 0% Interest Rate
 0.5% Administrative Fee

Date	Principal	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2026	109,272		109,272	10,380.78	119,652.78
12/1/2026	109,272		109,272	10,380.78	119,652.78
3/1/2027	109,272		109,272	10,380.78	119,652.78
6/1/2027	109,272		109,272	10,380.78	119,652.78
9/1/2027	109,272		109,272	10,380.78	119,652.78
12/1/2027	109,272		109,272	10,380.78	119,652.78
3/1/2028	109,272		109,272	10,380.78	119,652.78
6/1/2028	109,272		109,272	10,380.78	119,652.78
9/1/2028	109,272		109,272	10,380.78	119,652.78
12/1/2028	109,272		109,272	10,380.78	119,652.78
3/1/2029	109,272		109,272	10,380.78	119,652.78
6/1/2029	109,272		109,272	10,380.78	119,652.78
9/1/2029	109,272		109,272	10,380.78	119,652.78
12/1/2029	109,272		109,272	10,380.78	119,652.78
3/1/2030	109,272		109,272	10,380.78	119,652.78
6/1/2030	109,272		109,272	10,380.78	119,652.78
9/1/2030	109,272		109,272	10,380.78	119,652.78
12/1/2030	109,272		109,272	10,380.78	119,652.78
3/1/2031	109,272		109,272	10,380.78	119,652.78
6/1/2031	109,272		109,272	10,380.78	119,652.78
9/1/2031	109,272		109,272	10,380.78	119,652.78
12/1/2031	109,272		109,272	10,380.78	119,652.78
3/1/2032	109,272		109,272	10,380.78	119,652.78
6/1/2032	109,272		109,272	10,380.78	119,652.78
9/1/2032	109,272		109,272	10,380.78	119,652.78
12/1/2032	109,272		109,272	10,380.78	119,652.78
3/1/2033	109,272		109,272	10,380.78	119,652.78
6/1/2033	109,272		109,272	10,380.78	119,652.78
9/1/2033	109,272		109,272	10,380.78	119,652.78
12/1/2033	109,272		109,272	10,380.78	119,652.78
3/1/2034	109,271		109,271	10,380.78	119,651.78
6/1/2034	109,271		109,271	10,380.78	119,651.78
9/1/2034	109,271		109,271	10,380.78	119,651.78
12/1/2034	109,271		109,271	10,380.78	119,651.78
3/1/2035	109,271		109,271	10,380.78	119,651.78
6/1/2035	109,271		109,271	10,380.78	119,651.78
9/1/2035	109,271		109,271	10,380.78	119,651.78
12/1/2035	109,271		109,271	10,380.78	119,651.78
3/1/2036	109,271		109,271	10,380.78	119,651.78
6/1/2036	109,271		109,271	10,380.78	119,651.78
9/1/2036	109,271		109,271	10,380.78	119,651.78
12/1/2036	109,271		109,271	10,380.78	119,651.78
3/1/2037	109,271		109,271	10,380.78	119,651.78
6/1/2037	109,271		109,271	10,380.78	119,651.78
9/1/2037	109,271		109,271	10,380.78	119,651.78
12/1/2037	109,271		109,271	10,380.78	119,651.78
3/1/2038	109,271		109,271	10,380.78	119,651.78
6/1/2038	109,271		109,271	10,380.78	119,651.78

NET DEBT SERVICE
 Moorefield/Hardy County Wastewater Authority
 SRF
 0% Interest Rate
 0.5% Administrative Fee

Date	Principal	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2038	109,271		109,271	10,380.78	119,651.78
12/1/2038	109,271		109,271	10,380.78	119,651.78
3/1/2039	109,271		109,271	10,380.78	119,651.78
6/1/2039	109,271		109,271	10,380.78	119,651.78
9/1/2039	109,271		109,271	10,380.78	119,651.78
12/1/2039	109,271		109,271	10,380.78	119,651.78
3/1/2040	109,271		109,271	10,380.78	119,651.78
6/1/2040	109,271		109,271	10,380.78	119,651.78
9/1/2040	109,271		109,271	10,380.78	119,651.78
12/1/2040	109,271		109,271	10,380.78	119,651.78
3/1/2041	109,271		109,271	10,380.78	119,651.78
6/1/2041	109,271		109,271	10,380.78	119,651.78
9/1/2041	109,271		109,271	10,380.78	119,651.78
12/1/2041	109,271		109,271	10,380.78	119,651.78
3/1/2042	109,271		109,271	10,380.78	119,651.78
6/1/2042	109,271		109,271	10,380.78	119,651.78
9/1/2042	109,271		109,271	10,380.78	119,651.78
12/1/2042	109,271		109,271	10,380.78	119,651.78
3/1/2043	109,271		109,271	10,380.78	119,651.78
6/1/2043	109,271		109,271	10,380.78	119,651.78
9/1/2043	109,271		109,271	10,380.78	119,651.78
12/1/2043	109,271		109,271	10,380.78	119,651.78
3/1/2044	109,271		109,271	10,380.78	119,651.78
6/1/2044	109,271		109,271	10,380.78	119,651.78
9/1/2044	109,271		109,271	10,380.78	119,651.78
12/1/2044	109,271		109,271	10,380.78	119,651.78
3/1/2045	109,271		109,271	10,380.78	119,651.78
6/1/2045	109,271		109,271	10,380.78	119,651.78
9/1/2045	109,271		109,271	10,380.78	119,651.78
12/1/2045	109,271		109,271	10,380.78	119,651.78
3/1/2046	109,271		109,271	10,380.78	119,651.78
6/1/2046	109,271		109,271	10,380.78	119,651.78
9/1/2046	109,271		109,271	10,380.78	119,651.78
12/1/2046	109,271		109,271	10,380.78	119,651.78
3/1/2047	109,271		109,271	10,380.78	119,651.78
6/1/2047	109,271		109,271	10,380.78	119,651.78
9/1/2047	109,271		109,271	10,380.78	119,651.78
12/1/2047	109,271		109,271	10,380.78	119,651.78
3/1/2048	109,271		109,271	10,380.78	119,651.78
6/1/2048	109,271		109,271	10,380.78	119,651.78
9/1/2048	109,271		109,271	10,380.78	119,651.78
12/1/2048	109,271		109,271	10,380.78	119,651.78
3/1/2049	109,271		109,271	10,380.78	119,651.78
6/1/2049	109,271		109,271	10,380.78	119,651.78
9/1/2049	109,271		109,271	10,380.78	119,651.78
12/1/2049	109,271		109,271	10,380.78	119,651.78
3/1/2050	109,271		109,271	10,380.78	119,651.78
6/1/2050	109,271		109,271	10,380.78	119,651.78

NET DEBT SERVICE
 Moorefield/Hardy County Wastewater Authority
 SRF
 0% Interest Rate
 0.5% Administrative Fee

Date	Principal	Interest	Total Debt Service	Admin Fee	Net Debt Service
9/1/2050	109,271		109,271	10,380.78	119,651.78
12/1/2050	109,271		109,271	10,380.78	119,651.78
3/1/2051	109,271		109,271	10,380.78	119,651.78
6/1/2051	109,271		109,271	10,380.78	119,651.78
9/1/2051	109,271		109,271	10,380.78	119,651.78
12/1/2051	109,271		109,271	10,380.78	119,651.78
3/1/2052	109,272		109,272	10,380.78	119,652.78
	16,500,000		16,500,000	1,567,497.78	18,067,497.78

Notes:

Admin Fee Calculation:

- (i) Total Admin Fee generated from 0.5% of bond value based on quarterly payments
- (ii) Total Admin Fee paid in equal quarterly payments rounded up to the nearest cent

(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: _____, 20____.

In the presence of:

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
SEWER REVENUE BONDS, SERIES 2012 B
(WEST VIRGINIA SRF PROGRAM/GREEN)

No. BR-1

\$1,500,000

KNOW ALL MEN BY THESE PRESENTS: The 26th day of March 2012, that MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, a public corporation and governmental instrumentality of the State of West Virginia in Hardy 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 ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000), 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. The Series 2012 B Bonds are not subject to the SRF Administrative Fee (as defined in the hereinafter described Bond Legislation).

This Bond shall bear no interest. Principal amounts advanced will be deemed forgiven on the 30th day of June in the fiscal year in which advanced. This Bond shall be deemed no longer outstanding after the last advance is forgiven.

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 Department of Environmental Protection (the "DEP"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Bond Purchase Agreement by and among the Issuer, the Authority and the DEP, dated March 26, 2012.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a public sewerage system 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 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 22C, Article 2 of the West Virginia Code of 1931, as amended and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature (collectively, the "Act"), and a Bond Resolution duly adopted by the Issuer on March 15, 2012, and a Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (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 ISSUED ON A PARITY WITH RESPECT TO LIENS, PLEDGE AND SOURCE OF AND SECURITY FOR PAYMENT, AND IN ALL OTHER RESPECTS, WITH THE ISSUER'S SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), DATED MARCH 26, 2012, ISSUED CONCURRENTLY HERewith IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$16,500,000 (THE "SERIES 2012 A BONDS").

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, on a parity with the pledge of Net Revenues in favor of the holders of the Series 2012 A Bonds 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 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 on a parity with or junior to the Bonds, including the Series 2012 A Bonds; provided however, that so long as the respective reserve accounts established for any other obligations outstanding on a parity with or junior to the Bonds, including the Series 2012 A Bonds, have 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 The Huntington National Bank, 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.

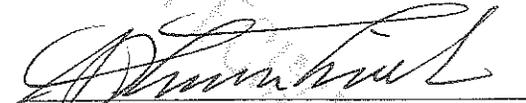
IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, 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.

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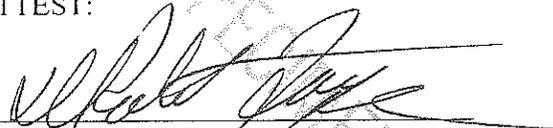
IN WITNESS WHEREOF, MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY has caused this Bond to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated the day and year first written above.

[SEAL]



President

ATTEST:



Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 2012 B 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: March 26, 2012.

THE HUNTINGTON NATIONAL BANK,
as Registrar

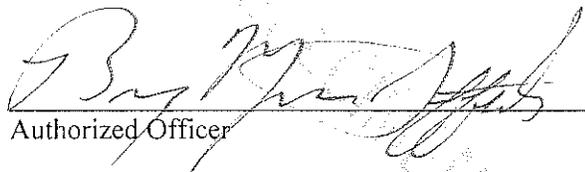

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

<u>AMOUNT</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>DATE</u>
(1) \$75,000	March 26, 2012	(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 \$ _____

(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: _____, 20__.

In the presence of:



Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.stepToe-johnson.com

Writer's Contact Information

March 26, 2012

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program)

Moorefield/Hardy County Wastewater Authority
Moorefield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Moorefield/Hardy County Wastewater Authority (the "Issuer"), a public corporation and governmental instrumentality created and existing under the laws of the State of West Virginia, of its \$16,500,000 Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a Bond Purchase Agreement dated March 26, 2012, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014, to and including March 1, 2052 all as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Bonds.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of extensions to the existing public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on March 15, 2012, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been

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entered into. The 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 Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing public corporation and governmental instrumentality of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Bond Purchase Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the DEP and cannot be amended by the Issuer so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Issuer without the written consent of the Authority and the DEP.

3. The Bond Legislation and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 and Exhibit E of the Bond Purchase Agreement.

4. The 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 referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), dated March 26, 2012, issued simultaneously herewith in the original aggregate principal amount of \$1,500,000 (the "Series 2012 B Bonds"); all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof 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 Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Bond Purchase Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

We have examined the executed and authenticated 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,



STEPTOE & JOHNSON PLLC

621500.00001



Chase Tower, Eighth Floor
P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoe-johnson.com

Writer's Contact Information

March 26, 2012

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

Moorefield/Hardy County Wastewater Authority
Moorefield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Moorefield/Hardy County Wastewater Authority (the "Issuer"), a public corporation and governmental instrumentality created and existing under the laws of the State of West Virginia, of its \$1,500,000 Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), dated the date hereof (the "Bonds").

We have examined the law and certified copies of proceedings and other papers relating to the authorization of a Bond Purchase Agreement dated March 26, 2012, including all schedules and exhibits attached thereto (the "Bond Purchase Agreement"), by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Bond Purchase Agreement. The Bonds are originally issued in the form of one Bond, registered as to principal only to the Authority, bearing no interest, with the principal amounts advanced forgiven on the 30th day of June in the fiscal year in which advanced. The Bonds shall be deemed no longer outstanding after the last advance is forgiven.

The Bonds are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended and House Bill 4309 enacted by the 2010 session of the West Virginia Legislature (collectively, the "Act"), for the purposes of (i) paying a portion of the costs of acquisition and construction of the public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on March 15, 2012, as supplemented by a Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Bond Purchase Agreement has been entered into. The 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 Bond Legislation and the Bond Purchase Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Bond Purchase Agreement when used herein.

Based upon the foregoing, and upon our examination of such other documents as we have deemed necessary, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing public corporation and governmental instrumentality of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Bond Purchase Agreement has been duly authorized by and executed on behalf of the Issuer, is a valid and binding special obligation of the Issuer enforceable in accordance with the terms thereof, and inures to the benefit of the Authority and the DEP and cannot be amended by the Issuer so as to affect adversely the rights of the Authority or the DEP or diminish the obligations of the Issuer without the written consent of the Authority and the DEP.

3. The Bond Legislation and all other necessary orders and resolutions have been duly and effectively adopted by the Issuer and constitute valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms. The Bond Legislation contains provisions and covenants substantially in the form of those set forth in Section 4.1 and Exhibit E of the Bond Purchase Agreement.

4. The 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 referred to in the Bond Legislation and secured by a first lien on and pledge of the Net Revenues of the System, on a parity with respect to liens, pledge and source of and security for payment with the Issuer's: (i) Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated March 26, 2012, issued simultaneously herewith in the original aggregate principal amount of \$16,500,000 (the "Series 2012 A Bonds"); all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are exempt from taxation by the State of West Virginia and the other taxing bodies of the State, and the interest on the Bonds, if any, is exempt from personal and corporate net income taxes imposed directly thereon by the State of West Virginia.

6. The Bonds have not been issued on the basis that the interest, if any, thereon is or will be excluded from the gross income of the owners thereof 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 Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Bond Purchase Agreement and the Bond Legislation, and the liens and pledges set forth therein, may be subject to and limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion and the application of equitable remedies in appropriate cases.

We have examined the executed and authenticated Bond numbered BR-1, and in our opinion the form of said Bond and its execution and authentication are regular and proper.

Very truly yours,



STEPTOE & JOHNSON PLLC

621500.00001

WALTERS, KRAUSKOPF & BAKER
ATTORNEYS AT LAW
204 N. ELM STREET
P.O. BOX 119
MOOREFIELD, WEST VIRGINIA 26836

JACK H. WALTERS
HOWARD E. KRAUSKOPF
JESSICA MATHIAS BAKER
NATHAN H. WALTERS

TEL: (304) 530-6618
FAX: (304) 530-2336
e-mail: jack@wkblaw.org
howard@wkblaw.org
jessica@wkblaw.org
nathan@wkblaw.org

March 26, 2012

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

Moorefield/Hardy County Wastewater Authority
Moorefield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Step toe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

We are counsel to Moorefield/Hardy County Wastewater Authority, a public corporation and governmental instrumentality, in Hardy County, West Virginia (the "Issuer"). As such counsel, we have examined copies of the approving opinions of Steptoe & Johnson PLLC, as bond counsel, a Bond Purchase Agreement for the Series 2012 Bonds dated March 26, 2012, including all schedules and exhibits attached thereto, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection ("DEP"), the Bond Resolution duly adopted by the Issuer on March 15, 2012, as supplemented by the Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (collectively, the "Bond Resolution"), orders and resolutions of The County Commission of Hardy County, the Town of Moorefield and Pilgrims Pride Corporation relating to the Issuer and the appointment of members of the Board of the Issuer, the Treatment and Transportation Agreement, the Operation and Maintenance Agreement, the Subgrant Agreement and other documents, papers, agreements, instruments and certificates relating to the above-captioned Bonds of the Issuer (collectively, the "Bonds"). All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Bond Resolution and the Bond Purchase Agreement when used herein.

We are of the opinion that:

1. The Issuer is duly created and validly existing as a public corporation and governmental instrumentality of the State of West Virginia.
2. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding agreements of the Issuer enforceable in accordance with their terms.

3. The members and officers of the Board of the Issuer have been duly, lawfully and properly appointed and elected, have taken the requisite oaths, and are authorized to act in their respective capacities on behalf of the Issuer.

4. The Bond Resolution has been duly adopted by the Issuer and is in full force and effect.

5. The execution and delivery of the Bonds, the Bond Purchase Agreement, the Treatment and Transportation Agreement and the Operation and Maintenance Agreement and the consummation of the transactions contemplated by the Bonds, the Bond Purchase Agreement and the Bond 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 ordinance, order, resolution, agreement or other instrument to which the Issuer is a party or by which the Issuer or its properties are bound or any existing law, regulation, court order or consent decree to which the Issuer is subject.

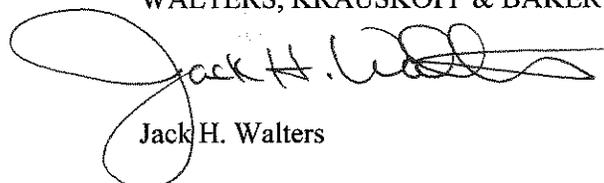
6. To the best of our knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity (other than the eminent domain proceedings filed with respect to the Project) before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bond Purchase Agreement, the Bond Resolution, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds or the collection or pledge of the Net Revenues therefor.

7. Prior to construction, we will ascertain that all successful bidders have provided the drug-free workplace affidavit, submitted their drug free workplace plan, and the contracts contain language that complies with the Drug Free Workplace Act, Article 1D, Chapter 21 of the West Virginia Code. Prior to construction, we will also ascertain that all successful bidders have made required provisions for all insurance and payment and performance bonds and such insurance policies or binders and such bonds have been verified for accuracy. Prior to construction we will review the contracts, the surety bonds and the policies or other evidence of insurance coverage in connection with the Project to ensure such surety bonds and policies: (1) are in compliance with the contracts; (2) are adequate in form, substance and amount to protect the various interests of the Issuer; (3) have been executed by duly authorized representatives of the proper parties; (4) meet the requirements of the Act, the Bond Resolution and the Bond Purchase 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.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Sincerely,

WALTERS, KRAUSKOPF & BAKER



Jack H. Walters

LAW OFFICES

ROBERT R. RODECKER

BB&T SQUARE

300 SUMMERS STREET, SUITE 1230

POST OFFICE BOX 3713

CHARLESTON, WEST VIRGINIA 25337

ROBERT R. RODECKER
rodecker@wvdsi.net

AREA CODE 304
343-1654

FACSIMILE
343-1657

March 26, 2012

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

Moorefield/Hardy County Wastewater Authority
Moorefield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I am Special PSC Counsel to Moorefield/Hardy County Wastewater Authority, a public corporation, in Hardy County, West Virginia (the "Issuer"). As such counsel, I have represented the Issuer before the Public Service Commission of West Virginia and I am of the opinion that the Issuer has received all orders, certificates and authorizations from the Public Service Commission of West Virginia necessary for the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the implementation of rates and charges, and the Issuer has taken any other action 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 a Final Order of the Public Service Commission of West Virginia dated August 31, 2011 in Case No. 11-0238-S-CN which, among other things, granted to the Issuer a certificate of public convenience and necessity for the Project, approved rates and charges for the System and approved the financing for the Project. The Issuer has submitted the funding commitments to cover the costs of

the Project as required by such Order. The time for appeal of such Order has expired prior to the date hereof without any appeal having been filed.

All counsel to this transaction may rely upon this opinion as if specifically addressed to them.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert R. Rodecker".

Robert R. Rodecker

RRR/bg

WALTERS, KRAUSKOPF & BAKER
ATTORNEYS AT LAW
204 N. ELM STREET
P.O. BOX 119
MOOREFIELD, WEST VIRGINIA 26836

JACK H. WALTERS
HOWARD E. KRAUSKOPF
JESSICA MATHIAS BAKER
NATHAN H. WALTERS

TEL: (304) 530-6618
FAX: (304) 530-2336
e-mail: jack@wkblaw.org
howard@wkblaw.org
jessica@wkblaw.org
nathan@wkblaw.org

March 26, 2012

Moorefield/Hardy County Wastewater Authority

West Virginia Department of Environmental Protection
601-57th Street
Charleston, WV 25304

West Virginia Water Development Authority
180 Association Drive
Charleston, WV 25311

West Virginia Infrastructure & Jobs Development Council
180 Association Drive
Charleston, WV 25311

Steptoe & Johnson
John C. Stump, Esquire
P.O. Box 1588
Charleston, WV 25326-1588

Re: Final Title Opinion for Moorefield/Hardy County Wastewater Authority

Ladies and Gentlemen:

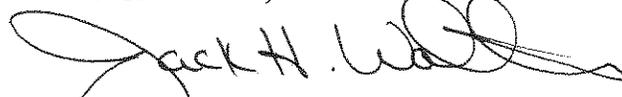
We are counsel to Moorefield/Hardy County Wastewater Authority (the "Issuer") in connection with a proposed project to construct a Wastewater Treatment Facility (the "Project"). We provide this final title opinion on behalf of the Issuer to satisfy the requirements of the West Virginia Department of Environmental Protection (the "DEP") and the West Virginia Infrastructure & Jobs Development Council (the "IJDC), for the Project. Please be advised of the following:

Moorefield/Hardy County Wastewater Authority
West Virginia Department of Environmental Protection
West Virginia Water Development Authority
West Virginia Infrastructure & Jobs Development Council
Steptoe & Johnson
March 26, 2012

1. We are of the opinion that the Issuer was duly established as a Regional Wastewater Authority by House Bill 4309 of the 2010 session of the West Virginia Legislature and under the authority of *West Virginia Code* §16-13D-1 *et seq.* and possessed with all the powers and authority granted under House Bill 4309 and *West Virginia Code* §16-13D-1 *et seq.* to construct and maintain the Project.
2. The Issuer has obtained all necessary permits and approvals for the construction of the Project.
3. We have investigated and ascertained the location of, and are 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 Triad Engineering, Inc., the consulting engineers for the Project.
4. We have examined the records on file in the Office of the Clerk of the County Commission of Hardy County, West Virginia, the county in which the project is located and in our 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 facility.
5. 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 Hardy County, West Virginia, to protect the legal title to and interest of the Issuer.

Very Truly Yours,

WALTERS, KRAUSKOPF & BAKER



Jack H. Walters

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS AND BIDDING
4. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
5. CERTIFICATION OF COPIES OF DOCUMENTS
6. INCUMBENCY AND OFFICIAL NAME
7. LAND AND RIGHTS-OF-WAY
8. MEETINGS, ETC.
9. CONTRACTORS' INSURANCE, ETC.
10. BOND PURCHASE AGREEMENT
11. INSURANCE
12. VERIFICATION OF SCHEDULE
13. RATES
14. PUBLIC SERVICE COMMISSION ORDER
15. OPERATION AND MAINTENANCE AGREEMENT
16. SIGNATURES AND DELIVERY
17. BOND PROCEEDS
18. PUBLICATION OF NOTICE OF PSC FILING
19. SPECIMEN BONDS
20. CONFLICT OF INTEREST
21. CLEAN WATER ACT
22. PROCUREMENT OF ENGINEERING SERVICES
23. GRANTS
24. EXECUTION OF COUNTERPARTS

We, the undersigned PRESIDENT and the undersigned SECRETARY of the Board of Moorefield/Hardy County Wastewater Authority in Hardy County, West Virginia (the "Issuer"), and the undersigned COUNSEL TO THE ISSUER, hereby certify this 26th day of March, 2012 in connection with the Issuer's Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program); and Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), each dated the date hereof (collectively, the "Series 2012 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 as set forth in the

Bond Resolution of the Issuer duly adopted March 15, 2012, and the Supplemental Resolution duly adopted March 15, 2012 (collectively, the "Bond Resolution").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale or delivery of the Bonds, the acquisition or construction of the Project, the operation of the System, the receipt of Grant proceeds or the Net Revenues, or in any way contesting or affecting the validity of the Bonds or the Grants or the Operation and Maintenance Agreement, or any proceedings of the Issuer taken with respect to the issuance or sale of the Bonds, the pledge or application of the Net Revenues or any other moneys or security provided for the payment of the Bonds or the existence or the powers of the Issuer insofar as they relate to the authorization, sale and issuance of the Bonds, the acquisition and construction of the Project, the operation of the System, the pledge or application of moneys and security or the collection of the Gross Revenues or the pledge of the Net Revenues as security for the Bonds.

3. GOVERNMENTAL APPROVALS AND BIDDING: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the acquisition and construction of the Project, the operation of the System, including, without limitation, the imposition of rates and charges, and the issuance of the Bonds have been duly and timely obtained and remain in full force and effect. Competitive bids for the acquisition and construction of the Project have been solicited in accordance with Chapter 5, Article 22, Section 1 of the West Virginia Code of 1931, as amended, which bids 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 by the Issuer of the Bond Purchase Agreement, and the Issuer has met all conditions prescribed in the Bond Purchase Agreement. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

On the Closing Date there will be no outstanding obligations of the Issuer which will rank on a parity with the Series 2012 Bonds as to liens, pledge, source of and security for payment.

5. CERTIFICATION OF COPIES OF DOCUMENTS: The copies of the below-listed documents hereto attached or delivered herewith or heretofore delivered are true, correct and complete copies of the originals of the documents of which they purport to be copies, and such original documents are in full force and effect and have not been repealed, rescinded, amended, supplemented or changed in any way unless modification appears from later documents also listed below:

Bond Resolution

Supplemental Resolution

Bond Purchase Agreement

Public Service Commission Orders

Infrastructure and Jobs Development Council Approval

Creation Documents of the Issuer

Appointments of Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Minutes of Current Year Organizational Meeting

Minutes on Adoption of Bond Resolution and Supplemental Resolution

NPDES Permit

Department of Environmental Protection Approval of Plans and Specifications

Evidence of Insurance

Evidence of U.S. EPA Grant(s)

Evidence of WVEDA Grant

WV Infrastructure Council Grant Agreement

Operation and Maintenance Agreement

Treatment Agreement

Sub Grant Agreement

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Moorefield/Hardy County Wastewater Authority" The Issuer is a corporation duly created by legislation and presently existing under the laws of, and a governmental instrumentality of, the State of West Virginia. The governing body of the Issuer is its Board of Directors consisting of 5 duly appointed, qualified and acting members whose names and dates of commencement and termination of current terms of office are as follows:

Name	Date of Commencement of Office	Date of Termination of Office
J. R. Keplinger	07/01/2010	06/30/2012
Steven Wilson	07/01/2010	06/30/2012
Lucas Gagnon	07/01/2010	06/30/2013
Robert Taylor	07/01/2010	06/30/2013
John Gangwer	07/01/2010	06/30/2015

The names of the duly elected and/or appointed, qualified and acting officers of the Board of Directors of the Issuer are as follows:

President	-	Steven Wilson
Secretary	-	Robert Taylor

The duly appointed and acting counsel to the Issuer is Walters, Krauskopf & Baker, Moorefield, West Virginia and the duly appointed Special PSC Counsel to the Issuer is Robert Rodecker, Charleston, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all 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 which would adversely affect or interfere in any way with the use thereof for such purposes. The costs thereof, including costs of any properties which 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 Bonds.

8. MEETINGS, ETC.: All actions, ordinances, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds and the acquisition, construction, operation and financing of the Project and the System were authorized or adopted at regular or special meetings of the Governing Body of the Issuer duly and regularly called and held pursuant to the Rules of Procedure of the Governing Body and all applicable statutes, including, particularly and without limitation, Chapter 6, Article 9A of the West Virginia Code of 1931, as amended, and a quorum of duly elected or appointed, as applicable, qualified and acting members of the Governing Body 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.

9. CONTRACTORS' INSURANCE, ETC.: All contractors have been required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Resolution. The successful bidders have provided the Drug-Free Workplace Affidavits as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia

Code. All insurance for the System required by the Bond Resolution and Bond Purchase Agreement is in full force and effect.

10. BOND PURCHASE AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the respective Bond Purchase Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Bond Purchase Agreement does not contain any untrue statement 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 Bond Purchase 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 in the Bond Purchase Agreement not misleading; and (iv) the Issuer is in compliance with all covenants, terms and representations in the Bond Purchase Agreement.

The Issuer shall serve the additional customers at the location(s) as set forth in the 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.

11. INSURANCE. The Issuer will maintain or, as appropriate, will require all contractors to maintain worker's compensation, public liability, property damage insurance, standard hazard insurance, builder's risk insurance, flood insurance and business interruption insurance, where applicable, in accordance with the Bond Resolution and the Bond Purchase Agreement. All insurance for the System required by the Bond Resolution and the Bond Purchase Agreement are in full force and effect.

12. VERIFICATION OF SCHEULE: The final Schedule B attached to the Certificate of 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 Bonds.

13. RATES: The Issuer has received the Commission Order of the Public Service Commission of West Virginia entered August 31, 2011 in Case No. 11-0238-S-CN, approving the rates and charges for the services of the System. The Issuer has adopted a resolution prescribing such rates and charges.

14. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Commission Order of the Public Service Commission of West Virginia dated August 31, 2011 in Case No. 11-0238-S-CN, among other things, granting to the Issuer a certificate of public convenience and necessity for the Project and approving the rates and charges for the System and the financing for the Project. The Issuer has submitted the funding commitments to cover the costs of the Project as required by such Order. The time for appeal of the Final Order has expired prior to the date hereof without any appeal.

15. OPERATION AND MAINTENANCE AGREEMENT: The Operation and Maintenance Agreement is valid and binding and has been approved by the Public Service Commission of West Virginia.

16. SIGNATURES AND DELIVERY: On the date hereof, the undersigned President did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond for each series, numbered AR-1, BR-1 and BR-2, respectively, all dated the date hereof, by his or her manual signature, and the undersigned Secretary did officially cause the official seal of the Issuer to be affixed upon said Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Bond Purchase Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

17. BOND PROCEEDS: (A) On the date hereof, the Issuer received \$825,000 from the Authority and the DEP, being a portion of the principal amount of the Series 2012 A Bonds; and (B) on the date hereof, the Issuer received \$75,000 from the Authority and the DEP, being a portion of the principal amount of the Series 2012 B Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

18. PUBLICATION OF NOTICE OF PSC FILING: The Issuer has published any required notice with respect to, among other things, the acquisition and construction of the Project, anticipated user rates and charges, and the filing of a formal application for a certificate of public convenience and necessity with the Public Service Commission of West Virginia, in accordance with Chapter 16, Article 13A, Section 25 of the Official West Virginia Code of 1931, as amended.

19. SPECIMEN BONDS: Delivered concurrently herewith are true and accurate specimens of the Bonds.

20. CONFLICT OF INTEREST: No 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 in the sale of any land, materials, supplies or services to the Issuer or to any contractor supplying the Issuer, relating to the Bonds, the Bond 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.

21. CLEAN WATER ACT: The Project as described in the Bond Resolution complies with Sections 208 and 303(e) of the Clean Water Act.

22. PROCUREMENT OF ENGINEERING SERVICES: The Issuer has complied in all respects with the requirements of Chapter 5G, Article 1 of the West Virginia Code of 1931, as amended, in the procurement of engineering services to be paid from proceeds of the Bonds.

23. GRANTS: As of the date hereof, the grants from the U. S. Environmental Protection Agency in the amount of \$5,500,000; the grants from the West Virginia Infrastructure and Jobs Development Council in the amount of \$10,000,000; the grant from the West Virginia Economic Development Authority in the amount of \$5,000,000; the in-kind contribution of \$1,500,000 from Pilgrims Pride Corporation; \$401,000 from the Town of Moorefield are all committed and in full force and effect.

24. EXECUTION OF COUNTERPARTS: This document may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same document.

[Remainder of Page Intentionally Blank]

WITNESS our signatures and the official seal of MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

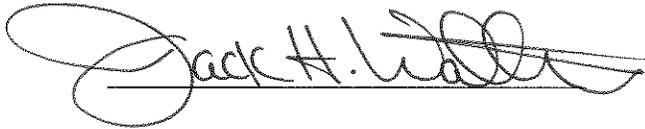
OFFICIAL TITLE



President



Secretary



Counsel to Issuer

Special PSC Counsel
(as to Paragraphs
13, 14 and 15)

WITNESS our signatures and the official seal of MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY on the day and year first written above.

[CORPORATE SEAL]

SIGNATURE

OFFICIAL TITLE

President

Secretary

Counsel to Issuer

Robert R. Rodicker

Special PSC Counsel
(as to Paragraphs
13, 14 and 15)

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

ENGINEER'S CERTIFICATE

I, Jack Ramsey, Registered Professional Engineer, West Virginia License No. 014749, of Triad Engineering, Inc., St. Albans, West Virginia, hereby certify this 26th day of March, 2012 as follows:

1. My firm is engineer for the acquisition and construction of certain improvements and extensions (the "Project") to the existing public sewerage system (the "System") of Moorefield/Hardy County Wastewater Authority (the "Issuer"), to be constructed primarily in Hardy County, West Virginia, which acquisition and construction are being financed in part by the proceeds of the above-captioned bonds (collectively, the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution, duly adopted by the Issuer on March 15, 2012, as supplemented by the Supplemental Resolution duly adopted by the Issuer on March 15, 2012, the Bond Purchase Agreement for the Series 2012 Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP"), dated March 26, 2012 (the "Bond Purchase Agreement").

2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition and construction of the Project; and (ii) paying costs of issuance and related costs.

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 DEP and any change orders approved by the Issuer, the DEP 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 constructed, 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 Issuer's counsel, Walters, Krauskopf & Baker, of even date herewith, all successful bidders have provided the drug-free workplace affidavit as evidence of compliance with the provisions of Article 1D, Chapter 21 of the West Virginia Code and made required provisions for all insurance and payment and performance bonds and 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 DEP and the bid forms provided to the bidders contain the 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 the operation of the System; (ix) the net proceeds of the Bonds, together with all other monies 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; and (x) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Cost of Financing" for the Project.

4. The Project will service no new customers. The Issuer is a new entity which will serve the Town of Moorefield, Hardy County Public Service District and Pilgrim's Pride. No additional customers that currently do not have sewerage service will be served by this Project.

[Remainder of Page Intentionally Blank]

WITNESS my signature and seal on the day and year first written above.

TRIAD ENGINEERING, INC.

(SEAL)

Jack Ramsey

Jack Ramsey, P.E.

West Virginia License No. 014749



621500.00001

SCHEDULE B -- TOTAL PROJECT
MOOREFIELD / HARDY COUNTY WASTEWATER AUTHORITY
REGIONAL WASTEWATER TREATMENT AND COLLECTION SYSTEM
 IJDC 2011S-1328 (old #2007S-977) DEP CWSRF C-544370
COST OF PROJECT, SOURCES OF FUNDS AND COST OF FINANCING

A. Cost of Project	Total	DEP CWSRF (0%, 40 yrs)	DEP CWSRF (Debt Forgiveness)	DEP (CWSRF / Green)	STAG	WVEDA	Pilgrim's Pride (In-kind Contribution)	Town of Moorefield (In-kind Contribution)	IJDC Grant	SB676
1. Construction										
a. Contract 3 - WWTP	27,549,520	15,258,235	1,000,000	500,000	3,892,702	0	0	0	898,583	6,000,000
b. Contract 1 - Collection System	2,257,185	55,000	0	0	257,185	0	0	0	1,945,000	0
c. Contract 2 - Moorefield PS	1,809,507	459,394	0	0	1,350,113	0	0	0	0	0
2. Technical Services										
a. Preliminary Engineering	876,869	0	0	0	0	870,869	0	5,000	0	0
b. Basic Engineering	2,571,321	0	0	0	0	2,571,321	0	0	0	0
c. Inspection	1,285,750	0	0	0	0	1,013,910	0	0	271,840	0
d. Additional Design / Redesign	113,900	0	0	0	0	113,900	0	0	0	0
3. Legal & Fiscal										
a. Legal	175,000	0	0	0	0	155,000	0	20,000	0	0
b. Accounting	60,000	0	0	0	0	45,000	0	0	15,000	0
c. Project Coordinator	225,000	0	0	0	0	0	0	225,000	0	0
4. Sites and Other Lands										
a. Sites and Lands	1,500,000	0	0	0	0	0	1,500,000	0	0	0
b. Rights-of-way Activities	0	0	0	0	0	0	0	0	0	0
5. Miscellaneous										
a. Phase III Archeological Study	230,000	0	0	0	0	230,000	0	0	0	0
b. Other Administrative Costs	150,000	0	0	0	0	0	0	150,000	0	0
6. Interim Financing	0	0	0	0	0	0	0	0	0	0
7. Construction Contingency	1,521,948	652,371	0	0	0	0	0	0	869,577	0
8. Total of Lines 1 through 7	40,326,000	16,425,000	1,000,000	500,000	5,500,000	5,000,000	1,500,000	401,000	4,000,000	6,000,000
B. Cost of Financing										
9. Capitalized Interest	0	0	0	0	0	0	0	0	0	0
10. Bond Counsel	74,000	74,000	0	0	0	0	0	0	0	0
11. Bank Registrar Fee	1,000	1,000	0	0	0	0	0	0	0	0
12. Funded Reserve	0	0	0	0	0	0	0	0	0	0
13. Total Cost of Financing	75,000	75,000	0	0	0	0	0	0	0	0
14. Total Project Cost (line 8 plus line 13)	40,401,000	16,500,000	1,000,000	500,000	5,500,000	5,000,000	1,500,000	401,000	4,000,000	6,000,000
C. Sources of Funds										
15. Federal Grants ('09-'10 STAG grants):	5,500,000	0	0	0	5,500,000	0	0	0	0	0
16. SB 676	6,000,000	0	0	0	0	0	0	0	0	6,000,000
17. State Grant (WVEDA)	5,000,000	0	0	0	0	5,000,000	0	0	0	0
18. State Grant (IJDC)	4,000,000	0	0	0	0	0	0	0	4,000,000	0
19. Pilgrim's Pride	1,500,000	0	0	0	0	0	1,500,000	0	0	0
20. Town of Moorefield	401,000	0	0	0	0	0	0	401,000	0	0
21. Total Grants (lines 15 thru 20)	22,401,000	0	0	0	5,500,000	5,000,000	1,500,000	401,000	4,000,000	6,000,000
22. Size of Bond Issue (line 14 minus line 21)	\$18,000,000	\$16,500,000	\$1,000,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0



 Moorefield/Hardy County Wastewater Authority
 Date 3-15-2012
 Date 3-20-12
 Date
 Josh Ramsey
 Triad Engineering

To: File

The Series 2012 B Bond is actually made up of two sources of "forgivable" loans from the DEP. \$500,000 of this loan is actually for "Green" project and \$1,000,000 is just forgivable. The two were combined into one bond at the request of the DEP.

Katy Mallory

From: Gee, Samme [SGEE@jacksonkelly.com]
Sent: Thursday, February 23, 2012 3:53 PM
To: John Stump
Cc: Rosalie.M.Brodersen@wv.gov; Katheryn.D.Emery@wv.gov; John.R.Rogers@wv.gov; Brandy Lane; Paula Koontz; Katy Mallory; White, Ryan
Subject: RE: Moorefield/Hardy County Wastewater Authority

John, I spoke with Rose and we still think that combining the principal forgiveness bonds makes the most sense. DEP will be tracking the expenditures internally. While not a major issue (all things considered), it will also save a registrar's fee. Thanks, Samme

Samme L. Gee
Member
Jackson Kelly PLLC
Phone: (304)340-1318
Fax: (304)340-1272
sgee@jacksonkelly.com
V-card • BIO.
[Click here for the mailing address](#)



500 Lee St. E., Suite 1500
Charleston, WV 25301-3202

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Pursuant to the requirements related to practice before the Internal Revenue Service, any tax advice contained in this communication (including any attachments) is not intended or written to be used and cannot be used by any taxpayer for the purpose of (i) avoiding Federal tax penalties that may be imposed on the taxpayer or (ii) promoting, marketing or recommending to another person any tax-related matter.

The standards for Federal tax practice require that certain steps be taken before written advice may be relied upon by any taxpayer to avoid Federal tax penalties. This communication is not intended to comply with those standards. In order for a taxpayer to rely upon written advice to avoid penalties, it must be a "formal opinion." We would be happy to discuss with you whether you might desire a "formal opinion" and the additional cost associated with such an opinion.

From: John Stump [mailto:John.Stump@steptoe-johnson.com]
Sent: Tuesday, February 21, 2012 11:46 AM
To: Katy Mallory; Gee, Samme
Cc: Rosalie.M.Brodersen@wv.gov; Katheryn.D.Emery@wv.gov; John.R.Rogers@wv.gov; Brandy Lane; Paula Koontz
Subject: RE: Moorefield/Hardy County Wastewater Authority

I don't want to beat this issue to death, however, shouldn't the principal forgiveness bonds be separate, at least for audit purposes? Given the local borrower audits of the ARRA bonds, I am concerned that the "green" bonds might get audited and the other principal forgiveness bonds, not be audited. Unwinding all of that would not be fun.

If they need to be combined for some reason, OK, but keeping them separate would help the Authority to keep the money separate. I realize I do not have any knowledge of the EPA regs, so perhaps my concern is unwarranted.

Depending on what happens at the IJDC for funding, we may need to re-draft the resolution in any event, so combining them is not a problem is that is the way we need to go.

Thanks. John

From: Katy Mallory
Sent: Monday, February 20, 2012 1:43 PM
To: Gee, Samme; John Stump
Cc: Rosalie.M.Brodersen@wv.gov; Katheryn.D.Emery@wv.gov; John.R.Rogers@wv.gov; Brandy Lane; Paula Koontz
Subject: RE: Moorefield/Hardy County Wastewater Authority

Should the combined "B Bonds" be designated "WV SRF Program/Green" or just "WV SRF Program". We initially set them up as 2 distinct bonds as one was Green and one wasn't.

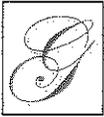
Thanks

Katy

From: Ball, Lisa [mailto:lball@jacksonkelly.com] **On Behalf Of** Gee, Samme
Sent: Monday, February 20, 2012 1:31 PM
To: John Stump
Cc: Rosalie.M.Brodersen@wv.gov; Katheryn.D.Emery@wv.gov; John.R.Rogers@wv.gov; Katy Mallory; Brandy Lane; Paula Koontz
Subject: Moorefield/Hardy County Wastewater Authority
Importance: High

John: attached are comments on the Bond Resolution and closing documents. Please note that following discussions with Rose, we recommend that you combine the two principal forgiveness bonds. Please call me if you have any questions with respect to the comments. Thanks, Samme.

Samme L. Gee, Member



March 26, 2012

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

Moorefield/Hardy County Wastewater Authority
Moorefield, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Department of Environmental Protection
Charleston, West Virginia

Based upon the sewer rates and charges set forth in the Commission Order entered August 31, 2011 of the Public Service Commission of West Virginia in Case No. 11-0238-S-CN, and projected operation and maintenance expenses and anticipated customer usage as furnished to us by Triad Engineering, Inc., the Consulting Engineer, it is our opinion that such rates and charges will be sufficient to provide revenues which, together with other revenues of the sewerage system (the "System") of the Issuer, will (i) provide for all reasonable expenses of operation, repair and maintenance of the System; and (ii) to leave a balance each Fiscal Year equal to at least 115% of the maximum amount required in any Fiscal Year for payment of principal of and interest on the (a) Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), dated March 26, 2012, issued in the aggregate principal amount of \$16,500,000, and (b) Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), dated March 26, 2012, issued in the aggregate principal amount of \$1,500,000, (collectively, the "Series 2012 Bonds").

Sincerely,

Michael D. Griffith, CPA, AFI
Griffith & Associates, PLLC

MDG/dk

Michael D. Griffith, CPA, AFI
michaelgriffithcpa@verizon.net

950 Little Coal River Road Alum Creek, WV 25003
Phone: (304) 756.3600 Facsimile: (304) 756.2911

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned President of the Board of Moorefield/Hardy County Wastewater Authority in Hardy County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of \$16,500,000 Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), and \$1,500,000 Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer, both dated March 26, 2012 (collectively, the "Bonds"), hereby certify this 26th day of March, 2012 as follows:

1. I am one of the officers of the Issuer duly charged with the responsibility of issuing the 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 meanings set forth in the Bond Resolution duly adopted by the Issuer on March 15, 2012 as supplemented by Supplemental Resolution duly adopted by the Issuer on March 15, 2012 (collectively, the "Bond Resolution"), authorizing the 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 March 26, 2012, the date on which the Bonds are being physically delivered in exchange for an initial advance of \$825,000, being a portion of the principal amount of the Series 2012 A Bonds, and \$75,000, being a portion of the principal amount of the Series 2012 B Bonds, and to the best of my knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

4. In the Bond Resolution pursuant to which the 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 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 Department of Environmental Protection (the "DEP"), as the case may be, from which the proceeds of the 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 2012 A Bonds were sold on March 26, 2012, to the Authority, pursuant to a Bond Purchase Agreement dated March 26, 2012, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of \$16,500,000 (100% of par), at which time, the Issuer received \$825,000 from the Authority and the DEP, being the first advance of the principal amount of the Series 2012 A Bonds. No accrued interest has been or will be paid on the Series 2012 A Bonds. The balance of the principal amount of the Series 2012 A Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

6. The Series 2012 B Bonds were sold on March 26, 2012, to the Authority, pursuant to a Bond Purchase Agreement dated March 26, 2012, by and among the Issuer, the Authority and the DEP, for an aggregate purchase price of \$1,500,000 (100% of par), at which time, the Issuer received \$75,000 from the Authority and the DEP, being the first advance of the principal amount of the Series 2012 B Bonds. No accrued interest has been or will be paid on the Series 2012 B Bonds. The balance of the principal amount of the Series 2012 B Bonds will be advanced to the Issuer as acquisition and construction of the Project progresses.

7. The Series 2012 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 the public sewerage system of the Issuer (the "Project"); and (ii) paying certain costs of issuance and related costs.

8. The Series 2012 B 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 the Project; and (ii) paying certain costs of issuance and related costs.

9. Within 30 days after the delivery of the Bonds, the Issuer shall enter into agreements which require the Issuer to expend at least 5% of the net sale proceeds of the Bonds on the Project, constituting a substantial binding commitment. The acquisition and construction of the Project and the allocation of the net sale proceeds of the Bonds to expenditures of the Project shall commence immediately and shall proceed with due diligence to completion, and with the exception of proceeds deposited in the Series 2012 A Bonds Reserve Account, if any, all of the proceeds from the sale of the Bonds, together with any investment earnings thereon, will be expended for payment of costs of the Project on or before _____ 1, 2014. The acquisition and construction of the Project is expected to be completed by April 1, 2014

10. The total cost of the Project is estimated at \$40,401,000. Sources and uses of funds for the Project are as follows:

SOURCES

Proceeds of the Series 2012 A Bonds	\$16,500,000
Proceeds of the Series 2012 B Bonds	\$ 1,500,000

US Environmental Protection Agency Grant(s)	\$ 5,500,000
WV Economic Development Authority Grant	\$ 5,000,000
Infrastructure Council Grant	\$ 4,000,000
Infrastructure Council Grant	\$ 6,000,000
Pilgrims Pride (In Kind Contribution)	\$ 1,500,000
Town of Moorefield (In-kind Contribution)	\$ 401,000
 Total Sources	 <u>\$40,410,000</u>

USES

Costs of Acquisition and Construction of the Project	\$40,326,000
Costs of Issuance	<u>\$ 75,000</u>
 Total Uses	 <u>\$40,401,000</u>

11. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued relative to the Series 2012 Bonds:

- (1) Revenue Fund;
- (2) Renewal and Replacement Fund;
- (3) Series 2012 A Bonds Sinking Fund;
- (4) Series 2012 A Bonds Reserve Account; and
- (5) Series 2012 Bonds Construction Trust Fund.

12. Pursuant to Article VI of the Bond Resolution, the proceeds of the Bonds will be deposited as follows:

(1) Series 2012 A Bond proceeds in the amount of \$-0- will be deposited in the Series 2012 A Bonds Sinking Fund as capitalized interest and applied to payment of interest on the Series 2012 A Bonds during acquisition and construction of the Project and for a period not to exceed six months following completion thereof.

(2) Series 2012 A Bonds proceeds in the amount of \$-0- will be deposited in the Series 2012 A Bonds Reserve Account.

(3) The balance of the proceeds of the Series 2012 A

Bonds will be deposited in the Series 2012 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2012 A Bonds and related costs.

(4) The proceeds of the Series 2012 B Bonds will be deposited in the Series 2012 Bonds Construction Trust Fund as received from time to time and applied solely to payment of costs of the Project, including costs of issuance of the Series 2012 B Bonds and related costs.

13. Monies held in the Series 2012 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2012 A Bonds and will not be available to meet costs of acquisition and construction of the Project. All investment earnings on monies in the Series 2012 A Bonds Sinking Fund and Series 2012 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2012 Bonds Construction Trust Fund during construction of the Project, and following completion of the Project, will be deposited, not less than once each year, in the Revenue Fund, and such amounts will be applied as set forth in the Bond Resolution.

14. Work with respect to the acquisition and construction of the Project will proceed with due diligence to completion. The acquisition and construction of the Project is expected to be completed within 18 months of the date hereof.

15. The Issuer will take such steps as requested by the Authority to ensure that the Authority's bonds meet the requirements of the Code.

16. With the exception of the amount deposited in the Series 2012 A Bonds Sinking Fund for payment of interest, if any, on the Bonds and the amount deposited in the Series 2012 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the Project within 24 months from the date of issuance thereof.

17. The Issuer does not expect to sell or otherwise dispose of the Project in whole or in part prior to the last maturity date of the Bonds.

18. The amount designated as costs of issuance of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds.

19. All property financed with the proceeds of the Bonds will be owned and held by (or on behalf of) a qualified governmental unit.

20. No proceeds of the Bonds will be used, directly or indirectly, in any trade or business carried on by any person who is not a governmental unit.

21. The original proceeds of the Bonds will not exceed the amount

necessary for the purposes of the issue.

22. The Issuer shall use the Bond proceeds solely for the costs of the Project, and the Project will be operated solely for a public purpose as a local governmental activity of the Issuer.

23. The Bonds are not federally guaranteed.

24. The Issuer has retained the right to amend the Bond Resolution authorizing the issuance of the Bonds if such amendment is necessary to assure that the Bonds remain public purpose bonds.

25. The Issuer has either (a) funded the Series 2012 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due, respectively, on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2012 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2012 A Bonds Reserve Account hold an amount equal to the maximum amount of principal and interest which will mature and become due on the Bonds in the then current or any succeeding year. Monies in the Series 2012 A Bonds Reserve Account and the Series 2012 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Series 2012 A Bonds and will not be available to pay costs of the Project.

26. There are no other obligations of the Issuer which (a) are to be issued at substantially the same time as the Bonds, (b) are to be sold pursuant to a common plan of financing together with the 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 Bonds.

27. 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.

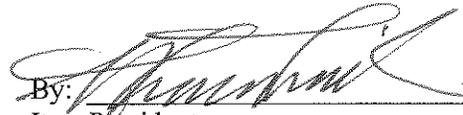
28. The Issuer will comply with instructions as may be provided by the Authority, at any time, regarding use and investment of proceeds of the Bonds, rebates and rebate calculations.

29. To the best of my knowledge, information and belief, the foregoing expectations are reasonable.

[Remainder of Page Intentionally Blank]

WITNESS my signature on the day and year first written above.

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY

By: 
Its: President

621500.00001

5885810

2010R1701

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H. B. 4309

(By Delegate Michael)

[Introduced February 3, 2010; referred to the
Committee on Political Subdivisions then the Judiciary.]

10 A. BILL to authorize the Town of Moorefield, the Hardy County
11 Commission, and Hardy County's largest corporate user of public
12 wastewater facilities to construct and maintain a state of the
13 art regional wastewater treatment plant, transmission lines and
14 collection facilities for the purpose of collecting,
15 transporting and treating the wastewater from the Town of
16 Moorefield and the unincorporated areas of Hardy County;
17 authorizing the town, the county commission and Hardy County's
18 largest corporate user of public wastewater facilities to create
19 the Moorefield/Hardy County Wastewater Authority to assume
20 ownership of the facilities; membership; powers and duties;
21 board of directors; bylaws; rules; support, maintenance and
22 operation; funds; and severability.

23 *Be it enacted by the Legislature of West Virginia:*

2010R1701

1 MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY.

2 §1. Town of Moorefield, Hardy County Commission and Hardy County's
3 largest corporate user of public wastewater facilities
4 authorized to create and join the Moorefield/Hardy County
5 Wastewater Authority; powers and duties generally.

6 In recognition of the mutual interest of the Town of Moorefield,
7 the county commission of Hardy County, and Hardy County's largest
8 corporate wastewater producer in meeting increasingly stringent
9 wastewater discharge standards, the Town of Moorefield, the county
10 commission of Hardy County, and Hardy County's largest corporate user
11 of public wastewater facilities are hereby authorized and empowered
12 to create a joint endeavor of the three entities and join an authority
13 to be known as the Moorefield/Hardy County Wastewater Authority to
14 own and operate a state of the art regional wastewater treatment
15 plant, transmission lines, collection facilities and associated
16 appurtenances to provide wastewater treatment service for the Town
17 of Moorefield and unincorporated areas of the county. The
18 authority shall have the power and authority to own and operate a
19 wastewater treatment plant, collection facilities, transmission
20 system, and associated appurtenances; to treat and contract for the
21 treatment of wastewater and to provide for the proper maintenance,
22 repair and upgrade to the wastewater system, including the power of

2010R1701

1 eminent domain, to buy, sell or lease real and personal property and
2 to take all other actions as may be necessary to carry out such
3 purposes. The borrowing of money and the notes, bonds and security
4 interests evidencing any borrowing shall be authorized by resolution
5 approved by the authority, shall bear the date or dates, and shall
6 mature at the time or times, in the case of any bonds, as the resolution
7 or resolutions may provide. The notes, bonds and security interests
8 shall bear interest at such rate or rates, be in such denominations,
9 be in the form, either coupon or registered, carry the registration
10 privileges, be executed in the manner, be payable in the medium of
11 payment, at the place or places, and be subject to the terms or
12 conditions of redemption as the resolution or resolutions may
13 provide: *Provided*, That every issue of notes, security interests and
14 bonds shall be limited obligations of the authority payable solely
15 out of any revenues or moneys of the authority, subject only to any
16 agreements with the holders of particular notes, security interests
17 or bonds pledging particular revenues. The notes, security
18 interests and bonds issued by the authority shall be and hereby are
19 made negotiable instruments under the provisions of article eight,
20 chapter forty-six of the Code of West Virginia, 1931, as amended,
21 subject only to the provisions of the notes, security interests or
22 bonds for registration.

23 §2. Board of directors; appointment; officers; procedures; bylaws;
24 rules.

2010R1701

1
2 There shall be a board of directors, consisting of five members.
3 One member shall be a sitting member of the Town Council selected by
4 the Town Council; one member shall be a sitting member of the county
5 commission selected by the county commission; one member shall be a
6 representative of Hardy County's largest corporate user of public
7 wastewater facilities and shall be appointed by such corporate user
8 of public wastewater facilities; one member shall be appointed by the
9 Town Council with unanimous consent of the county commission and Hardy
10 County's largest corporate user of public wastewater facilities; and,
11 one member shall be appointed by the county commission with unanimous
12 approval of the Town Council and Hardy County's largest corporate user
13 of public wastewater facilities. No later than July 1, 2010, the Town
14 of Moorefield and the county commission shall each appoint one member
15 of the board of directors for a term of three years; the Town Council
16 of the Town of Moorefield and the county commission of Hardy County
17 shall each select one of their members for a term of two years; and,
18 Hardy County's largest corporate user of public wastewater facilities
19 shall appoint one member for a term of five years, all in the manner
20 set forth herein. Although members shall serve from the date of
21 appointment, terms of office shall expire as if said terms had
22 commenced on July 1, 2010. Each successor member of the board of
23 directors shall be appointed by the respective entity that appointed

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1 the predecessor member in the same manner as the predecessor was
2 appointed and each successor member shall be appointed for a term of
3 three years, except that the terms of the Town Council person and the
4 county commissioner shall be for a period of two years, and provided
5 further, that any person appointed to fill a vacancy occurring before
6 the expiration of the term shall serve only for the unexpired portion
7 thereof. Any member of the board shall be eligible for reappointment
8 and the appointing entity which appointed the member may remove that
9 member at any time for any reason. There shall be an annual meeting
10 of the board of directors on the second Monday in July of each year
11 and a monthly meeting on the day in each month which the authority
12 may designate in its bylaws. A special meeting may be called by the
13 president or any two members of the board and shall be held only after
14 all of the directors are given notice thereof in writing. At all
15 meetings three members shall constitute a quorum and at each annual
16 meeting of the board of directors it shall elect, from its membership,
17 a president, a vice president, a secretary and a treasurer:
18 *Provided*, That a member may be elected both secretary and treasurer.
19 The board of directors shall adopt those bylaws and rules which it
20 considers necessary for its own guidance and for the administration,
21 supervision and protection of the authority and all of the property
22 belonging to the authority. The board of directors have all the
23 powers necessary, convenient and advisable for the proper operation,

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1 equipment and management of the authority; and except as otherwise
2 especially provided in this act, shall have the powers and be subject
3 to the duties which are conferred and imposed upon the cooperating
4 entities by article thirteen-d, chapter sixteen of the Code of West
5 Virginia, 1931, as amended. The qualifications of the directors
6 shall be determined by each participating entity.

7 §3. Same--A body corporate.

8

9 The Moorefield/Hardy County Wastewater Authority hereby created
10 shall be a public corporation and governmental instrumentality. It
11 may contract and be contracted with, sue and be sued, plead and be
12 impleaded and shall have and use a common seal.

13 §4. Title to property.

14

15 The title to all property, both real and personal, that will
16 provide wastewater service to the parties making up the authority in
17 connection with the operation by it shall vest in the board of
18 directors of the Moorefield/Hardy County Wastewater Authority hereby
19 created.

20 §5. Support, maintenance and operation.

21 All income realized by the operation of the authority from the
22 collection, transmission and treatment of wastewater or from any
23 other sources shall be used by the board of directors for the support
24 of the Moorefield/Hardy County Wastewater Authority.

2010R1701

1 §6. Deposit and disbursement of funds.

2 All money collected by the Moorefield/Hardy County Wastewater
3 Authority shall be deposited in a special account for the
4 Moorefield/Hardy County Wastewater Authority, and shall be disbursed
5 by the authority for the purpose of operating a public wastewater
6 system.

7 §7. Workers' compensation, social security and public employees'
8 retirement benefits for employees.

9 All employees of the Moorefield/Hardy County Wastewater
10 Authority hereby created shall be entitled to the benefits of the
11 provisions of chapter twenty-three, and articles seven and ten,
12 chapter five of the Code of West Virginia, 1931, as amended.

13 §8. Effect of future amendments of general law.

14
15 Amendments to article twenty-three, chapter eight of the Code
16 of West Virginia, 1931, as amended, and other general laws shall
17 control this act only to the extent that they do not conflict with
18 the special features hereof, or unless the intent to amend this act
19 is clear and unmistakable.

20 §9. Severability.

21 If any provision of hereof is held invalid, such invalidity does
22 not affect other provisions hereof which can be given effect without
23 the invalid provision, and to this end the provisions of this act are
24 declared to be severable.

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NOTE: The purpose of this bill is to authorize the Town of Moorefield, the Hardy County Commission and Hardy County's largest corporate user of public wastewater facilities to construct and maintain a state of the art regional wastewater treatment plant, transmission lines and collection facilities for the purpose of collecting, transporting and treating the wastewater from the Town of Moorefield and the unincorporated areas of Hardy County; authorizing the Town, the county commission and Hardy County's largest corporate user of public wastewater facilities to create the Moorefield/Hardy County Wastewater Authority to assume ownership of the facilities; membership; powers and duties; board of directors; bylaws; rules; support, maintenance and operation; funds; and severability.

This Act is new; therefore, strike-throughs and underscoring have been omitted.

**PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON**

At as session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 23rd day of September 2010.

CASE NO. 10-1028-S-PC

TOWN OF MOOREFIELD, COUNTY COMMISSION
OF HARDY COUNTY and PILGRIM'S PRIDE CORPORATION

Joint petition for approval of organization agreement
establishing the Moorefield/Hardy County Wastewater Authority.

COMMISSION ORDER

The Commission approves an organizational agreement to establish the Moorefield/Hardy County Wastewater Authority.

Background

On July 9, 2010, the Town of Moorefield (Town), the County Commission of Hardy County (Hardy Commission) and the Pilgrim's Pride Corporation (Pilgrim's Pride) filed, pursuant to W. Va. Code § 16-13D-3(e) a joint petition (Joint Petition) for consent to enter into an organizational agreement (Agreement) establishing a regional sewer authority to be called the Moorefield/Hardy County Wastewater Authority (MHC Wastewater Authority). The joint petition states that the MHC Wastewater Authority will construct and operate sewer facilities to treat wastewater generated by the Town and Pilgrim's Pride and meet stringent nutrient removal requirements of the Chesapeake Bay Program standards. Although the Town and Pilgrim's Pride presently own and operate a total of three wastewater treatment facilities, none are capable of achieving compliance with current effluent standards. The petitioners request expedited treatment of this case to permit the Town and Pilgrim's Pride to achieve timely compliance with Chesapeake Bay Program effluent discharge standards.

The Joint Petition states that during the 2010 West Virginia legislative session, the Legislature passed, and the Governor signed into law, House Bill 4309, passed February 23, 2010, authorizing the Town, the Hardy Commission and Pilgrim's Pride to create the MHC Wastewater Authority for the purpose described above. The MHC Wastewater Authority will be governed by a five member Board of Directors with the powers and duties established by the Regional Water and Wastewater Authority Act, W.Va. Code § 16-13D-1, *et seq.* (the Act).

Pursuant to House Bill 4309, the five member Board of Directors will be comprised of one (1) member who is a sitting member of the Town Council and selected by the Council; one (1) member who is a sitting member of the Hardy Commission and selected by the Hardy Commission; one (1) member who is a representative of the largest user of public wastewater facilities located in Hardy County; one (1) member appointed by the Town Council with unanimous consent of the Hardy Commission and the largest user of public wastewater facilities in Hardy County; one (1) member appointed by the Hardy Commission with unanimous consent of the Town Council and the largest user of public wastewater facilities in Hardy County. The Board will operate and maintain the MHC Wastewater Authority facilities and personnel.

The Joint Petition states that the Town and the MHC Wastewater Authority intend to file a joint application for a certificate of convenience and necessity to construct the planned wastewater treatment plant, transmission lines and collection facilities, and that upon completion of the plant, both the Town and Pilgrim's Pride plan to discontinue use of their existing, individual treatment facilities and become customers of the MHC Wastewater Authority. The Town has submitted a request for funding application to the West Virginia Infrastructure and Jobs Development Council (WVIJDC) to pay the construction costs of the new plant.

The Joint Petitioners attached a copy of House Bill 4309 as Exhibit 1 and the Agreement as Exhibit 2. Resolutions adopted by the Town and the Hardy Commission permitting those public agencies to join together with Pilgrim's Pride to organize and operate the MHC Wastewater Authority are included as Exhibits 2 and 3 to the Agreement.

On August 13, 2010, Commission Staff filed a Memorandum recommending that the Commission grant the Joint Petition without specifically approving the terms and conditions of the Agreement. Staff stated that the cost of construction of the MHC Wastewater Authority plant and related facilities is estimated to be \$37,744,000, and that a revised application to the WVIJDC is pending. Staff also stated its understanding that additional agreements among the parties will be developed so that the Town will operate and maintain the new plant under contract to the MHC Wastewater Authority. The parties also plan to enter into agreements that will provide that customers of the new plant will share and distribute costs of operation on an equitable basis based on annual forward-looking cost estimates. At the end of each year of operation, the MHC Wastewater Authority will use an audit to true-up the estimates and prepare the budget for the following year.

On August 18, 2010, Kathleen E. Taylor, MD, (Dr. Taylor) filed a protest letter, followed the next day by a petition to intervene. Dr. Taylor made arguments that 1) Pilgrim's Pride control of the Authority is inappropriate, and 2) the future location of the contemplated wastewater treatment plant is a poor choice and that the Town, Hardy County and Pilgrim's Pride did not consider other alternatives. Dr. Taylor asked to be notified if a hearing is held. In her filing on August 19, 2010 petition, Dr. Taylor stated that she has been following the

progress of the plant plans for several years and has had difficulty getting answers to her questions and concerns. She also stated that she resides one-half mile from the proposed plant site and believes that the site has many drawbacks including the fact that it will use a flood-plain for composting which will result in runoff into the South Branch River.

On August 20, 2010, A.J. Wade filed a protest letter. Mr. Wade stated that he is a member of the Hardy County Commission and that the County Commission approved a draft of House Bill 4309 over his objection. He believes the law is a bad law because of the make-up of the board of directors. The bill provides for a five-member board. The Town council appoints two members, the County Commission appoints two members and Pilgrims Pride appoints one. The County Commission and Pilgrims have veto power over the second member to be appointed by the Town, and the Town and Pilgrims have veto power over the second member to be appointed by the County Commission. Mr. Wade stated that the make up of the board will be such that Pilgrims will have control over three of the five member board and this is not a good idea. Mr. Wade believes the legislation should have provided that each party appoint two members of their own choosing. Mr. Wade asked the Commission to refuse to approve the agreement if the Commission finds the provisions of the bill unreasonable.

On August 20, 2010, the Joint Petitioners filed an objection to Dr. Taylor's petition to intervene. The Joint Petitioners state that the scope of this filing is limited to Commission review of the MHC Wastewater Authority organizational document pursuant to W. Va. Code § 16-13D-3(e), and that the petition raises issues that will be before the Commission in a future certificate proceeding filed pursuant to W. Va. Code § 24-2-11. The Joint Petitioners argue that Dr. Taylor has not stated any legal interest in the subject matter of this proceeding.

DISCUSSION

The Regional Water and Wastewater Authority Act permits certain public agencies to make the most efficient use of water supplies and transportation and treatment of wastewater by enabling them to cooperate with other public agencies to provide services and establish regional water or wastewater authorities. The Act states that the purpose of a regional wastewater authority is to enable public agencies to join together to provide the most economical method of transportation and treatment of wastewater and to provide transportation and treatment services to public service districts, municipalities, publicly and privately owned wastewater utilities, and others. Public agencies may enter into agreements meeting the requirements of W. Va. Code §16-13D-3(e) to organize a regional wastewater authority, and submit any such agreement to this Commission for approval. An agreement is deemed approved unless the Commission disapproves the agreement within ninety days of its submission. W. Va. Code §16-13D-3(e).

House Bill 4309 specifically authorizes the Joint Petitioners to establish the MHC Wastewater Authority, and authorizes the specific board structure described in the Joint Petition including board membership of "Hardy County's largest corporate user of

wastewater facilities.” Pilgrim’s Pride is the largest corporate user of wastewater facilities in Hardy County.

The Joint Petitioners request Commission approval, pursuant to W. Va. Code §16-13D-3(e), of their agreement to organize a regional wastewater authority to construct and operate a wastewater treatment plant to treat the wastewater generated by the Town and Pilgrim’s Pride. The new plant is necessary in order for the Town and Pilgrim’s Pride to meet the more stringent wastewater discharge standards for restoration of the Chesapeake Bay as contemplated by the Chesapeake Bay Program.

Upon review of House Bill 4309, W. Va. Code §16-13D-1 et seq., the Joint Petition, the Agreement, and the related resolutions, the Commission concludes that the Agreement is consistent with House Bill 4309, meets the requirements of the Act and should be approved. The Commission will anticipate the filing by the MHC Wastewater Authority of an application for a certificate of convenience and necessity to construct the new wastewater treatment plant as required by W. Va. Code § 24-2-11.

In response to the protest letters, the Commission finds that the board structure was specifically authorized by the West Virginia Legislature in House Bill 4309. Furthermore, this Commission lacks jurisdiction to declare a State law to be unlawful.

The petition to intervene filed by Dr. Taylor should be denied because she raises objections regarding plant engineering plans, specifications and location which are not issues in this filing, but rather will be before the Commission in the future application of the MHC Wastewater Authority for a certificate of convenience and necessity to construct the plant.

FINDINGS OF FACT

1. The Town, the Hardy Commission and Pilgrim’s Pride seek Commission consent and approval of an organizational agreement establishing a regional sewer authority to be called the Moorefield/Hardy County Wastewater Authority, pursuant to W. Va. Code § 16-13D-3(e) and House Bill 4309. Joint Petition.
2. During the 2010 West Virginia legislative session, the Legislature passed, and the Governor signed into law, House Bill 4309, authorizing the Town, the Hardy Commission and Pilgrim’s Pride to create the MHC Wastewater Authority for the purpose of constructing and operating sewer facilities to treat wastewater generated by the Town and Pilgrim’s Pride and meet stringent nutrient removal requirements of the Chesapeake Bay Program initiative.
3. Pilgrim’s Pride is the largest corporate user of wastewater facilities in Hardy County.

4. The Petitioners state that they intend to file a joint application for a certificate of convenience and necessity to construct a planned wastewater treatment plant, transmission lines and collection facilities. Joint Petition p. 5.

5. Staff recommends Commission approval of the Agreement. August 13, 2010, Staff Final Staff Memorandum.

6. Protest letters filed in this case assert that House Bill 4309 authorizes an improper make-up of the Board of Directors to govern the MHC Wastewater Authority.

