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February 19, 2009

Pocahontas County Public Service District
Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

William Rexrode, Chairman
Pocahontas County Public Service District
HC 63 Box 122
Frank, West Virginia 26920

Dear Mr. Rexrode:

Enclosed is the transcript of closing documents for the above-referenced financing for the Pocahontas County Public Service District. For auditing purposes, the District should keep the transcript on file until three years after the Bonds mature. Upon receipt, should you have any questions, please call me.

It was a pleasure working with you and the Board. We look forward to working with you again.

My best regards.

Very truly yours,

John C. Stump

JCS/rmc
Enclosures
cc: Distribution List (attached)

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POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
SEWER REVENUE BONDS, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

Transcript Distribution List

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POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

DATE OF CLOSING: DECEMBER 30, 2008

BONDS TRANSCRIPT

STEPTOE & JOHNSON PLLC

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POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

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POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

SEWER REVENUE BONDS, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

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POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION AUTHORIZING THE ACQUISITION AND PRE-CONSTRUCTION ACTIVITIES OF PUBLIC SEWERAGE FACILITIES OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $2,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT:

ARTICLE I

STATUTORY AUTHORITY, FINDINGS AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution (together with any order or resolution supplemental hereto or amendatory hereof, the "Bond Legislation") is adopted pursuant to the provisions of Chapter 16, Article 13A and Chapter 31, Article 15A 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. Pocahontas County Public Service District (the "Issuer") is a public service district and a public corporation and political subdivision of the State of West Virginia in Pocahontas County of said State.

B. It is deemed necessary and desirable for the health and welfare of the inhabitants of the Issuer that there be acquired and constructed public sewerage facilities of the Issuer, consisting of (i) acquisition of the sewer utility of Snowshoe Water and Sewer; (ii) repay the Series 2004 A Notes (as herein defined); (iii) repay the series 2004 B Notes (as herein defined); (iv) pay for additional costs associated with the funding and permit process together with all appurtenant facilities (collectively, the "Project"), which constitute public service 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 has heretofore temporarily financed the design and other preliminary costs of the Project by the issuance of the Sewerage System Design Notes, Series 2004 A (West Virginia Infrastructure Fund), dated June 15, 2005 in the original aggregate principal amount of $145,000 (the "Series 2004 A Notes") and Sewerage System Bond Anticipation Notes, Series 2004 B, dated June 15, 2004, issued in the original principal amount of $300,000 and held by Pendleton County Bank (the "Series 2004 B Notes") (collectively, the "Prior Notes") and from a $5,000 grant from The County Commission of Pocahontas County.

D. The Prior Notes were issued pursuant to a Resolution of the Issuer previously adopted for such purpose (such resolution, as amended and supplemented is herein called the "Prior Notes Resolution")

E. It is deemed necessary and desirable for the Issuer to pay the Prior Notes.

F. The Issuer intends to pay the Prior Notes and permanently finance a portion of the costs of the Project through the issuance of its revenue bonds to the West Virginia Water Development Authority (the "Authority"), which administers the West Virginia Infrastructure Fund pursuant to the Act.

G. It is deemed necessary for the Issuer to issue its Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), in the total aggregate principal amount of not more than $2,500,000 (the "Series 2008 A Bonds"), to permanently finance a portion of the costs of the Project. 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 2008 A Bonds; amounts which may be deposited in the Series 2008 A Bonds Reserve Account (as hereinafter defined); engineering and legal expenses; expenses for estimates of costs and revenues, expenses for plans, specifications and surveys; other expenses necessary or incident to determining the feasibility or practicability of the enterprise, administrative expense, commitment fees, fees and expenses of the Authority, discount, initial fees for the services of registrars, paying agents, depositories or trustees or other costs in connection with the sale of the Series 2008 A Bonds and such other expenses as may be necessary or incidental to the financing herein authorized, the acquisition 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 2008 A Bonds or the repayment of indebtedness incurred by the Issuer for such purposes shall be deemed Costs of the Project, as hereinafter defined.

H. The period of usefulness of the System after completion of the Project is not less than 40 years.

I. It is in the best interests of the Issuer that its Series 2008 A Bonds be sold to the Authority pursuant to the terms and provisions of a loan agreement by and between the Issuer and the Authority, on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), in form satisfactory to the respective parties (the "Loan Agreement"), approved hereby if not previously approved by resolution of the Issuer.

J. After payment of the Prior Notes, there are no outstanding bonds or obligations of the Issuer which will rank on a parity with the Series 2008 A Bonds or are secured by revenues or assets of the System.