7. Dr. Taylor's petition to intervene states concerns regarding engineering plans and specifications and the future location of a MHC Wastewater Authority treatment plant.

CONCLUSIONS OF LAW

1. The Regional Water and Wastewater Authority Act permits certain public agencies to make the most efficient use of water supplies and transportation and treatment of wastewater by enabling them to cooperate with other public agencies to provide services and establish regional water or wastewater authorities. The purpose of a regional wastewater authority is to enable public agencies to join together to provide the most economical method of transportation and treatment of wastewater and to provide transportation and treatment services to public service districts, municipalities, publicly and privately owned wastewater utilities, and others. W. Va. Code §16-13D-1.

2. Public agencies may enter into agreements meeting the requirements of W. Va. Code §16-13D-3(c) to organize a regional wastewater authority, and submit any such agreement to this Commission for approval pursuant to W. Va. Code §16-13D-3(e). An agreement is deemed approved unless the Commission disapproves the agreement within ninety days of its submission. W. Va. Code §16-13D-3(e).

3. House Bill 4309 specifically authorizes the Joint Petitioners to establish the MHC Wastewater Authority, and authorizes the specific board structure described in the Joint Petition including board membership of "Hardy County's largest corporate user of wastewater facilities."

4. Upon review of House Bill 4309, W. Va. Code §16-13D-1 et seq, the Joint Petition, the Agreement and the related resolutions, the Commission concludes that the Agreement is consistent with House Bill 4309, meets the requirements of the Act and should be approved. Furthermore, this Commission lacks jurisdiction to declare a State law unlawful.

5. The MHC Wastewater Authority is required to file an application for a certificate of convenience and necessity to construct the new wastewater treatment plant. W. Va. Code § 24-2-11.

6. The petition to intervene filed by Dr. Taylor states concerns regarding the engineering plans and specifications, and future location of a wastewater treatment plant which are not issues in this filing. Objections and concerns regarding plant engineering and location should be raised in the future application of the MHC Wastewater Authority for a certificate of convenience and necessity to construct the plant.

ORDER

IT IS THEREFORE ORDERED that the Joint Petition of the Town, the Hardy Commission and Pilgrim's Pride for consent and approval to enter into the Agreement establishing a regional sewer authority to be called the Moorefield/Hardy County Wastewater Authority is hereby granted.

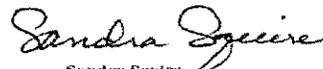
IT IS FURTHER ORDERED that the petition to intervene filed by Dr. Kathleen Taylor is denied.

IT IS FURTHER ORDERED that Commission consent and approval granted in this Order shall not be construed as approval of the specific terms and conditions of the Agreement.

IT IS FURTHER ORDERED that upon entry hereof this case is removed from the Commission docket of open cases.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this order by electronic service on all parties of record who have filed an e-service agreement, by United States First Class Mail on all parties of record who have not filed an e-service agreement, and upon Commission Staff by hand delivery.

A True Copy, Testes:


Sandra Squire
Executive Secretary

JML/tt
101028c.wpd

Moorefield / Hardy County Wastewater Authority

RESOLUTION

Whereas: at a regularly scheduled meeting of the Hardy County Commission dated May 18th, 2010, the Hardy County Commission did pass a Resolution for the Moorefield / Hardy County Wastewater Authority and it being decided to include in said resolution the names of the Board members which came before the County Commission, therefore

Whereas: the County Commission of Hardy is of the opinion that a state of the art wastewater treatment system is needed to meet current and future needs of Residents, businesses and the Potomac River / Chesapeake Bay Watershed initiatives, and

Whereas: the County Commission of Hardy, urged the West Virginia State Legislature to pass legislation for the creation of a regional wastewater authority, and

Whereas: on February 23rd, 2010, the Legislature enacted House Bill 4309, in recognition of the mutual interest of the Town of Moorefield, the County Commission of Hardy County, and Hardy County's largest corporate user of public wastewater facilities are hereby authorized and empowered to create a joint endeavor of the three entities and join an authority known as the Moorefield / Hardy County Wastewater Authority.

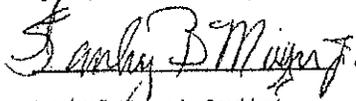
Whereas: the County Commission of Hardy acknowledges that the Moorefield / Hardy County Wastewater Authority shall have a board of directors consisting of 5 (five) members to be appointed and to serve as a director on staggered terms of 2 (two), 3 (three) or 5 (five) years:

1. One member shall be a sitting member of the Town Council selected by the Town Council.
2. One member shall be a sitting member of the County Commission selected by the County Commission; and at a regularly scheduled meeting dated June 15th, 2010, Commissioner William E. Keplinger Jr. was nominated and approved as same.
3. One member shall be a representative of Hardy County's largest corporate user of public wastewater facilities and shall be appointed by such corporate user of public wastewater facilities.
4. One member shall be appointed by the Town Council with unanimous consent of the County Commission of Hardy and Hardy County's largest corporate user of public wastewater facilities; and at a Special meeting of the County Commission dated June 24th, 2010; the Hardy County Commission did by unanimous consent approve the Town Council appointment of Mr. Lucas Gagnon.
5. One member shall be appointed by the County Commission of Hardy with unanimous consent of the Town Council and Hardy County's largest corporate user of public wastewater facilities; and at a Special meeting of the County Commission dated June 24th, 2010, the Hardy County Commission did nominate and approve Mr. Robert Taylor as their appointee.

NOW THEREFORE BE IT RESOLVED THAT:

The County Commission of Hardy orders the creation of the Moorefield / Hardy County Wastewater Authority, as enacted by West Virginia Legislature on February 23rd, 2010 in House Bill 4309.

Adopted on this 06th day of July, 2010, at a regularly scheduled meeting of the Hardy County Commission in which a quorum was present.



Stanley B. Meyer Jr., President

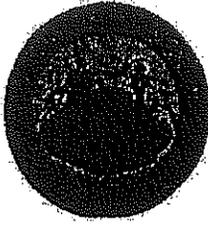


William E. Keplinger Jr., Commissioner



Gregory L. Ely, Hardy County Clerk

A. J. Wade, Commissioner



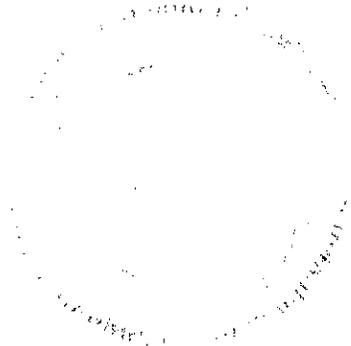
Gregory L. Ely
Hardy County Clerk
204 Washington St. Rm 111
Moorefield WV 26836
(304) 530-0250



STATE OF WEST VIRGINIA,
COUNTY OF HARDY, to wit:

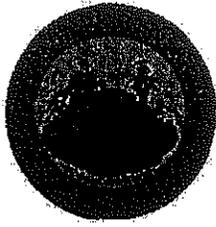
I Gregory L. Ely, Clerk of the County Commission of Hardy County, West Virginia, do certify that the foregoing (and annexed) writing is a true and correct copy of an Agreement, executed by Pilgrim's Pride Corporation and the Town of Moorefield and the County Commission and recorded in the records of the Hardy County Clerk's Office in Deed Book Number 315 at Page 878.

Given under my hand and the seal of the Commission this 15 day of November, 2010.



Gregory L. Ely Clerk
County Commission, Hardy County, WV

By: Illa F. Lubrich Deputy



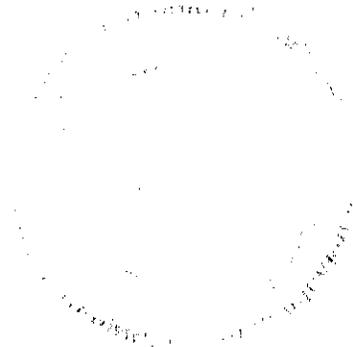
Gregory L. Ely
Hardy County Clerk
204 Washington St. Rm 111
Moorefield WV 26836
(304) 530-0250



STATE OF WEST VIRGINIA,
COUNTY OF HARDY, to wit:

I Gregory L. Ely, Clerk of the County Commission of Hardy County, West Virginia, do certify that the foregoing (and annexed) writing is a true and correct copy of an Agreement, executed by Pilgrim's Pride Corporation and the Town of Moorefield and the County Commission and recorded in the records of the Hardy County Clerk's Office in Deed Book Number 315 at Page 878.

Given under my hand and the seal of the Commission this 15 day of November,
2010.



Gregory L. Ely Clerk
County Commission, Hardy County, WV

By: Chla F. Rudwick Deputy



AGREEMENT

This Agreement (the "Agreement") is entered into this 19th day of October, 2010, by and between Pilgrim's Pride Corporation, a Delaware corporation, doing business in West Virginia ("Pilgrim's Pride"), the Town of Moorefield, Hardy County, West Virginia, a municipal corporation of the State of West Virginia ("Town"), and the County Commission of Hardy County, West Virginia, a public corporation of the State of West Virginia ("County Commission" and collectively with Pilgrim's Pride, and the Town, the "Parties").

WHEREAS, Pilgrim's Pride is the owner and operator of certain poultry processing facilities (collectively, the "Pilgrim's Pride Facilities") located in the Town of Moorefield, Hardy County, West Virginia (the "Town"); and,

WHEREAS, as the result of its operation of the Pilgrim's Pride Facilities, Pilgrim's Pride generates both domestic wastewater (the "Pilgrim's Domestic Wastewater") and wastewater which is consistent with the operation of a poultry processing plant (the "Pilgrim's Process Wastewater" and, collectively with the Pilgrim's Domestic Wastewater, the "Pilgrim's Wastewater"); and,

WHEREAS, Pilgrim's Pride currently owns and operates wastewater treatment facilities which are required to be upgraded in order to meet stringent effluent standards; and,

WHEREAS, the Town is the owner and operator of certain public wastewater collection and treatment facilities with which it provides wastewater service to the residents of the Town and the immediate vicinity; and,

WHEREAS, the Town's wastewater treatment facilities are required to be upgraded in order to meet stringent effluent standards; and

WHEREAS, the County has an interest in maintaining and encouraging the economic growth of Hardy County, West Virginia; and

WHEREAS, in order to maintain and encourage economic growth in Hardy County, West Virginia, the County has determined that it is in the public interest to support the construction and operation of wastewater collection, transportation and treatment facilities necessary to retain the County's current residential, commercial and industrial citizens and to attract new citizens; and

WHEREAS, the West Virginia Legislature ("Legislature") on February 23, 2010, enacted House Bill 4309, a copy of which is attached hereto as Exhibit 1, which provides for the establishment of the Moorefield/Hardy County Wastewater Authority ("Authority") to own and operate a state of the art regional wastewater treatment plant, transmission lines, collection facilities and associated appurtenances to provide wastewater treatment service for the Town of Moorefield and unincorporated areas of Hardy County, West Virginia; and

WHEREAS, the Town and the County have each adopted resolutions (attached hereto as Exhibits 2 and 3 respectively) as required by West Virginia Code §16-13D-2(b) to permit those public agencies to join together with Pilgrim's Pride for the purpose of organizing and operating the Authority; and

WHEREAS, Pilgrim's Pride desires to enter into this Agreement with the Town and the County for the organization of and operation of the Authority; and

WHEREAS, the Parties all wish to provide for the contracting by the Authority with the Town, as authorized by West Virginia Code §16-13D-8(3), for the operation and maintenance of the Authority's facilities; and

WHEREAS, the Parties all wish to enter into this Agreement pursuant to the provisions of House Bill 4309 and West Virginia Code §16-13D-2 to provide for the organization of the Authority.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and explicitly acknowledged by the Parties, the Parties hereby agree as follows:

1.1 Duration.

It is the intention of the Parties that this Agreement shall continue for so long as the Authority continues to exist. Notwithstanding any provision of this Agreement to the contrary, this Agreement may not be terminated so long as any bonds or other evidence of indebtedness issued by the Authority to finance the facilities owned and operated by the Authority are outstanding.

2.1 Organization of the Authority.

The Moorefield/Hardy County Wastewater Authority shall be made up of representatives authorized by the Town of Moorefield and the Hardy County Commission and a representative of Hardy County's largest corporate user of public wastewater facilities, as set forth in H.B. 4309 enacted by the 2010 session of the West Virginia Legislature and subsection 2.1.2.3 below. On the effective date of this Agreement, the largest corporate user of public wastewater facilities in Hardy County, West Virginia is Pilgrim's Pride.

2.1.1 Powers of the Authority.

As a Regional Wastewater Authority established by H.B. 4309 enacted by the 2010 session of the West Virginia Legislature and under the authority of West Virginia Code §16-13D-1 *et seq.*, the Authority shall have all of the powers and authority as set forth in both H.B. 4309 and West Virginia Code §16-13D-1 *et seq.* including but not limited to:

2.1.1.1 The power of eminent domain.

2.1.1.2 The power to buy, sell or lease real and personal property and to take all other actions as may be necessary to carry out the purpose for which the Authority was formed.

2.1.1.3 The power to borrow money and issue bonds.

2.1.1.4 The power to enter into contracts with public agencies as defined at West Virginia Code §16-13D-2(b), privately owned utilities, and other authorities, for the provision of related services including, but not limited to the following: administration, operation, and maintenance, billing and collection.

2.1.1.5 All other powers set forth in West Virginia Code §16-13D-1 *et seq.*

2.1.2 Board of Directors.

2.1.2.1 All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Authority managed under the direction of, the Board of Directors. The overall business affairs of the Authority shall be overseen by the Board of Directors who shall have full power and authority to act on behalf of the Authority, and shall have all the powers necessary, convenient and advisable for the proper operation, equipment and management of the Authority except as specifically stated in the Authority's By-Laws.

2.1.2.2 Powers. The Board of Directors shall also have the following powers:

2.1.2.2.A Authority for hiring and/or removal of a general manager and other employees.

2.1.2.2.B Authority to enter into contracts and other forms of agreement on behalf of the Authority.

2.1.2.2.C Title to all property, both real and personal, shall be held in the name of the Authority shall vest in the Board.

2.1.2.3 Makeup of the Board. The Board shall consist of five (5) members made up as follows:

2.1.2.3.A Representative of Town Council. One member shall be a sitting member of the Town Council of the Town of Moorefield, West Virginia, selected by the Town Council;

2.1.2.3.B Representative of County Commission. One member shall be a sitting member of the County Commission of Hardy County, West Virginia, selected by the County Commission;

2.1.2.3.C Representative of Corporate user. One member shall be representative of Hardy County's largest corporate user of public wastewater facilities in Hardy County, appointed by such corporate user of public wastewater facilities;

2.1.2.3.D Town Council appointee. One member shall be appointed by the Town Council of the Town of Moorefield, West Virginia with the unanimous consent of the County Commission and Hardy County's largest corporate user of public wastewater facilities; and,

2.1.2.3.E County Commission appointee. One member shall be appointed by the County Commission of Hardy County with the unanimous consent of the Town Council of the Town of Moorefield and Hardy County's largest corporate user of public wastewater facilities.

3.1 Purpose.

The purpose for which the Authority is formed is to provide a means to enable the Town of Moorefield, West Virginia, the County Commission of Hardy County, West Virginia, and Hardy County's largest corporate user of public wastewater facilities, to join together to establish an entity to own and operate a state of the art regional wastewater treatment plant, transmission lines, collection facilities and associated appurtenances to provide wastewater treatment service for the Town of Moorefield and the unincorporated areas of Hardy County, West Virginia in accordance with the provisions of H.B. 4309 enacted by the 2010 session of the West Virginia Legislature and *West Virginia Code §16-13D-1 et seq.*

It is intended that the Authority created by this Agreement will construct, operate and maintain necessary wastewater facilities to serve the Town of Moorefield and the unserved unincorporated areas of Hardy County, West Virginia. The Authority will, to the extent required to fulfill its purposes, enter into contracts and agreements to provide for the proper operation, maintenance, repair, and upgrade of the system constructed by the Authority.

4.1 Manner of Financing and Operating Funds of the Authority.

The Authority shall fund its activities through gift and grant funds, the borrowing of money and the issuance of bonds, and the collection of rates and charges sufficient to cover its total cost of service.

4.1.1 Gifts and Grants.

The Authority is authorized to accept by gift or grant from any person, firm, corporation, trust or foundation, or from the state of West Virginia or any other state or any political subdivision or municipality thereof, or from the United States, any funds or property or any interest therein for the

uses and purposes of the Authority and to hold title thereto in trust or otherwise and to bind the Authority to apply the same according to the terms of such gift or grant;

4.1.2 Loans and bonded indebtedness.

The Authority, through its Board of Directors, is authorized to borrow money and evidence the same by warrants, notes, or bonds as provided in West Virginia Code §16-13D-1 *et seq.*, and to refund the same by the issuance of refunding obligations;

4.1.3 Rates and charges.

The Board of Directors of the Authority shall by appropriate resolution make provisions for the payment of its outstanding bonds and other forms of indebtedness by fixing rates, fees and charges, for the use of all services rendered by the Authority, which rates, fees and charges shall be sufficient to pay the costs of operation, improvement and maintenance of the Authority's wastewater collection, transportation and treatment system, to provide an adequate depreciation fund, provide an adequate sinking fund to retire said bonds and pay interest thereon when due, and to create reasonable reserves for such purposes. Said fees, rates or charges shall be sufficient to allow for miscellaneous and emergency or unforeseen expenses. The resolution of the Board of Directors authorizing the issuance of revenue bonds may include agreements, covenants or restrictions deemed necessary or advisable by the Board to effect the efficient operation of the system and to safeguard the interests of the holders of the revenue bonds and to secure the payment of the bonds and the interest thereon.

5.1 Acquisition, holding and disposal of real and personal property.

5.1.1 The Authority is authorized to acquire land and interests in land by gift, purchase, exchange or eminent domain, such power of eminent domain to be exercised within or without the

boundaries of the Authority in accordance with provisions of article two, chapter fifty-four of the West Virginia Code.

5.1.2 The Authority is authorized to acquire by purchase or lease, construct, install, and operate pipelines, pump stations, lift stations, treatment facilities and other facilities for the collection, transportation and treatment of wastewater, and to own and hold such real and personal property as may be necessary to carry out the purposes of its organization, subject to the advance approval of the public service commission for any proposed acquisition, construction, installation or operation in accordance with the provisions of West Virginia Code §16-13D-8(6).

5.1.3 The Board shall have the supervision and control of all properties acquired or constructed by the Authority, 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 Authority 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 the West Virginia Code, and the publication area for such publication shall be Hardy County, West Virginia. The publication shall not be less than ten days prior to the making of any such contract. 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 of the state of West Virginia, but all such obligations shall be payable solely and only out of revenues derived from the operation of

the public service properties of the Authority or from proceeds of bonds issued as provided in this Agreement.

5.1.4 In any case where a majority of not less than sixty percent of the members of the Board of Directors of the Authority deem it for the best interests of the Authority to sell, lease or rent the Authority's public service facilities or properties to any municipality, public service district, or privately-owned wastewater system, the Board may so sell, lease or rent such public service facilities or properties upon such terms and conditions as said Board, in its discretion, considers in the best interests of the Authority: *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 Authority, as a Class I legal advertisement in compliance with the provisions of article three, chapter fifty-nine of the West Virginia Code, in a newspaper published and of general circulation in Hardy County, West Virginia, such publication to be made not earlier than twenty days and not later than seven days prior to the hearing; and (2) 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 Authority, shall be ratably distributed to any persons who have made contributions in aid of construction of such wastewater 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 in equal shares to the Town of Moorefield and the County Commission of Hardy County to be placed in the general funds of the Town and the County Commission.

6.1 Operating contracts.

It is the intention of the Parties that the Authority contract with the Town for the operation and maintenance of the Authority's facilities. To that end, the Authority and the Board shall enter into a contract to be submitted to the Public Service Commission of West Virginia for its approval at the time of applying for a certificate of convenience and necessity. The Board may enter into contracts or agreements with any persons, firms, public agencies, or corporations for any purposes permitted by H.B. 4309 and *West Virginia Code* §16-13D-1 *et seq.* 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 Authority as long as any of said bonds, or interest thereon, are outstanding and unpaid.

7.1 Title to property.

The title to all property, both real and personal, that will provide wastewater service to the parties making up the Authority and all other customers shall vest in the Board of Directors of the Authority.

8.1 Deposit and disbursement of funds.

All money collected by the Authority shall be deposited in a special account for the Moorefield/Hardy County Wastewater Authority, and shall be disbursed by the Authority for the purpose of operating a public wastewater system.

9.1 Partial or complete termination of Agreement and disposition of property.

This Agreement may be amended by majority vote of the Board of Directors without the approval of the public service commission of West Virginia. However, any partial or complete termination of this Agreement, or the sale or transfer of the property of the Authority is subject to the prior approval of the public service commission and must be in accordance with the provisions of subsection 5.1.4 of this Agreement.

10.1 Assignment or succession.

This Agreement may not be assigned by any Party without the prior written consent of the other Parties hereto. However, in the event that Pilgrim's Pride ceases to do business, or does not continue its position as Hardy County's largest corporate user of public wastewater facilities, Pilgrim's Pride's interest in this Agreement shall be subject to transfer to its successor in interest or Hardy County's largest corporate user of public wastewater facilities as the case may be. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

11.1 Notices.

Unless otherwise stated in the Agreement, all notices to be given under the Agreement shall be in writing, and sent by personal delivery or dispatch to the United States Postal Service (USPS) to the address of the relevant party set out below. Provided that:

11.1.1 Any notice sent by USPS shall be deemed (in the absence of evidence of earlier receipt) to have been delivered three (3) days after dispatch;

11.1.2 Any notice delivered personally shall be deemed to have been delivered on the date of its acknowledgement.

11.1.3 All notices to be given under the Agreement shall be sent to Pilgrim's Pride or the Authority, as the case may be, at the addresses set forth below:

If to Pilgrim's Pride:

John Gangwer
330 Co-op Drive
Timberville, Virginia 22853

With a copy to:

Payton Umstot, Operations Manager
Post Office Box 539
Moorefield, West Virginia 26836

If to the Town of Moorefield:

Phyllis Sherman, Recorder
206 Winchester Avenue
Moorefield, West Virginia 26836

With a copy to:

Lucas Gagnon, PE
206 Winchester Avenue
Moorefield, West Virginia 26836

If to The County Commission of Hardy County:

Greg Ely, County Clerk
204 Washington Street - Room 111
Moorefield, West Virginia 26836

or such other address as is notified pursuant to this Clause.

11.1.4 Wherever in the Agreement provision is made for a communication to be "written" or "in writing" this means any hand written, typewritten or printed communication.

12.1 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements with respect thereto as of the date of the execution of this Agreement, and no alteration, modification or interpretation of this Agreement shall be binding unless in writing and signed by all Parties.

13.1 Severability.

If any provision of this Agreement or its application to any Party or circumstances shall be determined by any court of competent jurisdiction to be invalid and/or unenforceable to any extent, the remainder of this Agreement, along with contemporaneously executed agreements, or the application of such provision to such party or circumstances, other than those determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law. In the event a provision of this Agreement, or contemporaneously executed agreements, is found to be invalid or unenforceable, the Parties will negotiate in good faith to agree on a lawful provision having as near the same economic effect as the unenforceable provision.

14.1 Further Assurances.

The Parties agree to execute and deliver such other documents and papers and to do such other acts and things as may be reasonably necessary to more fully affect the intent and purposes of this Agreement. Each Party agrees to exercise its rights and perform its obligations hereunder in good faith.

15.1 Conflicting Provisions.

In the event of any conflict between this document and either H.B. 4309 enacted by the 2010 session of the West Virginia Legislature or West Virginia Code §16-13D-1 *et seq.*, the terms and provisions of H.B. 4309 or West Virginia Code §16-13D-1 *et seq.* shall control as appropriate.

16.1 Counterparts.

This Agreement may be executed in three or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same agreement.

17.1 Opportunity to Review/Authority to Enter into Agreement.

The Parties represent unto each other that each has had an opportunity to review the contents of this Agreement and that their counsel has had the same opportunity and that their respective signatories have been authorized on behalf of their respective entities to sign and execute this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, Pilgrim's Pride Corporation, the Town of Moorefield and the County Commission of Hardy County have executed this Agreement in duplicate originals on the dates set forth below.

PILGRIM'S PRIDE CORPORATION

By: Walt S. Sharp *Walt S. Sharp*
Its EVP operations
10/19/10

TOWN OF MOOREFIELD

By: [Signature]
Its [Signature]

COUNTY COMMISSION OF HARDY COUNTY

By: [Signature]
Its [Signature]

	Name	Term	Approved by Town	Approved by County	Approved by Largest Corporate User
1	Town Council Member	7/1/2010 - 6/30/2012	6/15/2010		
2	County Commission Member	7/1/2010 - 6/30/2012		6/15/2010	
3	Largest Corporate User	7/1/2010 - 6/30/2015			4/16/2010
4	Appointment by Town	7/1/2010 - 6/30/2013	3/15/2010	6/24/2010	6/28/2010
5	Appointment by County	7/1/2010 - 6/30/2013	6/29/2010	6/24/2010	6/28/2010



Town of Moorefield

206 WINCHESTER AVENUE • MOOREFIELD, WEST VIRGINIA 26836
PHONE & TDD: 304-530-6142 FAX: 304-530-6933
E-MAIL: townofmfd@hardynet.com (City Hall)
mfdwwtp@hardynet.com (Wastewater Department)
mfdwater@hardynet.com (Water Department)

RESOLUTIONS APPROVING REGIONAL SEWER AUTHORITY

Excerpt from minutes of regular meeting May 4, 2010

On a motion duly made by Councilman Steve Wilson and seconded by Councilman Charles Silliman, council voted unanimously to enter into membership of the Wastewater Authority. A motion was then made by Steve Wilson and seconded by Carlton Hilliard to accept the revised agreement as prepared by Robert Rodecker. Councilman Combs abstained and stated that he felt a disclosure statement should be added to the agreement before giving the mayor authority to sign to protect the town's existing infrastructure and debt service and to assure that an operation and maintenance agreement is entered into between the town and the authority. Council agreed and Councilman Combs entered a motion to rescind the preceding motion and to add verbiage to the agreement establishing the authority that would protect the town's infrastructure, existing debt, and assure that an agreement would be entered into between the authority and the town for the operation and maintenance of the plant and system. The motion was passed by unanimous vote. (Combs, Zuber)

Excerpt from minutes of special meeting, June 29, 2010.

As the first order of business, council on motion of Steve Wilson, seconded by Carlton Hilliard, unanimously approved the appointment of Bob Taylor to the Regional Wastewater Authority by the County Commission. County Commissioner J. R. Keplinger is the Commission representative on the Authority.

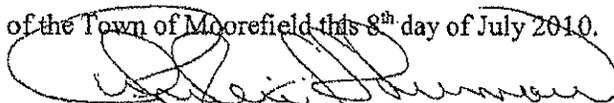
Council next approved the amended agreement prepared by Robert Rodecker to establish the Authority. The agreement was amended by taking out the word shall in Paragraph 6.1, Operating Contracts on page 9. The new sentence will read "It is the intention of the Parties that the Authority contract with the Town for the operation and maintenance of the Authority's facilities." (Cuber, Wilson)

TOWN OF MOOREFIELD

MOOREFIELD, WV to-wit:

I, Phyllis J. Sherman, Recorder of the Town of Moorefield, do hereby certify that the foregoing are true abstracts from the Regular and Special Minutes of the Town of Moorefield entered into the records on May 4 and June 29, 2010.

Given under my hand and seal of the Town of Moorefield this 8th day of July 2010.


Recorder

SPECIAL, MARCH 15, 2010

The Town Council of Moorefield, a municipal corporation, met in special session on Monday, March 15, 2010 at 2:00 P.M. in the Council Room of Inskeep Hall pursuant to a Notice of Special Meeting dated March 11, 2010.

Those present were: Mayor Gary Stalnaker, Phyllis Sherman, recorder; Carol Zuber, Steve Wilson, Charles Silliman, and Marshall "Chip" Combs, II, councilman; and Lucas Gagnon, public works director. Councilman Hilliard was not present for the meeting.

The Notice of Special Meeting is attached to these minutes and becomes a permanent part of the minutes of the Town of Moorefield.

The main purpose of this meeting was for the purpose of a budget workshop.

First, Lucas Gagnon gave a report on the recent meeting with Nicole Lick of FEMA and Robert Perry from the State OES office regarding our participation in the National Flood Insurance Program. They were interested in reviewing flood plain permitting, ordinances, and other records. The study on the flood elevations at the North end of Moorefield need to be redone. He added that if the deadline for certifying the levee comes and we have not yet completed the process that we will be given extra time as long as we can prove we are working on getting it completed. We hope to have a meeting with Senator Byrd soon to update him on the situation and to seek his help in resolving the issue.

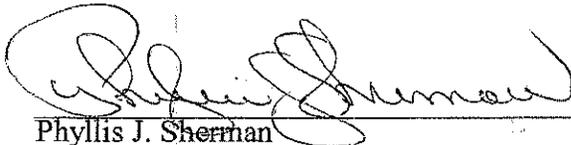
Briefly discussed the regional sewer project and the revised agreement recently sent by Robert Rodecker. It was decided to meet with City Attorney Walters to have him help draft the O&M agreement with the Regional Authority. (Silliman, Combs) After discussion, council unanimously appointed Councilman Wilson, and Lucas Gagnon to the Regional Authority. (Silliman, Combs)

After a discussion concerning budget expenditures, the following motions were made:

- ▶ Increase Hardy County Child Care Center from \$1000 to \$2000. (Wilson, Silliman)
- ▶ The recorder was directed to calculate raises, at 40 and 50 cents per hour. Shayn Hose will get a 50 cent raise to \$10.00 per hour on April 14th at the end of his six-month probation. Gary Ratliff, who went to work at the park, will receive a 50 cent raise after 90 days which will be the end of March.
- ▶ Discussed Lucas Gagnon's salary increase and Councilman Wilson will make the offer to him and report back at the next budget meeting.
- ▶ Approved the request of Lucas Gagnon to have Jim Shupe repair the electric in the Allegheny Lift station. His estimate was \$3292. Mr. Gagnon said that they have been waiting a year on another electrician and the repairs need to be made before someone is injured. Councilman Silliman questioned whether or not Mr. Shupe is a licensed electrician or has a contractor's license. (Wilson, Silliman)

The next budget meeting will be on Wednesday with the time to be determined later. No further business appearing, the meeting was adjourned.

Respectfully submitted,



 Phyllis J. Sherman
 Recorder

SPECIAL, JUNE 29, 2010

The Town Council of Moorefield, a municipal corporation, met in special session on Tuesday, June 29, 2010 pursuant to a Notice of Special Meeting dated June 23, 2010.

Those present were: Gary Stalnaker, mayor; Phyllis Sherman, recorder; Steve Wilson, Marshall "Chip" Combs, II; Carlton Hilliard, and Carol Zuber, councilmen; Lucas Gagnon, public works director; and Phoebe Heishman of the Moorefield Examiner. Council is saddened by the death of Councilman Charles "Chuck" Silliman. Mr. Silliman has been ill for several months and passed away on Monday, June 28, 2010.

The Notice of Special Meeting is attached to these minutes and becomes a permanent part of the records of the Town of Moorefield.

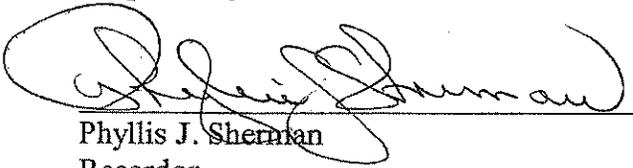
As the first order of business, council on motion of Steve Wilson, seconded by Carlton Hilliard, unanimously approved the appointment of Bob Taylor to the Regional Wastewater Authority by the County Commission. County Commissioner J. R. Keplinger is the commission representative on the Authority.

Council next approved the amended agreement prepared by Robert Rodecker to establish the Authority. The agreement was amended by taking out the word shall in Paragraph 6.1, Operating Contracts on page 9. The new sentence will read "It is the intention of the Parties that the Authority contract with the Town for the operation and maintenance of the Authority's facilities". (Zuber, Wilson)

Council on the advice of Councilman Combs agreed to accept the proposal from Commercial Insurance for insurance for the 2011 fiscal year at a premium rate of \$140,064.67. (Combs, Zuber) The premium went up \$24,000 due to the Reel lawsuit. Councilman Combs stated that he talked with a representative from the company and told him to submit their proposal a month earlier next year.

No further business appearing, the meeting was adjourned.

Respectfully submitted,



Phyllis J. Sherman
Recorder

A regular meeting of the Hardy County Commission was held at the Hardy County Courthouse in Moorefield WV, on

June 15TH 2010

In attendance were Commissioners: Stanley B. Moyer Jr., A. J. Wade, William E. Keplinger Jr. and County Clerk Gregg Ely

Also present: Jean Flannagan (representing the Moorefield Examiner), and Rose Helmick County Coordinator

President Moyer called the meeting to order at 1:04 pm.

President Moyer called the next order of business: **The Minutes of the Last Meetings**: President Moyer asked if there were any additions or corrections to the minutes of the last Commission meeting dated June 01st, 2010, there being none, President Moyer declared the minutes of the last meeting approved.

President Moyer called the next order of business: **Exonerations**: It was moved by Commissioner Wade to approve the Exonerations as presented, (see Exhibit "A") seconded by Commissioner Keplinger: President Moyer called for discussion, there being none, a vote was called for and Commissioner's Keplinger and Wade voting in the affirmative, motion was passed and declared approved by President Moyer.

President Moyer called the next order of business: **Settlements**: It was moved by Commissioner Wade to approve the Settlements as presented, (see Exhibit "A") seconded by Commissioner Keplinger. President Moyer called for discussion, there being none, a vote was called for and Commissioner's Keplinger and Wade voting in the affirmative, motion was passed and declared approved by President Moyer.

President Moyer called the next order of business: **Consolidations**: NONE

President Moyer called the next order of business: **Orders**
It was moved by Commissioner Wade to approve the Orders as presented, (see Exhibit "A"), excepting the consultant charge for \$1,500.00, seconded by Commissioner Keplinger. President Moyer called for discussion, Commissioner Wade stated that it was unlawful to pay for something with no contract, written or verbal; and services have not been rendered yet. Commissioner Keplinger stated he can see that, it could be paid at the end of the month and we did meet and have them working on hiring of someone to run the Lost River State Park. there being none further, a vote was called for and Commissioner Wade voting in the affirmative, and Commissioner's Keplinger and Moyer voting in the negative; President Moyer declared the motion denied.
It was moved by Commissioner Keplinger to approve all orders as presented, seconded by Commissioner Wade; President Moyer called for a vote and Commissioner Wade voting in the negative, and Commissioner's Keplinger and Moyer voting in the affirmative; President Moyer declared the motion passed.

<u>Account</u>	<u>Check #'s</u>
General County Fund	22411-22481
Dog Fund	2098-2099
Home Detention	1361-1363
Assessor's Valuation	1780-1781
Magistrate Court	-----
Worthless Checks	-----
Coal Severance	1313
Justice Fines	-----
E-911	2580-2588
Farmland Preservation	511
Courthouse Improvements	-----
General School Fund	-----
Day Report Center	149-156

President Moyer called the next order of business: Payroll Check Register:
(May 18th thru May 31st) \$53,413.74

President Moyer called the next order of business: Clerks report to County Commission of wills admitted to record and Executors appointed:
(see Exhibit "A")

President Moyer called the next order of business: Clerks report to County Commission of Administrators, curators and committees appointed:
(see Exhibit "A")

President Moyer called the next order of Business: Walk-IN Circuit Clerk Janet Ferrell // in-house budget revision:

Mrs. Ferrell came before the commission with an in-house budget revision, moving monies to cover part time employee for scanning. Commissioner Keplinger made a motion to approve same, seconded by Commissioner Wade; President Moyer called for discussion, there being none, President Moyer called for a vote and Commissioners Wade and Keplinger voting in the affirmative, President Moyer declared the motion passed.

President Moyer called the next order of Business: Dennis Funk // appointment to farmland preservation board. Mr. Funk came before the Commission requesting that Mr. Ronnie Miller of Lost River District be appointed to fill the unexpired term of Mr. Don Biller to the Farmland Preservation Board, beginning July 01st 2010. Commissioner Wade made a motion to approve same, seconded by Commissioner Keplinger; President Moyer called for discussion, there being none, President Moyer called for a vote and Commissioners Wade and Keplinger voting in the affirmative, President Moyer declared the motion passed. It was also noted that Mr. Mike Alt replaced Bob Harper at a previous meeting.

President Moyer called the next order of Business: Board Appointment to Wastewater Authority: President Moyer opened nominations for the Wastewater Authority Board. Commissioner Keplinger nominated Commissioner Wade as the Commission appointment; Commissioner Wade stated he would not serve on it and stated that there cannot be a board until an agreement was approved by the PSC. Commissioner Moyer made a nomination of Commissioner William E. Keplinger Jr. to represent the Commission on the Wastewater Authority Board, pending all approval by proper entities. Commissioner Moyer; nominations now closed Commissioner Moyer called for a vote and Commissioners Moyer and Keplinger voting affirmative and no vote in the negative being heard; President Moyer declared Commissioner Keplinger to be the Commission representative.

President Moyer called the next order of Business: County Clerk Gregg Ely // State Budget Revision // Day Report Center: Mr. Ely came before the Commission and asked them to approve and allow the County Clerk to sign the State Budget Revision which is to move the drawdown monies received out of the State Grant line into the 698 line, this will take it out of the County Financial, so it will not show as over stating the revenues and expenses for the County. Commissioner Keplinger made a motion to approve the State Budget Revision,, seconded by Commissioner Wade; President Moyer asked for discussion; there being none, President Moyer called for a vote and Commissioners Wade and Keplinger voting in the affirmative, President Moyer declared the motion passed.

President Moyer called the next order of Business: Logan Moyers // PSD Budget: Mr. Moyers presented the Commission with the Public Service District Budget for the ensuing year. (see Exhibit "B").

The Commission thanked him for coming in.

President Moyer called the next order of Business: Dog Warden Contract: Commissioner Wade made a motion to approve the Dog Warden Contract for the ensuing year, seconded by Commissioner Keplinger; President Moyer asked for discussion and there being none; President Moyer called for a vote and Commissioners Wade and Keplinger voting in the affirmative, President Moyer declared the motion passed.

A *Special* meeting of the Hardy County Commission was held at the Hardy County Courthouse in Moorefield WV, on

June 24TH 2010

In attendance were Commissioners: Stanley B. Moyer Jr., A. J. Wade, William E. Keplinger Jr. and County Clerk Gregg Ely

Also present: Jean Flannagan (representing the Moorefield Examiner), and Rose Helmick County Coordinator

President Moyer called the meeting to order at 9:04 am.

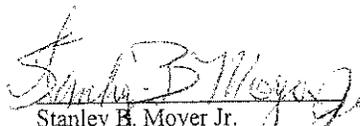
President Moyer called the next order of business: **Town of Moorefield appointee to Wastewater Board**: Commissioner Wade made a motion that the County Commission unanimously consent to the appointment of Lucas Gagnon to the board of directors of the not yet created wastewater treatment authority, subject to the following conditions: (1) that the parties enter into an agreement for the purpose of organizing such authority, (2) that the agreement be submitted to and approved by the public service commission, (3) that the approved agreement be filed with the County Clerk and with the Secretary of State accompanied by the Clerk's certification that the agreement has been filed in his county, (4) that the Secretary of State declare the authority organized as a quasi-governmental public corporation and (5) that the appointment of Lucas Gagnon be effective upon the date the Secretary of State declares the authority organized.

Seconded by Commissioner Keplinger; President Moyer called for discussion and there being none, a vote was called and all three Commissioners, Keplinger, Wade and Moyer voting in the affirmative, President Moyer declared the Motion Passed.

President Moyer called the next order of business: **County appointee to Wastewater Board**: President Moyer opened the floor for nominations for the County appointee to the Wastewater Authority Board. Commissioner Keplinger nominated Robert Taylor, no further nominations being made, President Moyer declared the nominations closed. It was moved by Commissioner Keplinger to approve Mr. Robert Taylor to serve as the nominated representative of the County on the Wastewater Authority Board, seconded by Commissioner Wade. President Moyer called for discussion, there being none, a vote was called for and Commissioner's Keplinger and Wade and Moyer all voting in the affirmative, motion was passed and declared approved by President Moyer.

President Moyer called the next order of business: **Agreement**: It was moved by Commissioner Keplinger to amend the Agreement which was passed at the May 04th, 2010 meeting (recorded in Police and Fiscal Order Book 20), being page 2 (two), and page 9 (nine) and 10 (ten) article 6.1 Operating contracts; (see Exhibits "A" and "B" thru "B-1") seconded by Commissioner Wade. President Moyer called for discussion, there being none, a vote was called for and Commissioner's Keplinger and Moyer voting in the affirmative, and Commissioner Wade voting in the negative; President Moyer declared motion passed and approved.

President Moyer stated there being no further business, the Special meeting was declared adjourned at 9:35 am.


Stanley B. Moyer Jr.
President, Hardy County Commission



Steven Wilson
MHCWA President
206 Winchester Avenue
Moorefield, WV 26836

RE: Appointments and Approval of members of the
Moorefield/Hardy County Wastewater Authority

Dear Mr. Wilson,

On April 16, 2010, I, John Gangwer, was appointed as a member of the Moorefield/Hardy County Wastewater Authority by Pilgrim's Pride Corporation, the largest corporate user of public wastewater facilities.

On June 28, 2010, Pilgrim's Pride Corporation, the largest corporate user of public wastewater facilities, approved Robert Taylor, representing Hardy County, and Lucas Gagnon, representing The Town of Moorefield, as members at large of the Moorefield/Hardy County Wastewater Authority.

Sincerely,

John Gangwer
Director of Environmental Affairs, Eastern Region
Pilgrim's Pride Corporation



Oath Of Office

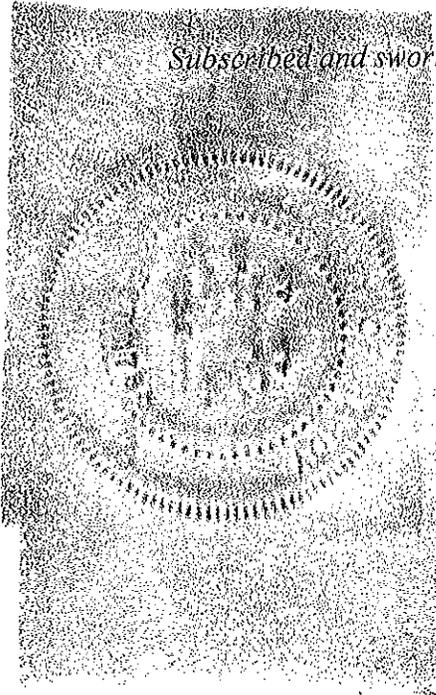
STATE OF WEST VIRGINIA

COUNTY OF HARDY, TO-WIT:

I, Lucas Gagnon, do solemnly swear that I will faithfully discharge the duties as Board Member of Moorefield/Hardy County Wastewater Authority to the best of my skill and judgment.


Signature

Subscribed and sworn to before me in this 19th day of March, 2012.
Giz




Title: Hardy County Clerk

This document presented and filed:
03/20/2012 10:18:17 AM


Gregory L. Ely, Hardy County, WV
184197

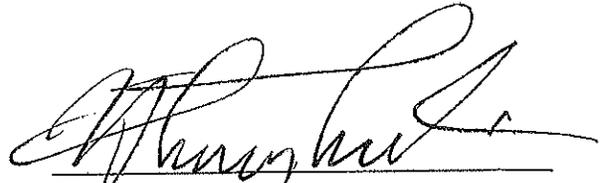


Oath Of Office

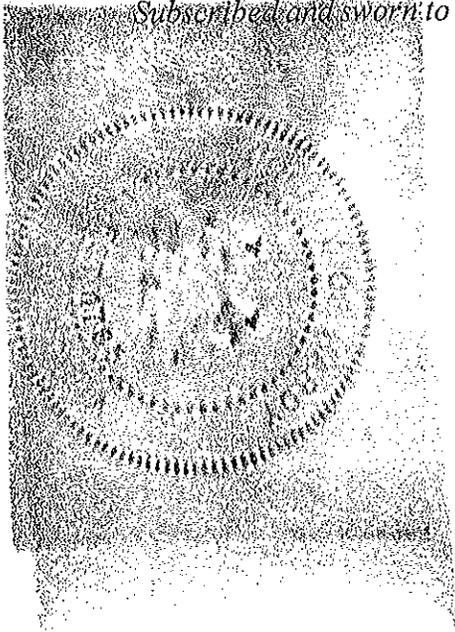
STATE OF WEST VIRGINIA

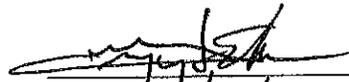
COUNTY OF HARDY, TO-WIT:

I, Steven Wilson, do solemnly swear that I will faithfully discharge the duties as Board Member of Moorefield/Hardy County Wastewater Authority to the best of my skill and judgment.

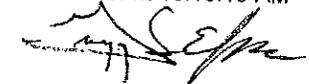

Signature

Subscribed and sworn to before me in this 19th day of March, 2012.
S/E




Title: Hardy County Clerk

This document presented and filed:
03/20/2012 10:18:18 AM


Gregory L. Ely, Hardy County, WV
184198



Oath Of Office

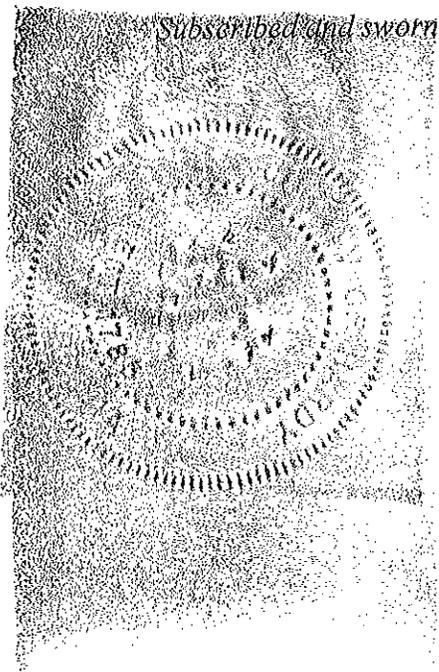
STATE OF WEST VIRGINIA

COUNTY OF HARDY, TO-WIT:

I, D. ROBERT TAYLOR do solemnly swear that I will faithfully discharge the duties as Board Member of Moorefield/Hardy County Wastewater Authority to the best of my skill and judgment.

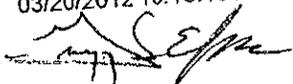

Signature

Subscribed and sworn to before me in this 19th day of March, 2012.
GLE




Title: Hardy County Clerk

This document presented and filed:
03/20/2012 10:18:19 AM


Gregory L. Ely, Hardy County, WV
184199



Oath Of Office

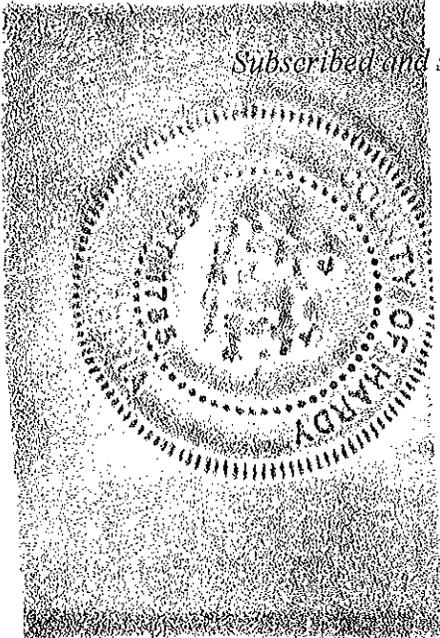
STATE OF WEST VIRGINIA

COUNTY OF HARDY, TO-WIT:

I, William E. Kopliger, Jr., do solemnly swear that I will faithfully discharge the duties as Board Member of Moorefield/Hardy County Wastewater Authority to the best of my skill and judgment.

Signature

Subscribed and sworn to before me in this 19th day of March, 2012.
GC



Title: Hardy County Clerk

This document presented and filed:
03/20/2012 10:18:20 AM

Gregory L. Ely, Hardy County, WV
184200

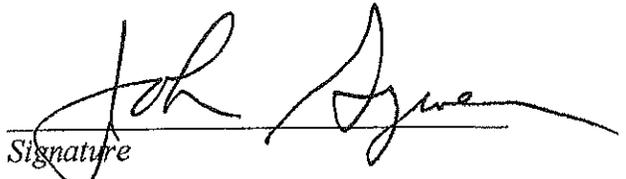


Oath Of Office

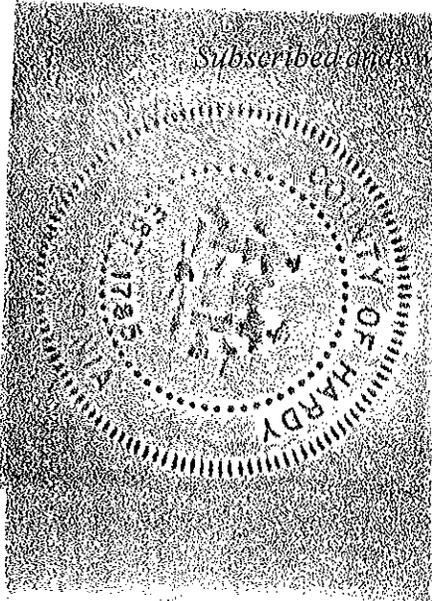
STATE OF WEST VIRGINIA

COUNTY OF HARDY, TO-WIT:

I, John Gargwes do solemnly swear that I will faithfully discharge the duties as Board Member of Moorefield/Hardy County Wastewater Authority to the best of my skill and judgment.

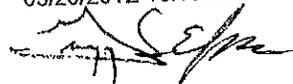

Signature

Subscribed and sworn to before me in this 19th day of March, 2012.
GLE




Title: Hardy County Clerk

This document presented and filed:
03/20/2012 10:18:21 AM


Gregory L. Ely, Hardy County, WV
184201

BY-LAWS OF MOOREFIELD / HARDY COUNTY WASTEWATER AUTHORITY

ARTICLE I - NAME AND OFFICES

The legal name of this public corporation shall be the MOOREFIELD / HARDY COUNTY WASTEWATER AUTHORITY ("Authority"). The principal office of the Authority shall be in the Town of Moorefield, Hardy County, West Virginia, or at such other location in Hardy County, West Virginia which may be selected by the Board of Directors.

ARTICLE II – PURPOSE

The overarching purpose for which the Authority was formed under the provisions of H.B. 4309 enacted by the 2010 session of the West Virginia Legislature and West Virginia Code §16-13D-1 *et seq.* was to enable the Town of Moorefield, West Virginia, the County Commission of Hardy County, West Virginia, and Hardy County's largest corporate user of public wastewater facilities, to own and operate a state of the art regional wastewater treatment plant, transmission lines, collection facilities and associated appurtenances to provide wastewater treatment service for the Town of Moorefield and unincorporated areas of Hardy County.

ARTICLE III - POWERS

As a Regional Wastewater Authority established by H.B. 4309 enacted by the 2010 session of the West Virginia Legislature and under the authority of West Virginia Code §16-13D-1 *et seq.*, the Authority shall have all of the powers and authority as set forth in both H.B. 4309 and West Virginia Code §16-13D-1 *et seq.* including but not limited to:

1. The power of eminent domain.
2. The power to buy, sell or lease real and personal property and to take all other actions as may be necessary to carry out the purpose for which the Authority was formed.
3. The power to borrow money and issue bonds.
4. The power to enter into contracts with public agencies as defined at West Virginia Code §16-13D-2(d), privately owned utilities, and other authorities, for the provision of related services including, but not limited to the following: administration, operation, and maintenance, billing and collection.

5. All other powers set forth in West Virginia Code §16-13D-1 et seq.

ARTICLE IV - BOARD OF DIRECTORS

1 General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Authority managed under the direction of, the Board of Directors. The overall business affairs of the Authority shall be overseen by the Board of Directors who shall have full power and authority to act on behalf of the Authority, and shall have all the powers necessary, convenient and advisable for the proper operation, equipment and management of the Authority except as specifically stated in these By-Laws.

2. Other Powers. The Board of Directors shall also have the following powers:

- A. Authority for hiring and/or removal of a general manager and other employees.
- B. Authority to enter into contracts and other forms of agreement on behalf of the Authority.
- C. Title to all property, both real and personal, shall be held in the name of the Authority shall vest in the Board.

3. Makeup of the Board. The Board shall consist of five (5) members made up as follows:

- A. Representative of Town Council. One member shall be a sitting member of the Town Council of the Town of Moorefield, West Virginia, selected by the Town Council;
- B. Representative of County Commission. One member shall be a sitting member of the County Commission of Hardy County, West Virginia, selected by the County Commission;
- C. Representative of Corporate user. One member shall be representative of Hardy County's largest corporate user of public wastewater facilities in Hardy County, appointed by such corporate user of public wastewater facilities;
- D. Town Council appointee. One member shall be appointed by the Town Council of the Town of Moorefield, West Virginia with the unanimous consent of the County Commission and Hardy County's largest corporate user of public wastewater facilities; and,
- E. County Commission appointee. One member shall be appointed by the County Commission of Hardy County with the unanimous consent of the Town Council of the Town of Moorefield and Hardy County's largest corporate user of public wastewater facilities.

4. Term of Office. The term of office for members of the Board of Directors shall be as follows:

- A. Representative of Town Council. The representative of the Town Council shall serve for a term of two (2) years. Regardless of the date of appointment, the term of the initial representative shall expire as if said term had commenced on July 1, 2010.
- B. Representative of County Commission. The representative of the County Commission shall serve for a term of two (2) years. Regardless of the date of appointment, the term of the initial representative shall expire as if said term had commenced on July 1, 2010.
- C. Representative of Corporate user. The initial representative of the County's largest corporate user of public wastewater facilities shall be appointed for a term of five (5) years. Regardless of the date of appointment, the term of the initial representative shall expire as if said term had commenced on July 1, 2010. At the expiration of the initial term, all following terms shall be for a period of three (3) years.
- D. Town Council appointee. The term of the Board member appointed by the Town Council in the manner set forth in Section 3.D. above, shall be three (3) years. Regardless of the date of appointment, the term of the initial representative shall expire as if said term had commenced on July 1, 2010.
- E. County Commission appointee. The term of the Board member appointed by the County Commission in the manner set forth in Section 3.E. above, shall be three (3) years. Regardless of the date of appointment, the term of the initial representative shall expire as if said term had commenced on July 1, 2010.

5. Successor Members and vacancies. Each successor member of the Board of Directors shall be appointed by the respective entity that appointed the predecessor member in the same manner as the predecessor was appointed. Any person appointed to fill a vacancy occurring prior to the expiration of the term shall serve only for the unexpired portion thereof. Any member of the Board shall be eligible for reappointment.

6. Removal of Board Members. Any member of the Board may be removed at any time for any reason by a majority vote of the entity that appointed that member.

7. Qualification of Board Members. The qualifications of the Board Members shall be determined by the entity responsible for making the appointment.

8. Meetings. There shall be an annual meeting of the Board on the second Monday in July of each year. The Board shall meet monthly on the first Monday of the month. Special meetings may be called by the President of the Board upon all members of the Board having been provided with written notice of Special Meeting.

9. Quorum. At all meetings three (3) members shall constitute a quorum.

ARTICLE V – OFFICERS

1. At the initial meeting of the Board of Directors, and at the annual meeting held each year thereafter, the Board of Directors shall elect from its membership, a President, Vice President, Secretary and Treasurer. A member may be elected both Secretary and Treasurer.

2. Each officer shall hold office until his or her successor shall be duly elected and shall have qualified.

3. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by a member of the Board of Directors for the unexpired portion of the term.

PRESIDENT

The President shall be the principal officer of the Authority and shall in general supervise and control all of the business and affairs of the Authority. He or she shall preside at all meetings of the Board of Directors. Upon the approval of a majority of the members of the Board, he or she may execute any instruments on behalf of the Authority, and in general he or she shall perform all duties incident to the office of President.

VICE PRESIDENT

In the absence of the President or in the event of his or her inability to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all of the restrictions of the President. The Vice President shall perform such other duties as from time to time be assigned to him or her by the President or Board of Directors.

SECRETARY

The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for the purpose; keep a register of the contact information of each Board member which shall be furnished to the Secretary by such member; and prepare written minutes or summaries of proceedings of each meeting and distribute same to members of the Board following each meeting and prior to subsequent meetings.

TREASURER

The Treasurer shall be responsible for the financial affairs of the Authority, including having primary signatory responsibility for the financial accounts of the Authority.

ARTICLE VI - SPECIFIC POWERS AND DUTIES OF THE BOARD

The Board of Directors is hereby authorized and directed as follows:

1. The Board may, consistent with funds available, authorize the employment of such professional personnel and staff as may be necessary to accomplish the purposes of the Authority.
2. The Board shall adopt guidelines, policies and procedures relating to the operation and conduct of the affairs of the Authority.
3. The Board shall, by appropriate resolution make provisions for the payment of bonds of the Authority by adopting rates, fees and charges, for the use of all services rendered by the Authority, which rates, fees and charges shall be sufficient to pay the costs of operation, improvement and maintenance of the Authority's wastewater collection, transportation and treatment system, to provide an adequate depreciation fund, provide an adequate sinking fund to retire said bonds and pay interest thereon when due, and to create reasonable reserves for such purposes. Said rates, fees or charges shall be sufficient to allow for miscellaneous and emergency or unforeseen expenses and for such other matters, as in the judgment of the Board, are necessary for the efficient, uniform and continued operation of the Authority.
4. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority, shall be signed by such officer or officers, agent or agents of the Authority in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the President of the Authority.
5. The Board may, within the limitations of these By-Laws, take any other action or actions as in its judgment may be necessary to effectuate the purposes of the Authority.

ARTICLE VII - FISCAL YEAR

Unless otherwise ordered by the Board of Directors, the fiscal year of the Authority shall begin on July 1 in each year and end on the 30th day of June of following year.

ARTICLE VIII - ANNUAL AUDIT

The Board shall cause to be made an annual audit of the financial records of the Authority. The cost of such audit shall be paid for out of the funds of the Authority.

ARTICLE IX - CONFLICT OF INTEREST

No member of the Board of Directors shall participate in any discussion or vote on any matter in which he or she or a member of his or her immediate family has potential conflict of interest due to having material economic involvement regarding the matter being discussed. When such a situation presents itself, the director must announce his or her potential conflict, disqualify himself or herself, and be excused from the meeting until discussion is over on the matter involved. The chair of the meeting is expected to make inquiry if such conflict appears to exist, and the Director has not made it known. Because each of the members of the Board is potentially an employee of the party whom he or she represents which is a member of the Authority, the mere fact of such employment does not constitute a conflict. However, this section shall apply if that member, or a member of his or her immediate family has an interest in a matter before the Board which is outside of his or her employment for the party that is a member of the Authority, this section shall apply. Where there is a question, the member shall have a duty to raise this matter for discussion with the other members of the Board of Directors.

ARTICLE X - AMENDMENTS TO BY-LAWS

These By-Laws may be altered, amended or replaced and new By-Laws may be adopted by a majority of the members of the Board of Directors present at any annual, regular or special meeting. Notice shall be given at least seven (7) days prior to the consideration of any amendment, alteration or proposed repeal or reenactment of the By-Laws, specifying the nature of the proposed action and the specific modifications of language proposed. All new Board of Director members shall be provided a copy of these By-Laws as the same shall have been altered, amended, or repealed and reenacted.

Adopted by the Board of Directors on _____

I, _____, as Secretary of MOOREFIELD / HARDY COUNTY WASTEWATER AUTHORITY, hereby certify that the foregoing constitute the By-Laws of this Authority as adopted and in full force and effect on this _____ day of _____, 2010.

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

RULES OF PROCEDURE

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY.

Section 2. The principal office of Moorefield/Hardy County Wastewater Authority (the "Board") is located in Moorefield, Hardy County, West Virginia.

Section 3. The Common Seal of the Board shall consist of 2 concentric circles between which circles shall be inscribed Moorefield/Hardy County Wastewater Authority, and in the center shall be inscribed the corporate seal.

Section 4: The fiscal year of the Board shall begin on July 1 of each year and shall end on the following June 30.

ARTICLE II PURPOSE

This Board is organized exclusively for the purposes set forth in H.B. 4309 enacted by the 2010 Session of the West Virginia Legislature, as amended (the "Act").

ARTICLE III MEMBERSHIP

Section 1. The members of the Board shall be those persons appointed by The County Commission of Hardy County, the Town of Moorefield and Hardy County's largest corporate user of public wastewater pursuant to the Act.

Section 2. Should any member of the Board resign or otherwise become legally disqualified to serve as a member of the Board, the Secretary shall immediately notify the appropriate 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 Secretary shall notify the appropriate entity provided under the Act of the pending termination and request the entity provided under the Act to appoint or re-appoint a member to maintain a fully qualified membership of the Board.

ARTICLE IV
MEETINGS OF THE BOARD

Section 1. The members of the Board shall hold annual meetings on the second Monday in July, 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 President or by any two members of the Board.

Section 2. At any meeting of the Board, three (3) members shall constitute a quorum. Each member of the Board shall have one vote at any membership meeting and if a quorum is not present, those present may adjourn the meeting to a later date.

Section 3. Unless otherwise agreed, notice to members of regular annual meeting shall not be required. Unless otherwise waived, notice of each special meeting of the membership shall be given to all members by the Secretary by fax, telephone, mail or other satisfactory means at least two (2) days 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. No business other than that stated in the notice or incidental thereto shall be transacted at any such special meeting.

PUBLIC NOTICE OF MEETINGS

Section 4. Pursuant to Section 3, Article 9A, Chapter 6 of the West Virginia Code of 1931, as amended (1999 Revision), 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 (except in the event of an emergency requiring immediate action) as follows:

A. Regular Meetings. A notice shall be posted and maintained by the Secretary of the Board at the front door or bulletin board of the office of the Board and, if different from the office, at the front door or bulletin board of the place fixed for regular meetings of the Board not less than three (3) business days before a regularly scheduled meeting is to be held, stating the date, time and place fixed and entered of record by the Board for the holding of regularly scheduled meetings. In addition, a copy of the agenda for each regularly scheduled meeting shall be posted at the same locations by the Secretary of the Board not less than three (3) business days before such regular meeting is to be held. The agenda listing the matters requiring official action that may be addressed at the meeting may be amended up to two (2) business days prior to the meeting. If a particular regularly scheduled meeting is cancelled or postponed, a notice of such cancellation or postponement shall be posted at the same locations as soon as feasible after such cancellation or postponement has been determined.

B. Special Meetings. A notice shall be posted by the Secretary of the Board at the front door or bulletin board of the office of the Board and at the front door or bulletin board of the place fixed for the regular meetings of the Board not less than two (2) business days before a special meeting is to be held, stating the date, time, place and purpose for which such special meeting shall be held. In addition, a copy of the agenda listing the matters requiring official action that may be addressed at the meeting for each special meeting shall be posted at the same locations by the Secretary of the Board not less than two (2) business days before such special meeting is to be held. If the special meeting is cancelled, a notice of such cancellation shall be posted at the same locations as soon as feasible after such cancellation has been determined.

For the purposes of calculating the number of days in any notice period based upon business days, Saturdays, Sundays, legal holidays and the day of the meeting are not counted.

ARTICLE V **OFFICERS**

Section 1. The officers of the Board shall be a President, a Vice-President, a Secretary and a Treasurer. The officers shall be elected from the members of the Board. The Secretary and Treasurer may be the same person.

Section 2. The officers of the Board shall be elected each year by the members at the annual meeting held in such 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 following annual meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI **DUTIES OF OFFICERS**

Section 1. When present, the President shall preside as President at all meetings of the Board. The President shall attend generally to the executive business of the Board and exercise such powers as may be conferred by the Board, by these Rules of Procedure, or as prescribed by law. The President shall execute, and if necessary, acknowledge for record, any deeds, deeds of trust, contracts, notes, bonds, agreements or other papers 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. The Vice-President shall assume the duties of the president in the absence of the President.

Section 3. The Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall sign the minutes of the meetings at which he or she is present. The Secretary shall have charge of the minute book, be the custodian of the Common Seal of the Board and all deeds and other writings and papers of the Board. The Secretary shall also perform such other duties as he or she may have under law by virtue of the office or as may be conferred from time to time by the members of the Board, these Rules of Procedure or as prescribed by law.

Section 4. The Treasurer shall be the lawful custodian of all funds of the Board and shall disburse funds of the Board 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 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. He shall perform such other duties as may be required of him by law or as may be conferred upon him by the members of the Board, these Rules of Procedure or as prescribed by law.

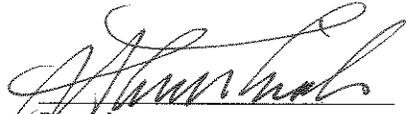
Section 5. If the President, Vice President, Secretary or Treasurer is absent from any meeting, the remaining members of the Board shall select a temporary President, secretary or treasurer, as necessary, who shall have all of the powers of the absent officer during such period of absence.

ARTICLE VII
AMENDMENTS TO RULES OF PROCEDURE

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

These Rules of Procedure shall replace any and all previous rules of procedure, bylaws or similar rules heretofore adopted by the Board.

Adopted February 22, 2012


President

LAW OFFICES
ROBERT R. RODECKER
BB&T SQUARE
300 SUMMERS STREET, SUITE 1230
POST OFFICE BOX 3713
CHARLESTON, WEST VIRGINIA 25337

ROBERT R. RODECKER
rodecker@wvdsi.net

JAMES V. KELSH
OF COUNSEL
kelshlaw@yahoo.com

AREA CODE 304
343-1654
FACSIMILE
343-1657

March 8, 2011

Ms. Sandra Squire
Executive Secretary
Public Service Commission
of West Virginia
201 Brooks Street
Post Office Box 812
Charleston, West Virginia 25323-0812

11:48 AM MAR 08 11 PSC EXEC SEC DIV

RE: CASE NO. 11-0238-S-CN
MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY and THE TOWN OF MOOREFIELD

Dear Ms. Squire:

Pursuant to the Commission's February 22, 2011 Order, enclosed herein please find the original and twelve (12) copies of an Affidavit evidencing publication of the Notice of Filing as a Class 1 legal advertisement in *The Moorefield Examiner* newspaper on March 2, 2011.

As evidenced by the Certificate of Service attached thereto, a copy of this filing is being served upon Staff Attorney Lisa Wansley.

Sincerely,



Robert R. Rodecker
WV State Bar No. 3145

bg
enclosure

cc: Phyllis Sherman, Town Recorder
Steven Wilson, President MHCWA
John Gangwer, Pilgrim's Pride

AFFIDAVIT OF PUBLICATON

Cost of Publication \$248.13

State of West Virginia
County of Hardy, to wit:

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I, Phoebe Fisher Heishman, being first sworn upon my oath, do depose and say that I am President of the R. E. Fisher Company, a corporation, and publisher of the newspaper entitled THE MOOREFIELD EXAMINER, a Democratic newspaper; that I have been duly authorized by the Board of Directors of such corporation to execute all affidavits of publication; that such newspaper has been published for more than one year prior to publication of the annexed notice described below; that such newspaper is regularly published twice weekly on Wednesdays and Saturdays, for at least fifty weeks during a calendar year, in the municipality of Moorefield, Hardy County, West Virginia; that such newspaper is a newspaper of "general circulation," as that term is defined in article three, chapter fifty-nine of the Code of West Virginia, 1931, as amended within the publication area or areas of aforesaid municipality and county; that such newspaper averages in length four or more pages, exclusive of any cover, per issue; that such newspaper is circulated to the general public at a definite price or consideration; that such newspaper is a newspaper to which the general public resorts for passing events of a political, religious, commercial, and social nature, and for current happenings, announcements, miscellaneous reading matters, that the annexed

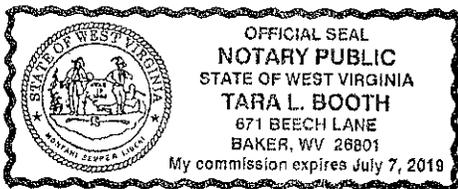
Notice of Filing Civil Action No. 11-0238-CN

was duly published in said newspaper once a week for 1 successive weeks, commencing with the issue of 2 day of March, 2011, and ending with the issue of the day of , 2011, and was posted at the N/A on the day of , 20 .

Phoebe Fisher Heishman
Phoebe Fisher Heishman, Publisher
The Moorefield Examiner

Taken, subscribed and sworn to before me in my said county this 2 day of March, 2011.

My commission expires July 7, 2019.



Tara L Booth
Notary Public of Hardy County, WV

MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY
and THE TOWN OF MOOREFIELD

Application for a certificate of convenience and necessity for the construction and operation of wastewater collection, transportation and treatment facilities; for approval of funding related to said project; and, for approval of rates and charges and related agreements.

NOTICE OF FILING

On February 18, 2011, the Moorefield/Hardy County Wastewater Authority and the Town Of Moorefield (Applicants) filed a joint application, duly verified, for a Certificate to construct and operate wastewater collection, transportation and treatment facilities to provide wastewater treatment services for the Town of Moorefield, Pilgrim's Pride Corporation and to unincorporated areas of Hardy County, and to meet stringent nutrient removal requirements of the Chesapeake Bay Program initiative.

The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, in Charleston, West Virginia.

The Applicants estimate that construction will cost \$36,267,000. Funding of the project will be through a WV EDA grant of \$5,000,000, a 2008 STAG Grant in the amount of \$2,866,000, a 2009 STAG Grant in the amount of \$3,000,000, a 2010 STAG grant in the amount of \$2,500,000, a DEP CWSRF loan in the amount of \$16,000,000, a DEP Debt forgiveness loan in the amount of \$2,000,000, a WVJDC grant of \$1,000,000, a donation of pipe, in kind contributions of engineering services and land by Pilgrim's Pride Corporation valued at \$1,500,000 and of \$401,000 by the Town of Moorefield; and a proposed grant anticipation note in the amount of \$2,000,000. Other than the contributions by Pilgrim's Pride Corporation and the Town, all of the funding for the project has been obtained in the name of the Town of Moorefield due to the fact that the Moorefield/Hardy County Wastewater Authority had not been fully established at the time of the submission of applications for funding. Prior to construction, all grant and loan funds will be transferred to the Authority. Accordingly, this Application is being submitted jointly by the Authority and the Town with the understanding that the Certificate of Convenience and Necessity will be issued to the Authority and that the Town will transfer to the Authority the funding it has received for the project, and, upon completion of the project, the Town's responsibility for wastewater treatment at its facilities.

The Authority anticipates during the following sewer rates for its customers:

SCHEDULE I

APPLICABILITY

Applicable within entire territory served.

AVAILABILITY

Available for domestic, commercial, industrial (except unusual industrial waste) and resale sewer service.

CONTRACT RATES

Town of Moorefield

Pilgrim's Pride \$ 16,010 per month

\$193,061 per month

RATES (Metered water or metered wastewater flow)

Non Contract usage per month:

First 2,000 gallons used per month

\$18.00 per 1,000 gallons

All over 2,000 gallons used per month

\$6.00 per 1,000 gallons

Minimum Bill (2,000 gallons used per month):

\$36.00 per month

DELAYED PAYMENT PENALTY

The above schedule is net. On all current usage billings not paid in full when due, ten percent (10%) 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

A tap fee of \$500.00, or the actual cost of the connection (solely determined by the Authority), whichever is greater, will be charged to all customers who apply 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 Authority or a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

DISCONNECT CHARGE/ RECONNECTION CHARGE/ADMINISTRATIVE FEE

Water service will not be restored until all past due sewer bills have been paid in full and all accrued penalties plus a disconnection charge of \$25.00 have been paid.

There shall be a \$25.00 reconnection charge paid prior to restoration of water service which has been previously disconnected for any reason.

In the event that Authority staff or agents collect money at the customer's residence in order to stop disconnection, an administrative fee of \$25.00 shall be paid in addition to other charges to prevent disconnection.

INCREMENTAL COSTS

An amount not to exceed \$6.00 per 1,000 gallons is to be used when a bill reflects unusual consumption which can be attributed to eligible leakage on the customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical usage. The Authority shall establish a nondiscriminatory policy regarding this provision for leak adjustments.

SCHEDULE II

SURCHARGE FORMULA TO BE APPLIED IN CASES WHERE SURFACE DRAINAGE IS CONNECTED TO THE AUTHORITY'S SANITARY SEWER SYSTEM

Where the Authority has discovered that a customer's roof drain, down spouts, storm sewer or other similar facilities conducting surface water have been connected to the Authority's sewer system, and such customer has failed to take appropriate action within thirty (30) days of receipt of a demand by the Authority, in accordance with the rules and regulations 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:

$$S = A \times R \times X \times .0006233 \times C$$

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

X - .0006233 - a conversion factor to change inches of rain x square feet of surface to thousands of gallons of water

C - The Authority's approved rate per thousand gallons of metered water usage

The Authority 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 other 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 and

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regulations of the Public Service Commission of West Virginia.

SCHEDULE III

SURCHARGE FORMULA TO BE APPLIED IN THE CASES OF USERS PRODUCING UNUSUAL WASTE

The charge for the treatment of industrial waste will be calculated on the basis of the following formula:

$$Ci = VoVi + BoBi + SoSi$$

Ci = charge to unusual users per year
Vo = average unit cost of transport and treatment chargeable to volume, in dollars per gallon

Vi = volume of waste from unusual users in gallons per year

Bo = average unit cost of treatment, chargeable to Biochemical Oxygen Demand (BOD) in dollars per pound

Bi = weight of BOD from unusual users in pounds per year

So = average unit cost of treatment (including sludge treatment) chargeable to total solids in dollars per pound

Si = weight of total solids from unusual users in pounds per year

When an unusual user is to be served, a preliminary study of its wastes, and the cost of transport and treatment thereof, will be made at owner's expense. Waste containing materials which, in the judgment of the Authority, should not be introduced into the sewer system, need not be handled by it. The results of this preliminary study will be used to determine the feasibility of the proposed sewer service and the charge therefore, based upon the formula set out above.

Thereafter, unusual sewage will be monitored on a regular basis and at the conclusion of each fiscal year, based on the investigation aforesaid and audit of the Authority's records, new cost figures will be calculated for use in the above formula. The cost of establishing the monitoring facilities shall be paid by the unusual user. Based on these audited figures, additional billings covering the past fiscal year will be made for payment by each unusual user, or refund given by the Authority, as the case may be. Such audited figures will then be used for the preliminary billing for the next year, at the end of which an adjustment will be made as aforesaid.

SCHEDULE IV

APPLICABILITY

Applicable within the entire territory served.

AVAILABILITY

Available for wastewater and leachate haulers.

RATES

Commodity Charge - Each customers shall pay a commodity charge of \$25.00 per 1,000 gallons per load. Load will be the actual capacity of the truck or other transport method delivering wastewater and leachate. Actual capacity shall be determined, or verified solely, by the Authority.

DELAYED PAYMENT PENALTY

The above schedule is net. On all current usage billings not paid in full when due, ten percent (10%) 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.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the Authority or a maximum of \$25.00 will be imposed upon any customer whose check for payment of charges is returned by their bank due to insufficient funds.

The Authority will have no resale customers.

Anyone desiring to protest or intervene should file a written protest or request to intervene within thirty (30) days following the date of this publication unless otherwise modified by Commission order. Failure to timely protest or request to intervene can affect your right to protest aspects of this certificate case, including any associated rate increases, or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or request to intervene. Requests to intervene must comply with the rules on intervention set forth in the Commission's Rules of Practice and Procedure. All protests and requests to intervene should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323.

In the absence of substantial protest received within thirty (30) days of this publication, the Commission may waive formal hearing and grant the application based on the Commission's review of the evidence submitted with the application.

MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY and TOWN OF MOOREFIELD

CERTIFICATE OF SERVICE

I, Robert R. Rodecker, counsel for Moorefield/Hardy County Wastewater Authority and The Town of Moorefield, do hereby certify that a copy of this filing has today been served upon Staff Attorney Lisa Wansley via hand delivery on this 8th day of March, 2011.


ROBERT R. RODECKER

11:48 AM MAR 08 11 PSC EXEC SEC DIV

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

EXCERPT OF MINUTES ON ELECTION OF OFFICERS,
ADOPTION OF BOND RESOLUTION, SUPPLEMENTAL
RESOLUTION; AND SWEEP RESOLUTION

The undersigned SECRETARY of Moorefield/Hardy County Wastewater Authority hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Authority:

Moorefield/Hardy County Wastewater Authority met in special session, pursuant to notice duly posted, on the 15th day of March, 2012, in Moorefield, West Virginia, at the hour of 10:00 am.

PRESENT:	Lucas Gagnon	John Stump
	Steve Wilson	Jack Walters
	J.R. Keplinger	Phyllis Sherman
	John Gangwer	Phyllis Cole
	Robert Taylor	

Steve Wilson, presided, and announced that a quorum of members was present and that the meeting was open for any business properly before it.

A motion made by John Gangwer and seconded by J.R. Keplinger to elect Steve Wilson as President for year 2012 and Robert Taylor as Secretary for year 2012. The motion passed.

Thereupon, the President presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A PUBLIC SEWERAGE SYSTEM OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE WASTEWATER DISTRICT OF \$16,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM); AND \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN);

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 A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Robert Taylor and seconded by J.R. Keplinger, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the President presented a proposed Supplemental Bond Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN), OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE SERIES 2012 BONDS.

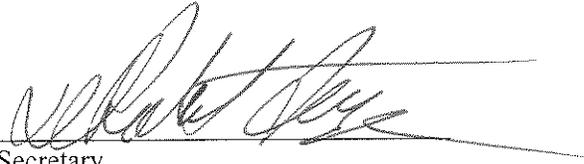
and caused the same to be read and there was discussion. Thereupon, on motion duly made by Lucas Gagnon and seconded by J.R. Keplinger, it was unanimously ordered that the said Supplemental Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the President presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, on motion duly made J.R. Keplinger and seconded by Steve Wilson, it was unanimously ordered that the said Sweep Resolution be adopted.

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of Moorefield/Hardy County Wastewater Authority and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.



Secretary

ANNUAL, AUTHORITY, JULY 11, 2011

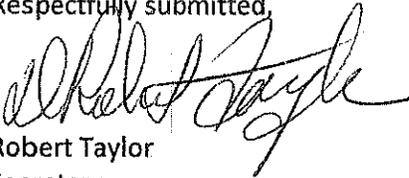
The Moorefield/Hardy County Wastewater Authority held its annual meeting on Monday, July 11, 2011 at 1:00 P.M. in the Council Room of Inskeep Hall.

Those present were: Steve Wilson, Lucas Gagnon, John Gangwer, J. R. Keplinger, and Robert Taylor, board members and Gary Stalnaker, mayor.

This meeting was called to comply with the by-laws as they pertain to the organization of the authority. After a discussion, it was decided to have no change in officers. On motion of John Gangwer, seconded by Lucas Gagnon, the board voted to re-elect all officers as before, which is: Steve Wilson, president, Lucas Gagnon, vice-president, and Robert Taylor, secretary-treasurer. There will be no need for an annual audit since there were no expenditures or receipts this year.

There being no further business to come before the council, the meeting was adjourned at 1:10 P.M.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Robert Taylor".

Robert Taylor
Secretary

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

EXCERPT OF MINUTES ON ELECTION OF OFFICERS,
ADOPTION OF BOND RESOLUTION, SUPPLEMENTAL
RESOLUTION; AND SWEEP RESOLUTION

The undersigned SECRETARY of Moorefield/Hardy County Wastewater Authority hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Authority:

Moorefield/Hardy County Wastewater Authority met in special session, pursuant to notice duly posted, on the 15th day of March, 2012, in Moorefield, West Virginia, at the hour of 10:00 am.

PRESENT:	Lucas Gagnon	John Stump
	Steve Wilson	Jack Walters
	J.R. Keplinger	Phyllis Sherman
	John Gangwer	Phyllis Cole
	Robert Taylor	

Steve Wilson, presided, and announced that a quorum of members was present and that the meeting was open for any business properly before it.

A motion made by John Gangwer and seconded by J.R. Keplinger to elect Steve Wilson as President for year 2012 and Robert Taylor as Secretary for year 2012. The motion passed.

Thereupon, the President presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A PUBLIC SEWERAGE SYSTEM OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE WASTEWATER DISTRICT OF \$16,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM); AND \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN);

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 A BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Robert Taylor and seconded by J.R. Keplinger, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the President presented a proposed Supplemental Bond Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN), OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE SERIES 2012 BONDS.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by Lucas Gagnon and seconded by J.R. Keplinger, it was unanimously ordered that the said Supplemental Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Next, the President presented a proposed Sweep Resolution for the authorization of electronic monthly debt service and reserve fund payments to the Municipal Bond Commission. Thereupon, on motion duly made J.R. Keplinger and seconded by Steve Wilson, it was unanimously ordered that the said Sweep Resolution be adopted.

There being no further business to come before the meeting, on motion duly made and seconded, it was unanimously ordered that the meeting adjourn.

CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of Moorefield/Hardy County Wastewater Authority and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.


Secretary

WV MUNICIPAL BOND COMMISSION

1207 Quarrier Street
Suite 401
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 3/26/2012

ISSUE: Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program)

ADDRESS: 206 Winchester Avenue, Moorefield, WV 26836 COUNTY: Hardy

PURPOSE OF ISSUE:

New Money: X
Refunding: _____

REFUNDS ISSUE(S) DATED: NA

ISSUE DATE: 3/26/2012

CLOSING DATE: 3/26/2012

ISSUE AMOUNT: \$1,500,000

RATE: 100% forgivable

1ST DEBT SERVICE DUE: 100% forgivable

1ST PRINCIPAL DUE 100% forgivable

1ST DEBT SERVICE AMOUNT 100% forgivable

PAYING AGENT: Municipal Bond Commission

BOND COUNSEL:

Firm: Steptoe & Johnson PLLC
Contact John Stump, Esquire
Phone: (304) 353.8196

UNDERWRITERS COUNSEL

Firm: Jackson Kelly, PLLC
Contact: Samme Gee, Esquire
Phone: (304) 340-1318

CLOSING BANK:

Bank: First United Bank & Trust
Contact: Katy Bennett
Phone: 304.538.7881

ESCROW TRUSTEE:

Firm: _____
Contact: _____
Phone: _____

KNOWLEDGEABLE ISSUER CONTACT

Contact: Lucas Gagnon
Position: Manager
Phone: 304.530.6142

OTHER:

Agency: West Virginia Department of
Environmental Protection
Contact: Rosalie Brodersen
Position: Program Manager
Phone: 304.926.0499 x 1608

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. Fun \$ _____
To Other: _____ \$ _____

NOTES: The Series 2012 B Bonds Reserve Account will not be funded.

FOR MUNICIPAL BOND COMMISSION USE ONLY:

DOCUMENTS REQUIRED: _____
TRANSFERS REQUIRED: _____

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

First United Bank & Trust, Moorefield, West Virginia, hereby accepts appointment as Depository Bank in connection with the Bond Resolution of Moorefield/Hardy County Wastewater Authority (the "Issuer") adopted March 15, 2012, and the Supplemental Resolution of the Issuer adopted March 15, 2012 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), and Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), both dated March 26, 2012, issued in the respective principal amounts of \$16,500,000 and \$1,500,000 (collectively, the "Bonds"), and agrees to serve as Depository Bank in connection with the Bonds, all as set forth in the Bond Legislation.

WITNESS my signature on this 26th day of March, 2012.

FIRST UNITED BANK & TRUST

By: 
Its: Authorized Officer

621500.00001

5885741

Moorefield/Hardy County Wastewater Authority

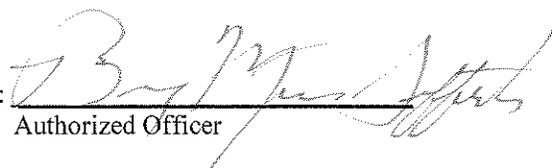
Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Moorefield/Hardy County Wastewater Authority Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), and Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), both dated March 26, 2012, issued in the respective principal amounts of \$16,500,000 and \$1,500,000 (collectively, the "Bonds"), and agrees to perform all duties of Registrar in connection with the Bonds, all as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 26th day of March, 2012.

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

621500.00001

5885802

Moorefield/Hardy County Wastewater Authority

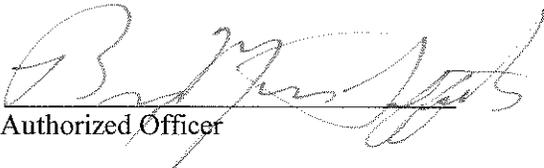
Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

CERTIFICATE OF REGISTRATION OF BONDS

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, as Registrar under the Bond Legislation and Registrar's Agreement providing for the above-captioned Bonds of Moorefield/Hardy County Wastewater Authority (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), of the Issuer, dated March 26, 2012, in the principal amount of \$16,500,000, numbered AR-1, Sewer Revenue Bonds, and the Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer, dated March 26, 2012, in the principal amount of \$1,500,000, numbered BR-1, were 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 Huntington National Bank, as Registrar.

WITNESS my signature on this 26th day of March, 2012.

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

621500.00001

5885799

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 26th day of March, 2012, by and between MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, a public corporation and political subdivision of the State of West Virginia (the "Issuer"), and THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia (the "Registrar").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$16,500,000 Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), and \$1,500,000 Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), in fully registered form (collectively, the "Bonds"), pursuant to the Bond Resolution of the Issuer duly adopted March 15, 2012, and the Supplemental Resolution of the Issuer duly adopted March 15, 2012 (collectively, the "Bond Legislation");

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 Bond Legislation, a copy of which is attached as EXHIBIT A hereto and incorporated herein by reference;

WHEREAS, the Bond Legislation provides for an appointment by the Issuer of a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Bond Legislation and this Registrar's Agreement does appoint, the Registrar to act as Registrar under the Bond Legislation 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 Bond Legislation, such duties including, among other things, the duties to authenticate, register and deliver 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 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 for services rendered as provided in the annexed schedule.

5. It is intended that this Registrar's Agreement shall carry out and implement provisions of the Bond Legislation with respect to the Registrar. In the event of any conflict between the terms of this Registrar's Agreement and the Bond Legislation, the terms of the Bond Legislation 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 Bond Legislation 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 addresses:

ISSUER: Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, West Virginia 26836
Attention: President

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

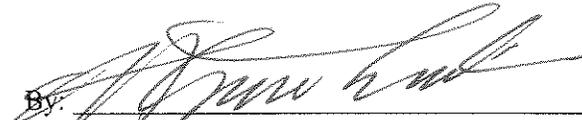
8. The Registrar shall not discriminate on the basis of race, color, national origin or sex in the performance of this Agreement. The registrar shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the Registrar to carry out these requirements is a material breach of the Agreement which may result in the termination of this Agreement or other legal available remedies.

9. The Registrar is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Bond Legislation.

[Remainder of Page Intentionally Blank]

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 day and year first above-written.

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY

By: 
Its: President

THE HUNTINGTON NATIONAL BANK

By: 
Its: Authorized Officer

EXHIBIT A

Bond Legislation included in bond transcript as Documents Nos. 1 and 2.

SCHEDULE OF COMPENSATION



STATEMENT OF REGISTRAR'S FEES
Invoice Date March 26, 2012

Moorefield/Hardy County Wastewater Authority
Account Number 6089001809

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 A
c/o Katy Mallory
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

FEE CALCULATION FOR March, 2012

TOTAL AMOUNT	\$ 500.00
TOTAL DUE	<u>\$ 500.00</u>

MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035



STATEMENT OF REGISTRAR'S FEES
Invoice Date March 26, 2012

Moorefield/Hardy County Wastewater Authority
Account Number 6089001809

Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 B
c/o Katy Mallory
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

FEE CALCULATION FOR March, 2012

TOTAL AMOUNT \$ 500.00
TOTAL DUE \$ 500.00

MAIL CHECK TO:
THE HUNTINGTON NATIONAL BANK
ATTN: BARRY GRIFFITH – WE3013
PO BOX 633
CHARLESTON, WV 25322-0633

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR PAYMENT

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304) 348-5035



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, West Virginia 25304-2345
Phone: 304-926-0495
Fax: 304-926-0496

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
www.dep.wv.gov

October 07, 2011

STEVE WILSON, PRESIDENT
MOOREFIELD-HARDY CO WASTEWATER AUTHORITY
206 WINCHESTER AVENUE
MOOREFIELD, WV 26836

CERTIFIED RETURN RECEIPT REQUESTED

Dear Permittee:

Enclosed please find WV/NPDES Permit Number WV0106038 dated October 07, 2011.

Please note that a Discharge Monitoring Report (DMR) is to be completed and submitted to this Division each month. It is suggested that several copies of the enclosed DMR forms be made for your future use, as this Division does not supply permittees with DMR forms.

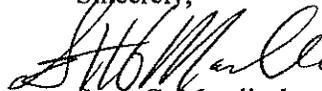
Finally note that copies of all future correspondence regarding the permit including copies of DMRs must be forwarded to the Field Inspector and Field Supervisor at the following address:

Department of Environmental Protection
Environmental Enforcement
HC 63 Box 2545
Romney, WV 26757

Also, please note the attachment to this permit which describes the annual permit fee requirement.

If you have any questions, please contact Matt Sweeney, P.E. of this Division at (304) 926-0499 at extension 1019.

Sincerely,



Scott G. Mandirola
Director

SGM:ms

Enclosures

Permit Number: WV0106038

Permittee: MOOREFIELD-HARDY CO WASTEWATER AUTH

cc: Bureau of Public Health
Construction Assistance
Env. Insp. Supv.
Env. Insp.
Public Service Commission
US EPA



STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER AND WASTE MANAGEMENT
601 57TH STREET SE
CHARLESTON, WV 25304-2345

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
WATER POLLUTION CONTROL PERMIT

NPDES PERMIT NO.: WV0106038
SUBJECT: Sewage

ISSUE DATE: October 07, 2011
EFFECTIVE DATE : December 01, 2011
EXPIRATION DATE: June 30, 2016
SUPERSEDES: N/A

LOCATION: MOOREFIELD (City)	Hardy (County)	S. Potomac River (Drainage Basin)
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See the next page for a list of Outlets.

TO WHOM IT MAY CONCERN:

This is to certify that: MOOREFIELD-HARDY CO WASTEWATER AUTHORITY
206 WINCHESTER AVENUE
MOOREFIELD, WV 26836

is hereby granted a West Virginia NPDES Water Pollution Control Permit to:

To acquire, construct, install, operate and maintain a sanitary sewer collection system consisting of 2,745 linear feet of 24 inch diameter PVC gravity sewer pipe, 340 linear feet of 24 inch diameter reinforced concrete gravity sewer pipe, 155 feet of 15 inch diameter PVC gravity sewer pipe, 16,735 linear feet of 18 inch diameter PVC force main, 20 manholes, 1 lift station, and all necessary appurtenances.

To acquire, construct, install, operate and maintain a new 4.1 million gallon per day regional wastewater treatment system. The new regional system includes installation of one mechanical and one manual bar screen, a traveling bridge aerated grit/grease chamber, a 2.0 million gallon aerated equalization lagoon, two - 60 foot diameter 0.51 million gallon primary clarifiers, two - five stage 2.4 million gallon Bardenpho oxidation ditches, two - 95 foot diameter 1.59 million gallon secondary clarifiers, an 82,500 gallon chlorination chamber, a 340,340 gallon aerobic digester, two - 72,500 gallon sludge digesters, a 17 foot by 18 foot by 13 foot cascading aerator, two cloth disk filters, a 22 gallon per minute sludge screw press, a compost facility, and all necessary appurtenances.

To incorporate the requirements relative to Title 33, Series 2 of the West Virginia Legislative Rules for the processing and disposal of sewage sludge generated by the wastewater treatment facility. To incorporate requirements relative to 40 CFR 503 of the Federal regulations for the composting of sewage sludge. Sewage sludge generated and/or processed at the permittee's facility shall be disposed via composting disbursement and/or at a sanitary landfill by placing the sewage sludge in the landfill cell.

The facilities are to serve a population equivalent of approximately 11,300 persons in the Town of Moorefield, Caledonia Heights Subdivision, and Robert C. Byrd Industrial Park and discharge treated wastewater to the South Branch of the Potomac River (near mile point 60.4), a tributary of the Potomac River via Outlet 001.

This permit is subject to the following terms and conditions :

The information submitted on and with Permit Application No. WV0106038 dated the 10th day of February 2011 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information

were set forth herein and with other conditions set forth in Sections A, B, C, D, E, F, and Appendix A.

The new wastewater collection and treatment system project shall be constructed in accordance with the plans and specifications approved by the agency on the 7th day of April 2010 entitled : "Contract 1 - Collection System and Conveyance System" prepared by Triad Engineers Incorporated dated November 2009; "Contract 2 - Moorefield Pump Station" prepared by AECOM dated February 2010; and "Contract 3 - Wastewater Treatment Plant" prepared by AECOM dated February 2010.

The validity of this permit is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

Inspectable Unit	Latitude	Longitude	Receiving Stream	Dist. to Stream Mouth (in Mile)	Milepost
001	39°06'39"	78°56'54"	SOUTH BR OF POTOMAC	N/A	60.4
IU01	39°04'24"	78°58'23"	N/A	N/A	N/A
IU02	39°03'38"	78°58'20"	N/A	N/A	N/A
S01	39°06'39"	78°56'54"	N/A	N/A	N/A

**A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations
Year Round**

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Other Units</u>		<u>Units</u>	<u>Monitoring Requirements</u>	
	Rpt Only	Max. Daily	Million Gallons	Units	Rpt Only	Max. Daily	mgd	<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow, in Conduit or thru plant (Year Round) (ML-1)	Rpt Only Monthly Total	N/A	N/A	Million Gallons	Rpt Only	Max. Daily	mgd	Continuous	measured
BOD, 5-Day 20 Deg.C (Year Round) (ML-B)	1026 Avg. Monthly	2052 Max. Daily	N/A	Lbs/Day	10 Avg. Monthly	20 Max. Daily	mg/l	2/week	24 hr Composite
Total Suspended Solids (Year Round) (ML-A)	1026 Avg. Monthly	2052 Max. Daily	N/A	Lbs/Day	30 Avg. Monthly	60 Max. Daily	mg/l	2/week	24 hr Composite
BOD, % Removal (Year Round) (ML-K)	N/A	N/A	85 Month. Avg. Min.	N/A	N/A	N/A	Percent	1/week	Calculated
Suspended Solids, % Removal (Year Round) (ML-K)	N/A	N/A	85 Month. Avg. Min.	N/A	N/A	N/A	Percent	1/week	Calculated
Coliform, Fecal (Year Round) (ML-A)	N/A	N/A	N/A	N/A	200 Mon. Sec. Mean	400 Max. Daily	Cnts/100ml	2/week	Grab
pH (Year Round) (ML-A)	N/A	N/A	6 Inst. Min.	N/A	N/A	9 Inst. Max.	S.U.	2/week	Grab
Dissolved Oxygen (Year Round) (ML-A)	N/A	N/A	6 Inst. Min.	N/A	N/A	N/A	mg/l	2/week	Grab
Ammonia Nitrogen (Year Round) (ML-A)	68 Avg. Monthly	137 Max. Daily	N/A	Lbs/Day	2 Avg. Monthly	4 Max. Daily	mg/l	2/week	24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

**A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations
Year Round**

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Monitoring Requirements</u>		
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>	
Nitrogen Nitrate (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/week 24 hr Composite
Nitrogen Nitrite (Year Round) (ML-A)	N/A	N/A	1.48 Avg. Monthly	2.97 Max. Daily	mg/l	1/week 24 hr Composite
Nitrogen, Total (as N) (Year Round) (ML-A)	N/A	51431 Annual Total	N/A	N/A	N/A	1/year Calculated
Refer to Section E						
Nitrogen, Total (as N) (Year Round) (ML-A)	Rpt Only Monthly Total	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/week 24 hr Composite
Phosphorus, Total (Year Round) (ML-A)	N/A	5221 Annual Total	N/A	N/A	N/A	1/year Calculated
Refer to Section E						
Phosphorus, Total (Year Round) (ML-A)	Rpt Only Monthly Total	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/week 24 hr Composite
Chlorine, Total Residual (Year Round) (ML-A)	N/A	N/A	28 Avg. Monthly	57 Max. Daily	ug/l	2/week Grab
Copper, Total Recoverable (Year Round) (ML-A)	N/A	N/A	0.023 Avg. Monthly	0.046 Max. Daily	mg/l	2/month 24 hr Composite
Lead, Total Recoverable (Year Round) (ML-A)	N/A	N/A	0.015 Avg. Monthly	0.03 Max. Daily	mg/l	2/month 24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Monitoring Requirements</u>		
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>	<u>Units</u>
Zinc, Total Recoverable (Year Round) (ML-A)	N/A	N/A	0.202 Avg. Monthly	2/month	24 hr Composite	mg/l
Cadmium, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	1/quarter	24 hr Composite	mg/l
Mercury, Total (as Hg) (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	1/quarter	Grab	ug/l
Nickel, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	1/quarter	24 hr Composite	mg/l
Silver, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	1/quarter	24 hr Composite	mg/l
Aluminum, Total Recoverable (Year Round) (ML-A)	N/A	N/A	1.04 Avg. Monthly	2/month	24 hr Composite	mg/l
Iron, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	1/quarter	24 hr Composite	mg/l
Chloride (as Cl) (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	1/quarter	24 hr Composite	mg/l
Chronic Tox-Ceriodaphnia Dubia (Year Round) (ML-A)	N/A	N/A	4.1 Avg. Monthly	1/quarter	24 hr Composite	TUc

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Units</u>	<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>			<u>Measurement Frequency</u>
Chronic Toxicity - Pimephales (Year Round) (ML-A)	N/A	N/A	4.1 Avg. Monthly	8.2 Max. Daily	TUc	1/quarter 24 hr Composite
Arsenic, Total Recoverable (Year Round) (ML-A)	N/A	N/A	0.01 Avg. Monthly	0.015 Max. Daily	mg/l	2/month 24 hr Composite
Cyanide, Free (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter Grab
Chromium, Hex. Diss. (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter 24 hr Composite
Oil and Grease, Hexane EXTR. (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	2/month Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

AJU01 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU01 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations			Other Units	Units	Monitoring Requirements	
	Quantity	Units	Inst. Min.			Measurement Frequency	Sample Type
Flow Rate (Year Round) (ML-4)	Rpt Only Avg. Monthly	0.55 Max. Daily	N/A	N/A	N/A	Continuous	Recorded
BOD, 5-Day 20 Deg.C (Year Round) (ML-4)	Rpt Only Avg. Monthly	6500 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Total Suspended Solids (Year Round) (ML-4)	Rpt Only Avg. Monthly	2000 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
pH (Year Round) (ML-4)	N/A	N/A	5 Inst. Min.	N/A	S.U.	1/week	Grab
Ammonia Nitrogen (Year Round) (ML-4)	Rpt Only Avg. Monthly	150 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Nitrogen Nitrate (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/month	24 hr Composite
Nitrogen Nitrite (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/month	24 hr Composite
Nitrogen, Total (as N) (Year Round) (ML-4)	Rpt Only Avg. Monthly	875 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Phosphorus, Total (Year Round) (ML-4)	Rpt Only Avg. Monthly	43 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
Pilgrim's Pride - Cook Plant. Refer to Sections E.2.a.1 and E.2.b.1 for additional sampling and monitoring requirements.

AJU01 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU01 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Other Units</u>	<u>Units</u>	<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Units</u>			<u>Measurement Frequency</u>	<u>Sample Type</u>
Copper, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	0.177 Max. Daily	2/month 24 hr Composite
Lead, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	0.041 Max. Daily	2/month 24 hr Composite
Zinc, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	0.395 Max. Daily	2/month 24 hr Composite
Aluminum, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	37.8 Max. Daily	2/month 24 hr Composite
Iron, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	8.73 Max. Daily	2/month 24 hr Composite
Chloride (as Cl) (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	Rpt Only Max. Daily	1/month 24 hr Composite
Arsenic, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	0.01 Max. Daily	2/month 24 hr Composite
Oil and Grease, Hexane EXTR. (Year Round) (ML-4)	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	100 Max. Daily	1/week Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
 Pilgrim's Pride - Cook Plant. Refer to Sections E.2.a.1 and E.2.b.1 for additional sampling and monitoring requirements.

A.IU02 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU02 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Units</u>	<u>Monitoring Requirements</u>
	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>		
Flow Rate (Year Round) (ML-4)	Rpt Only Avg. Monthly	2.8 Max. Daily	N/A	N/A	N/A	Continuous Recorded
Flow Rate, Instantaneous (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	Continuous Recorded
BOD, 5-Day 20 Deg.C (Year Round) (ML-4)	Rpt Only Avg. Monthly	9500 Max. Daily	N/A	N/A	N/A	1/week 24 hr Composite
Total Suspended Solids (Year Round) (ML-4)	Rpt Only Avg. Monthly	2000 Max. Daily	N/A	N/A	N/A	1/week 24 hr Composite
pH (Year Round) (ML-4)	N/A	N/A	5 Inst. Min.	N/A	10 Inst. Max.	1/week Grab
Ammonia Nitrogen (Year Round) (ML-4)	Rpt Only Avg. Monthly	850 Max. Daily	N/A	N/A	N/A	1/week 24 hr Composite
Nitrogen Nitrate (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/week 24 hr Composite
Nitrogen Nitrite (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/week 24 hr Composite
Nitrogen, Total (as N) (Year Round) (ML-4)	Rpt Only Avg. Monthly	1950 Max. Daily	N/A	N/A	N/A	1/week 24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
Pilgrim's Pride - Kill Plant. Refer to Sections E.2.a.2 and E.2.b.2 for additional sampling and monitoring requirements.

AJU02 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU02 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Monitoring Requirements</u>		
	<u>Rpt Only</u> Avg. Monthly	<u>Max Daily</u>	<u>Units</u>	<u>Other Units</u>	<u>Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Phosphorus, Total (Year Round) (ML-4)	N/A	225	Lbs/Day	N/A	N/A	1/week	24 hr Composite
Copper, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.052 Max Daily	24 hr Composite
Lead, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.012 Max Daily	24 hr Composite
Zinc, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.117 Max Daily	24 hr Composite
Aluminum, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	11.1 Max Daily	24 hr Composite
Iron, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	2.57 Max Daily	24 hr Composite
Chloride (as Cl) (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max Daily	24 hr Composite
Arsenic, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.003 Max Daily	24 hr Composite
Oil and Grease, Hexane EXTR. (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	30 Max Daily	Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
Pilgrim's Pride - Kill Plant. Refer to Sections E.2.a.2 and E.2.b.2 for additional sampling and monitoring requirements.

A.S01 SEWAGE SLUDGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to dispose sludge in accordance with the following from Outlet Number S01 (Sludge)

<u>Effluent Characteristic</u>	<u>Limitations</u>			<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Coliform, Fecal (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	Grab
pH (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	Grab
Arsenic, Sludge Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Cadmium, Sludge, Tot Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Chromium, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Copper, Sludge, Tot, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Lead, Dry. Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Mercury, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Molybdenum, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp

A.S01 SEWAGE SLUDGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to dispose sludge in accordance with the following from Outlet Number S01 (Sludge)

<u>Effluent Characteristic</u>	<u>Limitations</u>			<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Nickel, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	200 Maximum	mg/kg 1/quarter 1/wk Comp
Selenium, Sludge, Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	36 Maximum	mg/kg 1/quarter 1/wk Comp
Zinc, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	2800 Maximum	mg/kg 1/quarter 1/wk Comp
Calcium, Total (as Ca) (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	mg/kg 1/quarter 1/wk Comp
Solids, Total Sludge Percent (Year Round) (ML-+)	N/A	N/A	Rpt Only Minimum	Rpt Only Maximum	Percent 1/quarter 1/wk Comp
Potassium, Sludge Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	mg/kg 1/quarter 1/wk Comp
Phosphorus, Sludge, Tot, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	mg/kg 1/quarter 1/wk Comp
Nitrogen, Ammonia Tot. DW (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	mg/kg 1/quarter 1/wk Comp
Nitrogen, Sludge Tot. Dry Wt (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	mg/kg 1/quarter 1/wk Comp

A.S01 SEWAGE SLUDGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to dispose sludge in accordance with the following from Outlet Number S01 (Sludge)

<u>Effluent Characteristic</u>	<u>Limitations</u>			<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Organic Nitrogen (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp
Magnesium, Tot (as Mg) (Year Round) (ML-+)	N/A	N/A	N/A	1/quarter	1/wk Comp

B. SCHEDULE OF COMPLIANCE

- 1. The permittee shall achieve compliance with the provisions for waste treatment and the monitoring requirements specified in the permit in accordance with the following schedule :**

Effective date of permit.

- 2. Reports of compliance or non-compliance with, and progress reports on interim and final requirements contained in the above compliance schedule, if any, shall be postmarked no later than 14 days following each schedule date.**

Section C - Other Requirements

01. The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.
02. The entire sewage treatment facility shall be adequately protected by fencing.
03. The proper operation and maintenance of the listed sewage treatment facility shall be performed, or supervised, by a certified operator possessing at least a Class IV certificate for Waste Water Treatment Plant Operators as issued by the State of West Virginia. The on-site attendance of this facility's Class IV operator shall be determined and directed by the Bureau for Public Health, Office of Environmental Health Services.
04. The permittee shall submit each month according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration and/or quantities the values of the constituents listed in Section A analytically determined to be in the plant effluent(s). Additional information pertaining to effluent monitoring and reporting can be found in Section III of Appendix A.
05. The permittee shall not use alternate DMRs without prior approval from this Agency.
06. The required DMRs shall be received by the agency no later than 20 days following the end of the reporting period in accordance with the following requirements. The agency encourages the permittee to utilize our electronic discharge monitoring report (eDMR) system. If the permittee uses the eDMR system, the permittee is not required to submit hard copies of the DMRs to the addresses listed below. However, if the permittee elects to not use the eDMR system, then the permittee is required to send hard copies to the addresses below. The permittee may contact the agency for more information about the eDMR system. Regardless, in accordance with Appendix A, Section III.6 of this permit, the permittee shall maintain copies of DMRs (either hard copies or electronic copies) at the plant site and the DMRs shall be made readily available upon request from DEP personnel.

a. Director
Division of Water and Waste Management
601 57th Street, SE
Charleston, West Virginia 25304
Attn: Permitting Branch

U. S. Environmental Protection Agency
Region III, Water Protection Division
NPDES Enforcement Branch (3WP42)
1650 Arch Street
Philadelphia, PA 19103

Department of Environmental Protection
Environmental Enforcement
HC63 Box 2545
Romney, West Virginia 26757

07. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Director of the Division of Water and Waste Management as provided in Title 47, Series 10, Section 14 of the West Virginia Legislative Rules.
08. If any existing non-domestic discharge causes, or is suspected of causing, interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Director of such violation or suspected violation.
09. If any existing non-domestic discharge is identified as being subject to Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Director of such identification.
10. Any future collection system extensions projected to cause an increase in the wastewater flow, equal to, or greater than, 205,000 gallons per day (five (5) percent of average design flow) shall require the permittee to contact the Director to secure approval of the extension. After consideration of the complexity of the project, and the available treatment capacity of the facility, the Director may require the permittee to seek approval through Modification of the Permit.
11. The average daily design flow of the Publicly Owned Treatment Works has been established at 4.1 million gallons per day. When the average monthly effluent flow reported on Discharge Monitoring Reports reaches, or exceeds, 90 percent of the average design flow, 3.7 (million gallons per day) during three (3) consecutive monthly periods, the permittee shall submit a Plan of Action to the Director. The Plan of Action shall present, at a minimum, an analysis of current hydraulic and organic loadings on the plant, an analysis of the future projected loadings, and a Schedule of Tasks to accomplish procedures necessary to maintain required treatment levels.

Section C - Other Requirements

12. Effluent monitoring for the following pollutants shall be conducted using the most sensitive methods and detection levels commercially available and economically feasible. The following methods are to be used unless the permittee desires to use an EPA Approved Test Method with a listed lower method detection level. Regardless, it is recognized that detection levels can vary from analysis to analysis and that non-detect results at a different MDL for the specified test method would not constitute a permit violation.

Parameter	EPA Method No.	Method Detection Level (ug/l)
Copper, Total Recoverable	200.8	0.5
Lead, Total Recoverable	200.8	0.6
Zinc, Total Recoverable	200.8	1.8
Chromium, Dissolved Hexavalent	218.6	0.6
Arsenic, Total	200.8	1.4
Nickel, Total Recoverable	200.8	0.5
Cadmium, Total Recoverable	200.8	0.5
Silver, Total Recoverable	200.8	0.1
Mercury, Total*	245.7	0.0018
Mercury, Total*	1631	0.0002
Cyanide, Free	**	**

* The permittee may use either Method 245.7 or Method 1631 for the analysis of mercury.

** For the measurement of Free Cyanide, the permittee shall use the standard method for weak acid dissociable cyanide, as specified in the latest edition of Standard Methods approved in 40 CFR 136.

13. The permittee shall be required to test the sewage treatment plant's influent in order to calculate the percent (%) removal parameters for BOD5 and TSS contained in Section A.001 of this permit. Influent sampling requirements include:

- a. Percent removal shall be defined as a percentage expression of the removal efficiency across the wastewater treatment plant for a given pollutant parameter, as determined from the thirty day average values of the influent concentrations to the facility and the thirty day average effluent pollutant concentrations. Only influent and effluent samples taken concurrently as specified below shall be used for reporting.
- b. Influent BOD5 and TSS samples shall be collected using the permittee's established sampling schedule at least one time per week (1/week) for the wastewater treatment facility.
- c. The permittee shall collect representative BOD and TSS influent samples using their established sampling procedures over a 24 hour period.
- d. Influent BOD5 and TSS sampling shall be performed over the same 24 hour time period as the effluent BOD5 and TSS sampling.

14. Any "not detected (ND)" results by the permittee must be "ND" at the method detection limit (MDL) for the test method used for that parameter and must be reported as less than the MDL used. The permittee may not report the result as zero, "ND", or report the result as less than a minimum level (ML), reporting limit (RL), or practical quantitation limit (PQL).

When averaging values of analytical results for DMR reporting purposes for monthly averages, the permittee should use actual analytical results when these results are greater than or equal to the MDL and should use zero (0) when these results are less than the MDL. If all analytical results are non-detect at the MDL (<MDL), then the permittee should use the actual MDL in the calculation for averaging and report the result as less than the average calculation.

15. In incidences where a specific test method is not defined, the permittee shall utilize an EPA approved method with a method detection limit (MDL) sensitive enough to confirm compliance with the permit effluent limit for that parameter. If a MDL is not sensitive enough to confirm compliance, the most sensitive approved method must be used. If a more sensitive EPA approved method becomes available, that method shall be used. Should the current and/or new method not be sensitive enough to confirm compliance with the permitted effluent limit, analytical results reported as "not detected" at the MDL of the most sensitive method available will be deemed compliant for purposes of permit compliance. Results shall be reported on the Discharge Monitoring Reports as a numeric value less than the MDL.

Section C - Other Requirements

16. Available sampling methods for total residual chlorine (TRC) are currently not sensitive enough to confirm compliance with the permit limitations imposed for the new treatment plant. Total residual chlorine (TRC) samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136. Because the permittee does not operate a certified wastewater laboratory at the plant site but still must comply with the instantaneous sample-type requirements, the permittee shall use an EPA Approved Method with at least a method detection level (MDL) of 100 ug/l. Any TRC sampling result reported as less than the MDL stated above shall be assumed to confirm compliance for purposes of permit compliance. Should a more sensitive EPA approved method become available for field analysis of TRC, the permittee shall perform TRC self-monitoring in accordance with the new method. If the new method is not sensitive enough to determine compliance with specified TRC limits, analytical results reported as "not detected" at the MDL of the new method will be deemed compliant for purposes of permit compliance.
17. Unless otherwise authorized under Section A of this permit, any discharge from any point other than a permitted treatment outfall or permitted combined sewer system is expressly prohibited. In the event there is a prohibited discharge from a sewer conveyance system, the permittee shall follow the reporting requirements contained in Appendix A, Part IV, Section 2.
18. The permittee shall quarterly perform chronic toxicity tests as described below, on the effluent from Outlet 001:
 - a. Such testing will determine if an appropriate dilute effluent sample affects the survival or reproduction of the test species. 24-hour flow weighted composite samples of the effluent, as prescribed in Section A, shall be collected for testing. An appropriate statistical test shall be used to determine whether differences in control and effluent data are significant.
 - 1) The permittee shall conduct a three brood (6-8 days) Ceriodaphnia Dubia survival and reproduction toxicity test on the final effluent diluted by appropriate control water. Toxicity will be demonstrated if there is a statistically significant difference at the 95 percent confident level in survival or reproduction between Ceriodaphnia Dubia exposed to an appropriate control water and the final effluent. All test solutions shall be renewed using an approved renewal schedule. If, in any control, more than 20% of the test organisms die, or less than 60% of surviving females in controls produced their third brood, that test shall be repeated.
 - 2) The permittee shall conduct a 7-day Pimephales Promelas fathead minnow larval survival and growth toxicity test on the final effluent diluted by appropriate control water. Toxicity will be demonstrated if there is a statistically significant difference at the 95 percent confidence level in survival or growth between fathead minnows exposed to an appropriate control water and the final effluent. All test solutions shall be renewed using an approved renewal schedule. If, in any control, more than 20% of the test organisms die, or average dry weight of surviving controls was less than 0.25 mg/l that test shall be repeated.
 - b. Results shall be reported in terms of chronic toxic units (TU_c) and shall be submitted with the corresponding monthly Discharge Monitoring Report (DMR).

$TU_c = 100/NOEC$ or $NOEL$
Where NOEC (or NOEL) is No Observed Effect Concentration (or Level), which is expressed as percent (volume) effluent in dilution water.
For Example, if NOEC is 10%, $TU_c = 100/10 = 10$

When the effluent demonstrates no toxicity at 100% effluent (no observed effect), the permittee may report zero TU_c.
 - c. The monitoring required, herein, shall be conducted in accordance with the sample collection, preservation, and analytical procedures specified in 40 CFR 136.
 - d. In addition to the monitoring data reporting requirements of 40 CFR 136, the exact age of the test organisms at the initiation of the test shall be reported. Values of less than or equal to 24 hours are acceptable for Pimephales Promelas, fathead minnow. The range of the Ceriodaphnia Dubia used must be reported as a range in hours. All Ceriodaphnia Dubia used in the test must be less than 24 hours of age at test commencement. The age difference between the youngest and oldest Ceriodaphnia Dubia used in the test must not exceed eight (8) hours.

Section C - Other Requirements

18. e. The chronic toxicity testing shall be performed on a quarterly basis. The first chronic toxicity testing shall be carried out within 3 months from the effective date of the permit for Outlet 001. There shall be a minimum of a month between sampling events.
- f. If chronic effluent toxicity testing shows noncompliance with the specified limitations prescribed in Section A, the permittee shall immediately resample and test the effluent. This shall be performed within 30 days of the initial demonstration of noncompliance with the whole effluent toxicity discharge limitations prescribed herein. Copies of the retesting results shall be provided to the Director immediately upon completion of the test.

If the second test shows compliance, chronic effluent toxicity testing shall continue in accordance with the requirements, as prescribed herein. However, if the second test shows noncompliance, the Director shall impose further requirements, as may be necessary, in order to obtain compliance with the chronic effluent toxicity discharge limitations.

- g. The Director may impose further requirements should the chronic effluent toxicity testing results demonstrate noncompliance.
19. For any noncompliance reports required to be submitted in writing by Appendix A, Part IV, of this Permit, a copy shall also be forwarded to the Environmental Protection Agency at the location specified in Section C.06.
 20. The permittee shall be required to sample the discharge from Outlet 001 for the pollutants listed in Appendix J, Table 2 of 40 CFR 122 as part of its next reissuance permit application following the procedures listed below. This data shall be submitted along with the next reissuance permit application.
 - a. Grab samples shall be collected for pH, temperature, cyanide, total phenols, residual chlorine, oil and grease, fecal coliform, and volatile organics. Twenty-four (24) hour composite samples shall be collected for all other pollutants found in Appendix J, Table 2 of 40 CFR 122.
 - b. A minimum of three (3) test results for each pollutant shall be obtained a minimum of four (4) months apart. Each sampling result shall be collected in a manner to be representative of seasonal variations (such as April, August, and December).
 - c. All data collected over the term of the previous permit for a specific pollutant shall be summarized and submitted to the agency by the permittee.
 - d. The sample collection, preservation, and analysis shall be conducted in accordance with the procedures of 40 CFR Part 136. The permittee shall assure that the test procedure being utilized has an appropriate method detection level (MDL) for the parameters. Analyses shall be conducted using the most sensitive methods and detection levels commercially available, and economically feasible.
 21. Due to anti-degradation and Chesapeake Bay TMDL requirements, the existing Town of Moorefield WWTP Outlet 001 (WV/NPDES Permit No. WV0020150), Pilgrim's Pride Outlet 001 (WV/NPDES Permit No. WV0005495), Pilgrim's Pride Outlet 105 (WV/NPDES Permit No. WV0047236), Caledonia Heights (WVG550723), and Robert C Byrd Industrial Park (WVG551085) shall all be properly closed, re-routed into the regional facilities collection system, decommissioned, and discharge outfalls properly sealed within 90 days of startup of the new regional treatment facility (Outlet 001). The permittee shall provide written notification along with supporting documentation of the proper closure, decommissioning, and sealing of the discharge outfalls and proper closure, decommissioning, and abandonment of any wastewater treatment units (as applicable) at the aforementioned facilities to the addresses listed in Section C.6 of this permit within 90 days of the startup of the new regional wastewater treatment plant. Documentation of closure and decommissioning of each discharge pipe / treatment unit shall be provided to the Division of Water and Waste Management (DWWM) via a Closure Inspection Report provided by the agency's Environmental Enforcement section.
 22. There shall be a minimum of one week between sampling frequencies prescribed as twice per month in Section A of this permit.

Section D - Pretreatment Requirements

01. The permittee may accept non-domestic wastewater from the following Industrial User(s) providing each respective Industrial User maintains continued compliance with all applicable requirements of this section and all applicable limitations and monitoring requirements prescribed in Section(s) A.IU01-A.IU07:

Industrial User Facility Name	Outfall	Classification (Federal Guideline)
Pilgrim's Pride - Cook Plant	IU01	CIU (40 CFR 432, Subpart L)
Pilgrim's Pride - Kill Plant	IU02	CIU (40 CFR 432, Subpart K)

IU - Industrial User
 CIU - Categorical Industrial User
 SIU - Significant Industrial User

02. The acceptance of of non-domestic wastewater from the Industrial Users listed in Section D.1 is subject to and contingent upon the following terms and conditions:

a. NON-DOMESTIC WASTEWATERS APPROVED FOR ACCEPTANCE:

- 1) The non-domestic wastewater approved for acceptance from Pilgrim's Pride - Cook Plant includes process wastewater resulting from the further processing (after slaughter) of poultry. Additional wastewater includes contact cooling water, boiler blowdown, and contaminated stormwater. All non-domestic wastewater shall be pretreated by screening, dissolved air flotation, and the FEB tank. Removed solids shall not be introduced to the permittee's system. The volume of wastewater accepted shall be continuously measured and recorded daily.

Acceptance of uncontaminated stormwater (i.e. collected from non-process areas) and sludges are prohibited without prior approval from WVDEP.

The non-domestic wastewater approved for acceptance from Pilgrim's Pride shall be introduced directly into the Moorefield - Hardy County Regional Plant's collection system and shall not enter any portion of the Town of Moorefield's wastewater collection system that is covered under WV/NPDES Permit No. WV0020150. All wastewater approved for acceptance from Pilgrim's Pride is prohibited from passing through the Town of Moorefield's collection system and is further prohibited from being discharged through any combined sewer overflow.

- 2) The non-domestic wastewater approved for acceptance from Pilgrim's Pride - Kill Plant includes process wastewater resulting from the slaughtering of poultry and rendering material derived from the slaughtering of poultry. Additional wastewater includes process wastewater from protein conversion, boiler/condenser blowdown, a truck wash, additional hatchery/feedmill mill wastewater, and contaminated stormwater. All non-domestic wastewater shall be pretreated by screening and dissolved air flotation. Removed solids shall not be introduced to the permittee's system. The volume of wastewater accepted shall be continuously measured and recorded both daily and instantaneously.

Acceptance of uncontaminated stormwater (i.e. collected from non-process areas) and sludges are prohibited without prior approval from WVDEP.

The non-domestic wastewater approved for acceptance from Pilgrim's Pride shall be introduced directly into the Moorefield - Hardy County Regional Plant's collection system and shall not enter any portion of the Town of Moorefield's wastewater collection system that is covered under WV/NPDES Permit No. WV0020150. All wastewater approved for acceptance from Pilgrim's Pride is prohibited from passing through the Town of Moorefield's collection system and is further prohibited from being discharged through any combined sewer overflow.

b. SAMPLING PROCEDURES:

Section D - Pretreatment Requirements

02. b. 1) Pilgrim's Pride - Cook Plant

All grab samples shall be obtained at a time that is representative of normal operations.

For composite sample types specified in Section A.IU01, a minimum 24-hour composite sample shall be collected where practical. In cases where the discharge duration is not 24-hours at any time during the monitoring period, then an 8-hour composite sample shall be collected. If an 8-hour composite sample cannot be collected, a 4-hour composite sample or "composite-grabs" shall be collected consisting of a minimum of three equal aliquots over the duration of the discharge. Aliquots shall be collected immediately after the start of the discharge, at the approximate mid point, and immediately preceding the end of discharge. If the duration of discharge is no greater than 15 minutes at any time during the monitoring period, a grab sample at the approximate mid point of the discharge shall be obtained in lieu of a composite sample.

Analysis for toxic parameters specified in Section A.IU01 shall be analyzed per the methods specified in Section C.12 and E.2.b.

2) Pilgrim's Pride - Kill Plant

All grab samples shall be obtained at a time that is representative of normal operations.

For composite sample types specified in Section A.IU01, a minimum 24-hour composite sample shall be collected where practical. In cases where the discharge duration is not 24-hours at any time during the monitoring period, then an 8-hour composite sample shall be collected. If an 8-hour composite sample cannot be collected, a 4-hour composite sample or "composite-grabs" shall be collected consisting of a minimum of three equal aliquots over the duration of the discharge. Aliquots shall be collected immediately after the start of the discharge, at the approximate mid point, and immediately preceding the end of discharge. If the duration of discharge is no greater than 15 minutes at any time during the monitoring period, a grab sample at the approximate mid point of the discharge shall be obtained in lieu of a composite sample.

Analysis for toxic parameters specified in Section A.IU02 shall be analyzed per the methods specified in Section C.12 and E.2.b.

c. SAMPLING AND MONITORING REQUIREMENTS:

- 1) Samples on non-domestic wastestreams shall be collected at the discharge point prior to its mixing with any other wastestream unless otherwise specified.
- 2) Sampling and analyses required by Section A.IU01-IU02 shall be conducted in accordance with sample collection, preservation, and analytical procedures specified in 40 CFR 136.
- 3) As specified in Section(s) A.IU01-IU02, quarterly monitoring periods are Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec.
- 4) If the permittee or industrial user monitors any parameter more frequently than required by Section(s) A.IU01-IU02, using procedures specified by Section D.2.c.2, then the results of additional monitoring must be reported.
- 5) All industrial users shall maintain information relative to self-monitoring for a minimum of three (3) years. The information maintained shall include: the date, exact location, method, and time of sampling; the sample preservation techniques used; the name of the person taking the samples; the date(s) the analyses were performed; the name of the person performing the analyses; and the analytical results.
- 6) Reporting of monitoring required by Section(s) A.IU01-IU02 shall be submitted to the Division of Water and Waste Management along with the permittee's Discharge Monitoring Reports. Reports shall contain results of all analysis performed, and the estimated daily volume of the wastewater accepted. Reports shall be due on the 20th day of the month following the end of the monitoring period.

d. NOTIFICATION REQUIREMENTS:

Section D - Pretreatment Requirements

02. d.
 - 1) All industrial users shall notify the permittee immediately of all discharges that could cause problems to the POTW, including any slug loadings, as defined by 40 CFR 403.5(b) of the Code of Federal Regulations.
 - 2) All industrial users shall notify the permittee and the Division of Water Resources of any discharge into the POTW of any substance, which otherwise disposed of, would be considered a hazardous waste under 40 CFR 261 of the Code of Federal Regulations unless they discharge less than fifteen (15) kilograms of non-acute hazardous waste in a calendar month.
 - 3) For any instances that sampling results have a result of "non-detect", less than the minimum detection level (<MDL), the results shall be reported as less than the minimum detection level used. For example, if the laboratory results indicate non-detect for a parameter and the MDL is listed as 0.005 mg/l, the Industrial User shall indicate on the Discharge Monitoring Report for that parameter "< 0.005 mg/l". For purposes of averaging values, the Industrial User shall use zero for any values listed as non-detect at the MDL, when calculation averages. If all samples are listed as non-detect at the MDL, then the permittee should not use zero for the purposes of calculating averages, but should instead average all of the MDLs and then report the result as less than the average of the MDLs.
 - 4) Each Industrial User shall submit a Discharge Monitoring Report for every monitoring period. If the Industrial User does not discharge any non-domestic waste to the POTW during a given monitoring period, the Industrial User shall still submit the appropriately filled out and signed Discharge Monitoring Report indicating "NO DISCHARGE" during the monitoring period.
 - 5) Alternative discharge monitoring report forms shall not be used without prior approval from this Agency.
- e. PROHIBITED DISCHARGES:
 - 1) Pollutants which create a fire or explosion hazard in the POTW (wastestreams with a closed cup flashpoint of less than 140 degrees F or 60 degrees C using test methods specified in 40 CFR 261.21 of the Code of Federal Regulations).
 - 2) Solid or viscous pollutants in amounts which will cause obstruction to the flow in the POTW resulting in interference.
 - 3) Heat in such quantities that the temperature at the POTW exceeds 40 degrees C (104 degrees F).
 - 4) Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems.
 - 5) Any trucked or hauled pollutants, except at discharge points designated by the POTW.
 - 6) Any pollutant(s) discharged in a quantity which has the potential to cause Pass Through or Interference.
03. In addition to the conditions listed in Section D.2, the following conditions apply specifically to Categorical and Significant Industrial User facilities listed in Section D.1.
 - a. All baseline reports, reports on compliance, and self monitoring reports must be signed and certified in accordance with 40 CFR 403.12 of the Code of Federal Regulations.
 - b. If a Categorical Industrial User listed in Section D.1 conducts sampling that reveals a violation of their respective limitations prescribed in Section A or any of the prohibited discharges listed in Section D.2.e, the Categorical Industrial User shall notify the Director of said violation within 24 hours of becoming aware of the violation. In addition, the Categorical Industrial User shall repeat the sampling and analysis for the pollutant in violation and submit the results to the Director within 30 days.
04. The permittee shall require Pilgrim's Pride to provide protection against, and mitigation of adverse impacts resulting from, the accidental discharge of nonapproved wastes and untreated wastewater into the permittee's collection system. Said protection shall, at a minimum, include the following:
 - a. Continued operation and maintenance of diked storage areas for chemicals and cleaners at each Pilgrim's Pride facility and of the high level alarm in any equalization tanks of the pretreatment systems.
 - b. Continued implementation of procedures that prohibit the disposal of chemicals and cleaners to the permittee's collection system (except as necessitated by normal operations of the Pilgrim's Pride facility).

Section D - Pretreatment Requirements

05. Should any of the permittee's industrial users fail to comply with the specific terms and conditions pertaining to that specific industrial user in this permit, the permittee shall immediately contact said industrial user and identify the violation causing the noncompliance with the permit. The permittee shall take all reasonable, escalating enforcement steps, up to and including disallowing the continued acceptance of the nondomestic wastewater from the industrial user, to keep the industrial user compliant with the terms and conditions of the permit. Also, the permittee shall immediately inform the Agency of any current noncompliance by industrial users by attaching a written summary of these violations, the cause of each violation, and the steps taken to prevent their recurrence with the submitted Discharge Monitoring Reports. Should the permittee take all of the enforcement steps outlined above, these actions may be used as a mitigating factor to any enforcement actions taken upon the permittee for the noncompliance by the industrial users to the terms and conditions of Section D or Sections A.IU01-IU02 herein. However, the burden of proof in relation to the use of this mitigating factor shall lie exclusively upon the permittee. This condition shall not be used as a mitigating factor to any noncompliance associated with any other section of this permit, even if said noncompliance is, in whole or in part, caused by an industrial user.
06. Please find the enclosed monitoring form that shall be used by the each respective Industrial User. This form shall be completed and submitted monthly to the Hardy/Moorefield Regional Authority. The Hardy/Moorefield Regional Authority shall attach this form to the monthly Discharge Monitoring Report submitted to this office. Photocopies of the blank form should be made and filed as this office does not supply additional monitoring forms. All analytical lab forms need not be submitted, but should be available for inspection at the industrial user's facility.
07. This Division reserves the right to disallow the continued acceptance of the nondomestic wastewater(s) from any of the facilities described in Section D.1, or to require installation of additional pretreatment facilities, should the wastewater violate specified limitations, cause interference or pass-through at the POTW and result in effluent limitation violations or receiving stream degradation, or adversely impact POTW sludge disposal. Approval of the permittee's acceptance of the indirect discharge(s) in no way relieves the permittee of its obligation to comply with all terms and conditions of its WV/NPDES Permit and shall not constitute an affirmative defense in any enforcement action brought against the permittee.
08. The maximum instantaneous flow rate introduced into the headworks of the POTW from the sum of all non-domestic dischargers shall not exceed 3000 gpm.

The maximum daily flow introduced into the headworks of the POTW from the sum of all non-domestic dischargers shall not exceed 3.45 mgd.

Non-domestic dischargers may not be accepted during periods of hydraulic overload of the plant (greater than 4.1 MGD).
09. Discharge of any wastewater from Pilgrim's Pride via combined sewer overflows (C002/C003) from the Town of Moorefield (WV/NPDES Permit No. WV0020150) collection system is prohibited.

Section E - Nutrient Requirements

- 01. The Chesapeake Bay Total Maximum Daily Load (TMDL) provides individual total nitrogen and total phosphorous wasteload allocations of 51,431 pounds per year and 5,221 pounds per year respectively.
- 02. Permit limitations for total nitrogen, total phosphorous, and total suspended solids are being implemented on an annual total load basis. The Annual Total Load Limitations shall be attained in accordance with the following:

- a. The Division recognizes there is not an EPA approved method to directly test for Total Nitrogen. The Total Nitrogen value to be reported on the permittee's Discharge Monitoring Reports (DMRs) shall be the sum of the following parameters; Total Kjeldahl Nitrogen, Nitrate, and Nitrite.
 - 1) If all three (3) constituents of total nitrogen are not detected at its method detection limit (MDL), the permittee shall sum the actual MDLs for each constituent and report the result as less than the calculation.
 - 2) When calculating the sum of the constituents for total nitrogen, the permittee shall use actual analytical results when these results are greater than or equal to the MDL for a particular constituent and should use zero (0) for a constituent if one or two of the constituents are less than the MDL.
- b. Effluent monitoring for the following pollutants shall be conducted using the most sensitive methods and detection levels commercially available and economically feasible. The following methods and detection levels are recommended to be used unless the permittee desires to use an EPA Approved Method with a lower detection level:

Parameter	EPA Method No.	Method Detection Limit (mg/l)
Total Kjeldahl Nitrogen	351.4	0.03
Nitrate Nitrogen	300.0	0.002
Nitrite Nitrogen	300.0	0.004
Total Phosphorous	365.4	0.01

Any "not detected (ND)" results by the permittee must be "ND" at the method detection limit (MDL) for the test method used for that parameter and must be reported as less than the MDL used (See Section 2.a for nitrogen). The permittee may not report the result as zero, "ND", or report the result as less than a minimum level (ML), a reporting limit (RL), or a practical quantitation limit (PQL).

- c. The permittee shall collect twenty four (24) hour composite samples for total phosphorous, total suspended solids, and for each constituent of total nitrogen. All sampling shall be collected concurrently and shall be representative of normal operations.
- d. The actual total (not the average) monthly flow shall be used in conjunction with the average monthly total nitrogen, average monthly total phosphorous, and average total suspended solids concentration results in order to determine the total monthly mass results for DMR reporting purposes.

$$[\text{Total Flow Discharged in Month (Million Gallons per Month)}] * [\text{Average Monthly Nutrient Concentration (mg/l)}] * [8.34] = \text{Monthly Load (lbs/month)}$$

- e. The sum of the total monthly mass results for total nitrogen, total phosphorous, and total suspended solids for each outlet shall not exceed the following annual mass limitations for any year.

FINAL LIMITS AS PRESCRIBED IN SECTION A.001

Parameter	Annual Total Load Limit
Total Nitrogen	51,431 lbs/yr
Total Phosphorous	5,221 lbs/yr

- f. As a guideline, the permittee shall measure its monthly performance to determine if operations will achieve the annual total load limits. If the total monthly load exceeds 4,286 lbs/month for nitrogen or 435 lbs/month for phosphorous, the permittee shall submit written documentation which explains the elevated monthly totals and the rationale for ensuring that the annual loads will still be achieved in future months.

- 03. Expansion of the wastewater treatment plant beyond the annual total load limits in Section E.2.e shall require the permittee to obtain offsets. Said offsets shall be submitted to the Director for approval, and the permit subsequently modified prior to any expansion.

- a. At present, no trading or offset program has been established by the state. Proposals will continue to be evaluated on a case-by-case basis until a trading and/or offset program has been established.

Section E - Nutrient Requirements

04. The annual monitoring period for total nitrogen and total phosphorous is prescribed as July 1st through June 30th of each year. As such, the permittee shall report the total annual mass load for total nitrogen and total phosphorous based on monthly totals from July 1st through June 30th on its June DMR.
05. The permittee shall submit an annual report on, or before, August 1 each year which summarizes the following information.
 - a. The permittee shall summarize the previous year's nutrient data. This may be accomplished in letter form and shall include all calculations of the year's mass loadings reported. In general, this report shall include a table depicting the monthly loadings discharged for the previous year as well as an assessment of compliance with the nitrogen, phosphorus, and suspended solids annual limitations in Section A.001.
 - b. For the purpose of this condition, a year is defined as July 1st through June 30th.

Section F - Sludge Management Requirements

01. The permittee shall monitor and report monthly on the enclosed Sewage Sludge Management Report form the quality and quantity of sewage sludge produced. The required report shall be received no later than 20 days following the end of the reporting period and be addressed to:

Director
Division of Water and Waste Management
601 57th Street, SE
Charleston, West Virginia 25304
Attn: Permitting Branch

02. The permittee shall provide copies of monthly reports to the county or regional solid waste authority in which the facility or land disposal site(s) is located.
03. The Sewage Sludge Monitoring Report form shall be submitted semi-annually. The required report shall be received no later than 20 days following the end of the reporting period and shall be addressed to:

Director
Division of Water and Waste Management
601 57th Street, SE
Charleston, West Virginia 25304
Attn: Permitting Branch

04. The following methods of sludge disposal shall be used for sewage sludge generated and/or processed at the permitted facility:

a. Landfill Disposal:

Sewage sludge may be disposed at a landfill by placing the sewage sludge in the landfill cell, provided that the landfill obtains approval from the Division of Water and Waste Management to allow the acceptance of sewage sludge from the permittee, and provided that the landfill(s) is/are identified in the permit application. Prior approval by the Division of Water and Waste Management is required to change landfill disposal site(s).

b. Disbursement of Compost Material:

- i) Small Containers - Exceptional Quality (Class A) compost may be distributed by the permittee in a bag or other container (buckets, boxes, cartons, vehicles, or trailers) with a capacity of one (1) metric ton or less.
- ii) Small Bulk Quantities - Exceptional Quality (Class A) compost may be distributed by the permittee in bulk quantities when the compost is to be applied on sites less than two (2) acres in size and the quantity of Exceptional Quality (Class A) compost applied does not exceed the agronomic rate or 15 dry tons per acre, whichever is less.
- iii) Distribution to Commercial Sellers or Distributors - Exceptional Quality (Class A) compost may be distributed by the permittee in bulk quantities to nurseries, landscaping companies, and turf growers.
- iv) General Distribution of Bulk Quantities for Land Application - Exceptional Quality (Class A) compost may be distributed by the permittee in bulk quantities for land application to any person holding a land application permit from this Department to land apply compost generated by the permittee.

05. Areas used for processing, curing, and/or storage of sewage sludge shall be designed, constructed and operated to prevent release of contaminants to the groundwater and/or surface water.
06. All analyses performed on soils and sewage sludges shall be analyzed in accordance with analytical methods listed in 40 CFR Part 503.8 except that Nutrients may be analyzed in accordance with the most recently approved edition of Standard Methods and pH may be analyzed using EPA Method 9045A.
07. The limitations and monitoring requirements listed in Section A.S01 of this Permit shall apply to the sewage sludge or sewage sludge products.

Section F - Sludge Management Requirements

08. The appropriate composite sampling procedures shall be based upon the particular sludge processing methods used by the permittee. The appropriate composite sampling procedures shall also be used to obtain the composite samples listed in Section A.S01 of this Permit. The composite sampling procedures for the various methods are described as follows:

Belt Press or Vacuum Filter - During the week that the composite sample is obtained, the permittee shall take a minimum of three (3) grab samples during each day of the week that the dewatering system is in operation. These grab samples are to be mixed together and the final sample obtained from the composite. Samples should be collected at a point immediately after the dewatering operation.

Sewage Sludge Drying Beds - During the week that the composite sample is obtained, the permittee shall take a minimum of four (4) grab samples from each bed finished during that week. These grab samples are to be mixed together and the final sample obtained from the composite.

Composting or Stock Piles - The permittee shall obtain a minimum of eight (8) grab samples from the pile of finished product. These grab samples are to be mixed together and the final sample obtained from the composite.

09. The permittee shall maintain all records and reports of all monitoring required by Section F of this permit for five (5) years after the date of monitoring or reporting. Records shall include all sampling results, including pathogen reduction and vector attraction reduction monitoring and sampling conducted in accordance with Section A.S01; any landfill receipts; copies of all required reports; and records of all data used to complete these reports.
10. Sewage sludge disposed in a landfill cell shall be a non-hazardous material as defined in 40 CFR Part 261.24 and a minimum of 20 percent solids. If the sewage sludge is not 20 percent solids, a bulking agent may be used to achieve 20 percent solids before the sewage sludge is weighed in at the landfill. Alternative sludge disposal methods at the landfill can be utilized upon obtaining prior written approval from the Director of the Division of Water and Waste Management.
11. If sewage sludge is used for revegetation, or spread in any other manner at the landfill, the sewage sludge shall meet all of the land application requirements. These requirements include vector attraction and pathogen reduction methods, heavy metals limits, and abiding by an approved loading rate based on soil analyses.
12. The following primary method for pathogen reduction shall apply to the sewage sludge or sewage sludge products:
- Composting - Using the within-vessel method, each bay of the compost facility shall be maintained at 55 degrees Celsius or higher for three (3) consecutive days, and either the fecal coliform count must remain below 1,000 MPN (Most Probable Number) per gram of total dry solids or the Salmonella sp. count must remain below three (3) MPN per four (4) grams of total dry solids.
 - If compliance cannot be achieved using the primary method for pathogen reduction, then the permittee must obtain approval from the Director prior to using a secondary method. The permittee may only dispose of sewage sludge in compliance with F.4 of this Permit until approval of a secondary pathogen reduction method is granted.
13. The following primary method for vector attraction reduction shall apply to the sewage sludge or sewage sludge products:
- Composting - The within-vessel compost facility (including the sewage sludge) shall be maintained at a temperature higher than 40 degrees Celsius for 14 consecutive days or longer and the average temperature maintained above 45 degrees Celsius during the same 14 day time period.
 - If compliance cannot be achieved using the primary method for vector attraction reduction, then the permittee must obtain approval from the Director prior to using a secondary method. The permittee may only dispose of sewage sludge in compliance with F.4 of this Permit until approval of a secondary vector attraction method is granted.

Section F - Sludge Management Requirements

14. The permittee shall monitor the temperature of each zone of each composting bay for pathogen reduction and vector attraction reduction at least two (2) times/day with measurements taken seven (7) hours or more apart. The first 12 feet zone of each bay shall be considered a loading zone and temperatures are not required to be recorded for this area. The temperature of the compost bays must be monitored in a manner which demonstrates that pathogen reduction and vector attraction reduction is being achieved for each batch of the compost, accounting for movement through the different zones of the compost bays during the period that pathogen reduction and vector attraction reduction is being achieved. Daily logs documenting these measurement activities shall be maintained at the facility and made readily available for review by authorized representatives of the Director of the Division of Water and Waste Management.
15. Within 30 days prior to distribution of finished composted material, the permittee shall take a series of seven (7) samples representative of the entire pile. The samples shall be analyzed individually and the geometric mean of the results shall be used to determine the pile's rating as either Class A or Class B with respect to pathogens. In order to attain a Class A rating (Exceptional Quality), the geometric mean for fecal coliform must remain below 1,000 MPN (Most Probable Number) per gram of total dry solids or the Salmonella sp. must remain below three (3) MPN per four (4) grams of total dry solids.

and

Within 30 days prior to distribution of finished composted material, the permittee shall also collect composite samples for the pollutants in Section A.S01 of this permit which shall be collected in accordance with the Section F.11 composting composite sample procedures in this permit. In addition, in order to attain a Class A rating (Exceptional Quality), all limitations in Section A.S01 must be achieved.

If any part of the above requirements are not achieved, then the finished composted material shall not be designated with a Class A rating (Exceptional Quality) and cannot be disposed as compost material in accordance with any of the methods in Section F.4.b of this permit.

16. The permittee shall supply all recipients of the composted sewage sludge an information sheet which contains the information listed in 40 CFR 503.14.e and directions for appropriate safe use of the material.
17. Prior to distributing any bulk compost products to other states, the permittee shall provide written notification to the permitting authority of the state in which the person to whom the bulk compost is distributed resides and to the appropriate U.S. Environmental Protection Agency Regional Administrator(s) for the region in which the composted material is to be distributed.
18. The permittee shall maintain distribution records including the names and addresses of each person receiving bulk Class A compost, the quantity of compost received by each person, and the results of all tests conducted by the permittee in association with such compost. This information shall be reported to the Department monthly. The permittee shall prepare a written certification that it compiled this information and provided it on a monthly basis to the Department, and provide a copy of this certification to each person that receives bulk compost from the permittee's facility.
19. Bulk compost and/or sewage sludge shall not be stored at an offsite location, prior to disbursement, for a period longer than one (1) week. The permittee may request that storage be allowed for a period not to exceed three (3) months when provisions are made to prevent leachate runoff to the surface water and/or groundwater. Such requests must be made in writing to the Director and written approval must be obtained from the Director prior to any storage exceeding a period of one (1) week.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0106038; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the Secretary of the Department of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0106038; and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and the invocation of all the enforcement procedures set forth in Chapter 22, Article 11, or 15 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Chapter 22, Article 11 and 12 and/or 15 of the Code of West Virginia and is transferable under the terms of Section 11 of Article 11.



Scott G. Mandirola, Director

Appendix A

I. MANAGEMENT CONDITIONS:

1. Duty to Comply

- a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.
- b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.

4. Permit Actions

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

5. Property Rights

This permit does not convey any property rights of any sort or any exclusive privilege.

6. Signatory Requirements

All applications, reports, or information submitted to the Director shall be signed and certified as required in Title 47, Series 10, Section 4.6 of the West Virginia Legislative Rules.

7. Transfers

This permit is not transferrable to any person except after notice to the Director. The Director may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Director, within a reasonable specified time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
- b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
- c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
- d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any location.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 22-11-12 of the Code of West Virginia.

12. Water Quality

Subject to 47 WV CSR 10.3.4.a, the effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Title 47, Series 11, Section 9 of the West Virginia Legislative Rules.

14. Liabilities

- a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed \$25,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, 308 or 405 of the Clean Water Act is subject to a fine of not less than \$2,500 nor more than \$25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
- b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 2 years, or by both.
- c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 2 years, or by both.
- d) Nothing in I.14 a), b), and c) shall be construed to limit or prohibit any other authority the Director may have under the State Water Pollution Control Act, Chapter 22, Article 11.

II. OPERATION AND MAINTENANCE:

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems which are installed by the permittee only when the operation is necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by the WV Bureau of Public Health Laws, W. Va. Code Chapter 16-1, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Director may require a more highly skilled operator.

2. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.

3. Bypass

- a) Definitions
 - (1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility; and
 - (2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.
- b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provision of II.3.c) and II.3.d) of this permit.
- c)
 - (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
 - (2) If the permittee does not know in advance of the need for bypass, notice shall be submitted as required in IV.2.b) of this permit.
- d) Prohibition of bypass
 - (1) Bypass is permitted only under the following conditions, and the Director may take enforcement action against a permittee for a bypass, unless;
 - (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
 - (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
 - (C) The permittee submitted notices as required under II.3.c) of this permit.
 - (2) The Director may approve an anticipated bypass, after considering its adverse effects, if the Director determines that it will meet the three conditions listed in II.3.d.(1) of this permit.

4. Upset

- a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.
- b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitation if the requirements of II.4.c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.
- c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
 - (2) The permitted facility was at the time being properly operated;
 - (3) The permittee submitted notice of the upset as required in IV.2.b) of this permit.
 - (4) The permittee complied with any remedial measures required under I.3. of this permit.
- d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit by the Director, any solids, sludges, filter backwash or other pollutants (removed in the course of treatment or control of wastewaters) and which are intended for disposal within the State, shall be disposed of only in a manner and at a site subject to the approval by the Director. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Director in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, and the intended place of disposal or use, as appropriate.

III. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

- a) Permittee shall submit, according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s). DMR submissions shall be made in accordance with the terms contained in Section C of this permit.
- b) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.
- c) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E." (i.e., number exceeding).
- d) Specify frequency of analysis for each parameter as number of analyses/specified period (e.g., 3/month is equivalent to 3 analyses performed every calendar month). If continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the permit, the permittee shall record the following information.

- a) The date, exact place, and time of sampling or measurement;
- b) The date(s) analyses were performed;
- c) The individual(s) who performed the sampling or measurement;
- d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
- e) The analytical techniques or methods used, and
- f) The results of such analyses. Information not required by the DMR form is not to be submitted to this agency, but is to be retained as required in III.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated. Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least three (3) years from the date of the sample, measurement, report or application. This period may be extended by request of the Director at any time.

7. Definitions

- a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.
- b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.
- c) "Maximum daily discharge limitation" means the highest allowable daily discharge.
- d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval (for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.
- e) "Grab Sample" is an individual sample collected in less than 15 minutes.
- f) "is" = immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.
- g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.
- h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two (2) consecutive hours during a 24 hour day, or during the operating day if flows are of shorter duration.
- i) The "monthly average fecal coliform" bacteria is the geometric average of all samples collected during the month.
- j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or which a relationship to absolute volume has been obtained.
- k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.
- l) "Non-contact cooling water" means the water that is contained in a leak-free system, i.e., no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels, exclusive of approved anti-fouling agents.

IV. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities or penalties established pursuant to Title 47, Series 11, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11. Attached is a copy of the West Virginia Spill Alert System for use in complying with Title 47, Series 11, Section 2 of the Legislative rules as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

- a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Agency's designated spill alert telephone number. A written submission shall be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.
- b) The following shall also be reported immediately:
 - (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
 - (2) Any upset which exceeds any effluent limitation in the permit; and
 - (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Director in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.
- c) The Director may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.
- d) Compliance with the requirements of IV.2 of this section, shall not relieve a person of compliance with Title 47, Series 11, Section 2.

3. Reporting Requirements

- a) Planned changes. The permittee shall give notice to the Director of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
 - (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Series 10, Title 47; or
 - (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under IV.2 of this section.
- b) Anticipated noncompliance. The permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural discharges must notify the Director in writing as soon as they know or have reason to believe:
 - (1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, or any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
 - (A) One hundred micrograms per liter (100 ug/l);
 - (B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitro phenol; and for 2-methyl 4,6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
 - (C) Five (5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.9 of Series 10, Title 47.
 - (D) The level established by the Director in accordance with Section 6.3.g of Series 10, Title 47;
 - (2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
 - (A) Five hundred micrograms per liter (500 ug/l);
 - (B) One milligram per liter (1 mg/l) for antimony;
 - (C) Ten (10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.7 of Series 10, Title 47;
 - (D) The level established by the Director in accordance with Section 6.3.g of Series 10, Title 47.
 - (3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 10, Title 47 and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
 - (4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 10, Title 47 and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in IV.2.a). Should other applicable noncompliance reporting be required, these terms and conditions will be found in Section C of this permit.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Moorefield/Hardy County Regional WWTP) MOOREFIELD-HARDY

CERTIFIED LABORATORY NAME: MOOREFIELD-HARDY

CERTIFIED LABORATORY ADDRESS: MOOREFIELD, Hardy County

PERMIT NO.: WV0106038

OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Reported	Quantity		Other Units			Measurement Frequency	Sample Type
		Rpt Only Monthly Total	Permit Limits	Units	N.E.	Units		
50050 (ML-1) RF-A Flow, in Conduit or thru plant Year Round	Reported	N/A	Permit Limits	Million Gallons	N/A	Rpt Only Avg. Monthly	Continuous	measured
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported	2052 Max. Daily	Permit Limits	Lbs/Day	N/A	20 Max. Daily	2/week	24 hr Composite
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported	1026 Avg. Monthly	Permit Limits	Lbs/Day	N/A	30 Avg. Monthly	2/week	24 hr Composite
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported	N/A	Permit Limits		85 Month, Avg. Min.	N/A	1/week	Calculated
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported	N/A	Permit Limits		85 Month, Avg. Min.	N/A	1/week	Calculated
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported	N/A	Permit Limits		N/A	200 Mont. Geo. Mean	2/week	Grab
00400 (ML-A) RF-A pH Year Round	Reported	N/A	Permit Limits		6 Inst. Min.	9 Inst. Max.	2/week	Grab
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported	N/A	Permit Limits		6 Inst. Min.	N/A	2/week	Grab

* CEL = Compliance Evaluation Level

Name of Principal Executive Officer

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.

Date Completed

Signature of Principal Executive Officer or Authorized Agent

Title of Officer

FACILITY NAME: (Moorefield/Hardy County Regional WWTP) MOOREFIELD-HARDY CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF: _____ INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Reported	Quantity		Units		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		68 Avg. Monthly	137 Max. Daily	Lbs/Day	N/A	2 Avg. Monthly	4 Max. Daily					
00610 (ML-A) RF-A Ammonia Nitrogen Year Round	Reported Permit Limits	68 Avg. Monthly	137 Max. Daily	Lbs/Day	N/A	2 Avg. Monthly	4 Max. Daily	N/A	mg/l		2/week	24 hr Composite
00620 (ML-A) RF-A Nitrogen Nitrate Year Round	Reported Permit Limits	N/A	N/A		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/week	24 hr Composite
00615 (ML-A) RF-A Nitrogen Nitrite Year Round	Reported Permit Limits	N/A	N/A		N/A	1.48 Avg. Monthly	2.97 Max. Daily	N/A	mg/l		1/week	24 hr Composite
00600 (ML-A) RF-D Nitrogen, Total (as N) Year Round	Reported Permit Limits	N/A	51431 Annual Total	Lbs/Year	N/A	N/A	N/A	N/A			1/year	Calculated
00600 (ML-A) RF-A Nitrogen, Total (as N) Year Round	Reported Permit Limits	Rpt Only Monthly Total	N/A	Lbs/Month	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/week	24 hr Composite
00665 (ML-A) RF-D Phosphorus, Total Year Round	Reported Permit Limits	N/A	5221 Annual Total	Lbs/Year	N/A	N/A	N/A	N/A			1/year	Calculated
00665 (ML-A) RF-A Phosphorus, Total Year Round	Reported Permit Limits	Rpt Only Monthly Total	N/A	Lbs/Month	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/week	24 hr Composite
50060 (ML-A) RF-A Chlorine, Total Residual Year Round	Reported Permit Limits	N/A	N/A		N/A	28 Avg. Monthly	57 Max. Daily	N/A	ug/l		2/week	Grab

* CEL = Compliance Evaluation Level

<p>Name of Principal Executive Officer</p> <p>_____</p> <p>Title of Officer</p> <p>_____</p>	<p>Date Completed</p> <p>_____</p> <p>Signature of Principal Executive Officer or Authorized Agent</p> <p>_____</p>
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I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: (Moorefield/Hardy County Regional WWTP) MOOREFIELD-HARDY CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	0.023 Avg. Monthly	0.046 Max. Daily
01114 (ML-A) RF-B Lead, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	0.015 Avg. Monthly	0.03 Max. Daily
01094 (ML-A) RF-D Zinc, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	0.202 Avg. Monthly	0.406 Max. Daily
01113 (ML-A) RF-B Cadmium, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily
71900 (ML-A) RF-B Mercury, Total (as Hg) Year Round	Reported				
	Permit Limits	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily
01074 (ML-A) RF-B Nickel, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily
01079 (ML-A) RF-B Silver, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily
01104 (ML-A) RF-A Aluminum, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	N/A	1.04 Avg. Monthly	2.08 Max. Daily

* CEL = Compliance Evaluation Level

<p>Name of Principal Executive Officer</p> <p>Title of Officer</p>	<p>Date Completed</p> <p>Signature of Principal Executive Officer or Authorized Agent</p>
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I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: Moorefield/Hardy County Regional (WWTP) MOOREFIELD-HARDY CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Quantity	Other Units		CEL*	Units	N.E.	Sample Type
		Quantity	N.E.				
00980 (ML-A) RF-B Iron, Total Recoverable Year Round	Reported						
	Permit Limits	N/A		N/A	mg/l		24 hr Composite
00940 (ML-A) RF-B Chloride (as Cl) Year Round	Reported						
	Permit Limits	N/A		N/A	mg/l		24 hr Composite
61426 (ML-A) RF-B Chronic Tox-Ceriodaphnia Dubia Year Round	Reported						
	Permit Limits	N/A	4.1 Avg. Monthly	N/A	TUC		24 hr Composite
61428 (ML-A) RF-B Chronic Toxicity - Pimephales Year Round	Reported						
	Permit Limits	N/A	4.1 Avg. Monthly	N/A	TUC		24 hr Composite
00978 (ML-A) RF-A Arsenic, Total Recoverable Year Round	Reported						
	Permit Limits	N/A	0.01 Avg. Monthly	N/A	mg/l		24 hr Composite
00722 (ML-A) RF-B Cyanide, Free Year Round	Reported						
	Permit Limits	N/A		N/A	mg/l		Grab
01220 (ML-A) RF-B Chromium, Hex. Diss. Year Round	Reported						
	Permit Limits	N/A		N/A	mg/l		24 hr Composite
00552 (ML-A) RF-A Oil and Grease, Hexane EXTR. Year Round	Reported						
	Permit Limits	N/A		N/A	mg/l		Grab

* CEL = Compliance Evaluation Level

<p>Name of Principal Executive Officer</p> <p>Title of Officer</p>	<p>Date Completed</p> <p>Signature of Principal Executive Officer or Authorized Agent</p>
--	---

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STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Pilgrim's Pride - Cook Plant MOOREFIELD-HARDY CO WASTEWA/CERTIFIED LABORATORY NAME:

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS:

PERMIT NO.: WV0106038 OUTLET NO.: 1U01 INDIVIDUAL PERFORMING ANALYSIS:

WASTELOAD FOR THE MONTH OF: _____

Parameter	Reported	Quantity		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		Permit Limits	Units	N.E.	Units					
00056 (ML-4) RF-A Flow Rate Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	mgd	N/A	N/A	N/A			Continuous	Recorded
00310 (ML-4) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	N/A	N/A			1/week	24 hr Composite
00530 (ML-4) RF-A Total Suspended Solids Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	N/A	N/A			1/week	24 hr Composite
00400 (ML-4) RF-A pH Year Round	Reported									
	Permit Limits	N/A		5 Inst. Min.	N/A	N/A	S.U.		1/week	Grab
00610 (ML-4) RF-A Ammonia Nitrogen Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	N/A	N/A			1/week	24 hr Composite
00620 (ML-4) RF-A Nitrogen Nitrate Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	N/A	N/A			1/month	24 hr Composite
00615 (ML-4) RF-A Nitrogen Nitrite Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	N/A	N/A			1/month	24 hr Composite
00600 (ML-4) RF-A Nitrogen, Total (as N) Year Round	Reported									
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	N/A	N/A			1/week	24 hr Composite

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Name of Principal Executive Officer	Date Completed	I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.
Title of Officer	Signature of Principal Executive Officer or Authorized Agent	

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Pilgrim's Pride - Cook Plant MOOREFIELD-HARDY CO WASTEW CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: IU01

INDIVIDUAL PERFORMING ANALYSIS:

WASTELOAD FOR THE MONTH OF: _____

Parameter	Quantity	Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		Units	N.E.					
00665 (ML-4) RF-A Phosphorus, Total Year Round	Reported							
	Permit Limits	Rpt Only Avg. Monthly	43 Max. Daily	N/A	N/A		1/week	24 hr Composite
01119 (ML-4) RF-A Copper, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.177 Max. Daily	2/month	24 hr Composite
01114 (ML-4) RF-A Lead, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.041 Max. Daily	2/month	24 hr Composite
01094 (ML-4) RF-A Zinc, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.395 Max. Daily	2/month	24 hr Composite
01104 (ML-4) RF-A Aluminum, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	37.8 Max. Daily	2/month	24 hr Composite
00980 (ML-4) RF-A Iron, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	8.73 Max. Daily	2/month	24 hr Composite
00940 (ML-4) RF-A Chloride (as Cl) Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	1/month	24 hr Composite
00978 (ML-4) RF-A Arsenic, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	0.01 Max. Daily	2/month	24 hr Composite

* CEL = Compliance Evaluation Level

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<p>Name of Principal Executive Officer</p>	
<p>Title of Officer</p>	

FACILITY NAME: (Pilgrim's Pride - Cook Plant) MOOREFIELD-HARDY CO WASTEWA CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD; Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WV0106038 OUTLET NO.: IU01
 WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Quantity		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		Units	N.E.	Units	N.E.					
00552 (ML-4) RF-A Oil and Grease, Hexane EXTR. Year Round	Reported Permit Limits	N/A	N/A	Rpt Only Avg. Monthly	100 Max. Daily	N/A	mg/l		1/week	Grab
						N/A				
						N/A				
						N/A				
						N/A				
						N/A				
						N/A				
						N/A				

* CEL = Compliance Evaluation Level

Name of Principal Executive Officer	Date Completed
Title of Officer	Signature of Principal Executive Officer or Authorized Agent

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.

FACILITY NAME: Pilgrim's Pride - Kill Plant, MOOREFIELD-HARDY CO WASTEWAI CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: IU02

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Quantity	Other Units			Measurement Frequency	Sample Type
		Units	CEL*	Units		
00056 (ML-4) RF-A Flow Rate Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	mgd	N/A	Continuous	Recorded
00059 (ML-4) RF-A Flow Rate, Instantaneous Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	gpm	N/A	Continuous	Recorded
00310 (ML-4) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00530 (ML-4) RF-A Total Suspended Solids Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00400 (ML-4) RF-A pH Year Round	Reported					
	Permit Limits	N/A			1/week	Grab
00610 (ML-4) RF-A Ammonia Nitrogen Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00620 (ML-4) RF-A Nitrogen Nitrate Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00615 (ML-4) RF-A Nitrogen Nitrite Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite

* CEL = Compliance Evaluation Level

Name of Principal Executive Officer	Date Completed	I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.
Title of Officer	Signature of Principal Executive Officer or Authorized Agent	

FACILITY NAME: (Pilgrim's Pride - Kill Plant.) MOOREFIELD-HARDY CO WASTEWAI CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: 1U02

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
00600 (ML-4) RF-A Nitrogen, Total (as N) Year Round	Reported				
	Permit Limits	Rpt Only Avg. Monthly	N/A	N/A	1/week 24 hr Composite
00665 (ML-4) RF-A Phosphorus, Total Year Round	Reported				
	Permit Limits	Rpt Only Avg. Monthly	N/A	N/A	1/week 24 hr Composite
01119 (ML-4) RF-A Copper, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	Rpt Only Avg. Monthly	N/A	1/week 24 hr Composite
01114 (ML-4) RF-A Lead, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	Rpt Only Avg. Monthly	N/A	1/week 24 hr Composite
01094 (ML-4) RF-A Zinc, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	Rpt Only Avg. Monthly	N/A	1/week 24 hr Composite
01104 (ML-4) RF-A Aluminum, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	Rpt Only Avg. Monthly	N/A	1/week 24 hr Composite
00980 (ML-4) RF-A Iron, Total Recoverable Year Round	Reported				
	Permit Limits	N/A	Rpt Only Avg. Monthly	N/A	1/week 24 hr Composite
00940 (ML-4) RF-A Chloride (as Cl) Year Round	Reported				
	Permit Limits	N/A	Rpt Only Avg. Monthly	N/A	1/month 24 hr Composite

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<p>Name of Principal Executive Officer</p>	
<p>Title of Officer</p>	

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

FACILITY NAME: (Pilgrim's Pride - Kill Plant.) MOOREFIELD-HARDY CO WASTEWAI CERTIFIED LABORATORY NAME:

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS:

PERMIT NO.: WV0106038 OUTLET NO.: IU02

WASTELOAD FOR THE MONTH OF:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		Units	N.E.					
00978 (ML-4) RF-A Arsenic, Total Recoverable Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	mg/l		1/week	24 hr Composite
00552 (ML-4) RF-A Oil and Grease, Hexane EXTR. Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	mg/l		1/week	Grab
				N/A				
				N/A				
				N/A				
				N/A				
				N/A				
				N/A				
				N/A				
				N/A				

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Name of Principal Executive Officer _____ Title of Officer _____	I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.	Date Completed _____ Signature of Principal Executive Officer or Authorized Agent _____
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FACILITY NAME: (Regional Wastewater Treatment Plant), MOOREFIELD-HARDY CO 1 CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: S01

RESULTS FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Quantity	Units	N.E.	Other Units			Measurement Frequency	Sample Type
				Minimum	Maximum	CEL*		
74055 (ML+) RF-B Coliform, Fecal Year Round	Reported							
	Permit Limits	N/A		N/A	Rpt Only Maximum	N/A	1/quarter	Grab
00400 (ML+) RF-B pH Year Round	Reported							
	Permit Limits	N/A		N/A	Rpt Only Maximum	N/A	1/quarter	Grab
61521 (ML+) RF-B Arsenic, Sludge Tot. Dry Wt. Year Round	Reported							
	Permit Limits	N/A		N/A	20 Maximum	N/A	1/quarter	1/wk Comp
78476 (ML+) RF-B Cadmium, Sludge, Tot. Dry Wt. Year Round	Reported							
	Permit Limits	N/A		N/A	39 Maximum	N/A	1/quarter	1/wk Comp
78473 (ML+) RF-B Chromium, Dry Wt. Year Round	Reported							
	Permit Limits	N/A		N/A	1000 Maximum	N/A	1/quarter	1/wk Comp
78475 (ML+) RF-B Copper, Sludge, Tot. Dry Wt. Year Round	Reported							
	Permit Limits	N/A		N/A	1500 Maximum	N/A	1/quarter	1/wk Comp
78468 (ML+) RF-B Lead, Dry Wt. Year Round	Reported							
	Permit Limits	N/A		N/A	250 Maximum	N/A	1/quarter	1/wk Comp
78471 (ML+) RF-B Mercury, Dry Wt. Year Round	Reported							
	Permit Limits	N/A		N/A	10 Maximum	N/A	1/quarter	1/wk Comp

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Name of Principal Executive Officer	Date Completed	I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.
Title of Officer	Signature of Principal Executive Officer or Authorized Agent	

FACILITY NAME: (Regional Wastewater Treatment Plant) MOOREFIELD-HARDY CO.1 CERTIFIED LABORATORY NAME:

LOCATION OF FACILITY: MOOREFIELD; Hardy County

CERTIFIED LABORATORY ADDRESS:

PERMIT NO.: WV0106038

OUTLET NO.: S01

RESULTS FOR THE MONTH OF:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
78465 (ML+) RF-B Molybdenum, Dry Wt. Year Round	Reported	N/A			
	Permit Limits	N/A	18 Maximum	1/quarter	1/wk Comp
78469 (ML+) RF-B Nickel, Dry Wt. Year Round	Reported	N/A			
	Permit Limits	N/A	200 Maximum	1/quarter	1/wk Comp
49031 (ML+) RF-B Selenium, Sludge, Tot. Dry Wt. Year Round	Reported	N/A			
	Permit Limits	N/A	36 Maximum	1/quarter	1/wk Comp
78467 (ML+) RF-B Zinc, Dry Wt. Year Round	Reported	N/A			
	Permit Limits	N/A	2800 Maximum	1/quarter	1/wk Comp
00916 (ML+) RF-B Calcium, Total (as Ca) Year Round	Reported	N/A			
	Permit Limits	N/A	Rpt Only Maximum	1/quarter	1/wk Comp
61553 (ML+) RF-B Solids, Total Sludge Percent Year Round	Reported	N/A			
	Permit Limits	N/A	Rpt Only Minimum	1/quarter	1/wk Comp
78472 (ML+) RF-B Potassium, Sludge Tot. Dry Wt. Year Round	Reported	N/A			
	Permit Limits	N/A	Rpt Only Maximum	1/quarter	1/wk Comp
78478 (ML+) RF-B Phosphorus, Sludge, Tot. Dry Wt. Year Round	Reported	N/A			
	Permit Limits	N/A	Rpt Only Maximum	1/quarter	1/wk Comp

* CEL = Compliance Evaluation Level

		Date Completed
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Name of Principal Executive Officer	Signature of Principal Executive Officer or Authorized Agent	
Title of Officer		

FACILITY NAME: Regional Wastewater Treatment Plant, MOOREFIELD-HARDY CO.1 CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: \$01

RESULTS FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
82294 (ML-+) RF-B Nitrogen, Ammonia Tot. DW Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
78470 (ML-+) RF-B Nitrogen, Sludge Tot. Dry Wt Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
51020 (ML-+) RF-B Organic Nitrogen Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
00927 (ML-+) RF-B Magnesium, Tot (as Mg) Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
				N/A	

* CEL = Compliance Evaluation Level

		Date Completed
Name of Principal Executive Officer	Signature of Principal Executive Officer or Authorized Agent	
Title of Officer		

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SEWAGE SLUDGE MANAGEMENT REPORT

FACILITY NAME: (Regional Wastewater Treatment Plant) MOOREFIELD-HARDY CO V DESIGN FLOW: 4,100,000 gpd PERMIT NUMBER: WV0106038
ADDRESS: 206 Winchester Avenue, Moorefield, WV 26836 YEAR: MONTH: MONITORING FREQUENCY: LAST SAMPLE DATE:

Total Sludge Generated this Report Period: (Dry Tons) Disposal Method:
Sludge Generated this Year to Date: (Dry Tons) Amount Disposed: (Dry tons)
Sewage Sludge/Domestic Septage Received: (Gallons) Name of Landfill or Compost Facility:

Percent Solids: Average: Measurement Frequency: Number of Loads Landfilled With Less Than 20% Solids:

Pathogen Reduction Method:

- Not Applicable. No land application of sewage sludge.
 - Fecal Coliform Monitoring: Geometric mean of last seven samples is _____ col/dry gram
 - Sample results for this report period were: _____ col/dry gram
 - Limit Addition: pH of sample two hours after lime addition: Range _____
 - Aerobic Digestion: Average detention time for this report period:(days) _____ Range _____
 - Anaerobic Digestion: Average detention time for this report period:(days) _____ Range _____
 - Other: (Provide Description) _____
- NE: Number of loads land applied which did not fully meet pathogen reduction requirements: _____

Vector Attraction Reduction Method:

- Not Applicable. No land application of sewage sludge.
 - 38% Volatile Solids Reduction: Average volatile solids reduction for the month of _____ was _____ percent
 - SOUR: The average Specific Oxygen Uptake rate for the month of _____ was _____ mg Oxygen/hour/dry gram
 - Lime Addition: pH of sample two hours after lime addition: Range _____
 - pH of sample 24 hours after lime addition: Range _____
 - Other: (Provide Description) _____
- NE: Number of loads land applied which did not fully meet vector attraction reduction requirements: _____

I certify under penalty of law that the management practices, vector attraction reduction requirements, and the pathogen reduction requirements of Federal regulations 40 CFR Part 503 and State Regulation Title 33, Series 2 have been met for all sewage sludge land applied during this report period. This determination has been made under my supervision in accordance with a system designed to ensure that qualified personnel properly gather and evaluate information used to determine these requirements have been met. I also certify that this document and all the attachments were prepared under my direction or supervision, and that the information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are penalties for false certification including the possibility of fine and imprisonment.

OFFICIAL _____ TITLE _____
SIGNATURE _____ DATE _____

Additional Comments or Explanation: _____

**EMERGENCY RESPONSE SPILL ALERT SYSTEM
WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION**

REQUIREMENTS:

Title 47, Series 11, Section 2 of the West Virginia Legislative Rules, Environmental Protection, Water Resources - Waste Management, Effective July 1, 1994.

RESPONSIBILITY FOR REPORTING:

Each and every person who may cause or be responsible for any spill or accidental discharge of pollutants into the waters of the State shall give immediate notification to the Division of Water and Waste Management's Emergency Notification Number, 1-800-642-3074. Such notification shall set forth insofar as possible and as soon thereafter as practical the time and place of such spill or discharge, type or types and quantity or quantities of the material or materials therein, action or actions taken to stop such spill or discharge and to minimize the polluting effect thereof, the measure or measures taken or to be taken in order to prevent a recurrence of any such spill or discharge and such additional information as may be requested by the Division of Water and Waste Management. This also applies to spills to the waters of the State resulting from accidents to common carriers by highway, rail and water.

It shall be the responsibility of each industrial establishment or other entity discharging directly to a stream to have available the following information pertaining to those substances that are employed or handled in its operation in sufficiently large amounts as to constitute a hazard in case of an accidental spill or discharge into a public stream:

- (1) Potential toxicity in water to man, animals and aquatic life;
- (2) Details on analytical procedures for the quantitative estimation of such substances in water and
- (3) Suggestions on safeguards or other precautionary measures to nullify the toxic effects of a substance once it has gotten into a stream.

Failure to furnish such information as required by Section 14, Article 11, Chapter 22, Code of West Virginia may be punishable under Section 24, Article 11, Chapter 22, and/or Section 22, Article 11, Chapter 22, Code of West Virginia.

It shall be the responsibility of any person who causes or contributes in any way to the spill or accidental discharge of any pollutant or pollutants into State waters to immediately take any and all measures necessary to contain such spill or discharge. It shall further be the responsibility of such person to take any and all measures necessary to clean-up, remove and otherwise render such spill or discharge harmless to the waters of the State.

When the Director determines it necessary for the effective containment and abatement of spills and accidental discharges, the Director may require the person or persons responsible for such spill or discharge to monitor affected waters in a manner prescribed by the Director until the possibility of any adverse effect on the waters of the State no longer exists.

VOLUNTARY REPORTING BY LAW OFFICERS, U. S. COAST GUARD, LOCK MASTERS AND OTHERS:

In cases involving river and highway accidents where the responsible party may or may not be available to report the incident, law officers, U. S. Coast Guard, Lock Masters and other interested person(s) should make the report.

WHO TO CONTACT:

Notify the following number: **1-800-642-3074**

INFORMATION NEEDED:

- Source of spill or discharge
- Location of incident
- Time of incident
- Material spilled or discharged
- Amount spilled or discharged
- Toxicity of material spilled or discharged
- Personnel at the scene
- Actions initiated
 - Shipper/Manufacturer identification
- Railcar/Truck identification number
- Container type

NOTICE TO PERMITTEES

The 1999 regular session of the West Virginia legislature revised the Water Pollution Control Act, Chapter 22, Article 11, Section 10 of the Code of West Virginia relating to fees associated with permits. This section of the Code requires all holders of a State water pollution control permit or a national pollutant discharge elimination system permit to be assessed an annual permit fee, based upon rules promulgated by the Secretary of the Department of Environmental Protection. The Secretary has promulgated a final rule in accordance with the code revision to this effect and these rules were effective May 4, 2000. The rules establish an annual permit fee based upon the relative potential to degrade the waters of the State which, in most instances, relate to volume of discharge. However, for sewage facilities, the annual permit fee is based upon the number of customers served by the facility. You may contact the Secretary of State's Office, State Capitol Building, Charleston, WV 25305, to obtain a copy of the rules. The reference is Title 47, Legislative Rules, Department of Environmental Protection, Division of Water Resources, Series 26 Water Pollution Control Permit Fee Schedules.

Based upon the volume of discharge for which your facility is currently permitted, the number of customers served by your facility or for the category you fall within, pursuant to Section 7 of Title 47, Series 26, your annual permit fee is **\$2500.00**. This fee is due no later than the anniversary date of permit issuance in each year of the term of the permit or in the case of coverage under a general permit, the fee is due no later than the anniversary date of your coverage under the general permit. **You will be invoiced by this agency at the appropriate time for the fee.** 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.

RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this permit which you are aggrieved by to the Environmental Quality Board by filing a NOTICE OF APPEAL on the form prescribed by such Board for this purpose, with the Board, in accordance with the provisions of Section 21, Article 11, Chapter 22 of the Code of West Virginia within thirty (30) days after the date of receipt of the above permit.

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER AND WASTE MANAGEMENT

FACT SHEET ADDENDUM

1. **NAME AND ADDRESS OF APPLICANT**
MOOREFIELD-HARDY CO WASTEWATER
AUTHORITY
206 WINCHESTER AVENUE
MOOREFIELD, WV 26836
2. **NAME AND ADDRESS OF FACILITY**
Regional Wastewater Treatment Plant
US Route 220
Moorefield, WV 26836
3. **STATE NPDES APPLICATION NO.** WV0106038
4. **COUNTY** Hardy
RECEIVING STREAM South Branch Potomac River
5. **PUBLIC NOTICE NO.** L-54-11
COMMENT PERIOD: From 05/04/2011 To 06/03/2011
6. **SIC CODE(s)** 4952

**Note: This is an addendum to the original FACT SHEET.
Only items changed in the permit are addressed in this addendum.**

7. DESCRIPTION OF APPLICANT'S FACILITY OR ACTIVITY

CHESAPEAKE BAY TMDL

The permittee discharges to the South Branch of the Potomac River which is a tributary to the Potomac River and ultimately the Chesapeake Bay. The USEPA issued the Chesapeake Bay TMDL on December 29, 2010 which specifies total annual loads for nitrogen and phosphorus for each of the existing WV /NPDES Permits for the Town of Moorefield, Pilgrim's Pride (Cook Plant), Pilgrim's Pride (Kill Plant), and Caledonia Heights Sewage Treatment Plant.

The nitrogen and phosphorus permit limits imposed in Section A.001 and Section E of this permit are based on the the sum of the total annual loads prescribed in the TMDL for the Town of Moorefield (WV /NPDES Permit No. WV0020150 Outlet 001), Pilgrims Pride Kill Plant (WV/NPDES Permit No. WV0005495 Outlet 001), Pilgrims Pride Cook Plant (WV/NPDES Permit No. WV0047236 Outlet 105), and Caledonia Heights (WV/NPDES Permit No. WVG550723 Outlet 001).

- Additional Nitrogen and Phosphorus Loading

The USEPA issued the Chesapeake Bay TMDL on December 29, 2010 which specifies total annual loads for nitrogen, phosphorus, and total suspended solids for significant facilities. WV's WIP and the Chesapeake Bay TMDL provided allocations of 13,096 lbs N/yr Edge of Stream (EOS) and 1,310 lbs P/yr EOS for the Pilgrims Pride Kill Plant (WV/NPDES Permit No. WV0005495 Outlet 001) source based on an erroneous flow value. The TMDL allocations were based on a discharge flow of 0.86 MGD, whereas the actual long-term average discharge flow from Outlet 001 from WV/NPDES Permit No. WV0005495 from 2006-2011 was 2.2 MGD.

**Note: This is an addendum to the original FACT SHEET.
Only items changed in the permit are addressed in this addendum.**

7. DESCRIPTION OF APPLICANT'S FACILITY OR ACTIVITY (continued)

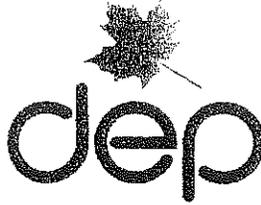
The Chesapeake Bay TMDL documents a reserve for WV in the Potomac Watershed of total nitrogen and total phosphorus prescribed in terms of total nitrogen of 96,119 lbs N/yr Delivered (DEL). The TMDL affords that this Nitrogen reserve can be converted to Phosphorus reserve at a ratio of 15N:1P. The agency is using some of the reserve to afford more appropriate allocations for Outlet 001 based on an average discharge flow of 2.2 MGD from the WV/NPDES Permit No. WV0005495 Outlet 001 source. As a result, the allocations provided from the WV0005495 Permit source are 33,502 lbs N/yr EOS and 3,350 lbs P/yr EOS. The limitations grant the WV0005495 source 20,406 lbs N/yr EOS and 2,040 lbs P/yr EOS more than the published TMDL allocations for this source. These loading limits remain based upon effluent nitrogen and phosphorus concentrations of 5 mg/l and 0.5 mg/l, respectively, and the increase is related solely to the flow adjustment.

To calculate the reserve loading that will be consumed by this correction, EOS loads must be converted to DEL loads by applying the delivery factors for the model subwatershed in which the WV0005495 Permit Outlet 001 source is located, and nitrogen loads must be converted to phosphorus using the approved 15:1 ratio. Edge of Stream (EOS) values represent the actual loading from the discharge pipe while Delivered (DEL) values represent the loadings actually delivered to the Chesapeake Bay. Delivery factors (df) in the area for this discharge are 0.122 for nitrogen and 0.569 for phosphorus. As such, 20,406 lbs N/yr EOS and 2,040 lbs P/yr EOS are equivalent to 2,489.5 lbs N/yr DEL and 1,160.8 lbs P/yr DEL. Applying the 15:1 N:P ratio, 1,160.8 lbs P/yr DEL load is converted to 17,412 lbs N/yr DEL, and the total reserve consumed is 19,901.5 lbs N/yr DEL. WV's remaining reserve will consist of 76,217.5 lbs N/yr DEL. These calculations represent that the additional allocations being afforded to the WV0005495 Outlet 001 source are available in WV's reserve and are able to be used so long as WV reduces and tracks its reserve accordingly. After accounting for the additional nitrogen and phosphorus loading being afforded to the WV0005495 Outlet 001 source, the following allocations are being provided to this new facility being covered under this new permit.

Permit	Facility	Nitrogen (lbs/yr)	Phosphorus (lbs/yr)
WV0020150	Town of Moorefield	9,137	914
WVG550723	Caledonia Heights	1,178	196
WV0047236	Pilgrim's Pride (Cook Plant)	7,614	761
WV0005495	Pilgrim's Pride (Kill Plant)	13,096	1,310
WV0005495	From WV's Reserve	20,406	2,040

Total Load Provided to the New WWTP covered by new WV/NPDES Permit No. WV0106038
 51,431 lbs/yr Total Nitrogen
 5,221 lbs/yr Total Phosphorus

Therefore, the imposition of the limitations in this permit for total nitrogen and total phosphorus at Outlet 001 are consistent with the TMDL allocations and WV's Reserve identified in the TMDL.



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, WV 25304
Phone: (304) 926-0495
Fax: (304) 926-0496

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

April 7, 2010

Honorable Gary Stalnaker
Mayor, Town of Moorefield
206 Winchester Avenue
Moorefield, WV 26836

RE: Town of Moorefield
Plans and Specifications Approval
SRF No. C-544370

Dear Mayor Stalnaker:

The plans and specifications for the above referenced project are hereby approved.

This approval DOES NOT constitute authority to advertise for bids. You will be advised by separate letter from this agency as to when such an advertisement can be initiated.

Please be advised it will be necessary to issue an addendum to the contract documents prior to opening of bids to include the current State and Federal Labor Wage Determinations. This and all addenda and revisions to the contract documents must be telefaxed to this office for approval and issued to plan holders five (5) days prior to bid opening. Failure to submit addenda in a timely manner will automatically nullify approval to open bids. Any addenda issued inside the five (5) day period prior to the bid opening must include an automatic extension to the bid opening date of a minimum of seven (7) days.

If any questions arise, please contact Mike Warwick, P.E., at (304) 926-0499, ext.1597.

Sincerely,

Mike Johnson, P.E.
Program Manager
Clean Water SRF Program

MJ/mw

cc: Brian Aylaian, P.E., AECOM
Bruce Smith, EPA

Promoting a healthy environment.



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, WV 25304
Phone: (304) 926-0495
Fax: (304) 926-0496

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

November 4, 2011

Mr. Steve Wilson, President
Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, WV 26836

RE: Moorefield/Hardy County
Wastewater Authority
Authorization to Advertise
EPA # - XP-96306901
SRF # - C-544370

Dear Mr. Wilson:

You are hereby authorized to advertise for bids. Please refer to our approval letter on the plans and specifications regarding any technical requirements to be met prior to opening bids.

You are reminded that you are required to take affirmative steps to assure that disadvantaged business enterprises are used when possible.

The project should, as a minimum, be published in newspapers as a Class II legal advertisement not less than 30 days prior to the date on which bids are to be received. A copy of the legal advertisement should be sent to John Rogers.

When the project is advertised the following statements must appear in the advertisement for bids:

Page Two
Mr. Steve Wilson
November 4, 2011

DBE REQUIREMENTS

Each bidder must fully comply with the Disadvantaged Business Enterprises, and Affirmative Action requirements, as identified in the contract documents.

The Bidder agrees to make "positive efforts" to subcontract a portion of the total value of the contract to Disadvantaged Business Enterprises. This shall be done in compliance with the six (6) good faith efforts as outlined in 40 CFR 33.301. Failure to demonstrate positive efforts to do so may lead to rejection of bids. For the purpose of this program, the term "subcontract" includes all construction, modification, and service work contracted for by the bidder in the execution of the work under this contract.

NONDISCRIMINATION IN EMPLOYMENT

Bidders on this work will be required to comply with the President's Executive Order No. 11246. The requirements for bidders and contractors under this order are explained in the specifications."

SUSPENSION AND DEBARMENT

Recipient shall not entertain the use of businesses that are listed on the "Excluded Parties List System at www.epls.gov. in accordance with 2 CFR Part 1532 and Subpart B and C of 2 CFR Parts 180.

DAVIS BACON CONTRACT REQUIREMENTS

Contractors are required to comply with all laws pertaining to prevailing wage rates for the State of West Virginia as issued by the Division of Labor and the federal wage rates issued in accordance with the Davis Bacon Act. The contractor will be required to pay the higher of the state or federal wage rates appropriate for each worker classification.

In addition, the following agencies must be supplied with a copy of the legal advertisement of your project for distribution:

Small Business Administration
405 Capitol Street, Suite 412
Charleston, West Virginia 25301

OR

Small Business Administration
320 West Pike, Suite 330
Clarksburg, West Virginia 26301

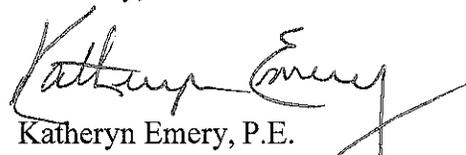
Page Three
Mr. Steve Wilson
November 4, 2011

Enclosed is a copy of the SRF "Application for a Construction Loan". This completed application must be submitted to our office no later than 10 calendar days after the receipt of bids in order to allow sufficient time for review approval and processing.

Please note that while the Authority has not received funding commitments sufficient to cover the estimated project cost and a preliminary title opinion addressing the acquisition of 100% of the real property required, you are being authorized to bid solely on the basis of the loss of the 2008 EPA STAG grant, the importance of this project to the State in terms of future compliance with the Chesapeake Bay standards, and the need to determine the project cost based on bids. Additionally, please be advised that you will not be authorized to close and award contracts until sufficient funds are committed to cover the project costs and you have acquired 100% of the real property required.

Should you have any questions in the interim, please contact John Rogers at (304) 926-0499 extension 1602 or John.R.Rogers@wv.gov.

Sincerely,



Katheryn Emery, P.E.
Program Manager
Clean Water SRF Program

KE/jr

Enclosure

cc: Mr. Jack Ramsey, P. E., Triad Engineering, Inc.
Mr. Jim Ellars, P. E., WVIJDC
Ms. Samme Gee, Esquire, Jackson Kelly PLLC
Mr. John Stump, Esquire, Steptoe & Johnson PLLC
Mr. Chris Jarrett, WDA
Mr. Dave Warner, EDA
Ms. Phyllis Cole

WV DEA Grant
page 1 of 2

WEST VIRGINIA ECONOMIC DEVELOPMENT GRANT COMMITTEE

Bob Wise
Governor

Post Office Box 963
Charleston, West Virginia 25324-0963
(304) 558-0211

Brian M. Kastick
Chairman

William H. Baker
Vice-Chairman

David G. Satterfield
Secretary

Mallie J. Combs

Daniel R. Moore

David G. Hofstetter

Mark Prince

Alex Macia (Governor's Designee)

Bernard P. Twigg

RECEIVED
DEC 13 2002
TOWN OF MOOREFIELD
MOOREFIELD, WV
December 9, 2002

Ms. Phyllis Sherman
Town Of Moorefield
206 Winchester Avenue
Moorefield, WV 26836

RE: Notice of Project Certification

Dear Ms. Sherman:

Please take notice that on the 12th day of November, 2002, the West Virginia Economic Development Grant Committee met in Charleston, West Virginia, and, pursuant to authority vested in the Committee by W. Va. Code § 29-22-18a, as amended by Enrolled Committee Substitute for H. B. 4005, which passed March 9, 2002, and was effective upon passage, certified the Town Of Moorefield project and awarded funding in the form of a grant in the amount of \$5,000,000 of lottery revenue bond proceeds to the Town Of Moorefield ("the Grantee") on the terms and conditions set forth below, and with the protections and benefits to the State set forth herein, all of which shall be more formally and completely described in agreements and memorandums of understanding to be entered into by and between the West Virginia Development Office (WVDO) and the Project participants:

Five million dollars will be allocated to the grantee on the following terms and conditions:

1. The grant proceeds shall be for the construction and completion of the regional wastewater treatment plant.
2. The grant proceeds are to be matched against other sources of funding in the amount of \$15,110,000 or some lesser amount adequate to complete the construction of the entire regional wastewater treatment plant.
3. The grantee shall be required to enter into a separate term sheet with the West Virginia Development Office ("WVDO"). The terms will be drafted in the form of a memorandum of understanding to be signed by the Director of the West Virginia Development Office and the Chairman of this Committee. The grant amount may be reduced in the memorandum of understanding if soft costs, such as administrative fees or contingency costs, were included in the grant amount and are deemed to be excessive. A copy of the memorandum will be sent to each member of the Economic Development Grant Committee.

West Virginia Economic Development Grant Committee

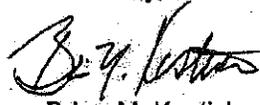
Letter to Ms. Sherman
RE: Notice of Project Certification

December 9, 2002
Page 2

4. The Project participants shall work, as needed, with the West Virginia Economic Development Authority's bond counsel, Jackson & Kelly PLLC, and the investment banking team of SalomonSmithBarney, Ferris Baker Watts, Inc., and Crews and Associates and any other counsel, to structure the financing to protect the State of West Virginia and to maximize issuance of tax-exempt bonds to fund the grant.
5. The Project participants shall work with the designee of the West Virginia Economic Development Authority to ensure that the Project is completed in accordance with all agreements and terms entered into with the Economic Development Grant Committee or the Development Office and with applicable laws of the State of West Virginia.
6. This grant may not be assigned, sold or transferred and any grant money not advanced to the Grantee for the Town Of Moorefield - regional wastewater treatment plant remain the funds of the State.
7. The Grantee and the other project participants must strictly and fully comply with the terms of this grant award. No grant money shall be advanced by the West Virginia Economic Development Authority based upon a claim of partial compliance or a claim of detrimental reliance.

Also, enclosed is a memo regarding the compliance with state and federal laws for the use of public funds.

We will be in contact with you in the near future to construct a memorandum of understanding.

Sincerely,

Brian M. Kastick
Chairman

BMK/kk

Enclosure

Moorefield

US EPA STAG Awards

2008	2,954,500	
2009	3,000,000	
<u>2010</u>	<u>2,500,000</u>	
	8,454,500	
<u>2008</u>	<u>(2,954,500)</u>	de-obligated
	5,500,000	Available for the Project

Robert Rodecker

From: .
To: "Robert Rodecker"
Cc: <
Sent: April 19, 2011 4:57
Subject: Town of Moorefield Funding Commitment Letter

Mr. Rodecker:

You have inquired about an April 18, 2011 letter signed by Lorraine H. Reynolds, Associate Director, Office of Infrastructure and Assistance, EPA Region III addressed to the Honorable Gary Stalnaker, Mayor of the Town of Moorefield, West Virginia. You asked about the accuracy of the total appropriation of funds available for award to the Town of Moorefield as identified in this letter.

Please be advised that the total appropriation amount in the second paragraph should be \$8,454,500.

Please accept our apologies for the incorrect number in the April 18, 2011 letter.

Chuck Fogg
Office of Infrastructure and Assistance (3WP50)
US EPA Region 3
Ph: (215) 814-5771

2008 STAG
2009 STAG
2010 STAG



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

COPY

APR 18 2011

The Honorable Gary Stalnaker, Mayor
Town of Moorefield
206 Winchester Avenue
Moorefield, West Virginia 26836

Dear Mayor Stalnaker:

A request was made to the Environmental Protection Agency (EPA) to provide information regarding the availability of federal funding for the Town of Moorefield's wastewater treatment plant upgrade project. The Consolidated Appropriations Act 2008 (P.L., 110-161) also referred to as the Agency's FY 2008 Appropriations Act, provided \$2,954,500 for award to the Town of Moorefield for wastewater treatment plant upgrade. The Omnibus Appropriations Act 2009 (P.L., 111-8) also referred to as the Agency's FY 2009 Appropriations Act, provided \$3,000,000 for award to the Town of Moorefield for wastewater treatment plant upgrade. The Environmental Protection Agency, the Department of Interior, Environment and Related Agencies Appropriations Act 2010 (P.L., 111-88) also referred to as the Agency's FY 2010 Appropriations Act, provided \$2,500,000 for award to the Town of Moorefield for wastewater treatment plant upgrade.

8,454,500
Currently a total of \$8,454,500 is available for award to the Town of Moorefield for a wastewater treatment plant upgrade project. Since the Agency does not yet have a final Fiscal Year 2011 Appropriations, it is not known for how long the funds will remain available.

If you have any questions, please contact Bruce Smith, EPA Project Officer at (215) 814-5770.

Sincerely,

A handwritten signature in cursive script that reads "Lorraine H. Reynolds".

Lorraine H. Reynolds, Associated Director
Office of Infrastructure and Assistance

cc: Mike Johnson, WV DEP
Phyllis Cole

DANIEL K. INOUE, HAWAII, CHAIRMAN
THAD COCHRAN, MISSISSIPPI, VICE CHAIRMAN

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KAY BAILEY HUTCHISON, TEXAS
SAM BROWNBACK, KANSAS
LAMAR ALEXANDER, TENNESSEE
SUSAN COLLINS, MAINE
GEORGE V. VOINOVICH, OHIO
LISA MURKOWSKI, ALASKA

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

<http://appropriations.senate.gov>

2010
STAG
Grant
page 1 of 3

CHARLES J. HOLLY, STAFF DIRECTOR
BRUCE EVANS, MINORITY STAFF DIRECTOR

May 5, 2010

Mrs. Phyllis M. Cole
9 Dogwood Drive
Petersburg, West Virginia 26847

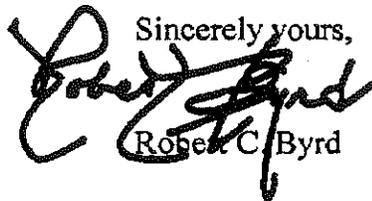
Dear Phyllis:

Enclosed you will find correspondence sent to me by the United States Environmental Protection Agency.

I was pleased to contact the responsible officials about this matter, and I am happy to share the enclosed report with you.

With kind regards, I am

Sincerely yours,



Robert C. Byrd

RCB:km
Enclosure

2010
STAG Grant
Page 2 of 3



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

MAR 15 2010

The Honorable Robert C. Byrd
United States Senate
Washington, D.C. 20510-6025

Dear Senator Byrd:

Thank you for your letter of February 1, 2010 to the U.S. Environmental Protection Agency (EPA) concerning funding for a proposed wastewater treatment plant (WWTP) project in the Town of Moorefield, West Virginia (Moorefield). EPA appreciates the nutrient reduction value of the proposed Moorefield WWTP. The importance of the project is further emphasized by the Chesapeake Bay Executive Order signed in May 2009.

The Region is aware of the three Congressional supplemental appropriations for Moorefield in the amount of \$8.3 million. It is our goal to award grant funding so that projects proceed to construction in a timely matter. Regional staff met with your staff and Moorefield representatives in Washington, D. C. in March 2008. In May 2008, EPA participated in a meeting with Moorefield at which time the grant application, the award process, and applicable laws and regulations were explained. Because the proposed site for the Moorefield WWTP and associated infrastructure contains significant archaeological and historic resources, some of which are eligible for listing on the National Register of Historic Places, the National Historic Preservation Act (NHPA), 16 U.S.C. §§ 4321 et. seq and its implementing regulations at 36 C.F.R. Part 800 and the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. §§ 4321 et. seq are of particular relevance.

It is a federal requirement that EPA issue NEPA decisions on all Congressional supplemental appropriations prior to the award of any grant. The NEPA process includes compliance with the NHPA which requires consultation with interested parties when valuable cultural and historic resources will be impacted. With regard to the Moorefield project, EPA participated in the consultation process involving the West Virginia State Historic Preservation Officer, Native American Indian tribes, Moorefield, and project consultants. The culmination of this extensive effort is a Memorandum of Agreement (MOA) signed by all appropriate parties and filed with the Advisory Council on Historic Preservation. The MOA sets forth mitigating measures to be followed as part of the project construction and completes EPA's compliance requirements under the NHPA.

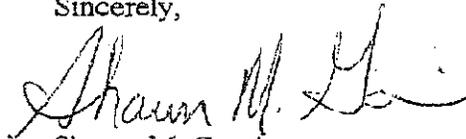
The next steps for the project to proceed are for EPA to conclude the NEPA process with the issuance of a Finding of No Significant Impact, which includes a 30-day public comment period. EPA must respond to any public comments and resolve any issues prior to processing the grant award. For the grant award, Moorefield must complete a grant application. A single application may be submitted for the 2008, 2009, and 2010 appropriations and Moorefield must assure a 45% local share match.

2010
STAG
GRANT
page 3 of 3

The American Recovery and Reinvestment Act (ARRA) 2009 required that all ARRA State Revolving Fund (SRF) dollars be under contract/construction by February 17, 2010 or be subject to reallocation. Due to much hard work and dedication across the country, all the available SRF dollars under ARRA met the deadline, leaving no need for a reallocation process or leftover monies for additional projects. Moorefield is, however, encouraged to contact Mr. Mike Johnson, CWSRF Program Manager at the Division of Water and Waste Management West Virginia Department of Environmental Protection for possible funding for this project. The office is located at 601 57th St., SE, Charleston, West Virginia 25304. Mr. Johnson can be reached at (304) 926-0499 ext. 1611; via fax at (304) 926-0496; or via e-mail at john.m.johnson@wv.gov.

If you have any questions, please do not hesitate to contact me or have your staff contact Mrs. Jessica Greathouse, EPA's West Virginia Liaison, at (304) 234-0275.

Sincerely,



Shawn M. Garvin
Regional Administrator

2008
2009 STAG
GRANTS

RONNIE J. KROPP, HAWAII, CHAIRMAN

ROBERT C. BYRD, WEST VIRGINIA
PATRICK J. LEAHY, VERMONT
TOM HARKIN, IOWA
BARBARA A. MIKULSKI, MARYLAND
HENRY H. WASSERMAN, WISCONSIN
PATTY MURRAY, WASHINGTON
BUD SHULTZ, ALASKA
DIANNE FEINSTEIN, CALIFORNIA
RICHARD J. DURBIN, ILLINOIS
TIM JOHNSON, SOUTH DAKOTA
MARY L. LANDRIEU, LOUISIANA
JACK REED, RHODE ISLAND
FRANK J. LAUTENBERG, NEW JERSEY
DEN HELENY, NEBRASKA
MARK PRYOR, ARKANSAS
JON TESTER, MONTANA

THAO CUGHAN, MISSISSIPPI
ARLEN SPECTER, PENNSYLVANIA
CHRISTOPHER S. WOOD, MISSOURI
MITCH MCCONNELL, KENTUCKY
RICHARD C. SHELBY, ALABAMA
JUDE GREGG, NEW HAMPSHIRE
ROBERT F. BENNETT, UTAH
EVA BAILEY HUTCHESON, TEXAS
SAM BROWNBACK, KANSAS
LAMAR ALEXANDER, TENNESSEE
SUSAN COLLINS, MAINE
GEORGE J. VONNOVICH, OHIO
LISA MURKOVSKI, ALASKA

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-8025

<http://appropriations.senate.gov>

CHARLES J. MOFFY, STAFF DIRECTOR
BRUCE EVANS, MINORITY STAFF DIRECTOR

May 15, 2009

Mrs. Phyllis Sherman
Recorder
Town of Moorefield
206 Winchester Avenue
Moorefield, West Virginia 26836

Dear Mrs. Sherman:

I am pleased to provide you with confirmation of the funding that I have added for the Moorefield Regional Wastewater Treatment Plant over the past two years. The Fiscal Year (FY) 2008 Omnibus Appropriations bill included \$2.866 million and the FY 2009 Omnibus Appropriations bill included \$3 million for the federal share of the Moorefield project.

These funds were added to the Environmental Protection Agency (EPA) State and Tribal Assistance Grant program. The EPA Region 3 point of contact is Mr. Bruce Smith, (215) 814-2770. Should you require any additional information, please do not hesitate to contact Ms. Suzanne Bentzel of my staff at (202) 224-0042.

I trust that this information is helpful.

With kind regards, I am

Sincerely yours,

Robert C. Byrd
Robert C. Byrd

RCB:smb

GRANT AGREEMENT
(2007S-977)

This Grant Agreement entered into by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), at the direction of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY (the "Governmental Agency").

RECITALS

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency in the amount not to exceed \$4,000,000 (the "Grant") for the purposes of the design, acquisition or construction of a project for which a preliminary application has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Authority and the Governmental Agency hereby agree as follows:

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources. The Project budget shall not be amended unless the Governmental Agency has received the prior written consent of the Council.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition must be satisfactory to the Authority. Unless agreed to by the Council prior to the commencement of construction, the Grant shall be the last dollars expended on the Project.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Authority shall wire the approved requisition amount using the wiring instructions provided in Exhibit B, unless the Council and Authority are provided replacement instructions in writing.

6. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

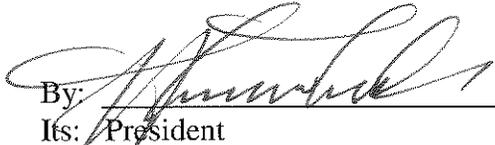
7. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

8. The Governmental Agency shall list the Grant 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.

9. This Grant Agreement shall be governed by the laws of the State of West Virginia.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by the respective duly authorized officers as of the date executed below by the Authority.

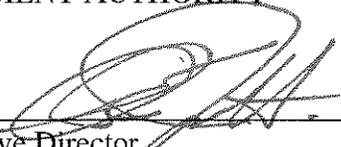
MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY

By: 
Its: President
Date: March 26, 2012

(SEAL)

Attest: 
Its: Secretary

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

By: 
Its: Executive Director
Date: March 26, 2012

(SEAL)

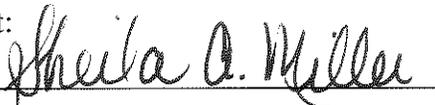
Attest: 
Its: Authorized Officer

Exhibit A

Project Description

The Project consists of the construction of a wastewater collection, transportation and treatment facility to provide wastewater treatment services for Moorefield, Pilgrim's Pride Corporation and to unincorporated areas of Hardy County, and to meet the enhanced and more stringent nutrient removal requirements of the Chesapeake Bay Compact, and all related appurtenances.

Number of New Users: 2

Location: Moorefield area of Hardy County

[TO BE PLACED ON LETTERHEAD]

Exhibit B

Wiring Instructions

**Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, WV 26836**

Payor: West Virginia Water Development Authority
Source: Grant Proceeds
Amount: \$ _____
Date: _____
Form: Electronic Funds Transfer
Payee: Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue, Moorefield, WV 26836
Contact Name: Phyllis Sherman
Telephone: (304) 530-6142
Bank Name: First United Bank & Trust
Bank Street Address: 19 S. Second Street, Oakland, MD 21550
Bank Contact: Kathy Bennett
Telephone: (304) 538-7881
ABA No.: 052100987
Account No.: 213258567
Account Name: Series 2012 Bonds Construction Trust Fund

GRANT AGREEMENT
(2007S-977)

This Grant Agreement entered into by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority"), at the direction of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council") and the MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY (the "Governmental Agency").

RECITALS

WHEREAS, the West Virginia Legislature has enacted SB 676 amending Chapter 31, Article 5A, Section 17b (the "Act") authorizing the Council to direct the Authority to make a grant from the West Virginia Infrastructure Lottery Revenue Debt Service Fund (the "Fund") to a Chesapeake Bay watershed project which opened bids on December 28, 2011;

WHEREAS, the Governmental Agency meets the requirements of the Act;

WHEREAS, the Council has authorized the Authority to make a grant to the Governmental Agency from the Fund in the amount not to exceed \$6,000,000 (the "Grant") for the purposes of the design, acquisition or construction of a project which complies with the Act and has been submitted and approved by the Council;

WHEREAS, the Governmental Agency wishes to accept the Grant upon such terms and conditions as are hereinafter set forth for the purposes of designing, acquiring or constructing the project described in Exhibit A attached hereto and incorporated herein by reference (the "Project");

WHEREAS, this Grant Agreement sets forth the Council, the Authority and the Governmental Agency's understandings and agreements with regard to the Grant.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Authority and the Governmental Agency hereby agree as follows:

TERMS

1. Prior to the distribution of the Grant, the Governmental Agency shall provide the Authority with a Project budget and an anticipated monthly draw schedule reflecting the receipt dates and amounts from other funding sources. The Project budget shall not be amended unless the Governmental Agency has received the prior written consent of the Council.

2. The Authority shall advance the Council's share of the Project costs from the Grant from time to time upon receipt of a requisition evidencing the costs incurred, which requisition

must be satisfactory to the Authority. Unless agreed to by the Council prior to the commencement of construction, the Grant shall be the last dollars expended on the Project.

3. The monthly requisition will also set forth (i) the amounts requested for that requisition period from all other funding agencies, and (ii) the amounts advanced for the Project to date from all other funding agencies.

4. The Governmental Agency will use the proceeds of the Grant only for the purposes specifically set forth in Exhibit A.

5. The Authority shall wire the approved requisition amount using the wiring instructions provided in Exhibit B, unless the Council and Authority are provided replacement instructions in writing.

6. The Governmental Agency shall comply with and is bound by the Council's rules set forth as Title 167, Series 1 and more particularly Section 5.9 with respect to the sale of the Project.

7. The Governmental Agency acknowledges that the Grant may be reduced, from time to time, to reflect actual Project costs and availability of other funding.

8. The Governmental Agency shall list the Grant 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.

9. This Grant Agreement shall be governed by the laws of the State of West Virginia.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by the respective duly authorized officers as of the date executed below by the Authority.

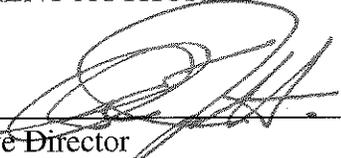
MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY

By: 
Its: President
Date: March 26, 2012

(SEAL)

Attest: 
Its: Secretary

WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY

By: 
Its: Executive Director
Date: March 26, 2012

(SEAL)

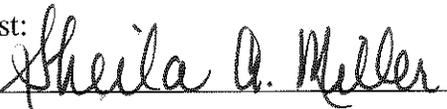
Attest: 
Its: Authorized Officer

Exhibit A

Project Description

The Project consists of the construction of a wastewater collection, transportation and treatment facility to provide wastewater treatment services for Moorefield, Pilgrim's Pride Corporation and to unincorporated areas of Hardy County, and to meet the enhanced and more stringent nutrient removal requirements of the Chesapeake Bay Compact, and all related appurtenances.

Number of New Users: 2

Location: Moorefield area of Hardy County

[TO BE PLACED ON LETTERHEAD]

Exhibit B

Wiring Instructions

**Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, WV 26836**

Payor: West Virginia Water Development Authority
Source: Grant Proceeds
Amount: \$ _____
Date: _____
Form: Electronic Funds Transfer
Payee: Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue, Moorefield, WV 26836
Contact Name: Phyllis Sherman
Telephone: (304) 530-6142
Bank Name: First United Bank & Trust
Bank Street Address: 19 S. Second Street, Oakland, MD 21550
Bank Contact: Kathy Bennett
Telephone: (304) 538-7881
ABA No.: 052100987
Account No.: 213258567
Account Name: Series 2012 Bonds Construction Trust Fund

FILED

2012 MAR 19 PM 3:54

WEST VIRGINIA LEGISLATURE
EIGHTIETH LEGISLATURE
REGULAR SESSION, 2012

SECRETARY OF STATE

SB 676

ENROLLED

Senate Bill No. 676

(BY SENATORS PREZIOSO, D. FACEMIRE, CHAFIN, EDGELL,
GREEN, HELMICK, LAIRD, McCABE, MILLER, PLYMALE,
STOLLINGS, UNGER, WELLS, YOST, BOLEY, HALL AND SYPOLT)

[PASSED MARCH 9, 2012; IN EFFECT FROM PASSAGE.]

FILED

2012 MAR 19 PM 3: 54

OFFICE WEST VIRGINIA
SECRETARY OF STATE

ENROLLED

Senate Bill No. 676

(BY SENATORS PREZIOSO, D. FACEMIRE, CHAFIN, EDGELL,
GREEN, HELMICK, LAIRD, MCCABE, MILLER, PLYMALE,
STOLLINGS, UNGER, WELLS, YOST, BOLEY, HALL AND SYPOLT)

[Passed March 9, 2012; in effect from passage.]

AN ACT to amend and reenact §31-15A-17b of the Code of West Virginia, 1931, as amended, relating to Chesapeake Bay watershed compliance projects; and specifying dates by which eligible projects may apply for grant funding.

Be it enacted by the Legislature of West Virginia:

That §31-15A-17b of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 15A. WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL.

§31-15A-17b. Infrastructure lottery revenue bonds for watershed compliance projects.

1 (a)(1) The Chesapeake Bay has been identified as an
2 impaired water body due to excessive nutrients entering the
3 Bay from various sources in six states, including wastewater
4 facilities in West Virginia. To restore the Chesapeake Bay,
5 the states have agreed to reduce their respective nutrient
6 contributions to the Chesapeake Bay.

7 (2) The Greenbrier River Watershed in southeastern West
8 Virginia which encompasses approximately 1,646 square
9 miles, the majority of which lies within Pocahontas,
10 Greenbrier, Monroe and Summers counties, has been
11 identified as an impaired water body due to excessive levels
12 of fecal coliform and phosphorus entering the Watershed
13 from various sources, including wastewater facilities in West
14 Virginia. To restore the Greenbrier River Watershed, the
15 state agrees to reduce the fecal coliform and phosphorus
16 contributions to the Greenbrier River Watershed.

17 (b) Notwithstanding any other provision of this code to
18 the contrary, the Water Development Authority may issue, in
19 accordance with the provisions of section seventeen of this
20 article, infrastructure lottery revenue bonds payable from
21 the West Virginia infrastructure lottery revenue debt service
22 fund created by section nine of this article and such other
23 sources as may be legally pledged for such purposes other
24 than the West Virginia infrastructure revenue debt service
25 fund created by section seventeen of this article.

26 (c) The council shall direct the Water Development
27 Authority to issue bonds in one or more series when it has
28 approved Chesapeake Bay watershed compliance projects
29 and Greenbrier River watershed compliance projects with an
30 authorized permitted flow of four hundred thousand gallons
31 per day or more. The proceeds of the bonds shall be used
32 solely to pay costs of issuance, fund a debt service reserve
33 account, capitalize interest, pay for security instruments
34 necessary to market the bonds and to make grants to govern-
35 mental instrumentalities of the state for the construction of
36 approved Chesapeake Bay watershed compliance projects
37 and Greenbrier River watershed compliance projects. To the
38 extent funds are available in the West Virginia Infrastruc-
39 ture Lottery Revenue Debt Service Fund that are not needed
40 for debt service, the council may direct the Water Develop-
41 ment Authority to make grants to project sponsors for the
42 design or construction of approved Chesapeake Bay water-
43 shed compliance projects and Greenbrier River watershed
44 compliance projects: *Provided*, That the council shall direct

45 the water development authority to provide from monies in
46 the Lottery Revenue Debt Service Fund not needed to pay
47 debt service in fiscal year 2013 a grant of \$6 million to a
48 Chesapeake Bay watershed compliance project which opened
49 bids on December 28, 2011 and further provided that such
50 Chesapeake Bay watershed compliance project shall receive
51 no further grant funding under this section after receipt of
52 the \$6 million grant.

53 (d) No later than June 30, 2012, each publicly owned
54 facility with an authorized permitted flow of 400,000 gallons
55 per day or more that is subject to meeting Chesapeake Bay
56 compliance standards or Greenbrier River watershed
57 compliance standards shall submit to the council a ten year
58 projected capital funding plan for Chesapeake Bay water-
59 shed compliance projects or Greenbrier River watershed
60 compliance projects, as the case may be, including a general
61 project description, cost estimate and estimated or actual
62 project start date and project completion date, if any. The
63 council shall timely review the submitted capital funding
64 plans and forward approved plans to the Water Development
65 Authority for further processing and implementation
66 pursuant to this article. If the council finds a plan to be
67 incomplete, inadequate or otherwise problematic, it shall
68 return the plan to the applicant with comment on the plan
69 shortcomings. The applicant may then resubmit to council an
70 amended capital funding plan for further consideration
71 pursuant to the terms of this subsection.

72 (e) Upon approval, each proposed Chesapeake Bay
73 watershed compliance project or Greenbrier River watershed
74 compliance project, or portion of a larger project, which
75 portion is dedicated to compliance with nutrient standards,
76 or fecal coliform and phosphorus standards, established for
77 the protection and restoration of the Chesapeake Bay or the
78 Greenbrier River Watershed, as the case may be, shall be
79 eligible for grant funding by funds generated by the infra-
80 structure lottery revenue bonds described in section (b) of
81 this section. At the request of the applicant, the remaining
82 percentage of project funding not otherwise funded by grant

83 under the provisions of this article may be reviewed as a
84 standard project funding application.

85 (f) No later than December 1, 2012, the Water Develop-
86 ment Authority shall report to the Joint Committee on
87 Government and Finance the total cost of Chesapeake Bay
88 watershed compliance projects and the Greenbrier River
89 watershed compliance projects and the proposed grant
90 awards for each eligible project. Grant awards shall be of
91 equal ratio among all applicants of the total cost of each
92 eligible project.

93 (g) Eligible projects that have obtained project financing
94 prior to December 31, 2012, may apply to the council for
95 funding under the provisions of this section. These applica-
96 tions shall be processed and considered as all other eligible
97 projects, and a grant funding awarded shall, to the extent
98 allowed by law, be dedicated to prepay all or a portion of
99 debt previously incurred by governmental instrumentalities
100 of the state for required Chesapeake Bay nutrient removal
101 projects or Greenbrier River watershed fecal coliform and
102 phosphorus removal projects, subject to the bond covenants
103 and contractual obligations of the borrowing governmental
104 entity. However, any private portion of funding provided by
105 agreement between a political subdivision and one or more
106 private entities, either by direct capital investment or debt
107 service obligation, shall not be eligible for grant funding
108 under the provisions of this article.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
.....
Chairman Senate Committee

[Signature]
.....
Chairman House Committee

Originated in the Senate.

In effect from passage.

[Signature]
.....
Clerk of the Senate

[Signature]
.....
Clerk of the House of Delegates

[Signature]
.....
President of the Senate

[Signature]
.....
Speaker of the House of Delegates

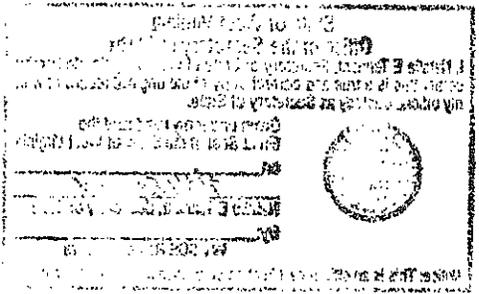
OFFICE WEST VIRGINIA
SECRETARY OF STATE

2012 MAR 19 PM 3:54

FILED

The within *is approved* this the *19th*
Day of *March*, 2012.

[Signature]
.....
Governor



State of West Virginia
Office of the Secretary of State
I, Natalie E Tennant, Secretary of State of West Virginia, do hereby
certify this is a true and correct copy of the original record now in
my official custody as Secretary of State.



Given under my hand and the
Great Seal of the State of West Virginia
on 3/20/2012
Natalie E Tennant
Natalie E Tennant, Secretary of State
By *M. [Signature]*
WV SOS Representative

Notice: This is an official certification only when reproduced in red ink.



129 Potomac Avenue
Moorefield, WV 26836

RECEIVED

MAR 28 2011

TOWN OF MOOREFIELD
MOOREFIELD, WV

March 21, 2011

01:16 PM APR 07 2011 PSC EXEC SEC DIV

Moorefield/Hardy County Wastewater Authority and The Town of Moorefield
c/o Lucas Gagnon, P.E.
Public Works Director
Town of Moorefield
206 Winchester Ave.
Moorefield, WV 26836

RE: Pilgrim's Pride Corporation Donation of Property for Regional Wastewater Treatment
System Location

Dear Mr. Gagnon:

This letter serves as the commitment of Pilgrim's Pride Corporation to donate the property described in the following attachments for the purpose of the location of the Moorefield/Hardy County Wastewater Authority's regional wastewater treatment system. The property is Parcel 8.1 found in Db 232/Pg 440/TM 224 and is approximately 65.125 acres in surface area.

The donation of this property is contingent upon the receipt of acceptable bids for construction of the project and final project costs that are acceptable to Pilgrim's Pride Corporation to continue forward with the project.

If additional information is need at this time, please advise.

Very truly yours,

Walt Shafer,
Executive VP of Operations

TAX MAP#: Portion of Parcel 8.1 of Map 224

THIS DEED OF GIFT, made and entered into this the 21 day of March 2012, by and between PILGRIM'S PRIDE CORPORATION, successor in interest by merger and acquisition to HESTER INDUSTRIES, INC., Grantor, and MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, established as a Regional Wastewater Authority by House Bill 4309 of the 2010 session of the West Virginia Legislature and under the authority of *West Virginia Code* § 16-13D-1 *et seq.*, Grantee.

NOW, THEREFORE, THIS DEED WITNESSTH: That for and in the consideration of the mutual benefits of the parties hereto, the Grantor does hereby grant, sell and convey, by special warranty, free and clear of all liens and encumbrances, but subject to restrictions and easements of record, unto the Moorefield/Hardy County Wastewater Authority, all that certain tract or parcel of real estate in the Moorefield District containing 65.17 acres more or less, and being more particularly described on the Report and accompanying "Description of Survey For Moorefield-Hardy County Waste Water Authority 65.17 Acres Part of Tax Map 224 Parcel 8.1" by Curtis E. Keplinger, Professional Surveyor, dated February 8, 2012, attached hereto as Exhibit A (the "Property Description").

The real estate herein conveyed is a portion of the property acquired by Hester Industries, Inc., immediate predecessor in chain of title, from Dawn Markwood and Barbara M. Markwood by deed dated April 28, 1995, of record in the Office of the Clerk of Hardy County, West Virginia in Deed Book 232, Page 440.

Reference is hereby made to the aforesaid deed(s) and plat referred to therein for a more particular description of the land hereby conveyed.

The real estate herein conveyed is made subject to the easements, conditions, restrictions and reservations of record in the chain of title to the property hereby conveyed, which have not expired by limitation of time contained therein or otherwise become ineffective.

DECLARATION OF CONSIDERATION OR VALUE

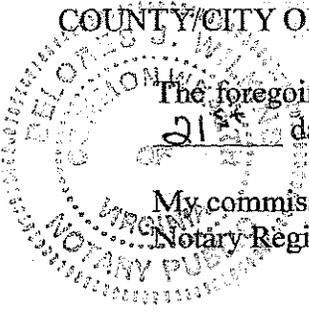
Under the penalties of fine and imprisonment as provided by law, the undersigned hereby declares that the conveyance to which this declaration is appended is a conveyance to a political subdivision of the State of West Virginia and as such no transfer stamps need be affixed. See West Virginia § 11-22-1.

WITNESS the following signature and seal.

PILGRIM'S PRIDE CORPORATION

By: [Signature] (SEAL)
Title: Exec UD operation / sales Pilgrims

STATE OF WEST VIRGINIA
COUNTY/CITY OF Hardy, to-wit:



The foregoing instrument was acknowledged before me in the jurisdiction aforesaid this 21st day of March, 2012, by Walt Shafer.

My commission expires: March 31, 2013
Notary Registration Number: 304864

Delores J. Welkins
Notary Public

Grantees' Address:
206 Winchester Avenue
Moorefield, WV S1200365
26836

HARDY COUNTY PLANNING OFFICE
APPROVED
MINOR SUBDIVISION
BY: [Signature]

MAR 21 2012

L & W Enterprises, Inc.
14 South Grove Street/POB 826
Petersburg, WV Ph. 304-257-4818
Fax 304-257-2224

Feb. 8, 2012

Re: Survey description and report

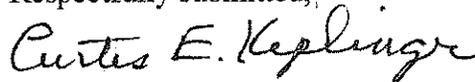
To: Moorefield-Hardy County Waste Water Authority
206 Winchester Ave.
Moorefield, WV 26836

Report:

On February 7, 2012, L & W Enterprises, Inc. made a site visit to the property presently owned by Hester Industries, Inc. We found and located the corner markers and reference markers of the tract on the east side of U.S. Route 220 as shown on a plat recorded in Map book 5 page 69. After 17 years the markers still exist.

A description of said 65.17 acres was prepared for conveyance with reference to the recorded plat and I have attached said description.

Respectfully submitted,



Curtis E. Keplinger, PS # 518
For L & W Enterprises, Inc.

RECEIVED
FEB 09 2012
TOWN OF MOOREFIELD
MOOREFIELD, WV

DESCRIPTION OF SURVEY

FOR

MOOREFIELD-HARDY COUNTY WASTE WATER AUTHORITY

65.17 ACRES PART OF TAX MAP 224 PARCEL 8.1

A parcel of land in Moorefield District, Hardy County, West Virginia situated 3 miles north of Moorefield on the east side of U.S. Route 220 and on the west side of the South Branch Potomac River with a north latitude of 39°07'07" and a west longitude of 78°57'17" and being described as follows: (bearings are expressed by the magnetic meridian with distances being horizontal)

BEGINNING at a 5/8" steel rod found on the east side of U.S. Route 220, 40 feet from center of State Project S-655(2), being in a line of Stanley J. Mathias, Jr. in Deed book 259 page 298, thence leaving the east side of Route 220 and with Mathias

S 50° 38' 04" E passing a 5/8" steel rod found at north base of 48" sycamore with 12" hackberry bearing N 80 47' E 6.4 feet on top of the bank of the South Branch Potomac River, and continuing in all 2775.24 feet to a point in said river, thence leaving Mathias and with the river

S 30° 52' 55" W 1061.92 feet to a point in said river, corner to another tract of Stanley J. Mathias, Jr. in Deed book 252 page 103, thence leaving the river and with Mathias

N 50° 35' 10" W passing a set stone found in a fence on the west top of bank of said river at 100.00 feet and in all 2633.45 feet to a point on the east side of U.S. Route 220, 45 feet from center with a 5/8" steel rod found and bearing S 23° 40' W 1.60 feet, thence leaving Mathias and with the east right of way of Route 220

N 23° 44' 00" E 244.73 feet, thence

N 66° 16' 00" W 5.00 feet, thence

N 23° 44' 00" E 845.00 feet to the BEGINNING containing 65.17 acres more or less inclusive of 5.20 acres of river and bank area as surveyed in 1995 by L & W Enterprises, Inc. of Petersburg, West Virginia and as shown on a plat recorded in Map Book 5 page 69 and made a part of this description.

Being part of the land that was conveyed to Hester Industries, Inc. by Dawn Markwood and Barbara M. Markwood with reference to Deed book 232 at page 440, dated April 28, 1995 and as recorded in the Office of the Clerk of Hardy County, West Virginia. This tract is part of Tax map 224 parcel 8.1.

Surveyed by L & W Enterprises, Inc.

Signed: Curtis E. Keplinger, PS # 518

Curtis E. Keplinger

HARDY COUNTY PLANNING OFFICE
APPROVED
MINOR SUBDIVISION

BY: *Dan L. Shinn*

MAR 21 2012



This document presented and filed:
03/21/2012 01:59:09 PM

[Handwritten signature]

OPERATION AND MAINTENANCE AGREEMENT

THIS AGREEMENT is made this 28th day of January, 2011, by and between the MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY ("hereinafter AUTHORITY"), a West Virginia public corporation, and the TOWN OF MOOREFIELD (hereinafter "TOWN"), a municipal corporation of the State of West Virginia.

W I T N E S S E T H:

WHEREAS, the AUTHORITY has been established as a Regional Wastewater AUTHORITY by H.B. 4309 enacted by the 2010 session of the West Virginia Legislature and under the authority of West Virginia Code §16-13D-1 et seq., to construct, operate, and maintain a state of the art regional wastewater treatment plant, transmission lines and collection facilities for the purpose of collecting, transporting and treating the wastewater from the Town of Moorefield and the unincorporated areas of Hardy County; and

WHEREAS, the AUTHORITY has received funding commitments to finance the construction of a wastewater system consisting of transmission facilities, a force main, and pump stations (the "Collection System") and a wastewater treatment plant and discharge main ("WWTP") (the Collection System and the WWTP collectively referred to herein as the "System"); and

WHEREAS, the TOWN currently owns and operates a wastewater collection and treatment facilities for providing sewer service to its residents, has extensive

experience and expertise in operating and maintaining wastewater collection and treatment systems, and is familiar with the regulatory obligations of wastewater utilities; and

WHEREAS, the TOWN has offered to enter into this Agreement and to agree to undertake the operation, maintenance, repair and replacement of the AUTHORITY'S System; and

WHEREAS, the AUTHORITY desires to employ the TOWN to operate, maintain, repair, administer, and perform other services on the AUTHORITY'S System; and

WHEREAS, the TOWN is willing to provide such services subject to the terms set forth herein.

NOW, THEREFORE, for and in consideration of the premises, which are hereby made an integral part of this Agreement and which are not to be construed as mere recitals, the covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of all of which are hereby acknowledged, The TOWN and AUTHORITY agree:

I. Service to the AUTHORITY.

A. The TOWN agrees to operate and maintain the AUTHORITY'S System and to provide service to AUTHORITY customers connected to the AUTHORITY'S System, subject to the terms, conditions, undertakings, agreements and limitations provided in Section IV of this Agreement.

B. The TOWN shall also provide billing, collection, terminations, payment of bills, record keeping, and accounting for the AUTHORITY as set forth in Section V of this Agreement.

C. The TOWN shall not be liable for fines, penalties or civil damages and attorneys' fees as a result of discharge violations resulting from negligent acts or omissions of the AUTHORITY; however, the TOWN shall be liable for any fine, penalty, and/or civil damages and attorneys' fees incurred as a result of discharge violations that are a result of the TOWN's failure to enforce the terms of its sewer use ordinance, failure to repair or replace capital equipment, or its operation of the AUTHORITY'S System. If fines, penalties, civil damages or attorneys' fee awards arise from negligent acts or omissions of the AUTHORITY, then the AUTHORITY shall indemnify the TOWN for its cost of defense (including but not limited to legal fees) and any fines, penalties, civil damages or attorney fee awards. If fines, penalties, civil damages or attorney fee awards arise from the TOWN's failure to enforce its sewer use ordinance, failure to repair or replace capital equipment, or from its operation of the AUTHORITY'S System, then the TOWN shall, to the extent permitted by law, indemnify the AUTHORITY for its cost of defense (including but not limited to legal fees) and any fines, penalties, civil damages or attorney fee awards.

II. Term of This Agreement.

This Agreement shall continue in effect for a period of one year. It shall automatically renew for additional periods of one year not to exceed a total of forty (40) years. Either party may terminate this agreement as provided in Section VI or by giving the other party notice in writing of termination or renegotiation within ninety (90) days prior to the end of the term of this Agreement or any renewal thereof.

III. Future Additions to and Future Extension of AUTHORITY's System.

The TOWN and AUTHORITY are aware that there may be written requests by the AUTHORITY for service to future additional customers of the AUTHORITY and that there may be future approved AUTHORITY additions and extensions made to AUTHORITY'S System. Accordingly, the AUTHORITY and the TOWN agree as follows:

A. Future Additions. All future additions to the AUTHORITY's System constructed by the AUTHORITY shall be subject to this Agreement.

B. Future Extensions. Customer extensions from the AUTHORITY's System shall be installed by the TOWN for the AUTHORITY. When the AUTHORITY receives a request for a customer extension, the AUTHORITY shall notify in writing the TOWN within fifteen days of its receipt of said request.

(i) The TOWN shall contract on the AUTHORITY'S behalf with the customer requesting the extension and make the installation for the AUTHORITY pursuant to the Rules and Regulations of the Public Service Commission of West Virginia ("PSC"), (ii) the extension shall be made at the customer's expense. The

AUTHORITY shall be responsible for the payment of the "utility's" portion of cost responsibility as set forth under the PSC's rules related to the extension. (iii) all customers attaching to the extension shall be considered customers of the AUTHORITY for billing purposes at the rates of the AUTHORITY in accordance with Section V, and (iv) the customer extension shall be, without further cost or expense of any kind, the property of the AUTHORITY.

IV. Operation and Maintenance of AUTHORITY System By The TOWN for AUTHORITY.

A. The TOWN hereby agrees to operate, maintain, repair and replace (i) the AUTHORITY's System, and (ii) all waste water lines added thereto as additions and extensions as follows:

(i) The TOWN, upon the approval of the AUTHORITY, shall be responsible for the timely repair and replacement of the capital equipment required to operate the System.

(ii) The TOWN shall (a) collect and timely submit to regulatory agencies all required waste water samples, (b) maintain and submit such operating and maintenance records as may be required by regulatory authorities, (c) have such maintenance and repair crews available as are required to meet its obligations under this Agreement, including meeting emergencies, and (d) meet as required with regulatory agencies.

(iii) The TOWN shall perform routine maintenance in accordance with the equipment manufacturer's specifications. The AUTHORITY shall provide the

TOWN with operation and maintenance manuals and manufacturer's literature on all equipment to be serviced. The TOWN shall own and operate the mobile equipment necessary to operate the System, and shall recover the pro rata capital and operational cost of all such mobile equipment in its charges to the AUTHORITY for the use of such equipment. Such charges shall not exceed the rental cost of similar equipment otherwise available.

(iv) The TOWN is authorized to make service calls and perform necessary repairs or service on the System in response to notification of a need by any user of the System upon first clearing such action through the AUTHORITY. However, the TOWN is authorized to make any and all emergency repairs without question when, in the sole opinion of the TOWN's Utility Manager, an emergency repair is needed. An emergency repair is a repair that must be made in order to maintain service, to stop unpermitted discharges, to prevent or stop immediate damage to the System or any of its components, or to protect the immediate health and safety of the TOWN's employees and/or the general public. The TOWN is not authorized to make service calls or repairs on property not owned by the AUTHORITY or covered by the AUTHORITY's easements. The TOWN shall notify the AUTHORITY of any repairs to capital equipment or facilities required on the System that are not emergency type repairs. The TOWN shall not be obligated to make such repairs unless the AUTHORITY commits to reimbursing the TOWN for the cost of such repairs on a time and materials basis.

V. Billing of Customers and Payments to AUTHORITY, Record Keeping and Payments to Vendors

A. All customers served by the AUTHORITY's System under this Agreement shall be the customers of AUTHORITY. At the time of entering into this Agreement, all customers of the AUTHORITY shall be billed on the basis of an AGREEMENT FOR THE TRANSPORTATION AND TREATMENT OF WASTEWATER to be entered into between Pilgrim's Pride Corporation, the TOWN, the County Commission of Hardy County, and the AUTHORITY. For future customers other than successors to the AGREEMENT FOR THE TRANSPORTATION AND TREATMENT OF WASTEWATER, the TOWN shall read all water meters of such customers of the AUTHORITY and render bills to those customers, as agent for and on behalf of the AUTHORITY, in a manner consistent with the meter reading and billing practices of The TOWN employed in billing its own customers, such bills to be rendered and collected by The TOWN on behalf of the AUTHORITY and to be computed based on the usage of each AUTHORITY customer at the tariff rates of the AUTHORITY from time to time established pursuant to Chapter 24 of the *West Virginia Code*, as amended.

B. The TOWN shall, in the AUTHORITY'S name, issue bills, collect payment, utilize all legal remedies available to it on behalf of the AUTHORITY to enforce collections from customers, and, the TOWN shall record payments and make its records of billing and collecting of customers available for inspection and review by the AUTHORITY within five (5) full working days of the AUTHORITY'S

request for inspection and review of the same, and apply payments received from AUTHORITY customers as directed by the AUTHORITY as follows:

(i) From the revenues collected by the TOWN from the AUTHORITY's customers, the TOWN shall deposit in a separate AUTHORITY account, on a monthly basis one-twelfth (1/12) of the annual principal and interest requirement, the administrative fee, the reserve fund requirements, and the renewal and replacement obligations (collectively referred to as "Debt Service"), required by the bonded indebtedness of the AUTHORITY, as instructed by the AUTHORITY. All monies set aside in such account shall be used to pay monthly such Debt Service obligations during the term of this Agreement.

(ii) All revenues collected by the TOWN from the AUTHORITY's customers not set aside as required by subparagraph (i) above shall be deposited into the AUTHORITY's other accounts for the operation and maintenance of the System.

C. As part of its duties under this Agreement, the TOWN shall be authorized and responsible for maintaining the financial records of the AUTHORITY and shall be responsible for the timely payment of all bills received by the AUTHORITY from the accounts of the AUTHORITY. The TOWN shall provide the AUTHORITY with financial reports not less frequently than quarterly, and shall be responsible for the preparation and filing of the AUTHORITY's annual report to the PSC, administering the procurement of the audit firm for the AUTHORITY, and

provide the related information necessary for the AUTHORITY'S annual audit as well as any other accounting of the AUTHORITY's operations.

VI. Charges for Services Rendered.

A. For the services provided under Section IV of this Agreement during the first year, the TOWN shall charge and the AUTHORITY shall pay the TOWN for the time and materials actually spent by the TOWN on the AUTHORITY's behalf. Time for employees of the TOWN shall be billed to the AUTHORITY at the same rate at which the TOWN pays such employees. Materials provided on the AUTHORITY's behalf shall be paid for at their actual cost to the TOWN.

B. For the services provided under Section V of this Agreement during the first year, the TOWN shall charge and the AUTHORITY shall pay the TOWN a fixed amount of \$19,000 per year.

C. The TOWN shall invoice the AUTHORITY for all services on a monthly basis and the AUTHORITY shall pay such invoices within thirty (30) days of receipt.

D. The TOWN shall make extensions and install service taps to serve new users of the AUTHORITY, but only with written instruction and authorization from the AUTHORITY. The AUTHORITY shall inform the TOWN of the location of all needed service connections. The AUTHORITY shall be responsible for the TOWN's cost to install such extensions and service taps on a time and materials basis.

E. After the AUTHORITY's project becomes operational, the AUTHORITY'S O&M costs and Debt Service requirements shall be recovered from the customers it serves through rates approved by the Public Service Commission.

In lieu of working capital pending normal operations of the AUTHORITY'S project, during the period prior to the commencement of service by the AUTHORITY, the TOWN and Pilgrim's Pride Corporation, as the initial parties to be served by the AUTHORITY, shall be billed by the AUTHORITY for any service rendered by the TOWN on an actual cost basis according to the percentage of flow anticipated to be served by the AUTHORITY, as set forth in the AGREEMENT FOR THE TRANSPORTATION AND TREATMENT OF WASTEWATER under which the AUTHORITY will provide transportation and treatment service to the TOWN and Pilgrim's Pride Corporation.

VII. Conditions Precedent to Effectiveness of Agreement.

The TOWN and AUTHORITY understand and agree that this Agreement, and the obligations of each of them hereunder, are expressly conditioned upon the following, each of which is a condition precedent to the validity and enforceability of this Agreement:

A. The PSC shall have approved the rates and billing arrangements requested by AUTHORITY in the Joint Application, or any supplements thereto, filed with the PSC seeking approval of this Agreement and the Commission shall not have placed such terms or conditions upon its approval which, in the opinion of either the TOWN or AUTHORITY, are not acceptable.

B. The PSC shall have approved this Agreement and the AGREEMENT FOR THE TRANSPORTATION AND TREATMENT OF WASTEWATER and all of the terms, conditions, undertakings, agreements and limitations in both of such

agreements, and the Commission shall not have placed such terms or conditions upon its approval which, in the opinion of either the TOWN or AUTHORITY, are not acceptable.

C. The Commission shall not have attached to its Order any terms, conditions or limitations which shall adversely affect this Agreement or the economic feasibility of this project between the parties to this Agreement.

VIII. Relations between TOWN and AUTHORITY.

The TOWN and the AUTHORITY shall meet, at least quarterly, at a mutually agreed upon time and location, to discuss service, communication, complaints, suggestions, etc., between the parties.

IX. Representations and Warranties.

A. The AUTHORITY represents and warrants to the TOWN as follows:

(1) The execution, delivery and performance of this Agreement by the AUTHORITY has been duly authorized, and this Agreement constitutes a valid and binding obligation of the AUTHORITY enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by the AUTHORITY will not violate any provisions of law or violate the terms or conditions of any grants or loans made to the AUTHORITY for construction of the AUTHORITY's System.

B. The TOWN represents and warrants to the AUTHORITY as follows:

(1) The execution, delivery and performance of this Agreement by the

TOWN have been duly authorized, and this Agreement constitutes a valid and binding obligation of the TOWN enforceable in accordance with its terms; and

(2) The execution and performance of this Agreement in accordance with its terms by the TOWN will not violate any provisions of the TOWN's indentures.

X. Assignability.

This Agreement shall be binding upon the successors and assigns of the respective parties hereto.

XI. Notice.

Any notice, demand or request given hereunder shall be deemed sufficient if in writing and sent by certified mail, postal charges prepaid, to the TOWN,

206 Winchester Avenue
Moorefield, WV 26836;

and to AUTHORITY addressed to

206 Winchester Avenue
Moorefield, WV 26836;

or to such address as the parties shall indicate by written notice to the other parties.

XII. Captions.

The captions preceding the text of the sections of this Agreement are inserted solely for convenience and reference and shall not be used to construe, interpret or affect any provision of this Agreement.

IN WITNESS WHEREOF, the Town of Moorefield, a municipal corporation and the Moorefield/Hardy County Wastewater Authority, a public corporation, have caused

this Agreement to be signed, by their proper officers thereunto duly authorized, all as of the day and year first above written.

TOWN OF MOOREFIELD

By [Signature]
Its [Signature]

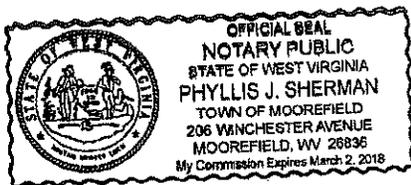
MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY

By [Signature]
Its President

STATE OF WEST VIRGINIA,
COUNTY OF HARDY, to-wit:

The foregoing instrument was acknowledged before me this 28th day of January, 2011, by Gary Stalaker of the Town of Moorefield, a municipal corporation, on behalf of the Town.

My commission expires 3-2-18



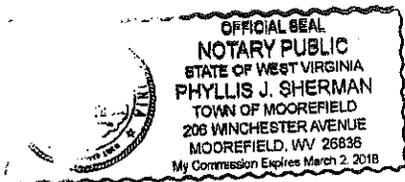
[Signature]
Notary Public

STATE OF WEST VIRGINIA,

COUNTY OF HARDY, to-wit:

The foregoing instrument was acknowledged before me this 28th day of January, 2011, by Steven Wilson of the Moorefield/Hardy County Wastewater Authority, a public corporation, on behalf of the Authority.

My commission expires 3-2-18



Phyllis J. Sherman
Notary Public

AGREEMENT FOR THE TRANSPORTATION AND TREATMENT OF WASTEWATER

This Agreement for the treatment of wastewater (the "Agreement") is entered into this 21 day of March, 2012 by and among Pilgrim's Pride Corporation, a Delaware corporation, doing business in West Virginia ("Pilgrim's"), the Town of Moorefield, Hardy County, West Virginia, a municipal corporation of the State of West Virginia ("Town"), the County Commission of Hardy County, West Virginia, a public corporation of the State of West Virginia ("County Commission"), and the Moorefield/Hardy County Wastewater Authority, a public corporation of the State of West Virginia (the "Authority," and collectively with Pilgrim's, the Town and the County Commission, the "Parties").

WHEREAS, Pilgrim's is the owner and operator of certain poultry processing facilities (collectively, the "Pilgrim's Facilities") located in the Town of Moorefield, Hardy County, West Virginia (the "Town"); and,

WHEREAS, as the result of its operation of the Pilgrim's Facilities, Pilgrim's generates both domestic wastewater (the "Pilgrim's Domestic Wastewater") and wastewater which is consistent with the operation of a poultry processing plant (the "Pilgrim's Process Wastewater" and, collectively with the Pilgrim's Domestic Wastewater, the "Pilgrim's Wastewater"); and,

WHEREAS, the Authority was created pursuant to the provisions of House Bill 4309 enacted by the West Virginia Legislature ("Legislature") on February 23, 2010, and Chapter 16, Article 13D of the West Virginia Code of 1931, as amended (the "Act"), for the purpose of owning and operating a regional sanitary sewer collection, transmission and treatment facility to serve Pilgrim's, the Town, and citizens of the County residing in unincorporated, unserved areas of the County; and

WHEREAS, Pilgrim's has certain obligations to treat Pilgrim's Wastewater pursuant to certain statutes and rules of the United States and the State of West Virginia; and,

WHEREAS, Pilgrim's wishes to contract with the Authority for the transmission, treatment and disposal of Pilgrim's Wastewater; and,

WHEREAS, the Town currently owns and operates a wastewater treatment facility (the "Existing Treatment Facility") pursuant to those terms and conditions as set forth in West Virginia/National Pollutant Discharge Elimination System Permit No. WV 0020150; and,

WHEREAS, the Existing Treatment Facility currently maintains insufficient capacity to treat Pilgrim's Wastewater and, in order to comply with stringent new discharge standards is facing costly improvements to the Existing Treatment Facility; and,

WHEREAS, the Town wishes to contract with the Authority for the transmission, treatment and disposal of the Town's wastewater; and,

WHEREAS, the County Commission, in order to provide wastewater treatment service to its citizens who reside in the unincorporated areas of the County who do not currently have wastewater treatment service wishes to contract with the Authority for the transmission, treatment and disposal of wastewater from such unserved areas; and,

WHEREAS, pursuant to the terms included herein, the Authority is willing and able to construct and operate capital improvements in order to provide adequate facilities to receive, convey, treat and dispose of Pilgrim's Wastewater, the Town's wastewater, and wastewater from unserved areas in unincorporated areas of the County; and,

WHEREAS, the Parties have secured funding commitments, in the form of grants, contributions in kind and low interest loans (the "Funding Commitments") to finance the construction of a new wastewater transmission line (the "New Transmission Line") and a new

wastewater treatment facility (the “New Treatment Facility”), both to be owned by the Authority, for the purpose of transporting and treating the Pilgrim’s Wastewater, the Town’s wastewater, and wastewater from the unserved areas in the unincorporated areas of the County; and,

WHEREAS, a preliminary engineering report (the “PER”) has been prepared, with the input of the Parties, which PER specifies the type of treatment process to be used in, and treatment limits to be achieved by, the New Treatment Facility, including Pilgrim’s Wastewater, the Town’s wastewater, and wastewater from the unserved areas in the unincorporated areas of the County; and

WHEREAS, the Parties now wish to contract for the Authority’s transportation, treatment and disposal of the Pilgrim’s Wastewater, the Town’s wastewater, and wastewater from the unserved areas in the unincorporated areas of the County; and

WHEREAS, Pilgrim’s has agreed to an in-kind contribution of land for the site of the New Treatment Facility (the “New Treatment Facility Site”) to be transferred to the Authority at the time of Closing on the “Funding Commitments” defined above, the value of which is estimated to be \$1,500,000, which is included in the Funding Commitments; and

WHEREAS, through the enactment of H.B. 4309, the Legislature has arranged for the representation of Pilgrim’s on the Board of the Authority as the County’s largest industrial wastewater user. A copy of H.B. 4309 is attached hereto as “Appendix A – H.B. 4309”; and

WHEREAS, in exchange for the capital improvements and services to be provided by the Authority, Pilgrim’s agrees to tender the performance, payments and guarantees described herein; and

WHEREAS, in exchange for the capital improvements and services to be provided by the Authority, the Town agrees to tender payments described herein; and

WHEREAS, in order to provide for the future service to customers in the unserved areas in the unincorporated areas of the County, the County Commission agrees it is in the best interests of Hardy County to provide for the transportation, treatment, and discharge of wastewater by the Authority as described herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and explicitly acknowledged by the Parties, the Parties hereby agree as follows:

**ARTICLE 1
PURPOSE AND PRECONDITIONS OF CONTRACT**

1.1 Purpose.

The purpose of this Agreement is to define the terms and conditions under which the Authority will accept for transportation, treatment and disposal Pilgrim's Wastewater, the Town's wastewater, and wastewater from the unserved areas in the unincorporated areas of the County and the services Pilgrims' Pride, the Town and the unserved areas in the unincorporated areas of the County, as represented in this Agreement by the County Commission will receive from the Authority.

1.2 Contract Documents.

The following appendices and schedules are attached hereto and incorporated herein as if fully set forth in this Agreement.

Appendix A H.B. 4309

Appendix B Authority NPDES Permit

Appendix C Form of Cost of Service Study

Appendix D Initial Schedule of Assessments

1.3 Preconditions to Performance of the Parties' Obligations.

1.3.1 The Authority shall have no obligation and shall be held harmless of any of the obligations set forth in this Agreement and any amendments or attachments thereto unless and until the Authority receives all necessary approvals from the required and relevant regulatory agencies, whether state or federal, to perform necessary capital improvements and/or to accept and treat Pilgrim's Wastewater, the Town's wastewater, and wastewater from the unserved areas in the unincorporated areas of the County, and the submission of adequate security for the payment of Pilgrim's obligations hereunder. Necessary approvals include but are not limited to:

- (a) The issuance of its WV/NPDES permit approving the acceptance of the Pilgrim's Wastewater for treatment and disposal with the limits set forth in the PER; and,
- (b) The issuance of a certificate of convenience and necessity from the Public Service Commission of West Virginia for the construction of the New Transmission Line and the New Treatment Facility; and,
- (c) The approval of this Agreement by the Public Service Commission of West Virginia; and,
- (d) The approval by the Public Service Commission of West Virginia of adequate rates to support the cost of the construction, operation, and maintenance of the New Transmission Line and the New Treatment Facility.

Further obligations of the Parties include, but are not limited to:

- (a) An adequate guarantee from each of the Parties of continuing treatment capacity demand that will support operation, maintenance and capital funding of the New Treatment Facility; and

- (b) Adequate security provided by Pilgrim's for the payment of its obligations, in the form required by Article 5 herein.

The Authority shall make good faith efforts to ensure that the preconditions set forth above are satisfied.

1.3.2 Neither Pilgrim's, the Town, nor the County Commission shall have any obligation under this Agreement and any amendments or attachments thereto unless and until the Authority receives all necessary approvals from the required and relevant regulatory agencies, whether state or federal, to perform necessary capital improvements and/or to accept and treat the Pilgrim's Wastewater, the Town's wastewater, and wastewater from the unserved areas in the unincorporated areas of the County, including but not limited to:

- (a) The issuance of the Authority's WV/NPDES permit approving the acceptance of the Pilgrim's Wastewater, the Town's wastewater, and wastewater from the unserved areas in the unincorporated areas of the County, for treatment and disposal with the limits set forth in the PER; and,
- (b) The issuance of a certificate of convenience and necessity by the Public Service Commission of West Virginia for the construction of the New Transmission Line and the New Treatment Facility; and,
- (c) The approval of this Agreement by the Public Service Commission of West Virginia.

The Parties shall make good faith efforts to ensure that the preconditions set forth above are satisfied.

ARTICLE 2
WASTEWATER SERVICES

2.1 Wastewater Treatment.

The Authority agrees to transport, treat and dispose of Pilgrim's Wastewater, the Town's wastewater, and wastewater from the unserved areas in the unincorporated areas of the County during the term of this Agreement for as long as the Authority is authorized by relevant regulatory agencies, whether state or federal, to accept and treat wastewater flows from Pilgrim's, the Town and from the unserved areas in the unincorporated areas of the County.

The Parties hereto agree and affirm that the Authority has, in addition to obtaining the necessary approvals for construction and operation of the New Transmission Line and the New Treatment Facility, received a West Virginia/National Pollutant Discharge Elimination System Permit which provides among other things, for the pre-treatment limits set forth in the PER, (the "NPDES Permit"). A copy of the NPDES Permit is attached hereto as Appendix B to this Agreement. The Parties further agree and affirm that the NPDES Permit will be subject to ongoing review and further modification by the relevant regulatory agencies, whether state or federal. The Parties also agree that, whenever the term "NPDES Permit" is used in this Agreement, such term shall include and encompass all future modifications to the NPDES Permit, and the obligation or responsibility of any Party with respect to the NPDES Permit shall be to comply with the terms of the NPDES Permit in existence at the time.

2.2 Commencement of Treatment.

2.2.1 Treatment of the Pilgrim's Process Wastewater, the Town's wastewater, and wastewater from the unserved areas in the unincorporated areas of the County shall commence only upon:

- A. The effective date of the NPDES Permit approving the processing and treatment of the wastewater from Pilgrim's, the Town, and from the unserved areas in the unincorporated areas of the County with the limits set forth in the PER; and,
- B. Substantial completion of construction, and acceptance by the Authority, of the New Transmission Line and the New Treatment Facility; and
- C. Completion of construction of any necessary interconnection points between the Town, Pilgrim's, the unserved areas in the unincorporated areas of the County, and the Authority for transmission of wastewater from such sources; and
- D. Upon the issuance of any other permit, license or approval which may be required by law.

2.3 Rights of Use.

2.3.1 Pilgrim's, the Town and the unserved areas in the unincorporated areas of the County, as represented in this Agreement by the County Commission, shall have the continuing right to discharge into the Authority's collection system at interconnection points as shown on Exhibit 1 hereto (therein referred to as the "Pilgrim's Interconnection Points", the "Town Interconnection Points", and the "County Interconnection Points"). As the receiving party, the Authority has the right to recover costs due it under this Agreement. The Parties recognize and agree that the protection of the health of West Virginians and quality of water of the State are paramount to

proprietary or monetary issues. Accordingly, it is agreed that, except as otherwise specifically provided herein, any dispute arising between the Parties concerning monetary or proprietary issues shall not constitute grounds for termination of service. However, nothing in this Agreement shall prevent any Party from acting and/or seeking immediate legal recourse in a court of competent jurisdiction (in the event that judicial intervention is necessary) to prevent the imminent harm to the health, safety and welfare of the residents of the Town and/or Hardy County, West Virginia, harm to the waters of the State, and/or damage to the Authority's wastewater collection, transmission, and/or treatment facilities.

2.4 Pretreatment.

The wastewater delivered at the Pilgrim's Interconnection Points, the Town Interconnection Points and the County Interconnection Points shall comply with the pretreatment standards in the NPDES Permit. The Authority shall provide Pilgrim's, the Town and the County Commission with notice of any proposed changes in the NPDES Permit.

2.5 Quantity of Parties' Wastewater to be Accepted for Treatment.

2.5.1 During the term of this Agreement, Pilgrim's shall have the right to deliver for processing and treatment at the New Treatment Facility a maximum weekly average of 2.78 million gallons (MGD) of wastewater per day.

2.5.2 During the term of this Agreement, the Town and customers from the unserved areas in the unincorporated areas of the County shall have the right to deliver for processing and treatment at the New Treatment Facility a combined maximum annual average of 0.94 million gallons (MGD) of wastewater per day.

2.5.3 In the event of dispute between any of the Parties as to the capacity utilized by Pilgrim's or the Town and customers from the unserved areas in the unincorporated areas of the County shall be resolved in the same manner as set forth in Paragraphs 3.9 as for modifications of assessments.

2.6 Future Improvements to New Treatment Facility.

The Parties further recognize and agree that the NPDES Permit shall be subject to review and modification at regular intervals by the relevant regulatory agencies, whether local, state, or federal and, as a discharger to the Chesapeake Bay watershed, the Authority may be subject to nutrient loading criteria as part of its NPDES permit. The Parties further recognize and agree that the New Treatment Facility is being designed to meet the limits set forth in the PER and that the Authority may, in the future, be subjected to more stringent criteria for either known substances or subject to regulation for substances which are currently un-regulated. In the event that improvements to the New Treatment Facility are required in the future to comply with the Authority's NPDES permit, the Parties hereto agree that the allocation of such costs shall be based on the Reserved Capacity allocations as set forth in Paragraph 3.2 below.

2.7 Damage to Authority's System Caused by Wastewater.

In the event that the Authority's acceptance of wastewater from Pilgrim's, the Town or the unserved areas in the unincorporated areas of the County, results in damage to any portion of the Authority's sanitary sewerage system, specifically including, but not limited to, the New Transmission Line and the New Treatment Facility, the party responsible for such damage shall reimburse the Authority for all expenses related to such damage, as determined by the Cost of Service Expert in Paragraph 3.10. The provisions of this Paragraph shall be enforceable in the

Circuit Court of Hardy County if the party responsible for such damage does not reimburse the Authority within thirty (30) days of receipt of notice of responsibility, or within a longer period of time mutually agreed to by the Authority and the party responsible for such damage.

2.8 Wastewater Treatment Indemnification/Fines and Penalties.

Pilgrim's agrees to indemnify and hold harmless the Authority for any and all damages, fines or penalties, including reasonable professionals' fees that are incurred by the Authority due to Pilgrim's failure to meet applicable pretreatment requirements of the New Treatment Facility's NPDES Permit, or any applicable Pilgrim's NPDES permit. Pilgrim's shall not be responsible for any failure by the Authority to meet the requirements of the NPDES Permit which is not caused by the failure of Pilgrim's to meet the requirements of the NPDES Permit or any applicable Pilgrim's NPDES permit.

2.9 Duty to Maintain.

The Authority agrees to operate and maintain its facilities in accordance with reasonable wastewater utility standards, and agrees to make good faith efforts to obtain all necessary permits for the continued operation of its wastewater treatment facilities.

**ARTICLE 3
MONTHLY ASSESSMENTS FOR SEWER SERVICE**

3.1 Assessments.

All assessments by the Authority for sewer service to Pilgrim's, the Town and all other customers of the Authority shall be established in accordance with the provisions of this Article.

3.2 Percentage Contribution to the Cost of the New Treatment Facility.

3.2.1 The Parties agree that the method of calculating the initial percentage contribution to be paid for the capital cost of the New Treatment Facility will be based on the following percentages of the capital cost of the New Treatment Facility to be allocated to each customer group:

Pilgrim's	84.16% ("Pilgrim Percentage Contribution")
Authority's Other Customers	15.84% ("Authority Percentage Contribution")

3.2.2 Pilgrim's and the Authority's other customers shall pay a portion of the monthly principal, interest, and reserve account payment required for the financing of the capital cost of the New Treatment Facility equal to their respective Percentage Contribution set forth in Section 3.2.1, regardless of the amount of wastewater which actually flows into the New Treatment Facility from each party. Such payments shall commence upon the earlier of either the completion of construction or the commencement of the Authority's required payment of debt service.

3.2.3 With the mutual consent and agreement of the Parties, any customer group may acquire capacity allocation in the New Treatment Facility from the other customer group beyond the initial percentages provided for in Section 3.2.1. In such event, the Cost of Service Expert shall determine the changes in the Percentage Contribution for each customer group based on the new percentage allocations agreed to by the parties and the true cost of service of the allocations.

3.3 Percentage Contribution to the Cost of the New Transmission Line.

The Parties agree that responsibility for the capital cost of the New Transmission Line shall be allocated in the same manner as set forth in Paragraph 3.2 above for their contribution to the cost of the New Treatment Facility. Pilgrim's and the Authority's other customers shall, commencing upon the earlier of either the completion of construction or the commencement of the Authority's

required payment of debt service, each month, pay a portion of the monthly financing cost attributable to the principal, interest and reserve account payment on the revenue bonds to finance the capital cost of the New Transmission equal to their respective Percentage Contribution as set forth in Paragraph 3.2 above. Such payment shall be made regardless of the amount of wastewater which actually flows into the New Treatment Facility.

3.4 Authority O&M Assessment to Pilgrim's.

In addition to a monthly amount equivalent to the Pilgrim Percentage Contribution provided in Paragraphs 3.2 and 3.3 above, of the principal, interest, and debt service reserve account payment on the revenue bonds to finance the portion of the New Treatment Facility and New Transmission Line attributable to the Pilgrim Percentage Contribution (collectively, "Pilgrim's Debt Assessment"), the Authority shall assess Pilgrim's a monthly amount ("Pilgrim's O & M Assessment") as its share of the Authority's costs for transporting, accepting and treating the wastewater received through the New Transmission Line at the New Treatment Facility including a monthly amount for Pilgrim's share of the administrative fee associated with the financing of the New Transmission Line and the New Treatment Facility. The Pilgrim's O & M Assessment shall be calculated as specified in Paragraph 3.7 below.

3.5 [RESERVED]

3.6 O&M Responsibility of Town and Customers in Unserved Areas in the Unincorporated Areas of the County.

In addition to being sufficient to cover the costs of operating its collection and transportation system not otherwise covered by the Pilgrim's O & M Assessment, the Authority's rates to the Town and the Authority's customers in the unserved areas in the unincorporated areas of the County shall

be sufficient to finance a monthly amount equivalent to the Authority Percentage Contribution provided in Paragraph 3.2 above, of the principal, interest, and reserve account payment on the revenue bonds to finance the portion attributable to the Authority Percentage Contribution (“Authority Debt Assessment”). In addition, the rates to the Town and the Authority’s customers in the unserved areas in the unincorporated areas of the County shall be sufficient to cover the the Authority’s O & M expense, including the administrative fee associated with the financing of the New Transmission Line and the New Treatment Facility, of operating the New Treatment Facility and the New Transmission Line, not covered by the Pilgrim’s O & M Assessment set forth in Paragraph 3.4 above (the “Authority O&M Assessment”). The Authority O & M Assessment shall be calculated as specified in Paragraph 3.7 below.

3.7 Cost Basis for O & M Assessment.

The monthly O & M Assessments are intended to reflect the Authority’s actual cost of operation and maintenance of its collection, transmission and treatment facilities. The monthly fee is initially estimated as \$141,464.70 for Pilgrim’s and \$7,755.63 for the Town. The Authority’s operation and maintenance costs shall include the administration, operation, maintenance and any additional cost of service costs, including depreciation and replacement and renewal reserve amounts related to the New Treatment Facility, and all legal, engineering and administrative fees incurred by Authority as a result of this Agreement. The Parties agree that after the first year of operation of the New Transmission Line and the New Treatment Facility such estimated assessments shall be adjusted from time to time, or when a reassessment has been requested by any Party as provided in Paragraph 3.9 hereof.

In order to fairly allocate operation and maintenance costs and maintain the same relationship among the various Customers as the initial assessments provided herein, a Cost of Service Expert may be retained to recommend an adjustment in the future O&M Assessments, which adjustment in a Customer's O&M Assessment shall not be greater than 10% in any one year and may be spread over a period of years as necessary to achieve fairness. In the event that the O&M adjustment results in an increase in cost to the Town which requires the Town to increase its rates to its customers, the Town expressly agrees that it will take the necessary action to adopt increased rates in order to pay its Assessment.

In order to permit the Cost of Service Expert to carry out his/her duties, the Town, the Authority and Pilgrim's agree to provide such expert with access to their books and records. The cost of the Cost of Service Expert shall be borne by the Customers as a part of the operation and maintenance expenses of the New Transmission Line and the New Treatment Facility.

3.8 Initial Assessments.

An initial schedule of assessments among the Customers shall be as shown in Appendix D attached hereto.

3.9 Modification of Assessments.

Unless otherwise agreed in writing by the Town, the Authority, Pilgrim's, and the County Commission on behalf of other customers of the Authority, any modification to the O & M Assessments provided for herein shall be supported by a subsequent Cost of Service Study prepared as indicated in paragraph 3.7 of this Article. When any subsequent Cost of Service Study is performed, that Cost of Service Study shall be the basis for future charges to the Customers. Those charges shall become effective sixty (60) days from the date of the recommendation by the Cost of

Service Expert, or at such other date as unanimously agreed by the Parties or as required by law. At the end of each twelve months of operation of the New Treatment Facility, the Cost of Service Expert shall perform a Cost of Service Study to determine whether there is justification for a modification of the assessments. In the event any of the Parties is in disagreement with any rate recommendation of the Cost of Service Expert, that Party may, within the sixty (60) day period following receipt of the recommendation of the Cost of Service Expert, file a petition with the Public Service Commission seeking a review of the disputed issue. During the pendency of the review by the Public Service Commission, the Parties will use the assessments proposed by the Cost of Service Expert. Any assessment finally approved by the Public Service Commission shall remain in effect until the next reassessment by the Cost of Service Expert. Any Party may request that a reassessment be performed at any other time. If a Cost of Service Study requested by any Party or Parties establishes that there is no justification for a modification of the assessments, the Party or Parties requesting the reassessment will be responsible for paying the cost of the Cost of Service Expert and all costs, including legal expenses, incurred by the other Parties or Party in responding to the petition filed with the Public Service Commission.

3.10 Extraordinary Surcharge Assessments.

Pilgrim's estimates that the average daily flow of Pilgrim's Wastewater delivered to the Pilgrim's Interconnection Points shall be 2.78 MGD. The Authority estimates that the average daily flow of wastewater which the Authority's other customers will deliver to the New Treatment Facility shall be 0.47 MGD ("Authority Wastewater").

The Parties agree and affirm that the delivery of the aforementioned flows is essential to ensure the continued viability of the biological and physical treatment processes at the New

Treatment Facility, as well as the ability to fund the continued operations and maintenance for the New Treatment Facility. If, for any reason, the average daily flow of either Pilgrim's or the Authority's other customers is less than 50 % of the amount set forth above, Pilgrim's or any other responsible customer shall be invoiced in accordance with the terms of this paragraph. Pilgrim's hereby agrees to timely pay, an amount determined by the Cost of Service Expert equal to the minimum amount of monthly operation and maintenance expense allocable to Pilgrim's and, if necessary, an amount equal to any extraordinary operation and maintenance expenses (specifically including, but limited to, overtime, outside contractors and professional services) incurred by the Authority as a result of such reduction in flow. Likewise, the Authority shall take appropriate action to increase its rates to its other customers to recover an amount determined by the Cost of Service Expert equal to the minimum amount of monthly operation and maintenance expense allocable to the Authority's other customers and, if necessary, an amount equal to any extraordinary operation and maintenance expenses (specifically including, but limited to, overtime, outside contractors and professional services) incurred by the Authority as a result of such reduction in flow. If, for any reason, the average daily flow of Pilgrim's or the Authority's other customers exceeds the amount set forth above by 10%, or if Pilgrim's, the Town, or any of the Authority's other customers fails to comply with any restriction or covenant in this Agreement, Pilgrim's, the Town, and the Authority agree that the appropriate Party shall be invoiced, and hereby agree to timely pay, an amount determined by the Cost of Service Expert equal to any extraordinary operation and maintenance expenses (specifically including, but not limited to, overtime, outside contractors, lost profits and professional services) incurred by the Authority as a result of increase in flow or failure to comply with any restriction or covenant in this Agreement.

3.11 Monthly Invoices.

The Authority shall prepare and deliver monthly to Pilgrim's, the Town and to the Authority's other customers, an invoice for its Debt Assessment, O&M Assessment and Extraordinary Surcharge Assessment (if any). All payments due pursuant to this Agreement shall be paid to the Authority within thirty (30) days of date of the monthly invoice for such payment.

ARTICLE 4 MONITORING AND REPORTING

4.1 Pilgrim's Monitoring and Reporting.

Pilgrim's shall comply, at its own expense, with all monitoring and reporting requirements as provided in the NPDES permit related to the discharge of Pilgrim's Wastewater to the Authority; provided, however, that in the event the applicable state or federal regulatory agency shall subsequently modify the Authority's NPDES permit so that the monitoring and reporting requirements are less rigorous and/or frequent than in the NPDES Permit in effect upon the construction of the New Treatment Facility, Pilgrim's shall continue to comply with the monitoring and reporting requirements of the initial NPDES permit. Pilgrim's shall be responsible for the testing, calibration, maintenance and replacement of monitoring facilities at the Pilgrim's Interconnection Points. Pilgrim's and the Authority shall supply to each other any data generated by any inspection or testing of the facilities or equipment.

Pilgrim's and the Authority shall each have the right to access all monitoring facilities required by this Agreement.

Pilgrim's shall reimburse the Authority for any and all monitoring and/or reporting costs imposed on the Authority by any governmental agency as the sole result of the Authority's acceptance of the Pilgrim's Wastewater.

ARTICLE 5 PILGRIM'S SECURITY AGREEMENT

5.1 Pilgrim's Security for Debt Assessment and O & M Assessment

Simultaneously with the execution of this Agreement, Pilgrim's shall execute an Escrow Agreement with the Authority to ensure the payment of (i) up to one year of payments due to the Authority, not-to-exceed \$445,000.00, of Pilgrim's Debt Assessment, and (ii) up to one month of payment due to the Authority, not-to-exceed \$140,000.00, of Pilgrim's O & M Assessment, for so long as the Authority has outstanding bonds or other debt obligations the proceeds of which were used to pay the capital costs of construction of the New Treatment Facility and the New Transmission Line (the "Authority's Debt" for purposes of this section 5.1). The basic terms of such Escrow Agreement shall be as follows:

(a) In addition to, and simultaneously with, the monthly payment to the Authority of Pilgrim's Debt Assessment and Pilgrim's O & M Assessment as set forth in this Agreement, Pilgrim's shall deliver to the Authority, to be held in escrow, FIVE THOUSAND DOLLARS AND 00/100 (\$5,000.00) a month, each and every month for eighty-nine (89) months until the total amount of escrowed funds reaches FOUR HUNDRED FORTY-FIVE THOUSAND DOLLARS AND 00/100 (\$445,000.00), which represents one year of the payments due to the Authority for Pilgrim's Debt Assessment. The total amount of the escrowed funds, or any portion thereof, plus accrued interest, shall be referred to as the "Escrowed Funds".

(b) Upon receipt of the Escrowed Funds, or any portion thereof, the Authority shall deposit the Escrowed Funds into an interest bearing account at a federally-insured bank of the Authority's choosing (the "Escrow Account"). Any interest that accrues on the Escrowed Funds, up to a maximum amount of interest of ONE HUNDRED FORTY THOUSAND DOLLARS and 00/100 (\$140,000.00), shall be held in escrow by the Authority as part of the Escrowed Funds for purposes of ensuring payment of up to one month of Pilgrim's O & M Assessment. Thus, the total amount held in Escrow by the Authority shall be \$585,000.00, which represents the principal escrow amount of \$445,000.00 to ensure payment of up to one year of Pilgrim's Debt Assessment and the \$140,000.00 of interest accruing to the benefit of the Authority to ensure payment of up to one month of Pilgrim's O & M Assessment.

(c) Any interest that accrues on the Escrowed Funds in excess of \$140,000.00 shall accrue to the benefit of Pilgrim's, and the Authority shall disburse such excess interest to Pilgrim's on an annual basis by March 15th of each year following the execution of this Agreement.

(d) If at any time during the term of the Authority's Debt, Pilgrim's fails to pay Pilgrim's Debt Assessment or Pilgrim's O & M Assessment within 30 days of the date due by reason of Pilgrim's closure of its facilities located in Moorefield, West Virginia, the Authority may withdraw from the Escrowed Funds an amount sufficient to cover the amount of Pilgrim's Debt Assessment or Pilgrim's O & M Assessment then due and payable. In no event, however, shall the Authority withdraw, in the aggregate, more than \$445,000.00 to cover Pilgrim's unpaid Debt Assessment or more than \$140,000.00 to cover Pilgrim's O & M Assessment. As to withdrawals to cover Pilgrim's O&M Assessment, the Authority shall not invade the accrued principal payments made by Pilgrim's of \$5,000 per month which are specifically intended to cover Pilgrim's Debt Assessment. Any such

withdrawals to cover Pilgrim's O&M Assessment shall be limited to the amount of allowably accrued interest then on deposit in escrow. The Authority shall give Pilgrim's written notice of such withdraw within five (5) days of making such withdrawal, but shall not need Pilgrim's consent to make the withdrawal.

(e) As to be more specifically described in the Escrow Agreement, within one year of the Authority's Debt being fully satisfied, any balance of the Escrowed Funds shall be applied to the remaining Pilgrim's Debt Assessment payments that become due during the Authority's last year of payment on the Authority's Debt. Any excess Escrowed Funds, if any, after application to Pilgrim's Debt Assessment, shall be automatically released to Pilgrim's, its successor or assign, by the Authority, without demand, when the Authority's Debt has been fully satisfied.

ARTICLE 6
[RESERVED]

ARTICLE 7
DELIVERY OF WASTEWATER

7.1 Delivery of Wastewater by Pilgrim's.

Pilgrim's shall be solely and fully responsible for the delivery of wastewater generated from its facilities to the Pilgrim's Interconnection Points. Accordingly, Pilgrim's shall indemnify, defend and hold harmless the other Parties to this Agreement and their officers, employees and/or agents for, from and against any and all claims, demands, actions, causes of action, fines, penalties, suits, liability, losses, costs (including, but not limited to, attorneys' fees and expenses) and damages arising from or relating to its delivery of wastewater from its facilities to the Pilgrim's Interconnection Points, or at any location at or upstream from the Pilgrim's Interconnection Points.

7.2 Delivery of Wastewater by Town.

The Town shall be solely and fully responsible for the delivery of wastewater generated from its facilities to the Town's Interconnection Points. Accordingly, the Town shall indemnify, defend and hold harmless and their officers, employees and/or agents for, from and against any and all claims, demands, actions, causes of action, fines, penalties, suits, liability, losses, costs (including, but not limited to, attorneys' fees and expenses) and damages arising from or relating to its delivery of wastewater from its facilities to the Town's Interconnection Points, or at any location at or upstream from the Town's Interconnection Points.

7.3 Delivery of Wastewater by the County.

The County, or its designee, shall be solely and fully responsible for the delivery of wastewater to the County's Interconnection Points. Accordingly, the County shall indemnify, defend and hold harmless the other Parties to this Agreement and their officers, employees and/or agents for,

from and against any and all claims, demands, actions, causes of action, fines, penalties, suits, liability, losses, costs (including, but not limited to, attorneys' fees and expenses) and damages arising from or relating to the delivery of wastewater to the County's Interconnection Points, or at any location at or upstream from the County's Interconnection Points.

ARTICLE 8 AUTHORITY BOARD OF DIRECTORS

8.1 Composition of Board of Directors

8.1.1 In consideration of the following actions by Pilgrim's:

1. The agreement to participate in the New Treatment Facility and New Transmission Line, as provided by this Agreement;
2. The contribution of the New Treatment Facility Site (with an estimated value of \$1,500,000) to the Authority; and
3. The agreement to fund an escrow account with respect to the payment of Pilgrim's O&M Assessment and Debt Assessment related to the financing of the New Treatment Facility and New Transmission Line as provided by Article 5 of this Agreement.

Pilgrim's, as long as it remains the County's largest corporate user of public wastewater facilities in Hardy County, shall be represented on the five (5) member Board of Directors of the Authority, by a member appointed by Pilgrim's who is a representative of Pilgrim's. The initial member appointed by Pilgrim's shall serve for a period of five (5) years. Each successor member shall be appointed in the same manner as provided herein and shall serve for a period of three (3) years.

8.1.2 In consideration of the cooperation of the Town in the development of the Authority

and the transfer of its responsibility for the treatment of the Town's wastewater to the Authority, the Town shall be represented on the five (5) members Board of Directors of the Authority by a sitting member of the Town Council appointed by the Town Council. The initial Councilperson appointed hereunder shall be appointed for a period of two (2) years. Each successor representative member of the Town Council to the Board of Directors of the Authority shall be appointed in the same manner as provided herein and shall serve for a period of two (2) years. .

8.1.3. The County Commission shall be represented on the five (5) member Board of Directors of the Authority by a sitting member of the County Commission appointed by the County Commission. The initial County Commissioner appointed hereunder shall be appointed for a period of two (2) years. Each successor representative member of the County Commission to the Board of Directors of the Authority shall be appointed in the same manner as provided herein and shall serve for a period of two (2) years.

8.1.4. A fourth member of the Board of Directors of the Authority shall be appointed by the Town Council with the unanimous consent of the County Commission and the County's largest corporate user of public wastewater facilities. The initial person appointed hereunder shall be appointed for a period of three (3) years. Each successor member of the Board of Directors of the Authority appointed hereunder by the Town Council shall be appointed in the same manner as provided herein and shall serve for a period of three (3) years.

8.1.5 A Fifth member of the Board of Directors of the Authority shall be appointed by the County Commission with the unanimous consent of the Town Council and the County's largest corporate user of public wastewater facilities. The initial person appointed hereunder shall be appointed for a period of three (3) years. Each successor member of the Board of Directors of the

Authority appointed hereunder by the County Commission shall be appointed in the same manner as provided herein and shall serve for a period of three (3) years.

ARTICLE 9 DEFAULT AND REMEDIES

9.1 Event of Default.

An "Event of Default" shall mean:

9.1.1 Failure to Pay. Failure to pay any sum when due under this Agreement (except sums disputed in good faith for which adequate assurance of payment has been made, specifically excluding any Pilgrim's Debt Assessment) which failure has not been cured within ten (10) Business Days after written notice thereof by the Authority to the Party failing to pay.

9.1.2 Other Breach. Failure in the due observance or performance of any of the material covenants or agreements set forth in this Agreement, which failure is not cured within sixty (60) Days after written notice thereof by the Authority to the Party so notified (unless otherwise waived in writing by the Authority). If the nature of the failure is such that the same cannot be cured within sixty (60) Days, or if the notified Party contests the same in good faith, or if the notified Party has commenced and is diligently pursuing such cure or contest, and, in the case of cure, completes such cure within six (6) months after said written notice, a default has/will not occur. Nothing in this Paragraph is intended to limit in any way the Authority's rights under Article 3 hereof.

9.1.3 Pilgrim's Insolvency Event

A Pilgrim's "Insolvency Event" means any of the following:

9.1.3.1 Except as set forth in Paragraph 9.1.3.3, Pilgrim's makes an assignment for the benefit of its creditors, or petitions or applies for or arranges for the appointment of a trustee,

liquidator or receiver, or commences any proceeding relating to itself under any bankruptcy law or shall be adjudicated bankrupt or insolvent; or

9.1.3.2 Except as set forth in Paragraph 9.1.3.3, Pilgrim's gives its approval of, consent to, or acquiescence in any of the following: the filing of a petition or application for the appointment of a trustee, liquidator or receiver against Pilgrim's; the commencement of any proceeding under any bankruptcy laws against Pilgrim's; or the entry of an order appointing any trustee, liquidator or receiver for Pilgrim's.

9.1.3.3 Notwithstanding the foregoing, an "Insolvency Event" shall not mean the proceedings initiated under Title 11 of the United States Code on December 1, 2008 being administered in the United States Bankruptcy Court for the Northern Authority of Texas as *In re Pilgrim's Pride Corp.*, Case No. 08-45664.

9.2 The Authority's Remedies.

9.2.1 Upon the occurrence of any Event of Default as defined in Paragraph 9.1, the Authority shall have the right (without prejudice to any other right the Authority may have, and subject to any applicable Rules of the Public Service Commission) to exercise all or any of the following powers:

- (a) Demand immediate payment of any overdue or current charges which may be due; and
- (b) Take any further action allowed for by this Agreement or by law.

9.2.2 In the event of a Pilgrim's Insolvency Event as defined by 9.1.3 of this Agreement, the Authority shall have the right to use the security provided under the requirements of Paragraph 5.1 above and, in addition to any other remedies permitted by law, to demand prepayment of an

amount which it considers reasonable to continuing service, and require a new form of security satisfactory to the Authority sufficient to cover 1 month of Pilgrim O&M Assessment as established under Paragraph 3.4. The Authority shall continue to monthly invoice Pilgrim's, and Pilgrim's shall be obligated to pay said invoices as set forth elsewhere in this Agreement and maintain its obligations under Paragraph 5.1 above.

ARTICLE 10 TERM OF AGREEMENT

10.1 Term of Agreement.

This Agreement shall terminate 38 years after the commencement of service as provided in Article 2.2, or upon mutual agreement of the Parties. Following this initial term, this Agreement will be automatically renewed for successive five year terms unless any Party issues a notice of termination to the other Parties at least ninety (90) days prior to expiration of this Agreement. Notwithstanding any provision of this Agreement to the contrary, this Agreement may not be terminated so long as any bonds issued or assumed by the Authority to finance the New Treatment Facility or the New Transmission Line are outstanding.

10.2 Extension of Term for Further Capital Improvements.

In the event that the Authority is required to become obligated on additional bonds, or other evidences of indebtedness, the proceeds of which are used to finance repairs, additions, betterments or improvements to the New Treatment Facility or the New Transmission Line, the term of this Agreement shall, unless objected to in writing by any Party hereto prior to the issuance of such additional bonds or the incurrence of other indebtedness by the Authority, automatically extend to the maturity date of such additional bonds or other evidence of indebtedness.

ARTICLE 11
JUDICIAL FORUM AND CHOICE OF LAW FOR DISPUTE RESOLUTION

The Parties agree that, in the event that disputes between the Parties cannot be resolved informally, or the Public Service Commission determines, in a complaint proceeding under Paragraph 13.11 below, that it lacks jurisdiction over the dispute, the forum for any legal action brought to enforce the terms of this Agreement shall be the Circuit Court of Hardy County, West Virginia. West Virginia law shall govern this Agreement. In the case of an Event of Default as defined in Paragraph 9.1 above, the Authority shall not be required to file any action with the Public Service Commission prior to instituting appropriate collection action in the Circuit Court of Hardy County.

ARTICLE 12
ASSIGNMENT

This Agreement may not be assigned by any Party without the prior written consent of the other Parties hereto. Such consent will not be unreasonably withheld. This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and permitted assigns.

ARTICLE 13
MISCELLANEOUS

13.1 Notices.

Unless otherwise stated in the Agreement, all notices to be given under the Agreement shall be in writing, and sent by personal delivery or dispatch to the United States Postal Service (USPS) to the address of the relevant Party set out below. Provided that:

13.1.1 Any notice sent by USPS shall be deemed (in the absence of evidence of earlier receipt) to have been delivered three (3) days after dispatch;

13.1.2 Any notice delivered personally shall be deemed to have been delivered on the date of its acknowledgement.

13.1.3 All notices to be given under the Agreement shall be sent to Pilgrim's or the Authority, as the case may be, at the addresses set forth below:

If to Pilgrim's:

Peyton Umstot
Pilgrim's Pride Corporation
214 S Main St
Moorefield, West Virginia 26836

With a copy to:

John Gangwer
Pilgrim's Pride Corporation
330 Coop Drive
Timberville, Virginia 22853

And copies to:

Greg Tatum
Pilgrim's Pride Corporation
1770 Promontory Circle
Greely, Colorado 80634

Nicholas White
Pilgrim's Pride Corporation
1770 Promontory Circle
Greely, Colorado 80634

Matthew Herman
Pilgrim's Pride Corporation
5901 Highway 74E
Marshville, NC 28103

If to the Town of Moorefield:

Mayor Gary Stalnaker
206 Winchester Ave.
Moorefield, WV 26836

With a copy to:

Phyllis Sherman, Recorder
206 Winchester Ave.
Moorefield, WV 26836

And a copy to:

Lucas Gagnon, P.E.

206 Winchester Ave.
Moorefield, WV 26836

If to The County Commission of Hardy County:

Greg Ely, County Clerk
204 Washington St.
Moorefield, WV 26836

With a copy to:

JR Keplinger, Commissioner
204 Washington St.
Moorefield, WV 26836

And a copy to:

Hardy County Commission
204 Washington St.
Moorefield, WV 26836

If to the Authority:

Robert Taylor, MHCWA Secretary
206 Winchester Ave.
Moorefield, WV 26836

With a copy to:

Steven Wilson, MHCWA President
206 Winchester Ave.
Moorefield, WV 26836

And a copy to:

John C. Stump, Esq.
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, West Virginia 25326

and

Robert R. Rodecker, Esq.
Law Offices of Robert R. Rodecker
P.O. Box 3713
Charleston, West Virginia 25337

or such other address as is notified pursuant to this Clause

13.1.4 Wherever in the Agreement provision is made for a communication to be "written" or "in writing" this means any hand written, typewritten or printed communication.

13.2 Independent Contractor.

For purposes of services rendered pursuant to this Agreement, the Authority is an independent contractor and nothing in this Agreement shall be construed as creating an agency, partnership or other employment or master/servant relationship between Pilgrim's and the Authority.

13.3 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements with respect thereto as of the date of the execution of this Agreement, and no alteration, modification or interpretation of this Agreement shall be binding unless in writing and signed by all Parties.

13.4 No Waiver.

No failure by any Party to insist upon the strict performance of any term, covenant or condition of this Agreement, or to exercise any right or remedy upon breach of any provision hereof, and no acceptance of payment or performance during the continuation of any such breach, shall constitute a waiver of any term, covenant or condition herein or waiver of any subsequent breach or default in the performance of any terms, covenant, or condition herein.

13.5 Severability.

If any provision of this Agreement or its application to any Party or circumstances shall be determined by any court of competent jurisdiction to be invalid and/or unenforceable to any extent, the remainder of this Agreement, along with contemporaneously executed agreements, or the application of such provision to such Party or circumstances, other than those determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law. In the event a provision of this Agreement, or contemporaneously executed agreements, is found to be invalid or unenforceable, the Parties will negotiate in good faith to agree on a lawful provision having as near the same economic effect as the unenforceable provision.

13.6 Further Assurances.

The Parties agree to execute and deliver such other documents and papers and to do such other acts and things as may be reasonably necessary to more fully effect the intent and purposes of this Agreement. Each Party agrees to exercise its rights and perform its obligations hereunder in good faith.

13.7 Captions.

All headings or captions appearing herein are for convenience only, shall not be considered a part of this Agreement, for any purpose or as, in any way interpreting, construing, varying, altering, or modifying this Agreement or any of the provisions hereof.

13.8 Conflicting Provisions.

In the event of any conflict between this document and any Appendix hereto, the terms and provisions of this document, as amended from time to time, shall control.

13.9 Counterparts.

This Agreement may be executed in three or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same agreement.

13.10 Opportunity to Review/Authority to Enter into Agreement.

The Parties represent unto each other that each has had an opportunity to review the contents of this Agreement and that their counsel has had the same opportunity and that their respective signatories have been authorized on behalf of their respective entities to sign and execute this Agreement.

13.11 Arbitration.

The Parties hereto agree and affirm that the arbiter of all disputes under this Agreement shall be the Public Service Commission of West Virginia and, except as otherwise provided herein, each Party shall be responsible for its own attorney's fees and costs associated with bringing any complaint to the Public Service Commission; provided however, that no Party waives any right to appeal the decision of the Public Service Commission as provided by State law.

[Signature Page Follows]

IN WITNESS WHEREOF, Pilgrim's Pride Corporation and the Moorefield/Hardy County Wastewater Authority have executed this Agreement in duplicate originals on the date set forth above.

PILGRIM'S PRIDE CORPORATION

By: 
Its Ex. V.P. Operations / Sales Pilgrim's

TOWN OF MOOREFIELD

By: _____
Its _____

COUNTY COMMISSION OF HARDY COUNTY

By: _____
Its _____

**MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY**

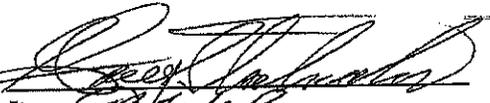
By: 
Its President

IN WITNESS WHEREOF, Pilgrim's Pride Corporation and the Moorefield/Hardy County Wastewater Authority have executed this Agreement in duplicate originals on the date set forth above.

PILGRIM'S PRIDE CORPORATION

By: _____
Its _____

TOWN OF MOOREFIELD

By: 
Its 7/14/15

COUNTY COMMISSION OF HARDY COUNTY

By: 
Its Resident

**MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY**

By: _____
Its _____

APPENDIX A
H.B. 4309

ENROLLED

H. B. 4309

(By Delegate Michael)

[Passed February 23, 2010; in effect from passage.]

AN ACT to authorize the Town of Moorefield, the Hardy County Commission, and Hardy County's largest corporate user of public wastewater facilities to construct and maintain a state of the art regional wastewater treatment plant, transmission lines and collection facilities for the purpose of collecting, transporting and treating the wastewater from the Town of Moorefield and the unincorporated areas of Hardy County; authorizing the town, the county commission and Hardy County's largest corporate user of public wastewater facilities to create the Moorefield/Hardy County Wastewater Authority to assume ownership of the facilities; membership; powers and duties; board of directors; bylaws; rules; support, maintenance and operation; funds; and severability.

Be it enacted by the Legislature of West Virginia:

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY .

§1. Town of Moorefield, Hardy County Commission and Hardy County's largest corporate user of public wastewater facilities authorized to create and join the Moorefield/Hardy County Wastewater Authority; powers and duties generally.

In recognition of the mutual interest of the Town of Moorefield, the county commission of Hardy County, and Hardy County's largest corporate wastewater producer in meeting increasingly stringent wastewater discharge standards, the Town of Moorefield, the county commission of Hardy County, and Hardy County's largest corporate user of public wastewater facilities are hereby authorized and empowered to create a joint endeavor of the three entities and join an authority to be known as the Moorefield/Hardy County Wastewater Authority to own and operate a state of the art regional wastewater treatment plant, transmission lines, collection facilities and associated appurtenances to provide wastewater treatment service for the Town of Moorefield and unincorporated areas of the county. The authority shall have the power and authority to own and operate a wastewater treatment plant, collection facilities, transmission system, and associated appurtenances; to treat and contract for the treatment of wastewater and to provide for the proper maintenance, repair and upgrade to the wastewater system, including the power of eminent domain, to buy, sell or lease real and personal property and to take all other actions as may be necessary to carry out such purposes. The borrowing of money and the notes, bonds and security interests evidencing any borrowing shall be authorized by resolution approved by the authority, shall bear the date or dates, and shall mature at the time or times, in the case of any bonds, as the resolution or resolutions may provide. The

notes, bonds and security interests shall bear interest at such rate or rates, be in such denominations, be in the form, either coupon or registered, carry the registration privileges, be executed in the manner, be payable in the medium of payment, at the place or places, and be subject to the terms or conditions of redemption as the resolution or resolutions may provide : *Provided*, That every issue of notes, security interests and bonds shall be limited obligations of the authority payable solely out of any revenues or moneys of the authority, subject only to any agreements with the holders of particular notes, security interests or bonds pledging particular revenues. The notes, security interests and bonds issued by the authority shall be and hereby are made negotiable instruments under the provisions of article eight, chapter forty-six of the Code of West Virginia, 1931, as amended, subject only to the provisions of the notes, security interests or bonds for registration.

§2. Board of directors; appointment; officers; procedures; bylaws; rules.

There shall be a board of directors, consisting of five members. One member shall be a sitting member of the Town Council selected by the Town Council ; one member shall be a sitting member of the county commission selected by the county commission; one member shall be a representative of Hardy County's largest corporate user of public wastewater facilities and shall be appointed by such corporate user of public wastewater facilities ; one member shall be appointed by the Town Council with unanimous consent of the county commission and Hardy County's largest corporate user of public wastewater facilities ; and, one member shall be appointed by the county commission with unanimous approval of the Town Council and Hardy County's largest corporate user of public wastewater facilities . No later than July 1, 2010, the Town of Moorefield and the county commission shall each appoint one member of the board of directors for a term of three years; the Town Council of the Town of Moorefield and the county commission of Hardy County shall each select one of their members for a term of two years; and, Hardy County's largest corporate user of public wastewater facilities shall appoint one member for a term of five years , all in the manner set forth herein. Although members shall serve from the date of appointment, terms of office shall expire as if said terms had commenced on July 1, 2010. Each successor member of the board of directors shall be appointed by the respective entity that appointed the predecessor member in the same manner as the predecessor was appointed and each successor member shall be appointed for a term of three years, except that the terms of the Town Council person and the county commissioner shall be for a period of two years, and provided further, that any person appointed to fill a vacancy occurring before the expiration of the term shall serve only for the unexpired portion thereof. Any member of the board shall be eligible for reappointment and the appointing entity which appointed the member may remove that member at any time for any reason. There shall be an annual meeting of the board of directors on the second Monday in July of each year and a monthly meeting on the day in each month which the authority may designate in its bylaws. A special meeting may be called by the president or any two members of the board and shall be held only after all of the directors are given notice thereof in writing. At all meetings t hree members shall constitute a quorum and at each annual meeting of the board of directors it shall elect, from its membership, a president, a vice president, a secretary and a treasurer : *Provided*, That a member may be elected both secretary and treasurer. The board of directors shall adopt those bylaws and rules which it considers necessary for its own guidance and for

the administration, supervision and protection of the authority and all of the property belonging to the authority. The board of directors have all the powers necessary, convenient and advisable for the proper operation, equipment and management of the authority; and except as otherwise especially provided in this act, shall have the powers and be subject to the duties which are conferred and imposed upon the cooperating entities by article thirteen-d, chapter sixteen of the Code of West Virginia, 1931, as amended. The qualifications of the directors shall be determined by each participating entity.

§3. Same--A body corporate.

The Moorefield/Hardy County Wastewater Authority hereby created shall be a public corporation and governmental instrumentality. It may contract and be contracted with, sue and be sued, plead and be impleaded and shall have and use a common seal.

§4. Title to property.

The title to all property, both real and personal, that will provide wastewater service to the parties making up the authority in connection with the operation by it shall vest in the board of directors of the Moorefield/Hardy County Wastewater Authority hereby created.

§5. Support, maintenance and operation.

All income realized by the operation of the authority from the collection, transmission and treatment of wastewater or from any other sources shall be used by the board of directors for the support of the Moorefield/Hardy County Wastewater Authority.

§6. Deposit and disbursement of funds.

All money collected by the Moorefield/Hardy County Wastewater Authority shall be deposited in a special account for the Moorefield/Hardy County Wastewater Authority, and shall be disbursed by the authority for the purpose of operating a public wastewater system.

§7. Workers' compensation; social security and public employees' retirement benefits for employees.

All employees of the Moorefield/Hardy County Wastewater Authority hereby created shall be entitled to the benefits of the provisions of chapter twenty-three, and articles seven and ten, chapter five of the Code of West Virginia, 1931, as amended.

§8. Effect of future amendments of general law.

Amendments to article twenty-three, chapter eight of the Code of West Virginia, 1931, as amended, and other general laws shall control this act only to the extent that they do not conflict with the special features hereof, or unless the intent to amend this act is clear and unmistakable.

§9. Severability.

If any provision of hereof is held invalid, such invalidity does not affect other provisions hereof which can be given effect without the invalid provision, and to this end the provisions of this act are declared to be severable.

APPENDIX B
Authority NPDES Permit



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, West Virginia 25304-2345
Phone: 304-926-0495
Fax: 304-926-0496

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
www.dep.wv.gov

October 07, 2011

STEVE WILSON, PRESIDENT
MOOREFIELD-HARDY CO WASTEWATER AUTHORITY
206 WINCHESTER AVENUE
MOOREFIELD, WV 26836

CERTIFIED RETURN RECEIPT REQUESTED

Dear Permittee:

Enclosed please find WV/NPDES Permit Number WV0106038 dated October 07, 2011.

Please note that a Discharge Monitoring Report (DMR) is to be completed and submitted to this Division each month. It is suggested that several copies of the enclosed DMR forms be made for your future use, as this Division does not supply permittees with DMR forms.

Finally note that copies of all future correspondence regarding the permit including copies of DMRs must be forwarded to the Field Inspector and Field Supervisor at the following address:

Department of Environmental Protection
Environmental Enforcement
HC 63 Box 2545
Romney, WV 26757

Also, please note the attachment to this permit which describes the annual permit fee requirement.

If you have any questions, please contact Matt Sweeney, P.E. of this Division at (304) 926-0499 at extension 1019.

Sincerely,

Scott G. Mandirola
Director

SGM:ms

Enclosures

Permit Number: WV0106038

Permittee: MOOREFIELD-HARDY CO WASTEWATER AUTH

**cc: Bureau of Public Health
Construction Assistance
Env. Insp. Supv.
Env. Insp.
Public Service Commission
US EPA**



STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER AND WASTE MANAGEMENT
601 57TH STREET SE
CHARLESTON, WV 25304-2345

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
WATER POLLUTION CONTROL PERMIT

NPDES PERMIT NO.: WV0106038

SUBJECT: Sewage

ISSUE DATE: October 07, 2011

EFFECTIVE DATE : December 01, 2011

EXPIRATION DATE: June 30, 2016

SUPERSEDES: N/A

LOCATION: MOOREFIELD

Hardy

S. Potomac River

(City)

(County)

(Drainage Basin)

See the next page for a list of Outlets.

TO WHOM IT MAY CONCERN:

This is to certify that: MOOREFIELD-HARDY CO WASTEWATER AUTHORITY
206 WINCHESTER AVENUE
MOOREFIELD, WV 26836

is hereby granted a West Virginia NPDES Water Pollution Control Permit to:

To acquire, construct, install, operate and maintain a sanitary sewer collection system consisting of 2,745 linear feet of 24 inch diameter PVC gravity sewer pipe, 340 linear feet of 24 inch diameter reinforced concrete gravity sewer pipe, 155 feet of 15 inch diameter PVC gravity sewer pipe, 16,735 linear feet of 18 inch diameter PVC force main, 20 manholes, 1 lift station, and all necessary appurtenances.

To acquire, construct, install, operate and maintain a new 4.1 million gallon per day regional wastewater treatment system. The new regional system includes installation of one mechanical and one manual bar screen, a traveling bridge aerated grit/grease chamber, a 2.0 million gallon aerated equalization lagoon, two - 60 foot diameter 0.51 million gallon primary clarifiers, two - five stage 2.4 million gallon Bardenpho oxidation ditches, two - 95 foot diameter 1.59 million gallon secondary clarifiers, an 82,500 gallon chlorination chamber, a 340,340 gallon aerobic digester, two - 72,500 gallon sludge digesters, a 17 foot by 18 foot by 13 foot cascading aerator, two cloth disk filters, a 22 gallon per minute sludge screw press, a compost facility, and all necessary appurtenances.

To incorporate the requirements relative to Title 33, Series 2 of the West Virginia Legislative Rules for the processing and disposal of sewage sludge generated by the wastewater treatment facility. To incorporate requirements relative to 40 CFR 503 of the Federal regulations for the composting of sewage sludge. Sewage sludge generated and/or processed at the permittee's facility shall be disposed via composting disbursement and/or at a sanitary landfill by placing the sewage sludge in the landfill cell.

The facilities are to serve a population equivalent of approximately 11,300 persons in the Town of Moorefield, Caledonia Heights Subdivision, and Robert C. Byrd Industrial Park and discharge treated wastewater to the South Branch of the Potomac River (near mile point 60.4), a tributary of the Potomac River via Outlet 001.

This permit is subject to the following terms and conditions :

The information submitted on and with Permit Application No. WV0106038 dated the 10th day of February 2011 is all hereby made terms and conditions of this Permit with like effect as if all such permit application information

were set forth herein and with other conditions set forth in Sections A, B, C, D, E, F, and Appendix A.

The new wastewater collection and treatment system project shall be constructed in accordance with the plans and specifications approved by the agency on the 7th day of April 2010 entitled : "Contract 1 - Collection System and Conveyance System" prepared by Triad Engineers Incorporated dated November 2009; "Contract 2 - Moorefield Pump Station" prepared by AECOM dated February 2010; and "Contract 3 - Wastewater Treatment Plant" prepared by AECOM dated February 2010.

The validity of this permit is contingent upon the payment of the applicable annual permit fee, as required by Chapter 22, Article 11, Section 10 of the Code of West Virginia.

Inspectable Unit	Latitude	Longitude	Receiving Stream	Dist. to Stream Mouth (in Mile)	Milepost
001	39°06'39"	78°56'54"	SOUTH BR OF POTOMAC	N/A	60.4
IU01	39°04'24"	78°58'23"	N/A	N/A	N/A
IU02	39°03'38"	78°58'20"	N/A	N/A	N/A
S01	39°06'39"	78°56'54"	N/A	N/A	N/A

A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations
Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Other Units</u>	<u>Units</u>	<u>Monitoring Requirements</u>	
	<u>Rpt Only</u> Monthly Total	<u>N/A</u>	<u>Units</u>	<u>Units</u>			<u>Measurement Frequency</u>	<u>Sample Type</u>
Flow, in Conduit or thru plant (Year Round) (ML-1)			Million Gallons	N/A	Rpt Only Avg. Monthly	mgd	Continuous	measured
BOD, 5-Day 20 Deg.C (Year Round) (ML-B)	1026 Avg. Monthly	2052 Max. Daily	Lbs/Day	N/A	10 Avg. Monthly	mg/l	2/week	24 hr Composite
Total Suspended Solids (Year Round) (ML-A)	1026 Avg. Monthly	2052 Max. Daily	Lbs/Day	N/A	30 Avg. Monthly	mg/l	2/week	24 hr Composite
BOD, % Removal (Year Round) (ML-K)	N/A	N/A	N/A	85 Month. Avg. Min.	N/A	Percent	1/week	Calculated
Suspended Solids, % Removal (Year Round) (ML-K)	N/A	N/A	N/A	85 Month. Avg. Min.	N/A	Percent	1/week	Calculated
Coliform, Fecal (Year Round) (ML-A)	N/A	N/A	N/A	N/A	200 Mon. Geo. Mean	Crits/100ml	2/week	Grab
pH (Year Round) (ML-A)	N/A	N/A	N/A	6 Inst. Min.	N/A	S.U.	2/week	Grab
Dissolved Oxygen (Year Round) (ML-A)	N/A	N/A	N/A	6 Inst. Min.	N/A	mg/l	2/week	Grab
Ammonia Nitrogen (Year Round) (ML-A)	68 Avg. Monthly	137 Max. Daily	Lbs/Day	N/A	2 Avg. Monthly	mg/l	2/week	24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations			Other Units	Units	Monitoring Requirements	
	Quantity	Units	Units			Measurement Frequency	Sample Type
Nitrogen Nitrate (Year Round) (ML-A)	N/A	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only mg/l Max. Daily	1/week	24 hr Composite
Nitrogen Nitrite (Year Round) (ML-A)	N/A	N/A	N/A	1.48 Avg. Monthly	2.97 Max. Daily	1/week	24 hr Composite
Nitrogen, Total (as N) (Year Round) (ML-A)	N/A	51431 Annual Total	N/A	N/A	N/A	1/year	Calculated
Refer to Section E							
Nitrogen, Total (as N) (Year Round) (ML-A)	Rpt Only Monthly Total	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only mg/l Max. Daily	1/week	24 hr Composite
Phosphorus, Total (Year Round) (ML-A)	N/A	5221 Annual Total	N/A	N/A	N/A	1/year	Calculated
Refer to Section E							
Phosphorus, Total (Year Round) (ML-A)	Rpt Only Monthly Total	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only mg/l Max. Daily	1/week	24 hr Composite
Chlorine, Total Residual (Year Round) (ML-A)	N/A	N/A	N/A	28 Avg. Monthly	57 Max. Daily	2/week	Grab
Copper, Total Recoverable (Year Round) (ML-A)	N/A	N/A	N/A	0.023 Avg. Monthly	0.046 Max. Daily	2/month	24 hr Composite
Lead, Total Recoverable (Year Round) (ML-A)	N/A	N/A	N/A	0.015 Avg. Monthly	0.03 Max. Daily	2/month	24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

**A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations**

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Monitoring Requirements</u>		
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Units</u>	<u>Sample Type</u>
Zinc, Total Recoverable (Year Round) (ML-A)	N/A	N/A	0.202 Avg. Monthly	0.406 Max. Daily	mg/l	2/month 24 hr Composite
Cadmium, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter 24 hr Composite
Mercury, Total (as Hg) (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	ug/l	1/quarter Grab
Nickel, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter 24 hr Composite
Silver, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter 24 hr Composite
Aluminum, Total Recoverable (Year Round) (ML-A)	N/A	N/A	1.04 Avg. Monthly	2.08 Max. Daily	mg/l	2/month 24 hr Composite
Iron, Total Recoverable (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter 24 hr Composite
Chloride (as Cl) (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l	1/quarter 24 hr Composite
Chronic Tox-Ceriodaphnia Dubia (Year Round) (ML-A)	N/A	N/A	4.1 Avg. Monthly	8.2 Max. Daily	TUc	1/quarter 24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

A.001 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to discharge from Outlet Number(s) 001 (Sanitary)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Discharge Limitations</u>			<u>Units</u>	<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>		<u>Measurement Frequency</u>	<u>Sample Type</u>
Chronic Toxicity - Pimephales (Year Round) (ML-A)	N/A	N/A	4.1 Avg. Monthly	TUc	1/quarter	24 hr Composite
Arsenic, Total Recoverable (Year Round) (ML-A)	N/A	N/A	0.01 Avg. Monthly	mg/l	2/month	24 hr Composite
Cyanide, Free (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/quarter	Grab
Chromium, Hex. Diss. (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/quarter	24 hr Composite
Oil and Grease, Hexane EXTR. (Year Round) (ML-A)	N/A	N/A	Rpt Only Avg. Monthly	mg/l	2/month	Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):

Hardy County Regional WWTP: Effluent BOD5 samples shall be collected at a location immediately preceding disinfection. Other samples shall be collected as near as possible to the discharge point. Refer to Section E nutrient requirements.

This discharge shall not cause violation of Title 47, Series 2, Section 3, of the West Virginia Legislative Rules issued pursuant to Chapter 22B, Article 3.

A.IU01 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU01 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Units</u>	<u>Measurement Frequency</u>	<u>Monitoring Requirements Sample Type</u>
	<u>Units</u>	<u>Other Units</u>	<u>Units</u>	<u>Other Units</u>			
Flow Rate (Year Round) (ML-4)	Rpt Only Avg. Monthly	0.55 Max. Daily	N/A	N/A	N/A	Continuous	Recorded
BOD, 5-Day 20 Deg.C (Year Round) (ML-4)	Rpt Only Avg. Monthly	6500 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Total Suspended Solids (Year Round) (ML-4)	Rpt Only Avg. Monthly	2000 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
pH (Year Round) (ML-4)	N/A	N/A	5 Inst. Min.	N/A	S.U.	1/week	Grab
Ammonia Nitrogen (Year Round) (ML-4)	Rpt Only Avg. Monthly	150 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Nitrogen Nitrate (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/month	24 hr Composite
Nitrogen Nitrite (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/month	24 hr Composite
Nitrogen, Total (as N) (Year Round) (ML-4)	Rpt Only Avg. Monthly	875 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Phosphorus, Total (Year Round) (ML-4)	Rpt Only Avg. Monthly	43 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s): Pilgrim's Pride - Cook Plant. Refer to Sections E.2.a.1 and E.2.b.1 for additional sampling and monitoring requirements.

AJU01 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU01 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

Effluent Characteristic	Discharge Limitations			Monitoring Requirements		
	Quantity	Units	Other Units	Measurement Frequency	Sample Type	Units
Copper, Total Recoverable (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	0.177 Max. Daily	24 hr Composite	mg/l
Lead, Total Recoverable (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	0.041 Max. Daily	24 hr Composite	mg/l
Zinc, Total Recoverable (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	0.395 Max. Daily	24 hr Composite	mg/l
Aluminum, Total Recoverable (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	37.8 Max. Daily	24 hr Composite	mg/l
Iron, Total Recoverable (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	8.73 Max. Daily	24 hr Composite	mg/l
Chloride (as Cl) (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	24 hr Composite	mg/l
Arsenic, Total Recoverable (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	0.01 Max. Daily	24 hr Composite	mg/l
Oil and Grease, Hexane EXTR. (Year Round) (ML-4)	N/A	N/A	Rpt Only Avg. Monthly	100 Max. Daily	Grab	mg/l

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
Pilgrim's Pride - Cook Plant. Refer to Sections E.2.a.1 and E.2.b.1 for additional sampling and monitoring requirements.

A.IU02 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU02 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Units</u>	<u>Measurement Frequency</u>	<u>Monitoring Requirements</u>
	<u>Units</u>	<u>Other Units</u>	<u>Units</u>	<u>Sample Type</u>			
Flow Rate (Year Round) (ML-4)	Rpt Only Avg. Monthly	2.8 Max. Daily	N/A	N/A	N/A	Continuous	Recorded
Flow Rate, Instantaneous (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	Continuous	Recorded
BOD, 5-Day 20 Deg.C (Year Round) (ML-4)	Rpt Only Avg. Monthly	9500 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Total Suspended Solids (Year Round) (ML-4)	Rpt Only Avg. Monthly	2000 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
pH (Year Round) (ML-4)	N/A	N/A	5 Inst. Min.	N/A	10 Inst. Max.	1/week	Grab
Ammonia Nitrogen (Year Round) (ML-4)	Rpt Only Avg. Monthly	850 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Nitrogen Nitrate (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Nitrogen Nitrite (Year Round) (ML-4)	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite
Nitrogen, Total (as N) (Year Round) (ML-4)	Rpt Only Avg. Monthly	1950 Max. Daily	N/A	N/A	N/A	1/week	24 hr Composite

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
Pilgrim's Pride - Kill Plant. Refer to Sections E.2.a.2 and E.2.b.2 for additional sampling and monitoring requirements.

**A.IU02 DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations**

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to accept the discharge from Outlet Number(s) IU02 (Pretreatment - Significant Industrial User)

Such discharges shall be limited and monitored by the permittee as specified below:

<u>Effluent Characteristic</u>	<u>Quantity</u>		<u>Discharge Limitations</u>		<u>Other Units</u>	<u>Units</u>	<u>Measurement Frequency</u>	<u>Monitoring Requirements Sample Type</u>
	<u>Rpt Only</u> Avg. Monthly	<u>Max. Daily</u>	<u>Units</u>	<u>Other Units</u>				
Phosphorus, Total (Year Round) (ML-4)	Rpt Only	225	Lbs/Day	N/A	N/A	N/A	1/week	24 hr Composite
Copper, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	24 hr Composite
Lead, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	24 hr Composite
Zinc, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	24 hr Composite
Aluminum, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	24 hr Composite
Iron, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	24 hr Composite
Chloride (as Cl) (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/month	24 hr Composite
Arsenic, Total Recoverable (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	24 hr Composite
Oil and Grease, Hexane EXTR. (Year Round) (ML-4)	N/A	N/A	N/A	N/A	Rpt Only Avg. Monthly	mg/l	1/week	Grab

Samples taken in compliance with the monitoring requirements specified above shall be taken at the following location(s):
Pilgrim's Pride - Kill Plant. Refer to Sections E.2.a.2 and E.2.b.2 for additional sampling and monitoring requirements.

**A.S01 SEWAGE SLUDGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations**

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to dispose sludge in accordance with the following from Outlet Number S01 (Sludge)

Effluent Characteristic	Limitations			Units	Monitoring Requirements
	Quantity	Units	Other Units		
Coliform, Fecal (Year Round) (ML→)	N/A	N/A	N/A	col/gr	1/quarter Grab
pH (Year Round) (ML→)	N/A	N/A	N/A	S.U.	1/quarter Grab
Arsenic, Sludge Tot. Dry Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp
Cadmium, Sludge, Tot. Dry Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp
Chromium, Dry Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp
Copper, Sludge, Tot. Dry Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp
Lead, Dry. Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp
Mercury, Dry Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp
Molybdenum, Dry Wt. (Year Round) (ML→)	N/A	N/A	N/A	mg/kg	1/quarter 1/wk Comp

**A.S01 SEWAGE SLUDGE LIMITATIONS AND MONITORING REQUIREMENTS:
Final Limitations
Year Round**

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to dispose sludge in accordance with the following from Outlet Number S01 (Sludge)

<u>Effluent Characteristic</u>	<u>Limitations</u>			<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Nickel, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	200 Maximum	1/quarter 1/wk Comp
Selenium, Sludge, Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	36 Maximum	1/quarter 1/wk Comp
Zinc, Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	2800 Maximum	1/quarter 1/wk Comp
Calcium, Total (as Ca) (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	1/quarter 1/wk Comp
Solids, Total Sludge Percent (Year Round) (ML-+)	N/A	N/A	Rpt Only Minimum	Rpt Only Maximum	1/quarter 1/wk Comp
Potassium, Sludge Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	1/quarter 1/wk Comp
Phosphorus, Sludge, Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	1/quarter 1/wk Comp
Nitrogen, Ammonia Tot. DW (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	1/quarter 1/wk Comp
Nitrogen, Sludge Tot. Dry Wt. (Year Round) (ML-+)	N/A	N/A	N/A	Rpt Only Maximum	1/quarter 1/wk Comp

A.S01 SEWAGE SLUDGE LIMITATIONS AND MONITORING REQUIREMENTS:

Final Limitations

Year Round

During the period beginning 12/1/2011 and lasting through midnight 6/30/2016 the permittee is authorized to dispose sludge in accordance with the following from Outlet Number S01 (Sludge)

<u>Effluent Characteristic</u>	<u>Limitations</u>			<u>Monitoring Requirements</u>	
	<u>Quantity</u>	<u>Units</u>	<u>Other Units</u>	<u>Measurement Frequency</u>	<u>Sample Type</u>
Organic Nitrogen (Year Round) (ML-→)	N/A	N/A	N/A	1/quarter	1/wk Comp
Magnesium, Tot (as Mg) (Year Round) (ML-→)	N/A	N/A	N/A	1/quarter	1/wk Comp

B. SCHEDULE OF COMPLIANCE

1. The permittee shall achieve compliance with the provisions for waste treatment and the monitoring requirements specified in the permit in accordance with the following schedule :

Effective date of permit.

2. Reports of compliance or non-compliance with, and progress reports on interim and final requirements contained in the above compliance schedule, if any, shall be postmarked no later than 14 days following each schedule date.

Section C - Other Requirements

01. The herein-described treatment works, structures, electrical and mechanical equipment shall be adequately protected from physical damage by the maximum expected one hundred (100) year flood level and operability be maintained during the twenty-five (25) year flood level.
 02. The entire sewage treatment facility shall be adequately protected by fencing.
 03. The proper operation and maintenance of the listed sewage treatment facility shall be performed, or supervised, by a certified operator possessing at least a Class IV certificate for Waste Water Treatment Plant Operators as issued by the State of West Virginia. The on-site attendance of this facility's Class IV operator shall be determined and directed by the Bureau for Public Health, Office of Environmental Health Services.
 04. The permittee shall submit each month according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration and/or quantities the values of the constituents listed in Section A analytically determined to be in the plant effluent(s). Additional information pertaining to effluent monitoring and reporting can be found in Section III of Appendix A.
 05. The permittee shall not use alternate DMRs without prior approval from this Agency.
 06. The required DMRs shall be received by the agency no later than 20 days following the end of the reporting period in accordance with the following requirements. The agency encourages the permittee to utilize our electronic discharge monitoring report (eDMR) system. If the permittee uses the eDMR system, the permittee is not required to submit hard copies of the DMRs to the addresses listed below. However, if the permittee elects to not use the eDMR system, then the permittee is required to send hard copies to the addresses below. The permittee may contact the agency for more information about the eDMR system. Regardless, in accordance with Appendix A, Section III.6 of this permit, the permittee shall maintain copies of DMRs (either hard copies or electronic copies) at the plant site and the DMRs shall be made readily available upon request from DEP personnel.
 - a.

<p>Director Division of Water and Waste Management 601 57th Street, SE Charleston, West Virginia 25304 Attn: Permitting Branch</p>	<p>U. S. Environmental Protection Agency Region III, Water Protection Division NPDES Enforcement Branch (3WP42) 1650 Arch Street Philadelphia, PA 19103</p>
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- Department of Environmental Protection
Environmental Enforcement
HC63 Box 2545
Romney, West Virginia 26757
07. The permittee shall not accept any new non-domestic discharges without first obtaining approval from the Director of the Division of Water and Waste Management as provided in Title 47, Series 10, Section 14 of the West Virginia Legislative Rules.
 08. If any existing non-domestic discharge causes, or is suspected of causing, interference or pass through (as defined by 40 CFR 403.3) or otherwise violates any provision of 40 CFR 403, the permittee shall notify the Director of such violation or suspected violation.
 09. If any existing non-domestic discharge is identified as being subject to Categorical Pretreatment Standard under 40 CFR Chapter 1, Subchapter N, and the discharge is not regulated by this permit, the permittee shall notify the Director of such identification.
 10. Any future collection system extensions projected to cause an increase in the wastewater flow, equal to, or greater than, 205,000 gallons per day (five (5) percent of average design flow) shall require the permittee to contact the Director to secure approval of the extension. After consideration of the complexity of the project, and the available treatment capacity of the facility, the Director may require the permittee to seek approval through Modification of the Permit.
 11. The average daily design flow of the Publicly Owned Treatment Works has been established at 4.1 million gallons per day. When the average monthly effluent flow reported on Discharge Monitoring Reports reaches, or exceeds, 90 percent of the average design flow, 3.7 (million gallons per day) during three (3) consecutive monthly periods, the permittee shall submit a Plan of Action to the Director. The Plan of Action shall present, at a minimum, an analysis of current hydraulic and organic loadings on the plant, an analysis of the future projected loadings, and a Schedule of Tasks to accomplish procedures necessary to maintain required treatment levels.

Section C - Other Requirements

12. Effluent monitoring for the following pollutants shall be conducted using the most sensitive methods and detection levels commercially available and economically feasible. The following methods are to be used unless the permittee desires to use an EPA Approved Test Method with a listed lower method detection level. Regardless, it is recognized that detection levels can vary from analysis to analysis and that non-detect results at a different MDL for the specified test method would not constitute a permit violation.

Parameter	EPA Method No.	Method Detection Level (ug/l)
Copper, Total Recoverable	200.8	0.5
Lead, Total Recoverable	200.8	0.6
Zinc, Total Recoverable	200.8	1.8
Chromium, Dissolved Hexavalent	218.6	0.6
Arsenic, Total	200.8	1.4
Nickel, Total Recoverable	200.8	0.5
Cadmium, Total Recoverable	200.8	0.5
Silver, Total Recoverable	200.8	0.1
Mercury, Total*	245.7	0.0018
Mercury, Total*	1631	0.0002
Cyanide, Free	**	**

* The permittee may use either Method 245.7 or Method 1631 for the analysis of mercury.

** For the measurement of Free Cyanide, the permittee shall use the standard method for weak acid dissociable cyanide, as specified in the latest edition of Standard Methods approved in 40 CFR 136.

13. The permittee shall be required to test the sewage treatment plant's influent in order to calculate the percent (%) removal parameters for BOD5 and TSS contained in Section A.001 of this permit. Influent sampling requirements include:
- Percent removal shall be defined as a percentage expression of the removal efficiency across the wastewater treatment plant for a given pollutant parameter, as determined from the thirty day average values of the influent concentrations to the facility and the thirty day average effluent pollutant concentrations. Only influent and effluent samples taken concurrently as specified below shall be used for reporting.
 - Influent BOD5 and TSS samples shall be collected using the permittee's established sampling schedule at least one time per week (1/week) for the wastewater treatment facility.
 - The permittee shall collect representative BOD and TSS influent samples using their established sampling procedures over a 24 hour period.
 - Influent BOD5 and TSS sampling shall be performed over the same 24 hour time period as the effluent BOD5 and TSS sampling.
14. Any "not detected (ND)" results by the permittee must be "ND" at the method detection limit (MDL) for the test method used for that parameter and must be reported as less than the MDL used. The permittee may not report the result as zero, "ND", or report the result as less than a minimum level (ML), reporting limit (RL), or practical quantitation limit (PQL).

When averaging values of analytical results for DMR reporting purposes for monthly averages, the permittee should use actual analytical results when these results are greater than or equal to the MDL and should use zero (0) when these results are less than the MDL. If all analytical results are non-detect at the MDL (<MDL), then the permittee should use the actual MDL in the calculation for averaging and report the result as less than the average calculation.

15. In incidences where a specific test method is not defined, the permittee shall utilize an EPA approved method with a method detection limit (MDL) sensitive enough to confirm compliance with the permit effluent limit for that parameter. If a MDL is not sensitive enough to confirm compliance, the most sensitive approved method must be used. If a more sensitive EPA approved method becomes available, that method shall be used. Should the current and/or new method not be sensitive enough to confirm compliance with the permitted effluent limit, analytical results reported as "not detected" at the MDL of the most sensitive method available will be deemed compliant for purposes of permit compliance. Results shall be reported on the Discharge Monitoring Reports as a numeric value less than the MDL.

Section C - Other Requirements

16. Available sampling methods for total residual chlorine (TRC) are currently not sensitive enough to confirm compliance with the permit limitations imposed for the new treatment plant. Total residual chlorine (TRC) samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136. Because the permittee does not operate a certified wastewater laboratory at the plant site but still must comply with the instantaneous sample-type requirements, the permittee shall use an EPA Approved Method with at least a method detection level (MDL) of 100 ug/l. Any TRC sampling result reported as less than the MDL stated above shall be assumed to confirm compliance for purposes of permit compliance. Should a more sensitive EPA approved method become available for field analysis of TRC, the permittee shall perform TRC self-monitoring in accordance with the new method. If the new method is not sensitive enough to determine compliance with specified TRC limits, analytical results reported as "not detected" at the MDL of the new method will be deemed compliant for purposes of permit compliance.
17. Unless otherwise authorized under Section A of this permit, any discharge from any point other than a permitted treatment outfall or permitted combined sewer system is expressly prohibited. In the event there is a prohibited discharge from a sewer conveyance system, the permittee shall follow the reporting requirements contained in Appendix A, Part IV, Section 2.
18. The permittee shall quarterly perform chronic toxicity tests as described below, on the effluent from Outlet 001:
 - a. Such testing will determine if an appropriate dilute effluent sample affects the survival or reproduction of the test species. 24-hour flow weighted composite samples of the effluent, as prescribed in Section A, shall be collected for testing. An appropriate statistical test shall be used to determine whether differences in control and effluent data are significant.
 - 1) The permittee shall conduct a three brood (6-8 days) Ceriodaphnia Dubia survival and reproduction toxicity test on the final effluent diluted by appropriate control water. Toxicity will be demonstrated if there is a statistically significant difference at the 95 percent confidence level in survival or reproduction between Ceriodaphnia Dubia exposed to an appropriate control water and the final effluent. All test solutions shall be renewed using an approved renewal schedule. If, in any control, more than 20% of the test organisms die, or less than 60% of surviving females in controls produced their third brood, that test shall be repeated.
 - 2) The permittee shall conduct a 7-day Pimephales Promelas fathead minnow larval survival and growth toxicity test on the final effluent diluted by appropriate control water. Toxicity will be demonstrated if there is a statistically significant difference at the 95 percent confidence level in survival or growth between fathead minnows exposed to an appropriate control water and the final effluent. All test solutions shall be renewed using an approved renewal schedule. If, in any control, more than 20% of the test organisms die, or average dry weight of surviving controls was less than 0.25 mg/l that test shall be repeated.
 - b. Results shall be reported in terms of chronic toxic units (TUc) and shall be submitted with the corresponding monthly Discharge Monitoring Report (DMR).

$TUc = 100/NOEC$ or $NOEL$
Where NOEC (or NOEL) is No Observed Effect Concentration (or Level), which is expressed as percent (volume) effluent in dilution water.
For Example, if NOEC is 10%, $TUc = 100/10 = 10$

When the effluent demonstrates no toxicity at 100% effluent (no observed effect), the permittee may report zero TUc.
 - c. The monitoring required, herein, shall be conducted in accordance with the sample collection, preservation, and analytical procedures specified in 40 CFR 136.
 - d. In addition to the monitoring data reporting requirements of 40 CFR 136, the exact age of the test organisms at the initiation of the test shall be reported. Values of less than or equal to 24 hours are acceptable for Pimephales Promelas, fathead minnow. The range of the Ceriodaphnia Dubia used must be reported as a range in hours. All Ceriodaphnia Dubia used in the test must be less than 24 hours of age at test commencement. The age difference between the youngest and oldest Ceriodaphnia Dubia used in the test must not exceed eight (8) hours.

Section C - Other Requirements

18. e. The chronic toxicity testing shall be performed on a quarterly basis. The first chronic toxicity testing shall be carried out within 3 months from the effective date of the permit for Outlet 001. There shall be a minimum of a month between sampling events.
- f. If chronic effluent toxicity testing shows noncompliance with the specified limitations prescribed in Section A, the permittee shall immediately resample and test the effluent. This shall be performed within 30 days of the initial demonstration of noncompliance with the whole effluent toxicity discharge limitations prescribed herein. Copies of the retesting results shall be provided to the Director immediately upon completion of the test.

If the second test shows compliance, chronic effluent toxicity testing shall continue in accordance with the requirements, as prescribed herein. However, if the second test shows noncompliance, the Director shall impose further requirements, as may be necessary, in order to obtain compliance with the chronic effluent toxicity discharge limitations.

- g. The Director may impose further requirements should the chronic effluent toxicity testing results demonstrate noncompliance.
19. For any noncompliance reports required to be submitted in writing by Appendix A, Part IV, of this Permit, a copy shall also be forwarded to the Environmental Protection Agency at the location specified in Section C.06.
 20. The permittee shall be required to sample the discharge from Outlet 001 for the pollutants listed in Appendix J, Table 2 of 40 CFR 122 as part of its next reissuance permit application following the procedures listed below. This data shall be submitted along with the next reissuance permit application.
 - a. Grab samples shall be collected for pH, temperature, cyanide, total phenols, residual chlorine, oil and grease, fecal coliform, and volatile organics. Twenty-four (24) hour composite samples shall be collected for all other pollutants found in Appendix J, Table 2 of 40 CFR 122.
 - b. A minimum of three (3) test results for each pollutant shall be obtained a minimum of four (4) months apart. Each sampling result shall be collected in a manner to be representative of seasonal variations (such as April, August, and December).
 - c. All data collected over the term of the previous permit for a specific pollutant shall be summarized and submitted to the agency by the permittee.
 - d. The sample collection, preservation, and analysis shall be conducted in accordance with the procedures of 40 CFR Part 136. The permittee shall assure that the test procedure being utilized has an appropriate method detection level (MDL) for the parameters. Analyses shall be conducted using the most sensitive methods and detection levels commercially available, and economically feasible.
 21. Due to anti-degradation and Chesapeake Bay TMDL requirements, the existing Town of Moorefield WWTP Outlet 001 (WV/NPDES Permit No. WV0020150), Pilgrim's Pride Outlet 001 (WV/NPDES Permit No. WV0005495), Pilgrim's Pride Outlet 105 (WV/NPDES Permit No. WV0047236), Caledonia Heights (WVG550723), and Robert C Byrd Industrial Park (WVG551085) shall all be properly closed, re-routed into the regional facilities collection system, decommissioned, and discharge outfalls properly sealed within 90 days of startup of the new regional treatment facility (Outlet 001). The permittee shall provide written notification along with supporting documentation of the proper closure, decommissioning, and sealing of the discharge outfalls and proper closure, decommissioning, and abandonment of any wastewater treatment units (as applicable) at the aforementioned facilities to the addresses listed in Section C.6 of this permit within 90 days of the startup of the new regional wastewater treatment plant. Documentation of closure and decommissioning of each discharge pipe / treatment unit shall be provided to the Division of Water and Waste Management (DWWM) via a Closure Inspection Report provided by the agency's Environmental Enforcement section.
 22. There shall be a minimum of one week between sampling frequencies prescribed as twice per month in Section A of this permit.

Section D - Pretreatment Requirements

01. The permittee may accept non-domestic wastewater from the following Industrial User(s) providing each respective Industrial User maintains continued compliance with all applicable requirements of this section and all applicable limitations and monitoring requirements prescribed in Section(s) A.IU01-A.IU07:

Industrial User Facility Name	Outfall	Classification (Federal Guideline)
Pilgrim's Pride - Cook Plant	IU01	CIU (40 CFR 432, Subpart L)
Pilgrim's Pride - Kill Plant	IU02	CIU (40 CFR 432, Subpart K)

IU - Industrial User
 CIU - Categorical Industrial User
 SIU - Significant Industrial User

02. The acceptance of non-domestic wastewater from the Industrial Users listed in Section D.1 is subject to and contingent upon the following terms and conditions:

a. NON-DOMESTIC WASTEWATERS APPROVED FOR ACCEPTANCE:

- 1) The non-domestic wastewater approved for acceptance from Pilgrim's Pride - Cook Plant includes process wastewater resulting from the further processing (after slaughter) of poultry. Additional wastewater includes contact cooling water, boiler blowdown, and contaminated stormwater. All non-domestic wastewater shall be pretreated by screening, dissolved air flotation, and the FEB tank. Removed solids shall not be introduced to the permittee's system. The volume of wastewater accepted shall be continuously measured and recorded daily.

Acceptance of uncontaminated stormwater (i.e. collected from non-process areas) and sludges are prohibited without prior approval from WVDEP.

The non-domestic wastewater approved for acceptance from Pilgrim's Pride shall be introduced directly into the Moorefield - Hardy County Regional Plant's collection system and shall not enter any portion of the Town of Moorefield's wastewater collection system that is covered under WV/NPDES Permit No. WV0020150. All wastewater approved for acceptance from Pilgrim's Pride is prohibited from passing through the Town of Moorefield's collection system and is further prohibited from being discharged through any combined sewer overflow.

- 2) The non-domestic wastewater approved for acceptance from Pilgrim's Pride - Kill Plant includes process wastewater resulting from the slaughtering of poultry and rendering material derived from the slaughtering of poultry. Additional wastewater includes process wastewater from protein conversion, boiler/condenser blowdown, a truck wash, additional hatchery/feedmill mill wastewater, and contaminated stormwater. All non-domestic wastewater shall be pretreated by screening and dissolved air flotation. Removed solids shall not be introduced to the permittee's system. The volume of wastewater accepted shall be continuously measured and recorded both daily and instantaneously.

Acceptance of uncontaminated stormwater (i.e. collected from non-process areas) and sludges are prohibited without prior approval from WVDEP.

The non-domestic wastewater approved for acceptance from Pilgrim's Pride shall be introduced directly into the Moorefield - Hardy County Regional Plant's collection system and shall not enter any portion of the Town of Moorefield's wastewater collection system that is covered under WV/NPDES Permit No. WV0020150. All wastewater approved for acceptance from Pilgrim's Pride is prohibited from passing through the Town of Moorefield's collection system and is further prohibited from being discharged through any combined sewer overflow.

b. SAMPLING PROCEDURES:

Section D - Pretreatment Requirements

02. b. 1) Pilgrim's Pride - Cook Plant

All grab samples shall be obtained at a time that is representative of normal operations.

For composite sample types specified in Section A.IU01, a minimum 24-hour composite sample shall be collected where practical. In cases where the discharge duration is not 24-hours at any time during the monitoring period, then an 8-hour composite sample shall be collected. If an 8-hour composite sample cannot be collected, a 4-hour composite sample or "composite-grabs" shall be collected consisting of a minimum of three equal aliquots over the duration of the discharge. Aliquots shall be collected immediately after the start of the discharge, at the approximate mid point, and immediately preceding the end of discharge. If the duration of discharge is no greater than 15 minutes at any time during the monitoring period, a grab sample at the approximate mid point of the discharge shall be obtained in lieu of a composite sample.

Analysis for toxic parameters specified in Section A.IU01 shall be analyzed per the methods specified in Section C.12 and E.2.b.

2) Pilgrim's Pride - Kill Plant

All grab samples shall be obtained at a time that is representative of normal operations.

For composite sample types specified in Section A.IU01, a minimum 24-hour composite sample shall be collected where practical. In cases where the discharge duration is not 24-hours at any time during the monitoring period, then an 8-hour composite sample shall be collected. If an 8-hour composite sample cannot be collected, a 4-hour composite sample or "composite-grabs" shall be collected consisting of a minimum of three equal aliquots over the duration of the discharge. Aliquots shall be collected immediately after the start of the discharge, at the approximate mid point, and immediately preceding the end of discharge. If the duration of discharge is no greater than 15 minutes at any time during the monitoring period, a grab sample at the approximate mid point of the discharge shall be obtained in lieu of a composite sample.

Analysis for toxic parameters specified in Section A.IU02 shall be analyzed per the methods specified in Section C.12 and E.2.b.

c. SAMPLING AND MONITORING REQUIREMENTS:

- 1) Samples on non-domestic wastestreams shall be collected at the discharge point prior to its mixing with any other wastestream unless otherwise specified.
- 2) Sampling and analyses required by Section A.IU01-IU02 shall be conducted in accordance with sample collection, preservation, and analytical procedures specified in 40 CFR 136.
- 3) As specified in Section(s) A.IU01-IU02, quarterly monitoring periods are Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec.
- 4) If the permittee or industrial user monitors any parameter more frequently than required by Section(s) A.IU01-IU02, using procedures specified by Section D.2.c.2, then the results of additional monitoring must be reported.
- 5) All industrial users shall maintain information relative to self-monitoring for a minimum of three (3) years. The information maintained shall include: the date, exact location, method, and time of sampling; the sample preservation techniques used; the name of the person taking the samples; the date(s) the analyses were performed; the name of the person performing the analyses; and the analytical results.
- 6) Reporting of monitoring required by Section(s) A.IU01-IU02 shall be submitted to the Division of Water and Waste Management along with the permittee's Discharge Monitoring Reports. Reports shall contain results of all analysis performed, and the estimated daily volume of the wastewater accepted. Reports shall be due on the 20th day of the month following the end of the monitoring period.

d. NOTIFICATION REQUIREMENTS:

Section D - Pretreatment Requirements

02. d.
 - 1) All industrial users shall notify the permittee immediately of all discharges that could cause problems to the POTW, including any slug loadings, as defined by 40 CFR 403.5(b) of the Code of Federal Regulations.
 - 2) All industrial users shall notify the permittee and the Division of Water Resources of any discharge into the POTW of any substance, which otherwise disposed of, would be considered a hazardous waste under 40 CFR 261 of the Code of Federal Regulations unless they discharge less than fifteen (15) kilograms of non-acute hazardous waste in a calendar month.
 - 3) For any instances that sampling results have a result of "non-detect", less than the minimum detection level (<MDL), the results shall be reported as less than the minimum detection level used. For example, if the laboratory results indicate non-detect for a parameter and the MDL is listed as 0.005 mg/l, the Industrial User shall indicate on the Discharge Monitoring Report for that parameter "< 0.005 mg/l". For purposes of averaging values, the Industrial User shall use zero for any values listed as non-detect at the MDL, when calculation averages. If all samples are listed as non-detect at the MDL, then the permittee should not use zero for the purposes of calculating averages, but should instead average all of the MDLs and then report the result as less than the average of the MDLs.
 - 4) Each Industrial User shall submit a Discharge Monitoring Report for every monitoring period. If the Industrial User does not discharge any non-domestic waste to the POTW during a given monitoring period, the Industrial User shall still submit the appropriately filled out and signed Discharge Monitoring Report indicating "NO DISCHARGE" during the monitoring period.
 - 5) Alternative discharge monitoring report forms shall not be used without prior approval from this Agency.
- e. PROHIBITED DISCHARGES:
 - 1) Pollutants which create a fire or explosion hazard in the POTW (wastestreams with a closed cup flashpoint of less than 140 degrees F or 60 degrees C using test methods specified in 40 CFR 261.21 of the Code of Federal Regulations).
 - 2) Solid or viscous pollutants in amounts which will cause obstruction to the flow in the POTW resulting in interference.
 - 3) Heat in such quantities that the temperature at the POTW exceeds 40 degrees C (104 degrees F).
 - 4) Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems.
 - 5) Any trucked or hauled pollutants, except at discharge points designated by the POTW.
 - 6) Any pollutant(s) discharged in a quantity which has the potential to cause Pass Through or Interference.
03. In addition to the conditions listed in Section D.2, the following conditions apply specifically to Categorical and Significant Industrial User facilities listed in Section D.1.
 - a. All baseline reports, reports on compliance, and self monitoring reports must be signed and certified in accordance with 40 CFR 403.12 of the Code of Federal Regulations.
 - b. If a Categorical Industrial User listed in Section D.1 conducts sampling that reveals a violation of their respective limitations prescribed in Section A or any of the prohibited discharges listed in Section D.2.e, the Categorical Industrial User shall notify the Director of said violation within 24 hours of becoming aware of the violation. In addition, the Categorical Industrial User shall repeat the sampling and analysis for the pollutant in violation and submit the results to the Director within 30 days.
04. The permittee shall require Pilgrim's Pride to provide protection against, and mitigation of adverse impacts resulting from, the accidental discharge of nonapproved wastes and untreated wastewater into the permittee's collection system. Said protection shall, at a minimum, include the following:
 - a. Continued operation and maintenance of diked storage areas for chemicals and cleaners at each Pilgrim's Pride facility and of the high level alarm in any equalization tanks of the pretreatment systems.
 - b. Continued implementation of procedures that prohibit the disposal of chemicals and cleaners to the permittee's collection system (except as necessitated by normal operations of the Pilgrim's Pride facility).

Section D - Pretreatment Requirements

05. Should any of the permittee's industrial users fail to comply with the specific terms and conditions pertaining to that specific industrial user in this permit, the permittee shall immediately contact said industrial user and identify the violation causing the noncompliance with the permit. The permittee shall take all reasonable, escalating enforcement steps, up to and including disallowing the continued acceptance of the nondomestic wastewater from the industrial user, to keep the industrial user compliant with the terms and conditions of the permit. Also, the permittee shall immediately inform the Agency of any current noncompliance by industrial users by attaching a written summary of these violations, the cause of each violation, and the steps taken to prevent their recurrence with the submitted Discharge Monitoring Reports. Should the permittee take all of the enforcement steps outlined above, these actions may be used as a mitigating factor to any enforcement actions taken upon the permittee for the noncompliance by the industrial users to the terms and conditions of Section D or Sections A.IU01-IU02 herein. However, the burden of proof in relation to the use of this mitigating factor shall lie exclusively upon the permittee. This condition shall not be used as a mitigating factor to any noncompliance associated with any other section of this permit, even if said noncompliance is, in whole or in part, caused by an industrial user.
06. Please find the enclosed monitoring form that shall be used by the each respective Industrial User. This form shall be completed and submitted monthly to the Hardy/Moorefield Regional Authority. The Hardy/Moorefield Regional Authority shall attach this form to the monthly Discharge Monitoring Report submitted to this office. Photocopies of the blank form should be made and filed as this office does not supply additional monitoring forms. All analytical lab forms need not be submitted, but should be available for inspection at the industrial user's facility.
07. This Division reserves the right to disallow the continued acceptance of the nondomestic wastewater(s) from any of the facilities described in Section D.1, or to require installation of additional pretreatment facilities, should the wastewater violate specified limitations, cause interference or pass-through at the POTW and result in effluent limitation violations or receiving stream degradation, or adversely impact POTW sludge disposal. Approval of the permittee's acceptance of the indirect discharge(s) in no way relieves the permittee of its obligation to comply with all terms and conditions of its WV/NPDES Permit and shall not constitute an affirmative defense in any enforcement action brought against the permittee.
08. The maximum instantaneous flow rate introduced into the headworks of the POTW from the sum of all non-domestic dischargers shall not exceed 3000 gpm.

The maximum daily flow introduced into the headworks of the POTW from the sum of all non-domestic dischargers shall not exceed 3.45 mgd.

Non-domestic dischargers may not be accepted during periods of hydraulic overload of the plant (greater than 4.1 MGD).
09. Discharge of any wastewater from Pilgrim's Pride via combined sewer overflows (C002/C003) from the Town of Moorefield (WV/NPDES Permit No. WV0020150) collection system is prohibited.

Section E - Nutrient Requirements

- 01. The Chesapeake Bay Total Maximum Daily Load (TMDL) provides individual total nitrogen and total phosphorous wasteload allocations of 51,431 pounds per year and 5,221 pounds per year respectively.
- 02. Permit limitations for total nitrogen, total phosphorous, and total suspended solids are being implemented on an annual total load basis. The Annual Total Load Limitations shall be attained in accordance with the following:

- a. The Division recognizes there is not an EPA approved method to directly test for Total Nitrogen. The Total Nitrogen value to be reported on the permittee's Discharge Monitoring Reports (DMRs) shall be the sum of the following parameters; Total Kjeldahl Nitrogen, Nitrate, and Nitrite.
 - 1) If all three (3) constituents of total nitrogen are not detected at its method detection limit (MDL), the permittee shall sum the actual MDLs for each constituent and report the result as less than the calculation.
 - 2) When calculating the sum of the constituents for total nitrogen, the permittee shall use actual analytical results when these results are greater than or equal to the MDL for a particular constituent and should use zero (0) for a constituent if one or two of the constituents are less than the MDL.
- b. Effluent monitoring for the following pollutants shall be conducted using the most sensitive methods and detection levels commercially available and economically feasible. The following methods and detection levels are recommended to be used unless the permittee desires to use an EPA Approved Method with a lower detection level:

Parameter	EPA Method No.	Method Detection Limit (mg/l)
Total Kjeldahl Nitrogen	351.4	0.03
Nitrate Nitrogen	300.0	0.002
Nitrite Nitrogen	300.0	0.004
Total Phosphorous	365.4	0.01

Any "not detected (ND)" results by the permittee must be "ND" at the method detection limit (MDL) for the test method used for that parameter and must be reported as less than the MDL used (See Section 2.a for nitrogen). The permittee may not report the result as zero, "ND", or report the result as less than a minimum level (ML), a reporting limit (RL), or a practical quantitation limit (PQL).

- c. The permittee shall collect twenty four (24) hour composite samples for total phosphorous, total suspended solids, and for each constituent of total nitrogen. All sampling shall be collected concurrently and shall be representative of normal operations.
- d. The actual total (not the average) monthly flow shall be used in conjunction with the average monthly total nitrogen, average monthly total phosphorous, and average total suspended solids concentration results in order to determine the total monthly mass results for DMR reporting purposes.

$$[\text{Total Flow Discharged in Month (Million Gallons per Month)}] * [\text{Average Monthly Nutrient Concentration (mg/l)}] * [8.34] = \text{Monthly Load (lbs/month)}$$

- e. The sum of the total monthly mass results for total nitrogen, total phosphorous, and total suspended solids for each outlet shall not exceed the following annual mass limitations for any year.

FINAL LIMITS AS PRESCRIBED IN SECTION A.001

Parameter	Annual Total Load Limit
Total Nitrogen	51,431 lbs/yr
Total Phosphorous	5,221 lbs/yr

- f. As a guideline, the permittee shall measure its monthly performance to determine if operations will achieve the annual total load limits. If the total monthly load exceeds 4,286 lbs/month for nitrogen or 435 lbs/month for phosphorous, the permittee shall submit written documentation which explains the elevated monthly totals and the rationale for ensuring that the annual loads will still be achieved in future months.
- 03. Expansion of the wastewater treatment plant beyond the annual total load limits in Section E.2.e shall require the permittee to obtain offsets. Said offsets shall be submitted to the Director for approval, and the permit subsequently modified prior to any expansion.
 - a. At present, no trading or offset program has been established by the state. Proposals will continue to be evaluated on a case-by-case basis until a trading and/or offset program has been established.

Section E - Nutrient Requirements

04. The annual monitoring period for total nitrogen and total phosphorous is prescribed as July 1st through June 30th of each year. As such, the permittee shall report the total annual mass load for total nitrogen and total phosphorous based on monthly totals from July 1st through June 30th on its June DMR.
05. The permittee shall submit an annual report on, or before, August 1 each year which summarizes the following information.
 - a. The permittee shall summarize the previous year's nutrient data. This may be accomplished in letter form and shall include all calculations of the year's mass loadings reported. In general, this report shall include a table depicting the monthly loadings discharged for the previous year as well as an assessment of compliance with the nitrogen , phosphorus, and suspended solids annual limitations in Section A.001.
 - b. For the purpose of this condition, a year is defined as July 1st through June 30th.

Section F - Sludge Management Requirements

01. The permittee shall monitor and report monthly on the enclosed Sewage Sludge Management Report form the quality and quantity of sewage sludge produced. The required report shall be received no later than 20 days following the end of the reporting period and be addressed to:

Director
Division of Water and Waste Management
601 57th Street, SE
Charleston, West Virginia 25304
Attn: Permitting Branch
02. The permittee shall provide copies of monthly reports to the county or regional solid waste authority in which the facility or land disposal site(s) is located.
03. The Sewage Sludge Monitoring Report form shall be submitted semi-annually. The required report shall be received no later than 20 days following the end of the reporting period and shall be addressed to:

Director
Division of Water and Waste Management
601 57th Street, SE
Charleston, West Virginia 25304
Attn: Permitting Branch
04. The following methods of sludge disposal shall be used for sewage sludge generated and/or processed at the permitted facility:
 - a. Landfill Disposal:

Sewage sludge may be disposed at a landfill by placing the sewage sludge in the landfill cell, provided that the landfill obtains approval from the Division of Water and Waste Management to allow the acceptance of sewage sludge from the permittee, and provided that the landfill(s) is/are identified in the permit application. Prior approval by the Division of Water and Waste Management is required to change landfill disposal site(s).
 - b. Disbursement of Compost Material:
 - i) Small Containers - Exceptional Quality (Class A) compost may be distributed by the permittee in a bag or other container (buckets, boxes, cartons, vehicles, or trailers) with a capacity of one (1) metric ton or less.
 - ii) Small Bulk Quantities - Exceptional Quality (Class A) compost may be distributed by the permittee in bulk quantities when the compost is to be applied on sites less than two (2) acres in size and the quantity of Exceptional Quality (Class A) compost applied does not exceed the agronomic rate or 15 dry tons per acre, whichever is less.
 - iii) Distribution to Commercial Sellers or Distributors - Exceptional Quality (Class A) compost may be distributed by the permittee in bulk quantities to nurseries, landscaping companies, and turf growers.
 - iv) General Distribution of Bulk Quantities for Land Application - Exceptional Quality (Class A) compost may be distributed by the permittee in bulk quantities for land application to any person holding a land application permit from this Department to land apply compost generated by the permittee.
05. Areas used for processing, curing, and/or storage of sewage sludge shall be designed, constructed and operated to prevent release of contaminants to the groundwater and/or surface water.
06. All analyses performed on soils and sewage sludges shall be analyzed in accordance with analytical methods listed in 40 CFR Part 503.8 except that Nutrients may be analyzed in accordance with the most recently approved edition of Standard Methods and pH may be analyzed using EPA Method 9045A.
07. The limitations and monitoring requirements listed in Section A.S01 of this Permit shall apply to the sewage sludge or sewage sludge products.

Section F - Sludge Management Requirements

08. The appropriate composite sampling procedures shall be based upon the particular sludge processing methods used by the permittee. The appropriate composite sampling procedures shall also be used to obtain the composite samples listed in Section A.S01 of this Permit. The composite sampling procedures for the various methods are described as follows:

Belt Press or Vacuum Filter - During the week that the composite sample is obtained, the permittee shall take a minimum of three (3) grab samples during each day of the week that the dewatering system is in operation. These grab samples are to be mixed together and the final sample obtained from the composite. Samples should be collected at a point immediately after the dewatering operation.

Sewage Sludge Drying Beds - During the week that the composite sample is obtained, the permittee shall take a minimum of four (4) grab samples from each bed finished during that week. These grab samples are to be mixed together and the final sample obtained from the composite.

Composting or Stock Piles - The permittee shall obtain a minimum of eight (8) grab samples from the pile of finished product. These grab samples are to be mixed together and the final sample obtained from the composite.

09. The permittee shall maintain all records and reports of all monitoring required by Section F of this permit for five (5) years after the date of monitoring or reporting. Records shall include all sampling results, including pathogen reduction and vector attraction reduction monitoring and sampling conducted in accordance with Section A.S01; any landfill receipts; copies of all required reports; and records of all data used to complete these reports.

10. Sewage sludge disposed in a landfill cell shall be a non-hazardous material as defined in 40 CFR Part 261.24 and a minimum of 20 percent solids. If the sewage sludge is not 20 percent solids, a bulking agent may be used to achieve 20 percent solids before the sewage sludge is weighed in at the landfill. Alternative sludge disposal methods at the landfill can be utilized upon obtaining prior written approval from the Director of the Division of Water and Waste Management.

11. If sewage sludge is used for revegetation, or spread in any other manner at the landfill, the sewage sludge shall meet all of the land application requirements. These requirements include vector attraction and pathogen reduction methods, heavy metals limits, and abiding by an approved loading rate based on soil analyses.

12. The following primary method for pathogen reduction shall apply to the sewage sludge or sewage sludge products:

- a. **Composting** - Using the within-vessel method, each bay of the compost facility shall be maintained at 55 degrees Celsius or higher for three (3) consecutive days, and either the fecal coliform count must remain below 1,000 MPN (Most Probable Number) per gram of total dry solids or the Salmonella sp. count must remain below three (3) MPN per four (4) grams of total dry solids.
- b. If compliance cannot be achieved using the primary method for pathogen reduction, then the permittee must obtain approval from the Director prior to using a secondary method. The permittee may only dispose of sewage sludge in compliance with F.4 of this Permit until approval of a secondary pathogen reduction method is granted.

13. The following primary method for vector attraction reduction shall apply to the sewage sludge or sewage sludge products:

- a. **Composting** - The within-vessel compost facility (including the sewage sludge) shall be maintained at a temperature higher than 40 degrees Celsius for 14 consecutive days or longer and the average temperature maintained above 45 degrees Celsius during the same 14 day time period.
- b. If compliance cannot be achieved using the primary method for vector attraction reduction, then the permittee must obtain approval from the Director prior to using a secondary method. The permittee may only dispose of sewage sludge in compliance with F.4 of this Permit until approval of a secondary vector attraction method is granted.

Section F - Sludge Management Requirements

14. The permittee shall monitor the temperature of each zone of each composting bay for pathogen reduction and vector attraction reduction at least two (2) times/day with measurements taken seven (7) hours or more apart. The first 12 feet zone of each bay shall be considered a loading zone and temperatures are not required to be recorded for this area. The temperature of the compost bays must be monitored in a manner which demonstrates that pathogen reduction and vector attraction reduction is being achieved for each batch of the compost, accounting for movement through the different zones of the compost bays during the period that pathogen reduction and vector attraction reduction is being achieved. Daily logs documenting these measurement activities shall be maintained at the facility and made readily available for review by authorized representatives of the Director of the Division of Water and Waste Management.
15. Within 30 days prior to distribution of finished composted material, the permittee shall take a series of seven (7) samples representative of the entire pile. The samples shall be analyzed individually and the geometric mean of the results shall be used to determine the pile's rating as either Class A or Class B with respect to pathogens. In order to attain a Class A rating (Exceptional Quality), the geometric mean for fecal coliform must remain below 1,000 MPN (Most Probable Number) per gram of total dry solids or the Salmonella sp. must remain below three (3) MPN per four (4) grams of total dry solids.

and

Within 30 days prior to distribution of finished composted material, the permittee shall also collect composite samples for the pollutants in Section A.S01 of this permit which shall be collected in accordance with the Section F.11 composting composite sample procedures in this permit. In addition, in order to attain a Class A rating (Exceptional Quality), all limitations in Section A.S01 must be achieved.

If any part of the above requirements are not achieved, then the finished composted material shall not be designated with a Class A rating (Exceptional Quality) and cannot be disposed as compost material in accordance with any of the methods in Section F.4.b of this permit.

16. The permittee shall supply all recipients of the composted sewage sludge an information sheet which contains the information listed in 40 CFR 503.14.e and directions for appropriate safe use of the material.
17. Prior to distributing any bulk compost products to other states, the permittee shall provide written notification to the permitting authority of the state in which the person to whom the bulk compost is distributed resides and to the appropriate U.S. Environmental Protection Agency Regional Administrator(s) for the region in which the composted material is to be distributed.
18. The permittee shall maintain distribution records including the names and addresses of each person receiving bulk Class A compost, the quantity of compost received by each person, and the results of all tests conducted by the permittee in association with such compost. This information shall be reported to the Department monthly. The permittee shall prepare a written certification that it compiled this information and provided it on a monthly basis to the Department, and provide a copy of this certification to each person that receives bulk compost from the permittee's facility.
19. Bulk compost and/or sewage sludge shall not be stored at an offsite location, prior to disbursement, for a period longer than one (1) week. The permittee may request that storage be allowed for a period not to exceed three (3) months when provisions are made to prevent leachate runoff to the surface water and/or groundwater. Such requests must be made in writing to the Director and written approval must be obtained from the Director prior to any storage exceeding a period of one (1) week.

The herein-described activity is to be extended, modified, added to, made, enlarged, acquired, constructed or installed, and operated, used and maintained strictly in accordance with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0106038; with the plan of maintenance and method of operation thereof submitted with such application(s); and with any applicable rules and regulations promulgated by the Environmental Quality Board and the Secretary of the Department of Environmental Protection.

Failure to comply with the terms and conditions of this permit, with the plans and specifications submitted with Permit Application No. WV0106038; and with the plan of maintenance and method of operation thereof submitted with such application(s) shall constitute grounds for the revocation or suspension of this permit and the invocation of all the enforcement procedures set forth in Chapter 22, Article 11, or 15 of the Code of West Virginia.

This permit is issued in accordance with the provisions of Chapter 22, Article 11 and 12 and/or 15 of the Code of West Virginia and is transferable under the terms of Section 11 of Article 11.


Scott G. Mandirola, Director

Appendix A

I. MANAGEMENT CONDITIONS:

1. Duty to Comply

- a) The permittee must comply with all conditions of this permit. Permit noncompliance constitutes a violation of the CWA and State Act and is grounds for enforcement action; for permit modification, revocation and reissuance, suspension or revocation; or for denial of a permit renewal application.
- b) The permittee shall comply with all effluent standards or prohibitions established under Section 307(a) of the CWA for toxic pollutants within the time provided in the regulations that establish these standards or prohibitions, even if the permit has not yet been modified to incorporate the requirement.

2. Duty to Reapply

If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for a new permit at least 180 days prior to expiration of the permit.

3. Duty to Mitigate

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit, which has a reasonable likelihood of adversely affecting human health or the environment.

4. Permit Actions

This permit may be modified, revoked and reissued, suspended, or revoked for cause. The filing of a request by the permittee for permit modification, revocation and reissuance, or revocation, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

5. Property Rights

This permit does not convey any property rights of any sort or any exclusive privilege.

6. Signatory Requirements

All applications, reports, or information submitted to the Director shall be signed and certified as required in Title 47, Series 10, Section 4.6 of the West Virginia Legislative Rules.

7. Transfers

This permit is not transferrable to any person except after notice to the Director. The Director may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary.

8. Duty to Provide Information

The permittee shall furnish to the Director, within a reasonable specified time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, suspending, or revoking this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

9. Other Information

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, it shall promptly submit such facts or information.

10. Inspection and Entry

The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- a) Enter upon the permittee's premises in which an effluent source or activity is located, or where records must be kept under the conditions of this permit;
- b) Have access to and copy at reasonable times, any records that must be kept under the conditions of this permit;
- c) Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and
- d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by the State Act, any substances or parameters at any location.

11. Permit Modification

This permit may be modified, suspended, or revoked in whole or in part during its term in accordance with the provisions of Chapter 22-11-12 of the Code of West Virginia.

12. Water Quality

Subject to 47 WV CSR 10.3.4.a, the effluent or effluents covered by this permit are to be of such quality so as not to cause violation of applicable water quality standards.

13. Outlet Markers

A permanent marker at the establishment shall be posted in accordance with Title 47, Series 11, Section 9 of the West Virginia Legislative Rules.

14. Liabilities

- a) Any person who violates a permit condition implementing sections 301, 302, 306, 307, 308, 318, or 405 of the Clean Water Act is subject to a civil penalty not to exceed \$25,000 per day of such violation. Any person who willfully or negligently violates permit conditions implementing sections 301, 302, 306, 307, 308 or 405 of the Clean Water Act is subject to a fine of not less than \$2,500 nor more than \$25,000 per day of violation, or by imprisonment for not more than 1 year, or both.
- b) Any person who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 2 years, or by both.
- c) Any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction, be punished by a fine of not more than \$10,000 per violation, or by imprisonment for not more than 2 years, or by both.
- d) Nothing in 1.14 a), b), and c) shall be construed to limit or prohibit any other authority the Director may have under the State Water Pollution Control Act, Chapter 22, Article 11.

II. OPERATION AND MAINTENANCE:

1. Proper Operation and Maintenance

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls, and appropriate quality assurance procedures. Unless otherwise required by Federal or State law, this provision requires the operation of back-up auxiliary facilities or similar systems which are installed by the permittee only when the operation is necessary to achieve compliance with the conditions of the permit. For domestic waste treatment facilities, waste treatment operators as classified by the WV Bureau of Public Health Laws, W. Va. Code Chapter 16-1, will be required except that in circumstances where the domestic waste treatment facility is receiving any type of industrial waste, the Director may require a more highly skilled operator.

2. Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.

3. Bypass

- a) Definitions
 - (1) "Bypass" means the intentional diversion of waste streams from any portion of a treatment facility; and
 - (2) "Severe property damage" means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.
- b) Bypass not exceeding limitations. The permittee may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it also is for essential maintenance to assure efficient operation. These bypasses are not subject to the provision of II.3.c) and II.3.d) of this permit.
- c)
 - (1) If the permittee knows in advance of the need for a bypass, it shall submit prior notice, if possible at least ten (10) days before the date of the bypass;
 - (2) If the permittee does not know in advance of the need for bypass, notice shall be submitted as required in IV.2.b) of this permit.
- d) Prohibition of bypass
 - (1) Bypass is permitted only under the following conditions, and the Director may take enforcement action against a permittee for a bypass, unless;
 - (A) Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
 - (B) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgement to prevent a bypass which occurred during normal periods of equipment downtime or preventative maintenance; and
 - (C) The permittee submitted notices as required under II.3.c) of this permit.
 - (2) The Director may approve an anticipated bypass, after considering its adverse effects, if the Director determines that it will meet the three conditions listed in II.3.d.(1) of this permit.

4. Upset

- a) Definition. "Upset" means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based permit effluent limitations because of factors beyond the reasonable control of the permittee. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.
- b) Effect of an upset. An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based permit effluent limitation if the requirements of II.4.c) are met. No determination made during administrative review of claims that noncompliance was caused by upset, and before an action for noncompliance, is final administrative action subject to judicial review.
- c) Conditions necessary for a demonstration of upset. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - (1) An upset occurred and that the permittee can identify the cause(s) of the upset;
 - (2) The permitted facility was at the time being properly operated;
 - (3) The permittee submitted notice of the upset as required in IV.2.b) of this permit.
 - (4) The permittee complied with any remedial measures required under I.3. of this permit.
- d) Burden of proof. In any enforcement proceeding the permittee seeking to establish the occurrence of an upset has the burden of proof.

5. Removed Substances

Where removed substances are not otherwise covered by the terms and conditions of this permit or other existing permit by the Director, any solids, sludges, filter backwash or other pollutants (removed in the course of treatment or control of wastewaters) and which are intended for disposal within the State, shall be disposed of only in a manner and at a site subject to the approval by the Director. If such substances are intended for disposal outside the State or for reuse, i.e., as a material used for making another product, which in turn has another use, the permittee shall notify the Director in writing of the proposed disposal or use of such substances, the identity of the prospective disposer or users, and the intended place of disposal or use, as appropriate.

III. MONITORING AND REPORTING

1. Representative Sampling

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.

2. Reporting

- a) Permittee shall submit, according to the enclosed format, a Discharge Monitoring Report (DMR) indicating in terms of concentration, and/or quantities, the values of the constituents listed in Part A analytically determined to be in the plant effluent(s). DMR submissions shall be made in accordance with the terms contained in Section C of this permit.
- b) Enter reported average and maximum values under "Quantity" and "Concentration" in the units specified for each parameter, as appropriate.
- c) Specify the number of analyzed samples that exceed the allowable permit conditions in the columns labeled "N.E." (i.e., number exceeding).
- d) Specify frequency of analysis for each parameter as number of analyses/specified period (e.g., 3/month is equivalent to 3 analyses performed every calendar month). If continuous, enter "Cont.". The frequency listed on format is the minimum required.

3. Test Procedures

Samples shall be taken, preserved and analyzed in accordance with the latest edition of 40 CFR Part 136, unless other test procedures have been specified elsewhere in this permit.

4. Recording of Results

For each measurement or sample taken pursuant to the permit, the permittee shall record the following information.

- a) The date, exact place, and time of sampling or measurement;
- b) The date(s) analyses were performed;
- c) The individual(s) who performed the sampling or measurement;
- d) The individual(s) who performed the analyses; if a commercial laboratory is used, the name and address of the laboratory;
- e) The analytical techniques or methods used, and
- f) The results of such analyses. Information not required by the DMR form is not to be submitted to this agency, but is to be retained as required in III.6.

5. Additional Monitoring by Permittee

If the permittee monitors any pollutant at any monitoring point specified in this permit more frequently than required by this permit, using approved test procedures or others as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the Discharge Monitoring Report Form. Such increased frequency shall also be indicated. Calculations for all limitations which require averaging of measurements shall utilize an arithmetic mean unless otherwise specified in the permit.

6. Records Retention

The permittee shall retain records of all monitoring information, including all calibration and maintenance records and all original chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for the permit, for a period of at least three (3) years from the date of the sample, measurement, report or application. This period may be extended by request of the Director at any time.

7. Definitions

- a) "Daily discharge" means the discharge of a pollutant measured during a calendar day or within any specified period that reasonably represents the calendar day for purposes of sampling. For pollutants with limitations expressed in units of mass, the daily discharge is calculated as the total mass of the pollutant discharged over the day. For pollutants with limitations expressed in other units of measurement, the daily discharge is calculated as the average measurement of the pollutant over the day.
- b) "Average monthly discharge limitation" means the highest allowable average of daily discharges over a calendar month, calculated as the sum of all daily discharges measured during a calendar month divided by the number of daily discharges measured during that month.
- c) "Maximum daily discharge limitation" means the highest allowable daily discharge.
- d) "Composite Sample" is a combination of individual samples obtained at regular intervals over a time period. Either the volume of each individual sample is proportional to discharge flow rates or the sampling interval (for constant volume samples) is proportional to the flow rates over the time period used to produce the composite. The maximum time period between individual samples shall be two hours.
- e) "Grab Sample" is an individual sample collected in less than 15 minutes.
- f) "is" = immersion stabilization - a calibrated device is immersed in the effluent stream until the reading is stabilized.
- g) The "daily average temperature" means the arithmetic average of temperature measurements made on an hourly basis, or the mean value plot of the record of a continuous automated temperature recording instrument, either during a calendar month, or during the operating month if flows are of shorter duration.
- h) The "daily maximum temperature" means the highest arithmetic average of the temperatures observed for any two (2) consecutive hours during a 24 hour day, or during the operating day if flows are of shorter duration.
- i) The "monthly average fecal coliform" bacteria is the geometric average of all samples collected during the month.
- j) "Measured Flow" means any method of liquid volume measurement, the accuracy of which has been previously demonstrated in engineering practice, or which a relationship to absolute volume has been obtained.
- k) "Estimate" means to be based on a technical evaluation of the sources contributing to the discharge including, but not limited to pump capabilities, water meters and batch discharge volumes.
- l) "Non-contact cooling water" means the water that is contained in a leak-free system, i.e., no contact with any gas, liquid, or solid other than the container for transport; the water shall have no net poundage addition of any pollutant over intake water levels, exclusive of approved anti-fouling agents.

IV. OTHER REPORTING

1. Reporting Spills and Accidental Discharges

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities or penalties established pursuant to Title 47, Series 11, Section 2 of the West Virginia Legislative Rules promulgated pursuant to Chapter 22, Article 11. Attached is a copy of the West Virginia Spill Alert System for use in complying with Title 47, Series 11, Section 2 of the Legislative rules as they pertain to the reporting of spills and accidental discharges.

2. Immediate Reporting

- a) The permittee shall report any noncompliance which may endanger health or the environment immediately after becoming aware of the circumstances by using the Agency's designated spill alert telephone number. A written submission shall be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.
- b) The following shall also be reported immediately:
 - (1) Any unanticipated bypass which exceeds any effluent limitation in the permit;
 - (2) Any upset which exceeds any effluent limitation in the permit; and
 - (3) Violation of a maximum daily discharge limitation for any of the pollutants listed by the Director in the permit to be reported immediately. This list shall include any toxic pollutant or hazardous substance, or any pollutant specifically identified as the method to control a toxic pollutant or hazardous substance.
- c) The Director may waive the written report on a case-by-case basis if the oral report has been received in accordance with the above.
- d) Compliance with the requirements of IV.2 of this section, shall not relieve a person of compliance with Title 47, Series 11, Section 2.

3. Reporting Requirements

- a) Planned changes. The permittee shall give notice to the Director of any planned physical alterations or additions to the permitted facility which may affect the nature or quantity of the discharge. Notice is required when:
 - (1) The alteration or addition to a permitted facility may meet one of the criteria for determining whether a facility is a new source in Section 13.7.b of Series 10, Title 47; or
 - (2) The alteration or addition could significantly change the nature or increase the quantity of pollutants discharged. This notification applies to pollutants which are subject neither to effluent limitations in the permit, nor to notification requirements under IV.2 of this section.
- b) Anticipated noncompliance. The permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- c) In addition to the above reporting requirements, all existing manufacturing, commercial, and silvicultural discharges must notify the Director in writing as soon as they know or have reason to believe:
 - (1) That any activity has occurred or will occur which would result in the discharge, on a routine or frequent basis, or any toxic pollutant which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
 - (A) One hundred micrograms per liter (100 ug/l);
 - (B) Two hundred micrograms per liter (200 ug/l) for acrolein and acrylonitrile; five hundred micrograms per liter (500 ug/l) for 2,4-dinitro phenol; and for 2-methyl 4,6-dinitrophenol; and one milligram per liter (1 mg/l) for antimony;
 - (C) Five (5) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.9 of Series 10, Title 47.
 - (D) The level established by the Director in accordance with Section 6.3.g of Series 10, Title 47;
 - (2) That any activity has occurred or will occur which would result in any discharge (on a non-routine or infrequent basis) of a toxic which is not limited in the permit, if that discharge will exceed the highest of the following "notification levels":
 - (A) Five hundred micrograms per liter (500 ug/l);
 - (B) One milligram per liter (1 mg/l) for antimony;
 - (C) Ten (10) times the maximum concentration value reported for that pollutant in the permit application in accordance with Section 4.4.b.7 of Series 10, Title 47;
 - (D) The level established by the Director in accordance with Section 6.3.g of Series 10, Title 47.
 - (3) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 10, Title 47 and which will result in the discharge on a routine or frequent basis of that toxic pollutant at levels which exceed five times the detection limit for that pollutant under approved analytical procedure.
 - (4) That they have begun or expect to begin to use or manufacture as an intermediate or final product or by-product of any toxic pollutant which was not reported in the permit application under Section 4.4.b.9 of Series 10, Title 47 and which will result in the discharge on a non-routine or infrequent basis of that toxic pollutant at levels which exceed ten times the detection limit for that pollutant under approved analytical procedure.

4. Other Noncompliance

The permittee shall report all instances of noncompliance not reported under the above paragraphs at the time monitoring reports are submitted. The reports shall contain the information listed in IV.2.a). Should other applicable noncompliance reporting be required, these terms and conditions will be found in Section C of this permit.

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Moorefield/Hardy County Regional WWTP, Moorefield-Hardy CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD; Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WW0106038 OUTLET NO.: 001
 WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units			Measurement Frequency	Sample Type		
		Units	CEL*	Units				
50050 (ML-1) RF-A Flow, In Conduit or thru plant Year Round	Reported Permit Limits	Rpt Only Monthly Total	N/A	Rpt Only Max. Daily	mgd	N/A	Continuous	measured
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported Permit Limits	1026 Avg. Monthly	2052 Max. Daily	10 Avg. Monthly	mg/l	N/A	2/week	24 hr Composite
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported Permit Limits	1026 Avg. Monthly	2052 Max. Daily	30 Avg. Monthly	mg/l	N/A	2/week	24 hr Composite
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported Permit Limits	N/A	N/A	N/A	Percent	N/A	1/week	Calculated
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported Permit Limits	N/A	N/A	N/A	Percent	N/A	1/week	Calculated
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported Permit Limits	N/A	N/A	200 Mon. Geo. Mean	Cnts/100m	N/A	2/week	Grab
00400 (ML-A) RF-A pH Year Round	Reported Permit Limits	N/A	N/A	6 Inst. Min.	S.U.	N/A	2/week	Grab
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported Permit Limits	N/A	N/A	6 Inst. Min.	mg/l	N/A	2/week	Grab

* CEL = Compliance Evaluation Level

Name of Principal Executive Officer		Date Completed
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: (Moorefield/Hardy County Regional WWTP) MOOREFIELD-HARDY CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WV0106038 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		CEL *	Units	N/E	Measurement Frequency	Sample Type
		Units	N/E					
00610 (ML-A) RF-A Ammonia Nitrogen Year Round	Reported							
	Permit Limits	68 Avg. Monthly	137 Max. Daily	N/A	2 Avg. Monthly	4 Max. Daily	2/week	24 hr Composite
00620 (ML-A) RF-A Nitrogen Nitrate Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	1/week	24 hr Composite
00615 (ML-A) RF-A Nitrogen Nitrite Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	1.48 Avg. Monthly	2.97 Max. Daily	1/week	24 hr Composite
00600 (ML-A) RF-D Nitrogen, Total (as N) Year Round	Reported							
	Permit Limits	N/A	51431 Annual Total	N/A	N/A	N/A	1/year	Calculated
00600 (ML-A) RF-A Nitrogen, Total (as N) Year Round	Reported							
	Permit Limits	Rpt Only Monthly Total	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	1/week	24 hr Composite
00665 (ML-A) RF-D Phosphorus, Total Year Round	Reported							
	Permit Limits	N/A	5221 Annual Total	N/A	N/A	N/A	1/year	Calculated
00665 (ML-A) RF-A Phosphorus, Total Year Round	Reported							
	Permit Limits	Rpt Only Monthly Total	N/A	N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	1/week	24 hr Composite
50060 (ML-A) RF-A Chlorine, Total Residual Year Round	Reported							
	Permit Limits	N/A	N/A	N/A	28 Avg. Monthly	57 Max. Daily	2/week	Grab

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<p>Name of Principal Executive Officer</p>	
<p>Title of Officer</p>	

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

Final Limitations
Year Round

FACILITY NAME: Moorefield/Hardy County Regional (WMTP) Moorefield-Hardy CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD; Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Quantity		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		Units	N.E.	Units	N.E.					
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		0.023 Avg. Monthly	0.046 Max. Daily	N/A	mg/l		2/month	24 hr Composite
01114 (ML-A) RF-B Lead, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		0.015 Avg. Monthly	0.03 Max. Daily	N/A	mg/l		2/month	24 hr Composite
01094 (ML-A) RF-D Zinc, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		0.202 Avg. Monthly	0.406 Max. Daily	N/A	mg/l		2/month	24 hr Composite
01113 (ML-A) RF-B Cadmium, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	24 hr Composite
71900 (ML-A) RF-B Mercury, Total (as Hg) Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	ug/l		1/quarter	Grab
01074 (ML-A) RF-B Nickel, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	24 hr Composite
01079 (ML-A) RF-B Silver, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	24 hr Composite
01104 (ML-A) RF-A Aluminum, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		1.04 Avg. Monthly	2.08 Max. Daily	N/A	mg/l		2/month	24 hr Composite

* CEL = Compliance Evaluation Level

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<p>Name of Principal Executive Officer</p>	<p>Signature of Principal Executive Officer or Authorized Agent</p>
<p>Title of Officer</p>	

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Moorefield/Hardy County Regional WWTP/MOOREFIELD-HARDY CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WV0106038 OUTLET NO.: 001
 WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Quantity		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
		Units	N.E.	Units	N.E.					
00980 (ML-A) RF-B Iron, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly		N/A	mg/l		1/quarter	24 hr Composite
00940 (ML-A) RF-B Chloride (as Cl) Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly		N/A	mg/l		1/quarter	24 hr Composite
61426 (ML-A) RF-B Chronic Tox-Ceriodaphnia Dubia Year Round	Reported									
	Permit Limits	N/A		4.1 Avg. Monthly	8.2 Max. Daily	N/A	TUc		1/quarter	24 hr Composite
61428 (ML-A) RF-B Chronic Toxicity - Pimephales Year Round	Reported									
	Permit Limits	N/A		4.1 Avg. Monthly	8.2 Max. Daily	N/A	TUc		1/quarter	24 hr Composite
00978 (ML-A) RF-A Arsenic, Total Recoverable Year Round	Reported									
	Permit Limits	N/A		0.01 Avg. Monthly	0.015 Max. Daily	N/A	mg/l		2/month	24 hr Composite
00722 (ML-A) RF-B Cyanide, Free Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly		N/A	mg/l		1/quarter	Grab
01220 (ML-A) RF-B Chromium, Hex. Diss. Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly		N/A	mg/l		1/quarter	24 hr Composite
00552 (ML-A) RF-A Oil and Grease, Hexane EXTR. Year Round	Reported									
	Permit Limits	N/A		Rpt Only Avg. Monthly		N/A	mg/l		2/month	Grab

* CEL = Compliance Evaluation Level

<p>Name of Principal Executive Officer</p> <p>Title of Officer</p>	<p>Date Completed</p> <p>Signature of Principal Executive Officer or Authorized Agent</p>
<p>I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.</p>	

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Pilgrim's Pride - Cook Plant MOOREFIELD-HARDY CO WASTEW CERTIFIED LABORATORY NAME:
 LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS:
 PERMIT NO.: WV0106038 OUTLET NO.: I001
 WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
00056 (ML-4) RF-A Flow Rate Year Round	Rpt Only Avg. Monthly 0.55 Max. Daily	N/A	N/A	Continuous	Recorded
00310 (ML-4) RF-A BOD, 5-Day 20 Deg.C Year Round	Rpt Only Avg. Monthly 6500 Max. Daily	N/A	N/A	1/week	24 hr Composite
00530 (ML-4) RF-A Total Suspended Solids Year Round	Rpt Only Avg. Monthly 2000 Max. Daily	N/A	N/A	1/week	24 hr Composite
00400 (ML-4) RF-A pH Year Round	N/A	5 Inst. Min.	10 Inst. Max.	1/week	Grab
00610 (ML-4) RF-A Ammonia Nitrogen Year Round	Rpt Only Avg. Monthly 150 Max. Daily	N/A	N/A	1/week	24 hr Composite
00620 (ML-4) RF-A Nitrogen Nitrate Year Round	Rpt Only Avg. Monthly	N/A	N/A	1/month	24 hr Composite
00615 (ML-4) RF-A Nitrogen Nitrite Year Round	Rpt Only Avg. Monthly	N/A	N/A	1/month	24 hr Composite
00600 (ML-4) RF-A Nitrogen, Total (as N) Year Round	Rpt Only Avg. Monthly 375 Max. Daily	N/A	N/A	1/week	24 hr Composite

* CEL = Compliance Evaluation Level

<p>Name of Principal Executive Officer</p> <p>Title of Officer</p>	<p>Date Completed</p> <p>Signature of Principal Executive Officer or Authorized Agent</p>
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STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Pilgrim's Pride - Cook Plant Moorefield-Hardy Co Wastew/ CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD; Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WV0106038 OUTLET NO.: IU01
 WASTELOAD FOR THE MONTH OF: _____ INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Quantity		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
	Rpt Only Avg. Monthly	Permit Limits	Units	N.E.					
00665 (ML-4) RF-A Phosphorus, Total Year Round	Reported								
	Permit Limits	43 Max. Daily	Lbs/Day	N/A	N/A		1/week	24 hr Composite	
01119 (ML-4) RF-A Copper, Total Recoverable Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A	0.177 Max. Daily	2/month	24 hr Composite	
01114 (ML-4) RF-A Lead, Total Recoverable Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A	0.041 Max. Daily	2/month	24 hr Composite	
01094 (ML-4) RF-A Zinc, Total Recoverable Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A	0.395 Max. Daily	2/month	24 hr Composite	
01104 (ML-4) RF-A Aluminum, Total Recoverable Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A	37.8 Max. Daily	2/month	24 hr Composite	
00980 (ML-4) RF-A Iron, Total Recoverable Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A	8.73 Max. Daily	2/month	24 hr Composite	
00940 (ML-4) RF-A Chloride (as Cl) Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A		1/month	24 hr Composite	
00978 (ML-4) RF-A Arsenic, Total Recoverable Year Round	Reported								
	Permit Limits	N/A		Rpt Only Avg. Monthly	N/A	0.01 Max. Daily	2/month	24 hr Composite	

* CEL = Compliance Evaluation Level

Name of Principal Executive Officer _____	Date Completed _____
Title of Officer _____	
I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.	
Signature of Principal Executive Officer or Authorized Agent _____	

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: Pilgrim's Pride - Cook Plant MOOREFIELD-HARDY CO WASTEWA CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WV0106038 OUTLET NO.: IJ01
 WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity		Other Units		CELS*	Units	N.E.	Measurement Frequency	Sample Type
	Reported	Permit Limits	Units	N.E.					
0055Z (ML-4) RF-A Oil and Grease, Hexane EXTR. Year Round	N/A	N/A	Rpt Only Avg. Monthly	100 Max. Daily	N/A	mg/l		1/week	Grab
					N/A				
					N/A				
					N/A				
					N/A				
					N/A				
					N/A				
					N/A				

* CEL = Compliance Evaluation Level

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.

Date Completed	
Signature of Principal Executive Officer or Authorized Agent	

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 DISCHARGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: (Pilgrim's Pride - Kill Plant), MOOREFIELD-HARDY CO WASTEWATER CERTIFIED LABORATORY NAME: _____
 LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS: _____
 PERMIT NO.: WV0106038 OUTLET NO.: IU02
 WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units			Measurement Frequency	Sample Type
		Units	N.E.	Units		
00056 (ML-4) RF-A Flow Rate Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	mgd	N/A	Continuous	Recorded
00059 (ML-4) RF-A Flow Rate, Instantaneous Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	gpm	N/A	Continuous	Recorded
00310 (ML-4) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00530 (ML-4) RF-A Total Suspended Solids Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00400 (ML-4) RF-A pH Year Round	Reported					
	Permit Limits	N/A	5 Inst. Min.	N/A	1/week	Grab
00610 (ML-4) RF-A Ammonia Nitrogen Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00620 (ML-4) RF-A Nitrogen Nitrate Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite
00615 (ML-4) RF-A Nitrogen Nitrite Year Round	Reported					
	Permit Limits	Rpt Only Avg. Monthly	Lbs/Day	N/A	1/week	24 hr Composite

* CEL = Compliance Evaluation Level

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.		Date Completed
Name of Principal Executive Officer _____ Title of Officer _____		Signature of Principal Executive Officer or Authorized Agent _____

FACILITY NAME: Pilgrim's Pride - Kill Plant, Moorefield-Hardy Co Wastewater CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD; Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: IU02

WASTELOAD FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS: _____

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
00600 (ML-4) RF-A Nitrogen, Total (as N) Year Round	Reported Permit Limits Rpt Only Avg. Monthly 1950 Max. Daily	N/A	N/A	1/week	24 hr Composite
00665 (ML-4) RF-A Phosphorus, Total Year Round	Reported Permit Limits Rpt Only Avg. Monthly 225 Max. Daily	N/A	N/A	1/week	24 hr Composite
01119 (ML-4) RF-A Copper, Total Recoverable Year Round	Reported Permit Limits N/A	Rpt Only Avg. Monthly 0.052 Max. Daily	N/A	1/week	24 hr Composite
01114 (ML-4) RF-A Lead, Total Recoverable Year Round	Reported Permit Limits N/A	Rpt Only Avg. Monthly 0.012 Max. Daily	N/A	1/week	24 hr Composite
01094 (ML-4) RF-A Zinc, Total Recoverable Year Round	Reported Permit Limits N/A	Rpt Only Avg. Monthly 0.117 Max. Daily	N/A	1/week	24 hr Composite
01104 (ML-4) RF-A Aluminum, Total Recoverable Year Round	Reported Permit Limits N/A	Rpt Only Avg. Monthly 11.1 Max. Daily	N/A	1/week	24 hr Composite
00980 (ML-4) RF-A Iron, Total Recoverable Year Round	Reported Permit Limits N/A	Rpt Only Avg. Monthly 2.57 Max. Daily	N/A	1/week	24 hr Composite
00940 (ML-4) RF-A Chloride (as Cl) Year Round	Reported Permit Limits N/A	Rpt Only Avg. Monthly	N/A	1/month	24 hr Composite

* CEL = Compliance Evaluation Level

<p>I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.</p>	<p>Date Completed</p> <p>Signature of Principal Executive Officer or Authorized Agent</p>
<p>Name of Principal Executive Officer</p>	<p>Title of Officer</p>

FACILITY NAME: (Regional Wastewater Treatment Plant) MOOREFIELD-HARDY CO.1 CERTIFIED LABORATORY NAME: _____

LOCATION OF FACILITY: MOOREFIELD; Hardy County CERTIFIED LABORATORY ADDRESS: _____

PERMIT NO.: WV0106038 OUTLET NO.: S01

RESULTS FOR THE MONTH OF: _____

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity	Other Units		Measurement Frequency	Sample Type
		Units	N.E.		
74055 (ML-+) RF-B Coliform, Fecal Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	Grab
00400 (ML-+) RF-B pH Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	Grab
61521 (ML-+) RF-B Arsenic, Sludge Tot Dry Wt. Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
78476 (ML-+) RF-B Cadmium, Sludge, Tot Dry Wt. Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
78473 (ML-+) RF-B Chromium, Dry Wt. Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
78475 (ML-+) RF-B Copper, Sludge, Tot, Dry Wt. Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
78468 (ML-+) RF-B Lead, Dry, Wt. Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp
78471 (ML-+) RF-B Mercury, Dry Wt. Year Round	Reported				
	Permit Limits	N/A	N/A	1/quarter	1/wk Comp

* CEL = Compliance Evaluation Level

<p>I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.</p>	<p>Date Completed _____</p> <p>Signature of Principal Executive Officer or Authorized Agent _____</p>
<p>Name of Principal Executive Officer _____</p>	<p>Title of Officer _____</p>

STATE OF WEST VIRGINIA
 NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
 SEWAGE SLUDGE MONITORING REPORT

Final Limitations
 Year Round

FACILITY NAME: (Regional Wastewater Treatment Plant) MOOREFIELD-HARDY.CO.1 CERTIFIED LABORATORY NAME:

LOCATION OF FACILITY: MOOREFIELD, Hardy County CERTIFIED LABORATORY ADDRESS:

PERMIT NO.: WV0106038 OUTLET NO.: S01

RESULTS FOR THE MONTH OF:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter	Quantity		Other Units		CEL*	Units	N.E.	Measurement Frequency	Sample Type
	Units	N.E.	Units	N.E.					
78465 (ML-+) RF-B Molybdenum, Dry Wt. Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			18 Maximum					
78469 (ML-+) RF-B Nickel, Dry Wt. Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			200 Maximum					
49031 (ML-+) RF-B Selenium, Sludge, Tot. Dry Wt. Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			36 Maximum					
78467 (ML-+) RF-B Zinc, Dry Wt. Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			2800 Maximum					
00916 (ML-+) RF-B Calcium, Total (as Ca) Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			Rpt Only Maximum					
61553 (ML-+) RF-B Solids, Total Sludge Percent Year Round	Reported	N/A	N/A		N/A	Percent		1/quarter	1/wk Comp
	Permit Limits			Rpt Only Minimum Avg.					
78472 (ML-+) RF-B Potassium, Sludge Tot. Dry Wt. Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			Rpt Only Maximum					
78478 (ML-+) RF-B Phosphorus, Sludge, Tot. Dry Wt. Year Round	Reported	N/A	N/A		N/A	mg/kg		1/quarter	1/wk Comp
	Permit Limits			Rpt Only Maximum					

* CEL = Compliance Evaluation Level

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information including the possibility of a fine and imprisonment for knowing violations.		Date Completed
Name of Principal Executive Officer		Signature of Principal Executive Officer or Authorized Agent
Title of Officer		

SEWAGE SLUDGE MANAGEMENT REPORT

FACILITY NAME: (Regional Wastewater Treatment Plant)MOOREFIELD-HARDY CO V DESIGN FLOW: 4,100,000 gpd PERMIT NUMBER: WV0106038
ADDRESS: 206 Winchester Avenue, Moorefield, WV 26836 YEAR: MONTH: MONITORING FREQUENCY: LAST SAMPLE DATE:

Total Sludge Generated this Report Period: (Dry Tons) Disposal Method:
Sludge Generated this Year to Date: (Dry Tons) Amount Disposed: (Dry tons)
Sewage Sludge/Domestic Septage Received: (Gallons) Name of Landfill or Compost Facility:

Percent Solids: Average: Measurement Frequency: Number of Loads Landfilled With Less Than 20% Solids:

Pathogen Reduction Method:

- Not Applicable. No land application of sewage sludge.
- Fecal Coliform Monitoring: Geometric mean of last seven samples is col/dry gram
- Sample results for this report period were: col/dry gram
- Limit Addition: pH of sample two hours after lime addition: Range
- Aerobic Digestion: Average detention time for this report period:(days) Range
- Anaerobic Digestion: Average detention time for this report period:(days) Range
- Other: (Provide Description) Range

NE: Number of loads land applied which did not fully meet pathogen reduction requirements:

Vector Attraction Reduction Method:

- Not Applicable. No land application of sewage sludge.
- 38% Volatile Solids Reduction: Average volatile solids reduction for the month of was percent
- SOUR: The average Specific Oxygen Uptake rate for the month of was mg Oxygen/hour/dry gram
- Lime Addition: pH of sample two hours after lime addition: Range
- pH of sample 24 hours after lime addition: Range
- Other: (Provide Description)

NE: Number of loads land applied which did not fully meet vector attraction reduction requirements:

I certify under penalty of law that the management practices, vector attraction reduction requirements, and the pathogen reduction requirements of Federal regulations 40 CFR Part 503 and State Regulation Title 33, Series 2 have been met for all sewage sludge land applied during this report period. This determination has been made under my supervision in accordance with a system designed to ensure that qualified personnel properly gather and evaluate information used to determine these requirements have been met. I also certify that this document and all the attachments were prepared under my direction or supervision, and that the information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are penalties for false certification including the possibility of fine and imprisonment.

OFFICIAL: TITLE
SIGNATURE DATE

Additional Comments or Explanation:

**EMERGENCY RESPONSE SPILL ALERT SYSTEM
WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION**

REQUIREMENTS:

Title 47, Series 11, Section 2 of the West Virginia Legislative Rules, Environmental Protection, Water Resources - Waste Management, Effective July 1, 1994.

RESPONSIBILITY FOR REPORTING:

Each and every person who may cause or be responsible for any spill or accidental discharge of pollutants into the waters of the State shall give immediate notification to the Division of Water and Waste Management's Emergency Notification Number, 1-800-642-3074. Such notification shall set forth insofar as possible and as soon thereafter as practical the time and place of such spill or discharge, type or types and quantity or quantities of the material or materials therein, action or actions taken to stop such spill or discharge and to minimize the polluting effect thereof, the measure or measures taken or to be taken in order to prevent a recurrence of any such spill or discharge and such additional information as may be requested by the Division of Water and Waste Management. This also applies to spills to the waters of the State resulting from accidents to common carriers by highway, rail and water.

It shall be the responsibility of each industrial establishment or other entity discharging directly to a stream to have available the following information pertaining to those substances that are employed or handled in its operation in sufficiently large amounts as to constitute a hazard in case of an accidental spill or discharge into a public stream:

- (1) Potential toxicity in water to man, animals and aquatic life;
- (2) Details on analytical procedures for the quantitative estimation of such substances in water and
- (3) Suggestions on safeguards or other precautionary measures to nullify the toxic effects of a substance once it has gotten into a stream.

Failure to furnish such information as required by Section 14, Article 11, Chapter 22, Code of West Virginia may be punishable under Section 24, Article 11, Chapter 22, and/or Section 22, Article 11, Chapter 22, Code of West Virginia.

It shall be the responsibility of any person who causes or contributes in any way to the spill or accidental discharge of any pollutant or pollutants into State waters to immediately take any and all measures necessary to contain such spill or discharge. It shall further be the responsibility of such person to take any and all measures necessary to clean-up, remove and otherwise render such spill or discharge harmless to the waters of the State.

When the Director determines it necessary for the effective containment and abatement of spills and accidental discharges, the Director may require the person or persons responsible for such spill or discharge to monitor affected waters in a manner prescribed by the Director until the possibility of any adverse effect on the waters of the State no longer exists.

VOLUNTARY REPORTING BY LAW OFFICERS, U. S. COAST GUARD, LOCK MASTERS AND OTHERS:

In cases involving river and highway accidents where the responsible party may or may not be available to report the incident, law officers, U. S. Coast Guard, Lock Masters and other interested person(s) should make the report.

WHO TO CONTACT:

Notify the following number: **1-800-642-3074**

INFORMATION NEEDED:

- | | |
|--|---------------------------------------|
| - Source of spill or discharge | - Personnel at the scene |
| - Location of incident | - Actions initiated |
| - Time of incident | - Shipper/Manufacturer identification |
| - Material spilled or discharged | - Railcar/Truck identification number |
| - Amount spilled or discharged | - Container type |
| - Toxicity of material spilled or discharged | |

NOTICE TO PERMITTEES

The 1999 regular session of the West Virginia legislature revised the Water Pollution Control Act, Chapter 22, Article 11, Section 10 of the Code of West Virginia relating to fees associated with permits. This section of the Code requires all holders of a State water pollution control permit or a national pollutant discharge elimination system permit to be assessed an annual permit fee, based upon rules promulgated by the Secretary of the Department of Environmental Protection. The Secretary has promulgated a final rule in accordance with the code revision to this effect and these rules were effective May 4, 2000. The rules establish an annual permit fee based upon the relative potential to degrade the waters of the State which, in most instances, relate to volume of discharge. However, for sewage facilities, the annual permit fee is based upon the number of customers served by the facility. You may contact the Secretary of State's Office, State Capitol Building, Charleston, WV 25305, to obtain a copy of the rules. The reference is Title 47, Legislative Rules, Department of Environmental Protection, Division of Water Resources, Series 26 Water Pollution Control Permit Fee Schedules.

Based upon the volume of discharge for which your facility is currently permitted, the number of customers served by your facility or for the category you fall within, pursuant to Section 7 of Title 47, Series 26, your annual permit fee is **\$2500.00**. This fee is due no later than the anniversary date of permit issuance in each year of the term of the permit or in the case of coverage under a general permit, the fee is due no later than the anniversary date of your coverage under the general permit. **You will be invoiced by this agency at the appropriate time for the fee.** 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.

RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this permit which you are aggrieved by to the Environmental Quality Board by filing a NOTICE OF APPEAL on the form prescribed by such Board for this purpose, with the Board, in accordance with the provisions of Section 21, Article 11, Chapter 22 of the Code of West Virginia within thirty (30) days after the date of receipt of the above permit.

STATE OF WEST VIRGINIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER AND WASTE MANAGEMENT

FACT SHEET ADDENDUM

1. **NAME AND ADDRESS OF APPLICANT**
MOOREFIELD-HARDY CO WASTEWATER
AUTHORITY
206 WINCHESTER AVENUE
MOOREFIELD, WV 26836

2. **NAME AND ADDRESS OF FACILITY**
Regional Wastewater Treatment Plant
US Route 220
Moorefield, WV 26836

3. **STATE NPDES APPLICATION NO.** WV0106038

4. **COUNTY** Hardy
RECEIVING STREAM South Branch Potomac River

5. **PUBLIC NOTICE NO.** L-54-11
COMMENT PERIOD: From 05/04/2011 To 06/03/2011

6. **SIC CODE(s)** 4952

**Note: This is an addendum to the original FACT SHEET.
Only items changed in the permit are addressed in this addendum.**

7. DESCRIPTION OF APPLICANT'S FACILITY OR ACTIVITY
CHESAPEAKE BAY TMDL

The permittee discharges to the South Branch of the Potomac River which is a tributary to the Potomac River and ultimately the Chesapeake Bay. The USEPA issued the Chesapeake Bay TMDL on December 29, 2010 which specifies total annual loads for nitrogen and phosphorus for each of the existing WV /NPDES Permits for the Town of Moorefield, Pilgrim's Pride (Cook Plant), Pilgrim's Pride (Kill Plant), and Caledonia Heights Sewage Treatment Plant.

The nitrogen and phosphorus permit limits imposed in Section A.001 and Section E of this permit are based on the the sum of the total annual loads prescribed in the TMDL for the Town of Moorefield (WV /NPDES Permit No. WV0020150 Outlet 001), Pilgrims Pride Kill Plant (WV/NPDES Permit No. WV0005495 Outlet 001), Pilgrims Pride Cook Plant (WV/NPDES Permit No. WV0047236 Outlet 105), and Caledonia Heights (WV/NPDES Permit No. WVG550723 Outlet 001).

- Additional Nitrogen and Phosphorus Loading

The USEPA issued the Chesapeake Bay TMDL on December 29, 2010 which specifies total annual loads for nitrogen, phosphorus, and total suspended solids for significant facilities. WV's WIP and the Chesapeake Bay TMDL provided allocations of 13,096 lbs N/yr Edge of Stream (EOS) and 1,310 lbs P/yr EOS for the Pilgrims Pride Kill Plant (WV/NPDES Permit No. WV0005495 Outlet 001) source based on an erroneous flow value. The TMDL allocations were based on a discharge flow of 0.86 MGD, whereas the actual long-term average discharge flow from Outlet 001 from WV/NPDES Permit No. WV0005495 from 2006-2011 was 2.2 MGD.

**Note: This is an addendum to the original FACT SHEET.
Only items changed in the permit are addressed in this addendum.**

7. DESCRIPTION OF APPLICANT'S FACILITY OR ACTIVITY (continued)

The Chesapeake Bay TMDL documents a reserve for WV in the Potomac Watershed of total nitrogen and total phosphorus prescribed in terms of total nitrogen of 96,119 lbs N/yr Delivered (DEL). The TMDL affords that this Nitrogen reserve can be converted to Phosphorus reserve at a ratio of 15N:1P. The agency is using some of the reserve to afford more appropriate allocations for Outlet 001 based on an average discharge flow of 2.2 MGD from the WV/NPDES Permit No. WV0005495 Outlet 001 source. As a result, the allocations provided from the WV0005495 Permit source are 33,502 lbs N/yr EOS and 3,350 lbs P/yr EOS. The limitations grant the WV0005495 source 20,406 lbs N/yr EOS and 2,040 lbs P/yr EOS more than the published TMDL allocations for this source. These loading limits remain based upon effluent nitrogen and phosphorus concentrations of 5 mg/l and 0.5 mg/l, respectively, and the increase is related solely to the flow adjustment.

To calculate the reserve loading that will be consumed by this correction, EOS loads must be converted to DEL loads by applying the delivery factors for the model subwatershed in which the WV0005495 Permit Outlet 001 source is located, and nitrogen loads must be converted to phosphorus using the approved 15:1 ratio. Edge of Stream (EOS) values represent the actual loading from the discharge pipe while Delivered (DEL) values represent the loadings actually delivered to the Chesapeake Bay. Delivery factors (df) in the area for this discharge are 0.122 for nitrogen and 0.569 for phosphorus. As such, 20,406 lbs N/yr EOS and 2,040 lbs P/yr EOS are equivalent to 2,489.5 lbs N/yr DEL and 1,160.8 lbs P/yr DEL. Applying the 15:1 N:P ratio, 1,160.8 lbs P/yr DEL load is converted to 17,412 lbs N/yr DEL, and the total reserve consumed is 19,901.5 lbs N/yr DEL. WV's remaining reserve will consist of 76,217.5 lbs N/yr DEL. These calculations represent that the additional allocations being afforded to the WV0005495 Outlet 001 source are available in WV's reserve and are able to be used so long as WV reduces and tracks its reserve accordingly. After accounting for the additional nitrogen and phosphorus loading being afforded to the WV0005495 Outlet 001 source, the following allocations are being provided to this new facility being covered under this new permit.

Permit	Facility	Nitrogen (lbs/yr)	Phosphorus (lbs/yr)
WV0020150	Town of Moorefield	9,137	914
WVG550723	Caledonia Heights	1,178	196
WV0047236	Pilgrim's Pride (Cook Plant)	7,614	761
WV0005495	Pilgrim's Pride (Kill Plant)	13,096	1,310
WV0005495	From WV's Reserve	20,406	2,040

Total Load Provided to the New WWTP covered by new WV/NPDES Permit No. WV0106038
51,431 lbs/yr Total Nitrogen
5,221 lbs/yr Total Phosphorus

Therefore, the imposition of the limitations in this permit for total nitrogen and total phosphorus at Outlet 001 are consistent with the TMDL allocations and WV's Reserve identified in the TMDL.

APPENDIX C
Form of Cost of Service Study

TOWN OF MOOREFIELD REGIONAL SEWER PROJECT
 PROFORMA RULE 42 EXHIBIT

Class Cost of Service Study

Attached are the results of the class cost of service study. @ The three schedules show the cost of providing service to the customer classes. Schedule 1 shows allocated costs of the classes, Schedules 2 and 3 provide details of the allocation process summarized on Schedule 1.

Schedule 1 is the basis for the proposed rate design, since it identifies the revenue level necessary from each customer class. The bill analyses, Statement D, show the calculation of the recommended revenue using the Per Books and Going Level rates. A cost comparison of each rate schedule is detailed below. As evidenced by this schedule, the revenues generated by the current and/or Going Level rates do not recover the necessary annual revenue requirements.

The class cost of service study is designed to assign costs to each class of customer and develop rates to recover the costs from each class of customer. The current and/or Going Level rates do not adequately recover the assigned costs, however, the proposed rates accomplish this goal. The details of the accounting and engineering data and allocation factors used in this study can be found in the attached Rule 42 Accounting Exhibit and Statement E.

Revenue required by Class Cost of Service Study

	Pilgrims Pride	Totals
Moorefield	190,889	
	2,309,111	2,500,000

@ We note that, for the purposes of rate determination, we have not allocated any future capital additions, future vehicle/equipment replacements/needs or overall surplus in this study. We instead have included these estimated items in the Town of Moorefield only. None of these future costs were allocated to Pilgrim's Pride. Instead Pilgrim's Pride will be subject to a true-up of actual needs and a true up of actual costs, annually, per agreement. Pilgrim's Pride requested that future costs not be used for their allocation including anticipated future increases in power, etc because of rates. PP would then pay at the then current pricing levels.

"UNAUDITED"

TOWN OF MOOREFIELD REGIONAL SEWER PROJECT
 FISCAL YEAR ENDING JUNE 30, 2008
 PROFORMA RULE 42 EXHIBIT

Statement E-P

PLANT FUNCTIONALIZATION:

Account Number			Total	Max Day	Max Hour	Commodity	Customer
	Plant Not to be Allocated	(B)	-	-	-	-	-
Collection System							
311.0	Land and Land Rights	(A)	-	-	-	-	-
312.0	Structures and Improvements	(A)	-	-	-	-	-
320.0	Service Connections	(A)	-	-	-	-	-
321.0	Collecting Mains	(A)	-	-	-	-	-
323.0	Other Collection Plant/Transmission	(A)	1,250,000	-	1,250,000	-	-
Total Collection System			1,250,000	-	1,250,000	-	-
Pumping System							
311.2	Land and Land Rights	(A)	250,000	-	250,000	-	-
312.2	Structures and Improvements	(A)	250,000	-	250,000	-	-
331.0	Pumping Equipment	(A)	2,500,000	-	2,500,000	-	-
334.0	Other	(A)	-	-	-	-	-
Total Pumping			3,000,000	-	3,000,000	-	-
Treatment Plant							
311.4	Land and Land Rights	(A)	1,250,000	1,250,000	-	-	-
312.3	Structures and Improvements	(A)	5,000,000	5,000,000	-	-	-
341.0 - 357.0	Treatment Equipment	(A)	26,000,000	26,000,000	-	-	-
Total Treatment Plant			32,250,000	32,250,000	-	-	-
391.0 - 399.0	General Plant		1,000,000	250,000	250,000	-	500,000
TOTAL PLANT			37,500,000	32,500,000	4,500,000	-	500,000
TOTAL PLANT FOR ALLOCATION			37,500,000	32,500,000	4,500,000	-	500,000
PLANT FACTORS			100.00%	86.67%	12.00%	-	1.33%
Allocation:							
(A) Direct							
(B) As Plant							

"UNAUDITED"

TOWN OF MOOREFIELD REGIONAL SEWER PROJECT
 COST ALLOCATION TO CUSTOMER CLASSES
 FISCAL YEAR ENDING JUNE 30, 2008
 PROFORMA RULE 42 EXHIBIT

Factor	Total	Moorefield	Pilgrims
	\$	\$	Pride
	\$	\$	\$
(A) Customer	9,333	4,667	4,667
(B) Commodity	666,598	54,049	612,550
(C) Maximum Hour Demand (All Classes)	51,608	6,246	45,362
(C) Maximum Hour Demand (All Classes except Bulk)	233,520	28,262	205,258
(D) Maximum Day Demand	1,538,940	97,666	1,441,274
(E) Operating Revenue Credit - Direct	-	-	-
(F) Operating Revenue Credit - Other	-	-	-
Total Cost of Sales	2,500,000	190,889	2,309,111
		190,889	2,309,111

Functionalization Factors:

- (A) Number of Customers
- (B) Annual Water Consumption
- (C) Maximum Hour Demand Factor
- (D) Maximum Day Demand Factor
- (E) Direct
- (F) As Above Applicable Allocated Costs

"UNAUDITED"

TOWN OF MOOREFIELD REGIONAL SEWER PROJECT
 FUNCTIONALIZATION OF OPERATION & MAINTENANCE EXPENSES AND TAXES
 FISCAL YEAR ENDING JUNE 30, 2008
 PROFORMA RULE 42 EXHIBIT

Operation and Maintenance Expenses:

	Factor	Total	Maximum Day	Maximum Hour	Commodity	Customer
		\$	\$	\$	\$	\$
Collection						
Labor	(A)	10,000		10,000		
Other	(A)	15,000		15,000		
Total Collection		25,000	-	25,000	-	-
Pumping						
Labor	(B)	70,000		63,000	7,000	
Commodity Related Power	(A)	50,000			50,000	
Maximum Day Related Power	(A)	30,000	30,000			
Maximum Hour Related Power	(A)	20,000	20,000			
Other	(B)	55,000		49,500	5,500	
Total Pumping		225,000	50,000	112,500	62,500	-
Treatment						
Labor	(B)	250,000	225,000		25,000	
Chemicals	(A)	500,000			500,000	
Other	(C)	500,000	450,000	-	50,000	-
Total Treatment		1,250,000	675,000	-	575,000	-
Customer Accounting & Collecting						
Labor	(A)	-				-
Other	(A)	-				-
Total Customer Accounting & Collecting		-	-	-	-	-

"UNAUDITED"

TOWN OF MOOREFIELD REGIONAL SEWER PROJECT
 FUNCTIONALIZATION OF OPERATION & MAINTENANCE EXPENSES AND TAXES
 FISCAL YEAR ENDING JUNE 30, 2008
 PROFORMA RULE 42 EXHIBIT

Operation and Maintenance Expenses (Continued):

Factor	Total	Maximum	Maximum	Commodity	Customer
		Day	Hour		
	\$	\$	\$	\$	\$
Administrative & General Expenses					
Salaries & Wages	(E) 50,000	34,091	11,061	4,848	-
Payroll Related	(E) 160,000	109,091	35,395	15,514	-
Property Related	(F) 50,000	43,333	6,000		667
Other	(G) 40,000	30,000	6,111	3,889	-
Total Administrative & General Expenses	300,000	216,516	58,567	24,250	667
Total Operation & Maintenance Expenses	1,800,000	941,516	196,067	661,750	667

Taxes Other Than Income Taxes:

Payroll Related	(E) 50,000	34,091	11,061	4,848	-
Other	(H) -	-	-	-	-
	50,000	34,091	11,061	4,848	-

1,850,000

Functionalization Factors:

- (A) Direct
- (B) 90% Max Day, 10% Commodity
- (C) As Labor
- (D) As above Transmission & Distribution Expenses
- (E) As all Labor Above
- (F) As Plant
- (G) As Non Administrative & General excluding Power & Chemicals
- (H) As Total Operation & Maintenance Expenses

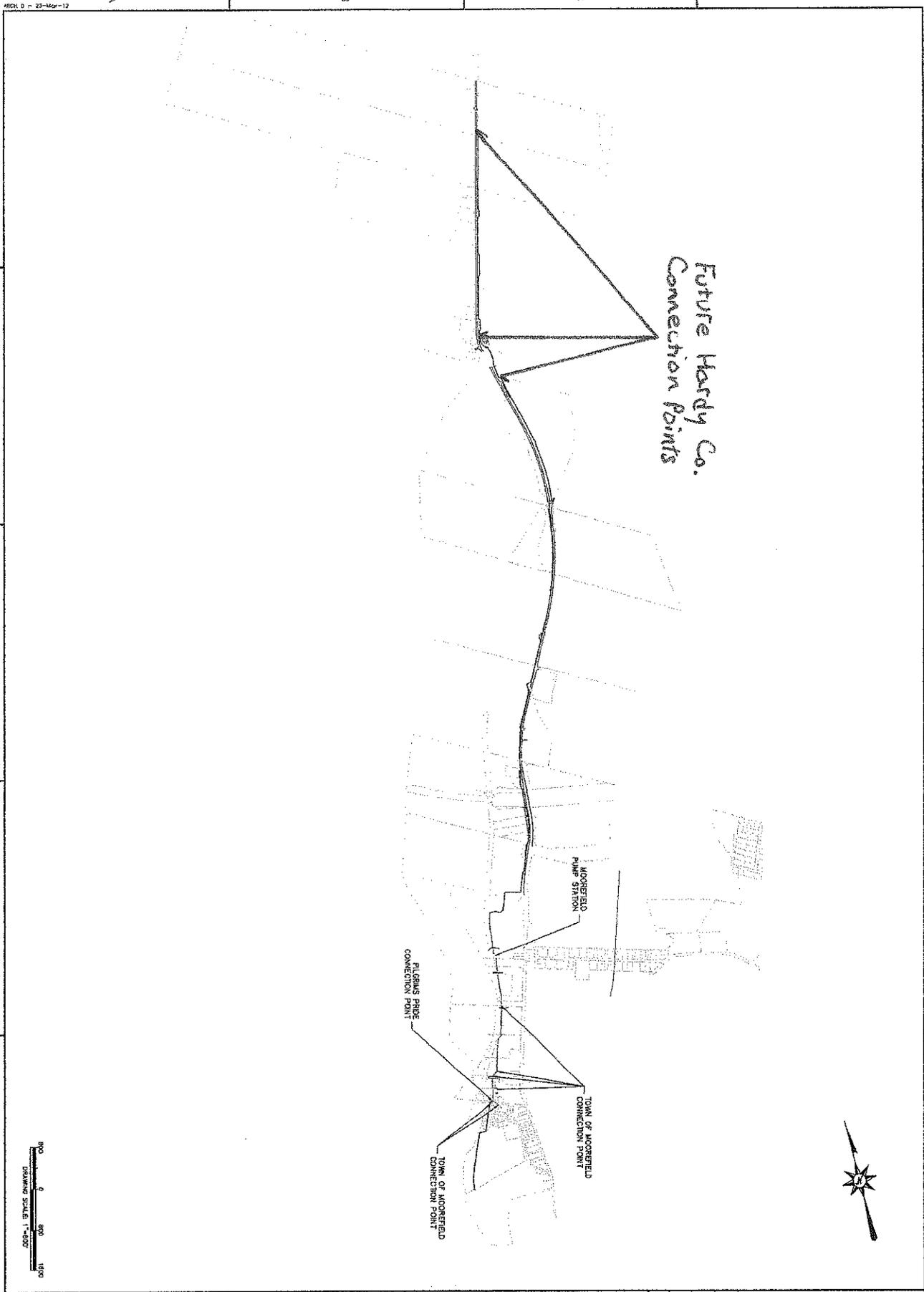
"UNAUDITED"

Appendix D
Initial Schedule of Assessments

Final Post Bid, As PSC Approved, As Funded , March 13, 2012

	Pilgrims	Moorefield	Authority Total
O & M	\$ 1,697,576.40	\$ 93,067.60	\$ 1,790,644.00
Monthly	141,464.70	7,755.63	149,220.33
Capital	504,516.65	89,032.35	593,549.00
Monthly	42,043.05	7,419.36	49,462.42
Total	2,202,093	182,100	2,384,193
Monthly	183,508	15,175	198,683

Exhibit 1



<p>PROJECT NO. 0000000000</p> <p>CONTRACT NO. 0000000000</p> <p>DATE 2-10-12</p> <p>SHEET 1 of 19</p>	<p>MOOREFIELD / HARDY COUNTY WASTEWATER AUTHORITY</p> <p>WASTEWATER COLLECTION, CONVEYANCE, AND TREATMENT FACILITIES</p> <p>CONTRACT 1 - COLLECTION & CONVEYANCE SYSTEM</p> <p>OVERALL SHEET INDEX</p>	<p>TRIAD</p> <p><small>TRIAD ENGINEERING, INC. 1000 W. MAIN STREET, SUITE 100 MOOREFIELD, NC 27558 TEL: 919.850.1234 WWW.TRIADENGINEERING.COM</small></p>	<p>AECOM</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th>NO.</th> <th>DATE</th> <th>BY</th> <th>DESCRIPTION</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>	NO.	DATE	BY	DESCRIPTION												
NO.	DATE	BY	DESCRIPTION																	

**TOWN OF MOOREFIELD /
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY**

Standard Sub Grant Agreement Form

1. Recipient: Moorefield/Hardy County Wastewater Authority
2. Date: March 26, 2012
3. Grantee Type (Borough, Authority, Etc.): Authority
4. Subgrant Amount: \$5,500,000
5. Grant Percentage (of eligible costs): 55 %
6. Payment Cutoff Date: 11/30/2013
7. Recipient Address: 206 Winchester Avenue, Moorefield, WV 26836

SUB GRANT AGREEMENT BY AND BETWEEN
TOWN OF MOOREFIELD
(GRANTOR)
AND
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
(RECIPIENT)

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SUB GRANT AGREEMENT

THIS AGREEMENT ("Agreement") is made as of _____, 2012, by and between Town of Moorefield ("Grantor") and Moorefield/Hardy County Wastewater Authority ("MHCWA"), (the "Recipient").

RECITALS

WHEREAS, the Grantor receives grants (each herein referred to as a "Grant") from granting entities such as the United States Environmental Protection Agency ("USEPA") to fund projects within Hardy County to (i) provide sanitary sewer service and (ii) strive to attain compliance with the Clean Water Act, 33 U.S.C. § 1251, *et seq.*, as amended, through a project designed to meet the Chesapeake Bay effluent limitations applicable to sanitary sewage discharges from four waste water treatment plants in Hardy County, all as described in Exhibit "A" attached hereto, (hereinafter referred to as "Project");

WHEREAS, the Recipient desires to implement the Project;

WHEREAS, the Grantor desires that the Recipient use the proceeds of a Grant to defray a portion of the costs of implementing the Recipient's Project; and

WHEREAS, the Recipient agrees to so apply the proceeds of a Grant for the benefit of the Project and the Recipient agrees to use such proceeds (the "Subgrant") upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged and intending to be legally bound hereby, the parties hereto hereby covenant and agree as follows:

ARTICLE I DEFINITIONS

1.01. Certain Definitions.

In addition to other words and terms defined elsewhere in this Agreement, as used herein the following words have the following meanings respectively, unless the context hereof otherwise clearly requires:

"Agreement" shall mean this Subgrant Agreement, as the same may be amended, modified or supplemented from time to time.

"Closing" shall mean the execution and delivery of the Subgrant Documents by Recipient.

"Closing Date" shall mean the date of the Closing.

"Completion Date" shall mean the date on which the completion of the Project Work in compliance with all of the terms and conditions of the Grant and Subgrant is scheduled to occur, as such date is more particularly identified in the Project Proposal.

"Contracts" shall mean, collectively, the Project Contracts.

"Cost Certificate" shall mean the breakdown of all estimated Project Costs attached hereto and made a part hereof as Exhibit "C".

"Disbursements" shall mean payments for Eligible Project Costs pursuant to Payment Requests.

"Eligible Project Costs" shall mean those Project costs identified as Eligible Project Costs on Exhibit "C".

"Event of Default" shall have the meaning set forth in Section 7.01 hereof.

"Grant" shall mean the Grant, as such is more specifically identified on Exhibit "D" attached hereto and made part hereof.

"Grant Conditions" shall mean the conditions that are imposed on the Grant as such are more specifically identified on Exhibit "D" attached hereto and made part hereof.

"Improvements" shall mean the product of the Recipient's completed Project.

"Materials" shall mean all materials, supplies, chattels, fixtures, machinery, equipment or other articles of property furnished or to be furnished in connection with the construction of, and to be incorporated into, the Improvements.

"Official Body" shall mean any government or political subdivision or any agency, authority, bureau, commission, department or instrumentality of either, or any court, tribunal, grand jury or arbitrator, whether foreign or domestic.

"Payment Period" shall mean the period of time covered by a Reimbursement Request.

"Payment Requests" shall mean a statement of Recipient setting forth the amount of the funds being requested with supporting invoices as is required by Section 2.02.

"Plans" shall mean the plans and specifications for the construction of the Improvements within the Project Area, initialed for identification purposes on or prior to the date hereof and eventually approved by all Official Bodies having jurisdiction over the

Project, including all working drawings and shop drawings prepared for use in connection therewith, as the same may be amended, modified or supplemented from time to time by change orders executed in compliance with the provisions of the Subgrant Documents.

"Potential Default" shall mean any condition, event, act or omission which, with the giving of notice or passage of time or both, would constitute an Event of Default.

"Project" means all matters within the scope of the Recipient's Project including but not limited to the physical improvements, legal, financial and institutional arrangements that are to be developed and implemented within the Project Area.

"Project Area" shall mean the location of the Project and area served by the Project.

"Project Contracts" shall mean, collectively, the general Project Contract, if any, all major Subcontracts, if any, and all other material contracts concerning the construction and/or implementation of the Project.

"Project Costs" shall mean, collectively, all costs necessary to complete the Project.

"Project Proposal" shall mean the "Project Scope," "Project Schedule," "Estimated Project Costs" and other documentation that is submitted by the Recipient in its application to the Grantor in connection with the Recipient's request for the Subgrant.

"Property" shall mean lands, including land improvements, structures and appurtenances thereto, excluding movable machinery and equipment where the Project is to be located.

"Responsible Project Professional" shall mean the professional engineer of record for the Project (if applicable) or, in the case of Institutional or Financial Projects, the applicable professionals who are primarily responsible for constructing the Project under contract with the Recipient.

"Subcontract" shall mean any contract between the Contractor (or any Subcontractor) and any person, firm or corporation for the furnishing of professional services, work, labor or materials or the transporting or storing of materials in connection with the completion of the Project, as the same may be amended, modified or supplemented from time to time in compliance with the provisions of the Subgrant Documents.

"Subcontractor" shall mean any person, firm or corporation who performs professional services, work or labor or supplies materials under any Subcontract.

"Subgrant" shall mean the Subgrant in an amount not to exceed \$ 5,500,000.00 to be made by Grantor to Recipient pursuant to this Agreement.

"Subgrant Documents" shall mean, collectively, this Agreement executed by Recipient in connection with the Subgrant, the Grant, the documents delivered to the Grantor pursuant to Section 4.01 hereof, and any and all other documents delivered by or on behalf of Recipient in connection with the Subgrant, including those specified in Exhibit "D" attached hereto and made part hereof, as the same may be amended, modified or supplemented from time to time.

"Technical Projects" shall mean projects intended to address sanitary sewage issues through the use of physical and technical improvements to sewerage systems.

1.02. Construction.

Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular the plural, the part the whole and "or" has the inclusive meaning represented by the phrase "and/or". References in this Agreement to "judgments" of Grantor include good faith estimates by Grantor (in the case of quantitative judgments) and good faith beliefs by Grantor (in the case of qualitative judgments). The words "hereof", "herein", "hereunder" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The section and other headings contained in this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation hereof in any respect. Section and subsection references are to this Agreement unless otherwise specified.

ARTICLE II THE SUBGRANT

2.01. Agreement to Grant.

Subject to the terms and conditions hereof and relying upon the representations and warranties herein set forth, Grantor agrees to make the Subgrant to the Recipient.

2.02. Payment Requests.

Prior to the last day of the applicable month, the Recipient may submit to Grantor a Payment Request, in such form as Grantor may require, setting forth the total amount of Eligible Project Cost incurred to date and for the period covered by the Payment Request broken down by the categories identified in the Cost Certificate, together with (1) copies of receipted bills,

bills, paid invoices, payroll records or other evidence satisfactory to Grantor supporting each item of the Project Costs covered by such Payment Requests; ii) a certificate of Recipient and the Responsible Project Professional to the effect that (a) the Project Work to date has been performed in a good and workmanlike manner and in accordance with the Plans and the progress thereof is such that the Project will be completed by the Completion Date, (b) the amount of the Eligible Project Costs for which such Payment Request is requested, and (c) no part of the Eligible Project Costs described in such Request has been made the basis for any previous Reimbursement Disbursement or has been or will be used for any other purpose than is described therein. Grantor shall not be required to make Disbursements more frequently than once each month. Each Request for payment and each receipt of Disbursement requested thereby shall constitute a certification by Recipient that the representations and warranties contained in Article III are true and correct on the date of such Request or such receipt.

2.03. Subgrant Limitations.

Requests for the payment of Eligible Project Costs in each category of cost in the Cost Certificate shall be limited to the sum of 55% of the Eligible Project Costs for each category in the Cost Certificate incurred during the Reimbursement Period. Requests shall be made only to defray Eligible Project Costs described in the Cost Certificate and actually incurred by Recipient. The aggregate amount of the Request shall be further limited to the actual cost of work and labor performed on the Services, Improvements and Materials incorporated into the Project, less the retainage, if any. The retainage withheld, if any, will be reimbursed only upon satisfaction of the conditions set forth in Section 4.03. The Grantor reserves the right to limit Disbursements to the actual value of services, work and materials as such may be determined by the Grantor.

2.04. Deficiency in Cost Category Amounts.

If any amount allocated for Project Costs in any category in the Cost Certificate is at any time not sufficient in the reasonable judgment of the Grantor or Recipient to pay in full such Project Costs in such category, the Grantor, in its sole discretion may continue to provide Disbursements if the Recipient a) requests a line item transfer between categories, b) provides a written plan for funding the completion of the Project that is satisfactory to the Grantor and USEPA, and c) provides Grantor with such additional assurances as Grantor may require.

2.05. Disbursements.

Disbursements shall be paid by Grantor directly to the Recipient. The making of any Disbursement by Grantor shall not be deemed an acceptance or approval by Grantor (for the benefit of Recipient or any third party) of any work performed or Improvements constructed or Materials furnished or installed in connection with the Project Work, or the construction of the Improvements and shall not create any privity of contract between Grantor and any third party.

**ARTICLE III
REPRESENTATIONS AND WARRANTIES**

Recipient represents and warrants to Grantor that as of the date hereof:

3.01. Organization and Qualification.

Recipient currently is and shall continue to be duly formed, validly existing Waste Water Authority under the laws of the State of West Virginia.

3.02. Authority, Authorization and Power to Carry On Business.

Recipient currently has and shall continue to have the power and authority to execute and deliver this Agreement, to execute and deliver the other Subgrant Documents to which Recipient is a party, to perform its obligations under this Agreement and the Subgrant Documents, and to fully implement the Project including the ongoing operation and maintenance of any Improvements after the Completion Date, and all such action has been duly and validly authorized by all necessary action on its part. Additionally, the representative of the Recipient that executes this Agreement on behalf of the Recipient is duly authorized to do so and shall be the Recipient's Project signatory who shall have full power and authority to bind the Representative throughout the progression of the Project until such time as the Recipient changes this authorization by written notice to the Grantor.

3.03. Execution and Binding Effect.

This Agreement and the other Subgrant Documents to which Recipient is a party have been duly and validly authorized, executed and delivered by Recipient and constitute legal, valid and binding obligations of Recipient enforceable in accordance with the terms hereof and thereof.

3.04. Authorizations and Filings.

No authorization, consent, approval, license, exemption or other action by, and no registration, qualification, designation, declaration or filing with, any Official Body is or will be necessary or advisable in connection with the execution and delivery of this Agreement or the other Subgrant Documents, consummation of the transactions herein or therein contemplated, or performance of or compliance with the terms and conditions hereof or thereof.

3.05. Absence of Conflicts.

Neither the execution and delivery of this Agreement or the other Subgrant Documents, nor consummation of the transactions herein or therein contemplated, nor performance of or compliance with the terms and conditions hereof or thereof will (a) violate any law, (b) conflict with or result in a breach of or a default under any agreement or instrument (including, but not limited to, the articles of incorporation or by-laws of Recipient) to which Recipient is a party or may be subject or by which any of them or any of their respective properties (now owned or hereafter

acquired) may be bound, or (c) result in the creation or imposition of any lien, charge, security interest or encumbrance upon any of the Property.

3.06. Defaults.

No Event of Default and no Potential Default has occurred or will occur.

3.07. Litigation.

Except as set forth on Exhibit E attached hereto and made part hereof, there is no pending or (to Recipient's knowledge after due inquiry) threatened proceeding by or before any Official Body against or affecting Recipient which if adversely decided would have a material adverse effect on the Project or on the ability of Recipient to perform its or his obligations under the Subgrant Documents or on the construction or operation of the Improvements.

3.08. Compliance with Laws.

To the extent required by applicable laws, the Plans have been or will be approved in due course by all Official Bodies prior to construction. The Project Scope as contemplated by the Plans and the intended use of the Project comply with all applicable laws, and all applicable private covenants. All authorizations, certificates, permits, licenses and approvals required by any Official Body for the construction and use of the Improvements (except those which are not available until completion of construction) have been or will be obtained and are or will be in full force and effect and not subject to any appeal period prior to construction.

3.09. Power to Carry On Business.

Recipient has all requisite power and authority to fully implement the Project including the ongoing operation and maintenance of any Improvements after the Completion Date.

ARTICLE IV CONDITIONS OF GRANTING

The obligation of Grantor to consummate the Closing and to make Subgrant Advances is subject to the satisfaction of the following conditions:

4.01. Conditions to Closing.

On the Closing Date there shall have been delivered to Grantor the following documents and other items required to be delivered to Grantor pursuant to this Agreement, the terms of which are hereby incorporated herein by reference:

- a) The Subgrant Documents duly executed by Recipient.

b) A certificate of the official or the officer charged with the keeping of the Recipient's records, dated the Closing Date, as to the resolution of the Recipient's governing body authorizing the Recipient's receipt of the Subgrant.

c) Evidence satisfactory to Grantor of and the issuance of any applicable permits, licenses and approvals as required by Grantor.

d) A cost certificate for the Project Costs for the Project certified by Recipient's Responsible Project Professional and acceptable to Grantor in its sole discretion.

e) Evidence satisfactory to Grantor of Recipient's ability to maintain the Project records in accordance with Section 5.05 of this Agreement.

f) Recipient shall have furnished to Grantor such other instruments, documents and opinions as Grantor shall reasonably require to evidence and secure the Subgrant and to comply with the provisions of this Agreement, the other Subgrant Documents and the requirements of regulatory authorities to which Grantor or Recipient is subject.

4.02. Conditions to Each Payment Request.

a) Representations and Warranties. The representations and warranties contained in Article III and in the other Subgrant Documents shall be true on and as of the date of each Reimbursement Disbursement with the same effect as though made on and as of each such date. On the date of each Reimbursement Disbursement hereunder no Event of Default and no Potential Default shall have occurred and be continuing or shall exist or shall occur and exist after giving effect to the Reimbursement Disbursement to be made on such date.

b) Contractor Receipts. On or prior to the date of each Reimbursement Disbursement, the Grantor shall have received receipts or other verification deemed by Grantor to be sufficient from the Contractor and all Subcontractors evidencing that all sums previously advanced for Eligible Project Costs have been expended for Eligible Project Costs and that Recipient has received full credit against Eligible Project Costs for amounts so expended.

c) Damage. On the date of each Reimbursement Disbursement, the Improvements shall not have been materially injured or damaged by fire or other casualty and have remained unrestored.

d) Article V Covenants. On or prior to the date of each Reimbursement Disbursement, Recipient shall have satisfied all of the conditions of, and shall have complied with all of the provisions of Article V, relating to such Reimbursement Disbursement.

4.03. Final Payment Requests.

a) Contractor Receipts. On or prior to the date of the Recipient's final Reimbursement Request, the Grantor shall have received receipts or other verification deemed by Grantor to be

sufficient from the Contractor and all Subcontractors evidencing that all sums previously disbursed have been expended for Eligible Project Costs and that Recipient has received full credit against Project Costs for amounts so expended.

b) Architect's/Engineer's Certificate. On or prior to the date of any final Reimbursement Request a certificate from Recipient of the Project architect or engineer, if any, stating that the Improvements have been completed substantially in accordance with the Plans, all applicable laws and all applicable private covenants, and

c) Governmental Approvals. Evidence of approval by all Official Bodies whose approval is required of the completed Improvements and the Recipient's intended uses thereof.

d) Evidence of Payment of Retainage. On or prior to the date of any final Reimbursement Request which shall include reimbursements for the release of any retain age, if any, in addition to satisfaction of the conditions set forth in Section 4.02, Grantor shall have received evidence of payment of such retainage to the Contractor.

4.04. Details, Proceedings and Documents.

All legal details and proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory to Grantor and Grantor shall have received all such counterpart originals or certified or other copies of such documents and proceedings in connection with such transactions, in form and substance satisfactory to Grantor, as Grantor may from time to time request. All Subgrant Documents shall be prepared, and all other instruments, documents, opinions of counsel and other items required in connection herewith and in connection with the Subgrant shall be approved by Grantor or by counsel selected by Grantor and shall be in form, scope and content satisfactory to Grantor.

ARTICLE V AFFIRMATIVE COVENANTS

Recipient covenants to Grantor as follows:

5.01. Compliance with Match Requirements.

The Recipient shall satisfy the match requirements of the Grant, as such are more specifically identified in the Grant Award attached hereto and made part hereof.

5.02. Compliance with Laws.

The Recipient shall promptly comply with all present and future laws, ordinances rules, and regulations of any Official Body having an affect on the Grantor, Recipient, Grant, Subgrant, Property, or the Project.

5.03. Compliance with Procurement Requirements.

The Recipient shall promptly comply with all procurement requirements set forth in 40 C.F.R. §31.36 and 40 C.F.R. Part 33, or other applicable procurement requirements as amended, for goods and services in connection with the procurement of the Project.

5.04. Compliance with Grant Conditions.

The Recipient shall promptly comply with all the Grant Conditions.

5.05. Maintenance of Records.

The Recipient shall maintain all Project records in a manner that is reasonably acceptable to Grantor or Grantor's auditors in order to among other things facilitate the Recipient's and/or the Grantor's compliance with the Federal Single-Audit Requirements (as set forth in 31 U.S.C. § 7501, et seq.).

5.06. Submittal of Financial Statements.

The Recipient shall periodically provide copies of its financial statements to the Grantor in such form and content as Grantor may reasonably request from time to time.

5.07. Compliance with Monitoring Requirements.

The Recipient shall maintain all Project records for a period of time sufficient to satisfy federal monitoring requirements, such time to be a minimum of 7 years from the date of Project completion.

5.08. Compliance with Labor Laws.

The Recipient shall enforce and comply with requirements of all applicable Federal and the State of West Virginia's prevailing wage regulations.

5.09. Compliance with Additional Requirements.

The Recipient shall promptly comply with all of the additional requirements set forth on Exhibit D attached hereto and made part hereof.

5.10. Notices.

Promptly upon becoming aware thereof, Recipient shall give Grantor notice of:

a) any Event of Default or Potential Default, together with a written statement setting forth the details thereof, and the action being taken by Recipient to remedy the same;

b) any material adverse change in the business, operations or condition, financial or otherwise, of Recipient; and

c) the commencement, existence or threat of any proceeding by or before any Official Body against or affecting Recipient which, if adversely decided, would have a material adverse effect on the operations or condition, financial or otherwise, of Recipients ability to perform its obligations under the Subgrant Documents or on the construction or operation of the Improvements.

5.11. Visitation.

Recipient shall permit such persons as Grantor may designate to visit and inspect the Property, to examine the books, records and documents relating to the Property and the Project and take copies and extracts therefrom and to discuss the affairs of Recipient relating thereto with the officers, employees and independent accountants of Recipient at such times and as often as Grantor may request. Recipient hereby authorizes such officers, employees and independent accountants to discuss with Grantor such affairs of Recipient. Grantor shall have no obligation to make any such inspections or any responsibility to Recipient or any person, firm or corporation for any deficiency in construction or variance from the Plans which may be revealed by any such inspection, whether or not discovered by Grantor.

5.12. Books and Records.

Recipient shall maintain and keep proper records and books of account in conformance with sound accounting principles applied on a consistent basis in which full, true and correct entries shall be made of all its dealings and business affairs.

5.13. Proof of Payment.

Recipient shall furnish to Grantor, if Grantor so requests at any time during the term of the Subgrant, satisfactory proof of payment of adequate insurance with respect to the Property.

5.14. Disposal of Property.

Subject to Grantors prior approval, and prior notice to USEPA, Recipient shall dispose and/or transfer title of any property, equipment or Materials that are funded in any part by the Subgrant funds in accordance with all applicable regulations of any Official Body and shall not be accomplished if such action results in the disallowance of grant funds to the Grantor on the part of the applicable funding agencies.

5.15. Notification of Enforcement or Compliance Actions.

Recipient shall notify the Grantor of any water quality or sewerage system related enforcement or compliance actions by the West Virginia Department of Environmental Protection

("DEP"), the USEPA or other Official Body. This notification shall contain a plan to modify the Project if necessary to avoid any such actions that may materially affect the Project.

5.16. Project Audits.

Recipient shall allow independent auditors, auditors of any granting agency, and/or auditors of Grantor access to the Recipient's records, financial or otherwise, in order to determine compliance with all applicable laws and regulations of any Official Body, and the terms and conditions of the Grant (collectively, the "Rules"). Any such audit(s) of the Recipient may be used for any appropriate purpose, including determining whether the Recipient's actions are in compliance with the Rules. If the results of such audit(s) raise questions of the Recipient's compliance with the Rules, Recipient shall, in writing, inform Grantor of what corrective action shall be taken to correct any non-compliant aspects of the Recipient's actions and set forth a timetable for implementation of the required corrective action, thereafter, upon completion of such corrective action the Recipient shall certify to Grantor that the Recipient is in full compliance with the Rules. Notwithstanding the foregoing, nothing in this Section 5.16 shall be deemed to limit any of the Grantor's remedies upon the Recipient's default under the terms of this Agreement.

ARTICLE VI NEGATIVE COVENANTS

Recipient covenants to Grantor as follows:

6.01. Prohibition on Sale.

Recipient shall not sell, assign, transfer, abandon or otherwise dispose of the Property or any part thereof or interest therein without the prior written consent of the Grantor and notice to USEPA and DEP.

ARTICLE VII DEFAULTS

7.01. Events of Default.

Each of the following shall be deemed to be an Event of Default under this Agreement:

- a) Recipient shall fail to comply with any covenant contained in this Agreement;
- b) Recipient shall fail to perform any of the Grant Conditions;
- c) Any of the representation or warranties contained in any of the Subgrant Documents shall prove false or misleading in any material respect;

d) Any party shall obtain or seek an order or decree in any court of competent jurisdiction seeking to enjoin the construction of the Improvements or the Project or delay construction of the same or enjoin or prohibit Grantor or Recipient from carrying out the terms of this Agreement or any of the Subgrant Documents and such proceedings are not discontinued or such decree is not vacated within twenty (20) days after the filing thereof;

e) Recipient shall make a general assignment for the benefit of creditors, or file or have filed a petition in bankruptcy or a petition or answer seeking a readjustment of Recipients indebtedness under the Bankruptcy Code or similar law or code, or the Recipient shall consent to the appointment of a receiver or trustee of any of its respective properties;

f) Recipient shall be adjudged bankrupt or insolvent, or a petition or proceedings for bankruptcy shall be filed against Recipient, and Recipient shall admit the material allegations thereof, or an order, judgment, or decree shall be made approving such petition, and such order, judgment or decree shall not be vacated or stayed within thirty (30) days of its entry, or a receiver or trustee shall be appointed for Recipient for its properties or any part thereof and remain in possession thereof for thirty (30) days; or

g) A default shall occur under any of the other Subgrant Documents or the Grant.

7.02. Consequences of an Event of Default.

a) Default Correction Plan. Upon the occurrence of an Event of Default the Recipient shall (i) promptly notify the Grantor as to the nature of the default and (ii) describe the impact on the Project schedule or budget that could result, and (iii) describe the actions to be taken to remedy the default and the time frame for doing so.

b) Repayment and Reimbursement. If an Event of Default shall occur and be continuing or shall exist, Grantor shall be under no further obligation to make additional Reimbursement Disbursements hereunder and may, by notice to Recipient, demand that Recipient (i) return to Grantor all of the Reimbursement Disbursements then paid, and (ii) reimburse Grantor for all the costs and expenses incurred by Grantor in connection with the Grant and the Subgrant.

7.03. Special Remedies.

If an Event of Default shall occur, Grantor shall have the right, in addition to any rights or remedies available to it under this Agreement, or any of the other Subgrant Document, or available to it at law or in equity, to demand a refund of all Reimbursement Disbursements and require that Recipient hold Grantor harmless from all losses (consequential and direct), demands, charges, costs and expenses that may be made in connection with the Grant.

ARTICLE VIII MISCELLANEOUS

8.01. Disputes.

Any controversy or claim arising out of or relating to this Agreement may in the Grantor's sole and absolute discretion, be settled by arbitration in Hardy County, West Virginia in accordance with the commercial rules of arbitration of the American Arbitration Association, and judgment upon the award rendered by the arbitration panel may be entered in the Circuit Court of Hardy County.

8.02. Insurance.

The Recipient shall obtain and maintain insurance coverage in such form and coverages as may be reasonably acceptable to the Grantor upon the entire Project for the full cost of replacement at the time of any loss, and such insurance shall include the Grantor as a named insured.

8.03. Further Assurances.

From time to time upon the request of Grantor, Recipient shall promptly and duly execute, acknowledge and deliver any and all such further instruments and documents as Grantor may deem necessary or desirable to confirm this Agreement and the Note, to carry out the purpose and intent hereof and thereof or to enable Grantor to enforce any of its rights hereunder or thereunder.

8.04. Amendments and Waivers.

Grantor in its sole discretion may from time to time waive the provisions of this Agreement or of any of the subgrant documents in writing. Any such waiver of any kind on the part of Grantor of any breach or Event of Default or waiver of any provision or condition must be in writing and shall be effective only to the extent set forth in such writing. All amendments hereto must be in writing, executed by all parties hereto.

8.05. No Implied Waiver; Cumulative Remedies.

No course of dealing and no delay or failure of Grantor in exercising any right, power or privilege under any of the Subgrant Documents shall affect any other exercise thereof or exercise of any other right, power or privilege. The rights and remedies of Grantor under this Agreement are cumulative and not exclusive of any rights or remedies which Grantor would otherwise have under the other Subgrant Documents, at law or in equity.

8.06. Notices.

All communications ("notices") under the provisions of this Agreement shall be in writing unless otherwise expressly permitted hereunder and shall be sent by first-class, or first-class express mail, overnight express carrier or by facsimile or electronic mail with confirmation in writing mailed first-class, with postage or charges prepaid, and any such properly given notice shall

be effective when received. All notices shall be sent to the applicable party addressed, if to Grantor, at 206 Winchester Ave., Moorefield, West Virginia 26836 and, if to Recipient, at 206 Winchester Ave., Moorefield, West Virginia 26836, or in accordance with the last unrevoked written direction from any party to the other party hereto.

8.07. No Third Party Rights.

Nothing in this Agreement, whether express or implied, shall be construed to give to any person other than the parties hereto any legal or equitable right, remedy or claim under or in respect of this Agreement, which is intended for the sole and exclusive benefit of the parties hereto.

8.08. Severability.

The provisions of this Agreement are intended to be severable. If any provision of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

8.09. Governing Law.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of West Virginia, without regard to the principles of the conflicts of laws thereof.

8.10. Commitment; Prior Understandings.

This Agreement supersedes all other prior understandings and agreements, whether written or oral, among the parties hereto relating to the transactions provided for herein.

8.11. Duration; Survival.

All representations and warranties of Recipient contained herein or made in connection herewith shall survive the making of and shall not be waived by the execution and delivery of this Agreement, any investigation by Grantor or the making of any Reimbursement Disbursement hereunder. All covenants and agreements of Recipient contained herein shall continue in full force and effect from and after the date hereof so long as Recipient may receive Reimbursement Disbursements and all other obligations of Recipient under this Agreement, the Grant or any of the Subgrant Documents have been fully performed. Without limitation, it is understood that all obligations of Recipient to indemnify or hold Grantor harmless shall survive the completion of the Project.

8.12. Counterparts.

This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

8.13. Successors and Assigns.

This Agreement shall be binding upon and inure to the benefit of Grantor, Recipient and their respective successors and assigns, except that Recipient may not assign or transfer any of its rights hereunder without the prior written consent of Grantor.

8.14. Indemnification.

The Recipient shall defend, indemnify and hold the Grantor and its directors, officers, employees, agents, successors and assigns harmless from all claims and expenses (including reasonable attorneys fees) that are directly or indirectly attributed to acts or omissions by Recipient and the Contractor or anyone employed directly or indirectly by any of them or by anyone for whose acts any of them may be liable.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement on the date first above written.

WITNESS/ATTEST:

Carl D. Nubes
Signature
3-20-2012
Date

GRANTOR:

TOWN OF MOOREFIELD
By [Signature]
Mayor

WITNESS/ATTEST:

[Signature]
Signature
03-19-2012
Date

RECIPIENT:

**MOOREFIELD/HARDY COUNTY
WASTEWATER AUTHORITY**
By [Signature]
President, Board of Directors

**SUB GRANT AGREEMENT BY AND BETWEEN
TOWN OF MOOREFIELD AND
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY**

Exhibit "A"

The Moorefield/Hardy County Wastewater Authority is planning to construct the following project:

A wastewater system consisting of transmission facilities, a force main, and pump stations (the "Collection System") and a wastewater treatment plant and discharge main ("WWTP") (the Collection System and the WWTP collectively referred to herein as the "System");

**SUB GRANT AGREEMENT BY AND BETWEEN
TOWN OF MOOREFIELD AND
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY**

Exhibit "B"

[PROJECT SCHEDULE]

The Estimated Project Schedule is as follows:

1. Submission of Revised Drawings..... March 4, 2011
2. Approval of Revised Drawings March 11, 2011
3. Advertisement for BidsNovember, 2011
4. Receipt of Bids.....December, 2011
5. Awarding of Contract..... March, 2012
6. Loan Receipt..... March, 2012
7. Commencement of Project Construction..... April, 2012
8. Completion of Project Construction..... January, 2014

**SUB GRANT AGREEMENT BY AND BETWEEN
TOWN OF MOOREFIELD AND
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY**

Exhibit "C"

[COST ESTIMATES]

**MOOREFIELD / HARDY COUNTY WASTEWATER AUTHORITY
STATE TRIBAL ASSISTANCE GRANT SUMMARY
MARCH 2012**

	<u>STAG</u>	<u>Other Sources</u>
Regional Wastewater Treatment and Collection System	\$5,500,000	\$4,500,000
Contract 1 – Collection System		
Contract 2 – Moorefield Pump Station		
Contract 3 – WWTP		

* The total construction costs of all three (3) contracts is \$31,616,212



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**SUB GRANT AGREEMENT BY AND BETWEEN
TOWN OF MOOREFIELD AND
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY**

Exhibit "D"

[EPA Assistance Award]

Pages 28-1 thru 28-17



**U. S. ENVIRONMENTAL PROTECTION AGENCY
REGION III
ASSISTANCE AGREEMENT/AMENDMENT NOTICE**

RECIPIENT NAME AND ADDRESS:

RECEIVED
NOV 21 2011
SRF PROGRAM

DATE: NOV 17 2011

The Honorable Gary Stainaker
Mayor
Town of Moorefield
206 Winchester Avenue
Moorefield, West Virginia 26836

Re: Assistance # XP-963069-01-0

Enclosed are three copies of an Assistance Agreement/Amendment from the U.S. Environmental Protection Agency.

To accept this award, please carefully review any terms and conditions, sign, and return one original copy to each of the addresses listed below within 21 days after receipt:

Kathleen M. Blinbury
Grants Management Officer
Grants and Audit Management Branch (3PM70)
U.S. Environmental Protection Agency
1650 Arch Street
Philadelphia, PA 19103-2029

Ms. Rosalie Brodersen
Program Manager
State Revolving Fund
WV Department of Environmental Protection
601 57th Street, SE
Charleston, WV 25304

The other original should be retained for your official records and copies distributed within your organization as needed. Please note, funds will not be available for payment until we receive your countersigned affirmation of this award.

To assist you with your post award management responsibilities and for instructions on how to receive payments, visit the Grants Office website at:

<http://www.epa.gov/region3/grants/funding.htm>

Please reference the EPA Assistance Number on all future correspondence regarding this Assistance Agreement. Questions on technical matters should be directed to the Project Officer and questions on administrative matters should be directed to the Grants Specialist identified in the Assistance Agreement/Amendment.

Failure to countersign and return within 21 days after receipt may result in termination of this award.

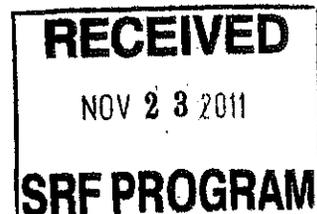
cc: Rosalie Brodersen, WVDEP

POSTED
BY: *RB* DATE: *11/22/11*

FILE

XP - 96306901 - 0 Page 1

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement	GRANT NUMBER (FAIN): 96306901	DATE OF AWARD 11/10/2011
		MODIFICATION NUMBER: 0	MAILING DATE 11/17/2011
		PROGRAM CODE: XP	ACH#
		TYPE OF ACTION New	
RECIPIENT TYPE: Township		Send Payment Request to: West Virginia Department of Environmental Protection	
RECIPIENT: Town of Moorefield 206 Winchester Avenue Moorefield, WV 26836 EIN: 55-6000214		PAYEE: Town of Moorefield 206 Winchester Avenue Moorefield, WV 26836	
PROJECT MANAGER Lucas Gagnon 206 Winchester Avenue Moorefield, WV 26836 E-Mail: lgagnon50@yahoo.com Phone: 304-530-6142	EPA PROJECT OFFICER Ramon Albizu 1650 Arch Street, 3WP50 Philadelphia, PA 19103-2029 E-Mail: Albizo.Ramon@epa.gov Phone: 215-814-5779	EPA GRANT SPECIALIST Tina Withelder Grants and Audit Management Branch, 3PM70 E-Mail: Withelder.Tina@epamail.epa.gov Phone: 215-814-5411	
PROJECT TITLE AND DESCRIPTION Town of Moorefield Construction of a new 4.1 million gallon per day 5-stage Bardenpho wastewater treatment facility capable of achieving the nutrient removals outline by the wasteload allocation issued by the WV Department of Environmental Protection (WV DEP). The project will also include approximately 3,085 lineal feet (LF) of 24-inch gravity sewer pipe (GSP), 155 LF of 15-inch GSP, 170 LF of 8-inch GSP, 16,735 LF of 18-inch force main, 20 manholes, a triplex pump station which will convey all of the system's wastewater to the new treatment facility and all necessary appurtenances for a fully functioning wastewater collection system.			
BUDGET PERIOD 03/01/2012 - 11/30/2013	PROJECT PERIOD 03/01/2012 - 11/30/2013	TOTAL BUDGET PERIOD COST \$10,000,000.00	TOTAL PROJECT PERIOD COST \$10,000,000.00
NOTICE OF AWARD			
Based on your application dated 10/11/2011, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$5,500,000. EPA agrees to cost-share 55.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$5,500,000. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.			
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)		AWARD APPROVAL OFFICE	
ORGANIZATION / ADDRESS US EPA Region 3, 3PM70 1650 Arch Street Philadelphia, PA 19103-2029		ORGANIZATION / ADDRESS U.S. EPA, Region 3 Water Protection Division 3WP00 1650 Arch Street Philadelphia, PA 19103-2029	
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY			
Digital signature applied by EPA Award Official for James W. Newsom - Assistant Regional Administrator for Policy and Management John Armstead - Award Official delegate			DATE 11/10/2011
AFFIRMATION OF AWARD			
BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION			
SIGNATURE 	TYPED NAME AND TITLE Gary Stalnaker, Mayor		DATE 11/22/11



EPA Funding Information

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FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$	\$ 5,500,000	\$ 5,500,000
EPA In-Kind Amount	\$	\$	\$ 0
Unexpended Prior Year Balance	\$	\$	\$ 0
Other Federal Funds	\$	\$	\$ 0
Recipient Contribution	\$	\$	\$ 0
State Contribution	\$	\$ 4,500,000	\$ 4,500,000
Local Contribution	\$	\$	\$ 0
Other Contribution	\$	\$	\$ 0
Allowable Project Cost	\$ 0	\$ 10,000,000	\$ 10,000,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.202 - Congressionally Mandated Projects	FY 2009 Omnibus Appropriations Act (PL 111-8) Public Law 111-88 Department of Interior Environment and Related Agencies Appropriations Act 2010	A4 - 40 CFR PART 31

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
	1203LL0005	11	E4	0300HKB	202B51	4192			5,500,000
									5,500,000

MAY 20 2011

Approved Budget	
Program Element Classification (Construction)	Approved Allowable Budget Period Cost
1. Administration Expense	\$0
2. Preliminary Expense	\$0
3. Land Structure, Right Of Way	\$0
4. Architectural Engineering Basic Fees	\$0
5. Other Architectural Engineering Fees	\$0
6. Project Inspection Fees	\$0
7. Land Development	\$0
8. Relocation Expenses	\$0
9. Relocation Payments to Individuals & Bus.	\$0
10. Demolition and Removal	\$0
11. Construction and Project Improvement	\$10,000,000
12. Equipment	\$0
13. Miscellaneous	\$0
14. Total (Lines 1 thru 13)	\$10,000,000
15. Estimate Income	\$0
16. Net Project Amount (Line 14 minus 15)	\$10,000,000
17. Less: Ineligible Exclusions	\$0
18. Add: Contingencies	\$0
19. Total (Share: Recip 45.00% Fed 55.00%)	\$10,000,000
20. TOTAL APPROVED ASSISTANCE AMOUNT	\$5,500,000

Administrative Conditions

1. Central Contractor Registration and Universal Identifier Requirements

A. Requirement for Central Contractor Registration (CCR). Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers. If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions. For purposes of this award term:

1. Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian Tribe;
- b. A foreign public entity;
- c. A domestic or foreign nonprofit organization;
- d. A domestic or foreign for-profit organization; and
- e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. Subaward:

- a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
- b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. --210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
- c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. Subrecipient means an entity that:

- a. Receives a subaward from you under this award; and
- b. Is accountable to you for the use of the Federal funds provided by the subaward.

2. Procurement - Recycling

Any State agency or agency of a political subdivision of a State which is using appropriated Federal funds shall comply with the requirements set forth in Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6962). Regulations issued under RCRA Section 6002 apply to any acquisition of an item where the purchase price exceeds \$10,000 or where the quantity of such items acquired in the course of the preceding fiscal year was \$10,000 or more. RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA. These guidelines are listed in 40 CFR 247.

3. Suspension & Debarment

The recipient shall fully comply with Subpart C of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Responsibilities of Participants Regarding Transactions (Doing Business with Other Persons)." The recipient is responsible for ensuring that any lower tier covered transaction, as described in Subpart B of 2 CFR Part 180 and 2 CFR Part 1532, entitled "Covered Transactions," includes a term or condition requiring compliance with Subpart C. The recipient is responsible for further requiring the inclusion of a similar term or condition in any subsequent lower tier covered transactions. The recipient acknowledges that failing to disclose the information as required at 2 CFR 180.335 may result in the delay or negation of this assistance agreement, or pursuance of legal remedies, including suspension and debarment.

The recipient may access the Excluded Parties List System at <http://epls.arnet.gov>. This term and condition supersedes EPA Form 5700-49, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters."

4. Lobbying

The recipient agrees to comply with Title 40 CFR Part 34, New Restrictions on Lobbying. The recipient shall include the language of this provision in award documents for all subawards exceeding \$100,000, and require that subrecipients submit certification and disclosure forms accordingly.

In accordance with the Byrd Anti-Lobbying Amendment, any recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

5. Lobbying & Litigation

The chief executive officer of this recipient agency shall ensure that no grant funds awarded under this assistance agreement are used to engage in lobbying of the Federal Government or in litigation against the United States unless authorized under existing law. The recipient shall abide by its respective OMB Circular (A-21, A-87, or A-122), which prohibits the use of federal grant funds for litigation against the United States or for lobbying or other political activities.

6. Recycling

In accordance with the policies set forth in EPA Order 1000.25 and Executive Order 13423, Strengthening Federal Environmental, Energy and Transportation Management (January 24, 2007), the recipient agrees to use recycled paper and double sided printing for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to reports prepared on forms supplied by EPA, or to Standard Forms, which are printed on recycled paper and are available through the General Services Administration.

7. Single Audit

In accordance with OMB Circular A-133, which implements the Single Audit Act, the recipient hereby agrees to obtain a single audit from an independent auditor, if it expends \$500,000 or more in total Federal funds in any fiscal year. Within nine months after the end of a recipient's fiscal year or 30 days

after receiving the report from the auditor, the recipient shall submit the SF-SAC and a Single Audit Report Package. The recipient **MUST** submit the SF-SAC and a Single Audit Report Package, using the Federal Audit Clearinghouse's Internet Data Entry System. For complete information on how to accomplish the single audit submissions, you will need to visit the Federal Audit Clearinghouse Web site: <http://harvester.census.gov/fac/>

8. Payment to Consultants

EPA participation in the salary rate (excluding overhead) paid to individual consultants retained by recipients or by a recipient's contractors or subcontractors shall be limited to the maximum daily rate for a Level IV of the Executive Schedule (formerly GS-18), to be adjusted annually. This limit applies to consultation services of designated individuals with specialized skills who are paid at a daily or hourly rate. As of January 1, 2011, the limit is \$596.00 per day and \$74.50 per hour. This rate does not include transportation and subsistence costs for travel performed (the recipient will pay these in accordance with their normal travel reimbursement practices).

Subagreements with firms for services which are awarded using the procurement requirements in 40 CFR 30 or 31, as applicable, are not affected by this limitation unless the terms of the contract provide the recipient with responsibility for the selection, direction, and control of the individuals who will be providing services under the contract at an hourly or daily rate of compensation. See 40 CFR 31.36(j) or 30.27(b).

9. Drug-Free Workplace Certification

The recipient organization of this EPA assistance agreement must make an ongoing, good faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in Title 40 CFR 36.200 - 36.230. Additionally, in accordance with these regulations, the recipient organization must identify all known workplaces under its federal awards, and keep this information on file during the performance of the award.

Those recipients who are individuals must comply with the drug-free provisions set forth in Title 40 CFR 36.300.

The consequences for violating this condition are detailed under Title 40 CFR 36.510. Recipients can access the Code of Federal Regulations (CFR) Title 40 Part 36 at http://www.access.gpo.gov/nara/cfr/waisidx_06/40cfr36_06.html.

10. Hotel-Motel Fire Safety

Pursuant to 40 CFR 30.18, if applicable, and 15 USC 2225a, the recipient agrees to ensure that all space for conferences, meetings, conventions, or training seminars funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act (PL 101-391, as amended). Recipients may search the Hotel-Motel National Master List at <http://www.usfa.dhs.gov/applications/hotel/> to see if a property is in compliance (FEMA ID is currently not required), or to find other information about the Act.

11. Subawards

The recipient agrees to:

- a. Establish all subaward agreements in writing;
- b. Maintain primary responsibility for ensuring successful completion of the EPA-approved project (this responsibility cannot be delegated or transferred to a subrecipient);
- c. Ensure that any subawards comply with the standards in Section 210(a)-(d) of OMB Circular A-133 and are not used to acquire commercial goods or services for the recipient;

- d. Ensure that any subawards are awarded to eligible subrecipients and that proposed subaward costs are necessary, reasonable, and allocable;
- e. Ensure that any subawards to 501(c)(4) organizations do not involve lobbying activities;
- f. Monitor the performance of their recipients and ensure that they comply with all applicable regulations, statutes, and terms and conditions which flow down in the subaward;
- g. Obtain EPA's consent before making a subaward to a foreign or international organization, or a subaward to be performed in a foreign country; and
- h. Obtain approval from EPA for any new subaward work that is not outlined in the approved work plan in with 40 CFR Parts 30.25 and 31.30, as applicable.

Any questions about subrecipient eligibility or other issues pertaining to subawards should be addressed to the recipients' EPA Project Officer. Additional information regarding subawards may be found at <http://www.epa.gov/ogd/guide/subaward-policy-part-2.pdf>.

Guidance for distinguishing between vendor and subrecipient relationships and ensuring compliance with Section 210(a)-(d) of OMB Circular A-133 can be found at <http://www.epa.gov/ogd/guide/subawards-appendix-b.pdf> and <http://www.whitehouse.gov/omb/circulars/a133/a133.html>.

The recipient is responsible for selecting its subrecipients and, if applicable, for conducting subaward competitions.

12. Management Fees

The recipient agrees that management fees or similar charges in excess of the direct costs and approved indirect rates are not allowable. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs which are not allowable under this assistance agreement. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the scope of work.

13. Reimbursement Limitation

EPA's financial obligations to the recipient are limited by the amount of federal funding awarded to date as shown on line 20 in its EPA approved budget. If the recipient incurs costs in anticipation of receiving additional funds from EPA, it does so at its own risk.

14. Trafficking Victim Protection Act

a. Provisions applicable to a recipient that is a private entity .

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- ii. Procure a commercial sex act during the period of time that the award is in effect; or
- iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a

subrecipient that is a private entity —

- i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
- ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
 - A. Associated with performance under this award; or
 - B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our Agency at 2 CFR 1532.

b. *Provision applicable to a recipient other than a private entity* . We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—
 - i. Associated with performance under this award; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR 1532

c. *Provisions applicable to any recipient* .

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

d. *Definitions* . For purposes of this award term:

1. "Employee" means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

ii. Includes:

A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

B. A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102)

15. **Disadvantaged Business Enterprise**

GENERAL COMPLIANCE, 40 CFR, Part 33

The recipient agrees to comply with the requirements of EPA's Program for Utilization of Small, Minority and Women's Business Enterprises (MBE/WBE) in procurement under assistance agreements, contained in 40 CFR, Part 33.

FAIR SHARE OBJECTIVES, 40 CFR, Part 33, Subpart D

A recipient must negotiate with the appropriate EPA award official, or his/her designee, fair share objectives for MBE and WBE participation in procurement under the financial assistance agreements.

Accepting the Fair Share Objectives/Goals of Another Recipient

The dollar amount of this assistance agreement is \$250,000, or more; or the total dollar amount of all of the recipient's non-TAG assistance agreements from EPA in the current fiscal year is \$250,000, or more. The recipient accepts the applicable MBE/WBE fair share objectives/goals negotiated with EPA by the West Virginia Department of Environmental Protection as follows:

MBE%: CONSTRUCTION .16; EQUIPMENT .28; SERVICES .7; SUPPLIES.25

WBE%: CONSTRUCTION .64; EQUIPMENT 5.95; SERVICES 17.76; SUPPLIES 5.27

By signing this financial assistance agreement, the recipient is accepting the fair share objectives/goals stated above and attests to the fact that it is purchasing the same or similar construction, supplies, services and equipment, in the same or similar relevant geographic buying market as West Virginia Department of Environmental Protection.

Negotiating Fair Share Objectives/Goals, 40 CFR, Section 33.404

The recipient has the option to negotiate its own MBE/WBE fair share objectives/goals. If the recipient wishes to negotiate its own MBE/WBE fair share objectives/goals, the recipient agrees to submit proposed MBE/WBE objectives/goals based on an availability analysis, or disparity study, of qualified MBEs and WBEs in their relevant geographic buying market for construction, equipment, services and supplies.

The submission of proposed fair share goals with the supporting analysis or disparity study means that the recipient is **not** accepting the fair share objectives/goals of another recipient. The recipient agrees to submit proposed fair share objectives/goals, together with the supporting availability analysis or disparity study, to the Regional MBE/WBE Coordinator within 120 days of

its acceptance of the financial assistance award. EPA will respond to the proposed fair share objective/goals within 30 days of receiving the submission. If proposed fair share objective/goals are not received within the 120 day time frame, the recipient may not expend its EPA funds for procurements until the proposed fair share objective/goals are submitted.

SIX GOOD FAITH EFFORTS, 40 CFR, Part 33, Subpart C

Pursuant to 40 CFR, Section 33.301, the recipient agrees to make the following good faith efforts whenever procuring construction, equipment, services and supplies under an EPA financial assistance agreement, and to ensure that sub-recipients, loan recipients, and prime contractors also comply. Records documenting compliance with the six good faith efforts shall be retained:

- (a) Ensure Disadvantage Business Enterprises (DBEs) are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
- (b) Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
- (c) Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
- (d) Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.
- (e) Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce in finding DBEs.
- (f) If the prime contractor awards subcontracts, require the prime contractor to take the steps in paragraphs (a) through (e) of this section.

MBE/WBE REPORTING, 40 CFR, Part 33, Sections 33.502 and 33.503

The recipient agrees to complete and submit EPA Form 5700-52A, "MBE/WBE Utilization Under Federal Grants, Cooperative Agreements and Interagency Agreements" beginning with the Federal fiscal year reporting period the recipient receives the award, and continuing until the project is completed. **Only procurements with certified MBE/WBEs are counted toward a recipient's MBE/WBE accomplishments.** The reports must be submitted **semiannually** for the periods ending March 31st and September 30th for:

Recipients of financial assistance agreements that capitalize revolving loan programs (CWSRF, DWSRF, Brownfields); and

All other recipients not identified as annual reporters (40 CFR Part 30 and 40 CFR Part 35, Subpart A and Subpart B recipients are annual reporters).

The reports are due within 30 days of the end of the semiannual reporting periods (April 30th and October 30th). Reports should be sent to Kinshasa Brown-Perry, Acting Small Business Program Manager (3PM00), U.S. EPA - Region III, 1650 Arch Street, Philadelphia, PA 19103-2029. Final MBE/WBE reports must be submitted within 90 days after the project period of the grant ends. Your grant cannot be officially closed without all

MBE/WBE reports.

EPA Form 5700-52A may be obtained from the EPA Office of Small Business Program's Home Page on the Internet at www.epa.gov/osbp.

CONTRACT ADMINISTRATION PROVISIONS, 40 CFR, Section 33.302

The recipient agrees to comply with the contract administration provisions of 40 CFR, Section 33.302.

BIDDERS LIST, 40 CFR, Section 33.501(b) and (c)

Recipients of a Continuing Environmental Program Grant or other annual reporting grant, agree to create and maintain a bidders list. Recipients of an EPA financial assistance agreement to capitalize a revolving loan fund also agree to require entities receiving identified loans to create and maintain a bidders list if the recipient of the loan is subject to, or chooses to follow, competitive bidding requirements. Please see 40 CFR, Section 33.501 (b) and (c) for specific requirements and exemptions.

16. Reporting Subawards and Executive Compensation.

a. Reporting of first-tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to www.frs.gov.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at www.frs.gov specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if --

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received--

(A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:
- i. As part of your registration profile at www.ccr.gov.
 - ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if --
- i. in the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
- i. To the recipient.
 - ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. subawards,
and
- ii. the total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:
 - i. A Governmental organization, which is a State, local government, or Indian tribe;
 - ii. A foreign public entity;
 - iii. A domestic or foreign nonprofit organization;
 - iv. A domestic or foreign for-profit organization;
 - v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this

award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. -210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that:

- i. Receives a subaward from you (the recipient) under this award; and
- ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- i. *Salary and bonus* .
- ii. *Awards of stock, stock options, and stock appreciation rights* . Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- iii. *Earnings for services under non-equity incentive plans* . This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
- iv. *Change in pension value* . This is the change in present value of defined benefit and actuarial pension plans.
- v. *Above-market earnings on deferred compensation which is not tax-qualified* .
- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

17. Earmark - Fully-funded

EPA is fully funding this assistance agreement based on the terms of a congressional earmark. If future earmarks are not provided for this project and recipient, supplemental funding for this project is not guaranteed.

18. Funding Prohibition

Congress has prohibited EPA from using its FY 2011 appropriations to provide funds to the Association of Community Organizations for Reform Now (ACORN) or any of its subsidiaries. None of the funds provided under this agreement may be used for subawards/subgrants or contracts to ACORN or its subsidiaries. Recipients should direct any questions about this prohibition to their EPA Grants Management Office.

Programmatic Conditions

1. Procurement

a. The recipient agrees to procure all services, supplies, and construction awarded under this grant in accordance with 40 CFR Part 31.

b. A copy of all proposed subagreements for services and supplies over \$100,000 shall be submitted to the West Virginia Department of Environmental Protection (WV DEP) for review and pre-award approval, as appropriate, under 40 CFR Part 31. The submittal of the proposed subagreements shall include procurement records. Also, the contract cost and price data shall be submitted on EPA Form 5700-41, or on a form which contains similar information.

c. A copy of all proposed subagreements for construction shall be submitted to the WV DEP, for review and pre-award approval, as appropriate, under 40 CFR Part 31. The submittal of the proposed subagreements shall include procurement records.

2. Grant Payments

The recipient agrees that:

a. Grant payment will be on a reimbursement basis based upon eligible costs incurred. Payment will be processed using the Federal Automated Standard Application for Payments (ASAP) or Electronic Fund Transfer method.

If the ASAP method is used, the recipient will authorize inquiry-only access to the recipient's ASAP account for the WV DEP to enable monitoring of grant financial status.

b. As instructed by the WV DEP, the recipient agrees to submit for pre-payment review: (1) a Standard Form (SF) 271, *Outlay Report and Request for Reimbursement for Construction Programs*, summarizing eligible project costs incurred to date, and (2) and additional information requested to confirm that the grant disbursement is consistent with the terms and conditions of the grant agreement.

Prior to requesting final payment of the grant, the recipient will submit to the WV DEP: (1) documentation of all costs (invoice copies); (2) proof of payment (check copies, verification of electronic transfer); and (3) documentation that the facility or system operates as designed.

3. Project Changes

For any changes in the project which affect the grant amount, delay or accelerate the project or alter the project in other ways, the recipient must receive a formal grant amendment from EPA. Of particular interest is any change in completion of final design drawings and specifications, date of advertisement for bids, and the building completion date.

4. Land Acquisition

In the event the recipient procures land or relocates people, 49 CFR Part 24 applies.

5. Sites, Easements and Rights-of-Way

The recipient shall submit an acceptable legal opinion that the necessary sites and easements and/or rights-of-way have been obtained and that they are free of any restrictions or encumbrances that might restrict their use for the purpose intended. Said opinion shall be submitted to EPA no later than the time at which the recipient requests approval to award construction contracts.

6. Flood Insurance

The recipient agrees to acquire and maintain at his own cost any flood insurance made available to it under the National Flood Insurance Act of 1968, as amended, before the project is placed in operation. This condition shall not be applicable if, on the date of execution of this Grant Agreement by both parties, flood insurance was not available pursuant to the Flood Insurance Act of 1968, as amended, for property in the project location.

7. Review

The recipient recognizes that approval of any part of this grant, change orders, grant increase amendments, subagreements, any special items or allowableness of any other costs will be subject to final review, including project officer review, audit review, and final determination of the grant approving official.

8. Project Schedule

EPA's policy requires that projects be initiated, constructed, and placed in operation in a timely manner. For that reason, the schedule shown below, which was developed in conjunction with your grant application, is included as a condition.

Advertise for Bids	11/2011
Award Construction Contract	02/2012
Initiate Construction	03/2012
Complete Construction	09/2013
Submit Final Payment Request	11/2013

9. Initiation of Construction

It is agreed that the WV DEP must approve the design before contracts are advertised for bids. Bids will be submitted to the WV DEP for approval prior to contract award.

10. Performance Reports

In accordance with 40 C.F.R. § 31.40, the recipient agrees to submit performance reports that include brief information on each of the following areas; 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) the reasons for slippage if established outputs/outcomes were not met; and 3) additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.

In accordance with 40 C.F.R. § 31.40 (d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.

11. Outputs and Outcomes

EPA Order 5700.7, Environmental Results under EPA Assistance Agreements, requires that the award of grant assistance is tied to the accomplishment of agreed-upon products/activities and the effect of those products/activities, referred to as environmental "outputs" and "outcomes." The outputs and outcomes must be measurable and identified in the application work plan. The award of grant assistance constitutes EPA agreement with the outputs and outcomes identified in the application work plan.

EPA Order 5700.7 further requires that following the award of grant assistance, grant recipients must report on their progress in achieving the accepted environmental outputs and outcomes. The preceding Performance Reporting condition highlights this obligation.

Pursuant to EPA regulation 40 CFR 31.40(c), *Construction performance reports*, for the purpose of this grant award the recipient may satisfy the above Performance Reporting obligation by providing information on the interim status or completion of the project to the WV DEP during the course of interim and final project inspections.

12. Food and Refreshments

Unless the event(s) are specified in the approved workplan, the recipient agrees to obtain prior approval

from EPA for the use of grant funds for light refreshments and/or meals served at meetings, conferences, training workshops, and outreach activities (events). The recipient must send requests for approval to the EPA Project Officer and include:

- (1) An estimated budget and description for the light refreshments, meals, and/or beverages to be served at the event(s);
- (2) A description of the purpose, agenda, location, length and timing for the event.
- (3) An estimated number of participants in the event and a description of their roles.

Recipients may address questions about whether costs for light refreshments, and meals for events are allowable to the recipient's EPA Project Officer. However, the Agency Award Official or Grant Management Officer will make final determinations on allowability.

Note: U.S. General Services Administration regulations define light refreshments for morning, afternoon or evening breaks to include, but not be limited to, coffee, tea, milk, juice, soft drinks, donuts, bagels, fruit, pretzels, cookies, chips, or muffins. (41 CFR 301-74.11).

13. Sufficient Progress Unliquidated Obligations

EPA may terminate the assistance agreement for failure of the recipient to make sufficient progress so as to reasonably ensure completion of the project within the project period, including any extensions. EPA will measure sufficient progress by examining the performance required under the workplan in conjunction with the milestone schedule, the time remaining for performance within the project period, and/or the availability of funds necessary to complete the project.

**SUB GRANT AGREEMENT BY AND BETWEEN
TOWN OF MOOREFIELD AND
MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY**

Exhibit "E"

[Litigation]

NO

There is no pending or (to Recipient's knowledge after due inquiry) threatened proceeding by or before any Official Body against or affecting Recipient which if adversely decided would have a material adverse effect on the business, operations or condition, financial or otherwise, of Recipient or on the ability of Recipient to perform its or his obligations under the Subgrant Documents or on the construction or operation of the Improvements.

YES

There is pending or (to Recipient's knowledge after due inquiry) threatened proceeding by or before any Official Body against or affecting Recipient which if adversely decided would have a material adverse effect on the business, operations or condition, financial or otherwise, of Recipient or on the ability of Recipient to perform its or his obligations under the Sub grant Documents or on the construction or operation of the Improvements. This proceeding is set forth on the following page(s).

Initials 

CERTIFICATE

Moorefield/Hardy County Wastewater Authority

In compliance with Section 4.01 b) of the Subgrant Agreement by and between the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority, the undersigned Authorized Officer of Moorefield/Hardy County Wastewater Authority, being the official of the Issuer duly charged with the responsibility of keeping the Moorefield/Hardy County Wastewater Authority records hereby certifies that the Board of the Moorefield/Hardy County Wastewater Authority authorized receipt of the Subgrant by resolution adopted on March 15, 2012. Such resolution is attached hereto as Exhibit A.

Dated March 26, 2012

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY

By: 
Its: Authorized Officer

Moorefield/Hardy County Wastewater Authority

Sewer Revenue Bonds, Series 2012 A
(West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B
(West Virginia SRF Program/Green)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNTS, DATES, MATURITY DATES, REDEMPTION PROVISIONS, INTEREST RATES, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM) AND SEWER REVENUE BONDS, SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN), OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY; APPROVING AND RATIFYING THE BOND PURCHASE AGREEMENT RELATING TO SUCH BONDS AND THE SALE AND DELIVERY OF SUCH BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE SERIES 2012 BONDS.

WHEREAS, the Board (the "Governing Body") of Moorefield/Hardy County Wastewater Authority (the "Issuer") has duly and officially adopted a bond resolution on March 15, 2012 (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF A PUBLIC SEWERAGE SYSTEM OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE WASTEWATER DISTRICT OF \$16,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2012 A (WEST VIRGINIA SRF PROGRAM), AND \$1,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SERIES 2012 B (WEST VIRGINIA SRF PROGRAM/GREEN); 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 A

BOND PURCHASE 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, 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 2012 A (West Virginia SRF Program) and Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer (collectively, the "Series 2012 Bonds" and individually, the "Series 2012 A Bonds"; and the "Series 2012 B Bonds"), in the respective aggregate principal amounts not to exceed \$16,500,000, and \$1,500,000 and has authorized the execution and delivery of the Bond Purchase Agreement relating to the Series 2012 Bonds, by and among the Issuer, the West Virginia Water Development Authority (the "Authority") and the West Virginia Department of Environmental Protection (the "DEP") (the "Bond Purchase Agreement"), all in accordance with Chapter 22C, Article 2 of the West Virginia Code of 1931, as amended (the "Act"); and in the Bond Resolution it is provided that the form of the Bond Purchase Agreement and the exact principal amounts, dates, maturity dates, redemption provisions, interest rates, interest and principal payment dates, sale prices and other terms of the Series 2012 Bonds should be established by a supplemental resolution pertaining to the Series 2012 Bonds; and that other matters relating to the Series 2012 Bonds be herein provided for;

WHEREAS, the Bond Purchase Agreement has been presented to the Issuer at this meeting;

WHEREAS, the Series 2012 Bonds are proposed to be purchased by the Authority pursuant to the Bond Purchase Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Bond Purchase Agreement be approved and ratified by the Issuer, that the exact principal amounts, the dates, the maturity dates, the redemption provisions, the interest rates, the interest and principal payment dates, the sale prices and other terms of the Series 2012 Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Series 2012 Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY:

Section 1. Pursuant to the Bond Resolution and the Act, this Supplemental Resolution is adopted and there are hereby authorized and ordered to be issued the following bonds of the Issuer:

A. Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of \$16,500,000. The Series 2012 A Bonds shall be dated the date of delivery thereof, shall finally mature March 1, 2052 and shall bear no interest. The principal

of the Series 2012 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing September 1, 2014 to and including March 1, 2052 and in the amounts as set forth in the "Schedule Y" attached to the Bond Purchase Agreement and incorporated in and made a part of the Series 2012 A Bonds. The Series 2012 A Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2012 A Bonds. The Issuer does hereby approve and shall pay the SRF Administrative Fee equal to 0.5% of the principal amount of the Series 2012 A Bonds set forth in "Schedule Y" attached to the Bond Purchase Agreement.

B. Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green), of the Issuer, originally represented by a single Bond, numbered BR-1, in the principal amount of \$1,500,000. The Series 2012 B Bonds shall bear no interest. The principal amounts advanced of the Series 2012 B Bonds shall be deemed forgiven on the 30th day of June in the fiscal year in which advanced. The Series 2012 B Bond shall be deemed no longer outstanding after the last advance is forgiven. The Series 2012 B Bonds shall be subject to redemption upon the written consent of the Authority and the DEP, and upon payment of the redemption premium, if any, and otherwise in compliance with the Bond Purchase Agreement, so long as the Authority shall be the registered owner of the Series 2012 B Bonds. The Series 2012 B Bonds are not subject to the SRF Administrative Fee.

Section 2. All other provisions relating to the Series 2012 Bonds and the text of the Series 2012 Bonds shall be in substantially the form provided in the Bond Resolution.

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Bond Purchase Agreement, copies of which are incorporated herein by reference, and the execution and delivery of the Bond Purchase Agreement by the President, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, directed, ratified and approved. The Issuer hereby affirms all covenants and representations made in the Bond Purchase Agreement and in the applications to the DEP and the Authority. The price of the Series 2012 Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the Series 2012 Bonds shall be advanced from time to time as requisitioned by the Issuer.

Section 4. The Issuer does hereby appoint and designate The Huntington National Bank, Charleston, West Virginia, to serve as Registrar (the "Registrar") for the Series 2012 Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Series 2012 Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the President, and the performance of the obligations contained therein, on behalf of the Issuer, are hereby authorized, approved and directed.

Section 5. The Issuer does hereby appoint and designate the West Virginia Municipal Bond Commission, Charleston, West Virginia, to serve as Paying Agent for the Series 2012 Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate First United Bank & Trust, Oakland, Maryland, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2012 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2012 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2012 A Bonds proceeds in the amount of \$-0- shall be deposited in the Series 2012 A Bonds Reserve Account.

Section 9. The balance of the proceeds of the Series 2012 Bonds shall be deposited in or credited to the Series 2012 Bonds Construction Trust Fund for payment of the costs of the Project, including, without limitation, costs of issuance of the Series 2012 Bonds and related costs.

Section 10. A. The Sub Grant Agreement by and between the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority is hereby approved.

B. The Operation & Maintenance Agreement between the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority is hereby approved.

C. The Agreement for the Transportation and Treatment of Wastewater by and among Pilgrim's Pride Corporation, the Town of Moorefield and the Moorefield/Hardy County Wastewater Authority is hereby approved.

Section 11. The President and Secretary are hereby authorized and directed to execute and deliver such other documents, agreements, instruments and certificates required or desirable in connection with the Series 2012 Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2012 Bonds may be delivered on or about March 26, 2012, to the Authority pursuant to the Bond Purchase Agreement.

Section 12. The acquisition and construction of the Project and the financing thereof in part with proceeds of the Series 2012 Bonds are in the public interest, serve a public purpose of the Issuer and will promote the health, welfare and safety of the residents of the Issuer.

Section 13. This Supplemental Resolution shall be effective immediately following adoption hereof.

Adopted this 15th day of March, 2012.

MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY

By: 
Its: President

ESCROW AGREEMENT

This ESCROW AGREEMENT ("Escrow Agreement") is made and entered into this 21 day of March, 2012, by and between PILGRIM'S PRIDE CORPORATION, a Delaware Corporation ("Pilgrim's"), and MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY, a public corporation of the State of West Virginia (the "Authority").

-RECITALS-

WHEREAS, as part of the proposed Moorefield/Hardy County Wastewater Treatment Facility project (the "Project"), the Authority has asked that Pilgrim's obtain an irrevocable security instrument in order to ensure certain payment obligations of Pilgrim's under that certain "Agreement for Transportation and Treatment of Wastewater" of even date herewith, by and between Pilgrim's, the Authority, the Town of Moorefield, Hardy County, West Virginia, a municipal corporation of the State of West Virginia, and the County Commission of Hardy County, West Virginia, a public corporation of the State of West Virginia (the "Transportation Agreement").

WHEREAS, Pilgrim's has explored the availability of obtaining such a security instrument with numerous institutions and concluded that it will not be able to provide the irrevocable security instrument as requested by the Authority;

WHEREAS, in lieu of such a security instrument the parties have agreed to an escrow arrangement in accordance with the terms and provision of this Escrow Agreement;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Purpose of Escrow Agreement. The purpose of this Escrow Agreement is to ensure the payment of up to one year of payments due to the Authority, not-to-exceed \$445,000.00, of Pilgrim's Debt Assessment and up to one month of payment due the Authority, not-to-exceed \$140,000.00, of Pilgrim's O & M Assessment (as those terms are defined in the Transportation Agreement), for so long as the Authority has outstanding bonds or other debt obligations the proceeds of which were used to pay the capital costs of construction of the New Treatment Facility and the New Transmission Line (as such terms are defined in the Agreement for the Transportation and Treatment of Wastewater) (collectively, the "Authority's Debt").
2. Establishment of the Escrow Account. In addition to, and simultaneously with, the monthly payment to the Authority of Pilgrim's Debt Assessment and Pilgrim's O & M Assessment as set forth in the Transportation Agreement, Pilgrim's shall deliver to the Authority, to be held in escrow pursuant to the terms set forth herein, FIVE THOUSAND DOLLARS AND 00/100 (\$5,000.00) a month, each and every month for eighty-nine (89) months until the total amount of escrowed funds reaches FOUR HUNDRED FORTY-FIVE THOUSAND DOLLARS AND 00/100 (\$445,000.00), which represents one year of the payments due to the Authority for Pilgrim's Debt Assessment. The total amount of the escrowed funds, or any portion thereof, plus accrued interest, shall be referred to as the "Escrowed Funds".

3. Interest Accruing on Escrowed Funds. Upon receipt of the Escrowed Funds, or any portion thereof, the Authority shall deposit the Escrowed Funds into an interest bearing account at a federally-insured bank of the Authority's choosing (the "Escrow Account"). Any interest that accrues on the Escrowed Funds, up to a maximum amount of interest of ONE HUNDRED FORTY THOUSAND DOLLARS and 00/100 (\$140,000.00), shall be held in escrow by the Authority as part of the Escrowed Funds for purposes of ensuring payment of up to one month of Pilgrim's O & M Assessment. Thus, the total amount held in Escrow by the Authority shall be \$585,000.00, which represents the principal escrow amount of \$445,000.00 to ensure payment of up to one year of Pilgrim's Debt Assessment and the \$140,000.00 of interest accruing to the benefit of the Authority to ensure payment of up to one month of Pilgrim's O & M Assessment.

Any interest that accrues on the Escrowed Funds that is in excess of \$140,000.00 shall accrue to the benefit of Pilgrim's, and the Authority shall disburse such excess interest to Pilgrim's on an annual basis by March 15th of each year following the execution of the Transportation Agreement. At any time during the term of this Escrow Agreement, the Authority shall provide Pilgrim's with an accounting of the Escrowed Funds within five (5) days of receipt of written notice by Pilgrim's.

4. Disbursement of the Escrowed Funds. Except as otherwise set forth herein with regard to interest in excess of \$140,000.00, the Escrowed Funds shall be disbursed as follows:

a. If at any time during the term of the Authority's Debt, Pilgrim's fails to pay Pilgrim's Debt Assessment or Pilgrim's O & M Assessment within 30 days of the date due by reason of Pilgrim's closure of its facilities located in Moorefield, West Virginia, the Authority may withdraw from the Escrowed Funds an amount sufficient to cover the amount of Pilgrim's Debt Assessment or Pilgrim's O & M Assessment then due and payable. In no event, however, shall the Authority withdraw, in the aggregate, more than \$445,000.00 to cover Pilgrim's unpaid Debt Assessment or more than \$140,000.00 to cover Pilgrim's O & M Assessment. As to withdrawals to cover Pilgrim's O&M Assessment, the Authority shall not invade the accrued principal payments made by Pilgrim's of \$5,000 per month which are specifically intended to cover Pilgrim's Debt Assessment. Any such withdrawals to cover Pilgrim's O&M Assessment shall be limited to the amount of allowably accrued interest then on deposit in escrow. The Authority shall give Pilgrim's written notice of such withdraw within five (5) days of making such withdraw, but shall not need Pilgrim's consent to do so.

b. When the Authority's Debt is within one (1) year of being fully satisfied, the Authority shall, without demand by Pilgrim's, do the following:

i. Prepare an accounting of the balance of the Escrowed Funds, plus an estimate of any interest that will accrue over the coming year;

ii. Provide Pilgrim's with the following:

1. A report showing an accounting of the Escrowed Funds and an estimate of any interest that will accrue over the coming year;

2. A table setting forth the proposed application of the balance of the Escrowed Funds on a monthly basis, or otherwise, to the remaining portion of Pilgrim's Debt Assessment over the coming year, or the portion of the coming year that the balance of the Escrowed Funds will sufficiently cover Pilgrim's Debt Assessment; and

3. Notice of the (a) due date and (b) amount of the last scheduled monthly payment that Pilgrim's will need to make to the Authority for Pilgrim's Debt Assessment before the Authority begins applying the balance of the Escrowed Funds to the remaining Pilgrim's Debt Assessment as it becomes due.

iii. Apply the balance of the Escrowed Funds and accrued interest to the balance of Pilgrim's Debt Assessment as it becomes due.

c. If not sooner applied to the balance of Pilgrim's Debt Assessment as set forth above in subsection 4(b)(iii), the balance of the Escrowed Funds shall be automatically released to Pilgrim's, its successor or assign, by the Authority, without demand, when the Authority's Debt has been fully satisfied.

d. The Escrowed Funds shall not be used by the Authority for any other purpose than those set forth in Paragraph 4.a.

5. Termination of the Escrow Agreement. This Escrow Agreement shall terminate upon the disbursement of the balance of the Escrowed Funds as provided in paragraph 4 above, or upon the mutual written agreement of all the parties hereto with the consent of the Bondholders.

6. Governing Law. This Escrow Agreement shall be construed, governed, and enforced in all respects, without regard to conflicts of law principles, by the laws of West Virginia. The parties hereto consent to venue and personal jurisdiction exclusively in the courts located in West Virginia.

7. Entire Agreement. This Escrow Agreement memorializes the entire agreement of the parties with respect to the placement and distribution of the Escrowed Funds. No modification or amendment of this Escrow Agreement shall be valid unless reduced to writing and signed by the parties. Notwithstanding the foregoing, in the event of any conflict between the provisions of the Transportation Agreement and the terms of the Escrow Agreement, the terms of this Escrow Agreement shall prevail.

8. Construction of Agreement. If any provision of this Escrow Agreement or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Escrow Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law. Any question regarding the meaning of any provision hereof shall not be resolved by any rule of interpretation providing for interpretation against the party who causes the uncertainty to exist or against the draftsman. The failure of either party to this Escrow Agreement to insist upon the performance

of any of the terms and conditions of this Escrow Agreement, or the waiver of any breach of any of the terms and conditions of this Escrow Agreement, shall not be construed as thereafter waiving any such terms and conditions; but such terms and conditions shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

9. Successors and Assigns. All terms of this Escrow Agreement shall be binding upon the parties and their respective successors and assignees; and/or upon any person or entity which acquires an ownership or possession of any interest in this Escrow Agreement by operation of law or otherwise.

10. Counterpart Signatories. This Escrow Agreement may be executed in counterparts, and all counterparts shall be deemed to be one and the same document. A facsimile of an original signature shall be considered as effective as an original signature.

11. Notices. Any notice or other communication required or authorized by this Escrow Agreement shall be delivered in person, by certified mail-return receipt requested (postage prepaid) or by overnight courier (charges prepaid) to the parties at the address specified below:

If to Pilgrim's Pride Corporation:

Pilgrim's Pride Corporation
330 Co-Op Drive
Timberville, VA 22853
Attn: John Gangwer

and

Pilgrim's Pride Corporation
129 Potomac Avenue
Moorefield, WV 26836
Attn: Peyton Umstot

With a copy to:

Wharton Aldhizer & Weaver PLC
100 S. Mason Street
Harrisonburg, VA 22801
Attn: Daniel L. Fitch

If to Moorefield/Hardy County Wastewater Authority:

Moorefield/Hardy County Wastewater Authority
206 Winchester Avenue
Moorefield, West Virginia 26836
Attn: President

With a copy to:

Law Offices of Robert R. Rodecker
BB&T Square
300 Summers Street, Suite 1230
Post Office Box 3713
Charleston, West Virginia 25337

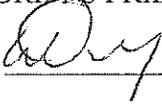
or to such other address as the parties may from time to time designate by notice in writing to the other party. All notices or other communications hereunder shall be deemed received when delivered if delivered personally or by overnight courier, or if sent by registered or certified mail, three (3) days after it is deposited in the mail.

(Intentionally left blank.)

(SIGNATURE PAGE FOR ESCROW AGREEMENT)

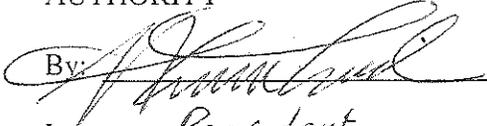
IN WITNESS WHEREOF, the parties have executed this Escrow Agreement with the intent of it being effective as of the date first set forth above.

PILGRIM'S PRIDE CORPORATION

By:  (SEAL)

Its: EL U.P. operations/Sales Pilgrims

MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY

By:  (SEAL)

Its: President



CLOSING MEMORANDUM

To: Financing Team

From: John C. Stump, Esquire

Date: March 26, 2012

Re: Moorefield/Hardy County Wastewater Authority
Sewer Revenue Bonds, Series 2012 A (West Virginia SRF Program); and
Sewer Revenue Bonds, Series 2012 B (West Virginia SRF Program/Green)

**DISBURSEMENTS TO THE MOOREFIELD/HARDY COUNTY WASTEWATER
AUTHORITY**

- A. Payor: West Virginia Department of Environmental Protection
Source: Series 2012 A Bonds Proceeds
Amount: \$825,000
Form: Wire
Payee: Moorefield/Hardy County Wastewater Authority
ABA #: 052100987
Account #: 213258567
Bank: First United Bank & Trust
19 S. Second Street, Oakland, MD 21550
Contact: Katy Bennett, 304.538.7881
Account: Series 2012 Bonds Construction Trust Fund
- B. Payor: West Virginia Department of Environmental Protection
Source: Series 2012 B Bonds Proceeds
Amount: \$75,000
Form: Wire
Payee: Moorefield/Hardy County Wastewater Authority
ABA #: 052100987
Account #: 213258567
Bank: First United Bank & Trust
19 S. Second Street, Oakland, MD 21550
Contact: Katy Bennett, 304.538.7881
Account: Series 2012 Bonds Construction Trust Fund

C. Payor: West Virginia Infrastructure Fund
Source: West Virginia Jobs & Development Council Grant
Amount: \$-0-
Form: Wire
Payee: Moorefield/Hardy County Wastewater Authority
ABA #: 052100987
Account #: 213258567
Bank: First United Bank & Trust
19 S. Second Street, Oakland, MD 21550
Contact: Katy Bennett, 304.538.7881
Account: Series 2012 Bonds Construction Trust Fund

621500.00001

DEP PAYMENT REQUISITION FORM

Rev 04/07/09

1. LOAN RECIPIENT/VENDOR:

NAME: Moorefield/Hardy County Wastewater Authority
 ADDRESS: 206 Winchester Avenue
Moorefield, WV 26836

FEIN: _____

DUNS: _____

2. SRF #: C-544370

3. INVOICE NUMBER: _____

1

4. PERIOD COVERED BY THIS REQUEST (MO/DAY/YR)

FROM: (MO/DAY/YR)

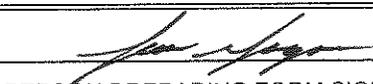
TO: (MO/DAY/YR)

2/22/2012

5. % of PHYSICAL CONSTRUCTION COMPLETION

0%

CLASSIFICATION	A) APPROVED BUDGET	B) PREVIOUS APPROVED	C) THIS REQUEST	D) TOTAL COLUMNS B&C	E) AGENCY USE ONLY	
					SRF	PF/G
1) CONSTRUCTION	17,272,629		825,000.00	825,000.00		
2) EQUIPMENT	0.00		0.00	0.00		
3) ENGINEERING						
a. Planning	0.00		0.00	0.00		
b. Design	0.00		0.00	0.00		
c. Const Basic	0.00		0.00	0.00		
d. Spec Services	0.00		0.00	0.00		
e. Inspection	0.00		0.00	0.00		
4) LEGAL	0.00		0.00	0.00		
5) ACCOUNTING	0.00		0.00	0.00		
6) ADMINISTRATIVE	0.00		0.00	0.00		
7) CONTINGENCY	652,371					
8) LOAN REPAYMENT	0.00		0.00	0.00		
9) RESERVE FUND	0.00		0.00	0.00		
10) CLOSING COSTS	75,000.00		75,000.00	75,000.00		
11) SUBTOTAL	18,000,000.00	0.00	900,000.00	900,000.00		
12) LESS PREVIOUSLY PAID				0.00		
13) INVOICE AMOUNT				900,000.00		

14)  AUTHORIZED SIGNATURE  TYPED OR PRINTED NAME AND TITLE	<u>2/22/12</u> DATE	15)  PERSON PREPARING FORM SIGNATURE <u>Lucas Gagnon</u> TYPED OR PRINTED NAME AND TITLE	<u>2/22/12</u> DATE
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AGENCY USE ONLY:

THIS REQUEST APPROVED BY:		WV DEPARTMENT OF ENVIRONMENTAL PROTECTION	
_____	_____	_____	_____
PROJECT REVIEWER	DATE	AUTHORIZED OFFICER	DATE

**MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
(2007S-977)
2011S-_____**

**RESOLUTION OF THE MOOREFIELD/HARDY COUNTY WASTEWATER AUTHORITY
APPROVING INVOICES RELATING TO SERVICES FOR THE PROPOSED WASTEWATER
PROJECT AND AUTHORIZING PAYMENT THEREOF,**

WHEREAS, the Moorefield/Hardy County Wastewater Authority, has reviewed the invoices attached hereto and incorporated herein by reference relation to the Project funded by the Clean Water SRF Program (SRF) Infrastructure and Jobs Development Council grant (IJDC), US Environmental Protection Agency STAG Grant (EPA), WV Economic Development Authority Grant (WVEDA), and the Town of Moorefield (Town). and find as follows:

- a) That none of the items for which payment is proposed is also being paid from another source.
- 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 properly incurred.
- d) That the payment for each of the items proposed is due and owing.

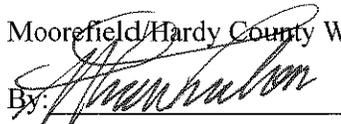
NOW, THEREFOR, BE IT RESOLVED Moorefield/Hardy County Wastewater Authority by as follows: There is hereby authorized and directed the payment of the attached invoices as follows:

Vendor	Total	SRF	IJDC Grant	EPA	WVEDA	Town
Steptoe & Johnson	74,000.00	74,000.00	0.00	0.00	0.00	0.00
Huntington Bank	1,000.00	1,000.00	0.00	0.00	0.00	0.00
Future Construction *	825,000.00	825,000.00	0.00	0.00	0.00	0.00
TOTAL	900,000.00	900,000.00	0.00			

**First SRF draw must be 5% of Loan amount*

ADOPTED BY the Moorefield/Hardy County Wastewater Authority, at the meeting held on the 22nd day of February 2012

Moorefield/Hardy County Wastewater Authority

By: 

Its: President

SWEEP RESOLUTION

WHEREAS, Moorefield/Hardy County Wastewater Authority (the "Issuer") is a governmental body and governmental instrumentality 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, 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.

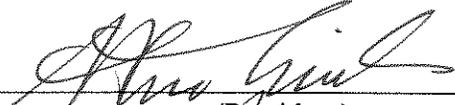
NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on the Bonds, as set forth in Exhibit A, shall be made to the MBC by electronic transfer by the State Treasurer from the accounts set forth in Exhibit A in such form and at such directions as are provided by the MBC.

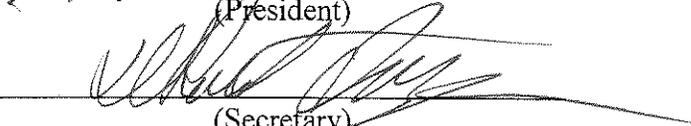
2) The President and Secretary are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 15th day of March, 2012.



(President)



(Secretary)