K. The estimated revenues to be derived in each year after 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 2008 A Bonds, and to make payments into all funds and accounts and other payments provided for herein.

L. The Issuer has complied with all requirements of West Virginia law and the Loan Agreement relating to authorization of the acquisition and operation of the Project and the System and issuance of the Series 2008 A Bonds, or will have so complied prior to issuance of any thereof, including, among other things and without limitation, the approval of the Project and the financing thereof by the Council and the obtaining of a certificate of public convenience and necessity and approval of this financing and necessary user rates and charges described herein from the Public Service Commission of West Virginia by final order, the time for rehearing and appeal of which will either have expired prior to the issuance of the Series 2008 A Bonds or such final order will not be subject to appeal.

M. 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 2008 A Bonds by those who shall be the Registered Owners of the same from time to time, this Bond Legislation shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders, 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 Bondholders of any and all of such Series 2008 A Bonds, all of which shall

be of equal rank and without preference, priority or distinction between any one Bond and any other Bonds, and 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 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1331, as amended and in effect on the date of adoption hereof.

"Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser and Registered Owner of the Series 2008 A Bonds, or any other agency, board or department of the State of West Virginia that succeeds to the functions of the Authority, acting in its administrative capacity and upon authorization from the Council under the Act.

"Authorized Officer" means the Chairman of the Governing Body of the Issuer or any temporary Chairman 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 the Series 2008 A Bonds and, where appropriate, 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.

"Chairman" means the Chairman of the Governing Body of the Issuer.

"Closing Date" means the date upon which there is an exchange of the Series 2008 A Bonds for all or a portion of the proceeds of the Series 2008 A Bonds from the Authority.

"Code" means the Internal Revenue Code of 1386, 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 Thrasher Engineering, Inc., Clarksburg, 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 of the Project.

"Council" means the West Virginia Infrastructure and Jobs Development Council or any other agency of the State of West Virginia that succeeds to the functions of the Council.

"Depository Bank" means the bank designated as such in the Supplemental Resolution, and its successors and assigns, which shall be a member of FDIC.

"FDIC" means the Federal Deposit Insurance Corporation and any successor to the functions of the FDIC.

"Fiscal Year" means each 12-month period beginning on July 1 and ending on the succeeding June 30.

"Governing Body" or "Board" means the public service board of the Issuer, as it may now or hereafter be constituted.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is guaranteed by, the United States of America.

"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 Pocahontas County Public Service District, a public service district, public corporation and political subdivision of the State of West Virginia in Pocahontas County, West Virginia, and, unless the context clearly indicates otherwise, includes the Governing Body of the Issuer.

"Loan Agreement" means the Loan Agreement heretofore entered, or to be entered, by and between the Issuer and the Authority, on behalf of the Council, providing for the purchase of the Series 2008 A 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.

"Net Proceeds" means the face amount of the Series 2008 A Bonds, plus accrued interest and premium, if any, less original issue discount, if any, and less proceeds, if any, deposited in the Series 2008 A Bonds Reserve Account. For purposes of the Private Business Use limitations set forth herein, the term Net Proceeds shall include any amounts resulting from the investment of proceeds of the Series 2008 A Bonds, without regard to whether or not such investment is made in tax-exempt obligations.

"Net Revenues" means the balance of the Gross Revenues, remaining after deduction of Operating Expenses, as hereinafter defined.

"Operating Expenses" means the reasonable, proper and necessary costs of repair, maintenance and operation of the System and includes, without limiting the generality of the foregoing, administrative, engineering, legal, auditing and insurance expenses, other than those capitalized as part of the Costs, fees and expenses of the Authority, fiscal agents, the Depository Bank, the Registrar and the Paying Agent (all as herein after 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 canceled 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 2008 A Bonds in the Supplemental Resolution.

"Prior Notes" means collectively the Series 2004 A Notes and the Series 2004 B Notes.

"Prior Notes Resolution" means the resolution, as supplemented, authorizing the Prior Notes.

"Project" means the Project as described in Section 1.02(B) 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 6 (c) of the West Virginia Code of 1931, as amended; and

(i) Obligations of states or political subdivisions or agencies thereof, the interest on which is excluded from gross income for federal income tax purposes, and which are rated at least "A" by Moody's Investors Service, Inc. or Standard & Poor's Corporation.

"Registered Owner," "Bondholder," "Holder" or any similar term means whenever used herein with respect to an outstanding Bond or Bonds, the person in whose name such Bond is registered.

"Registrar" means the Bond Registrar.

"Regulations" means temporary and permanent regulations promulgated under the Code or any predecessor thereto.

"Renewal and Replacement Fund" means the Renewal and Replacement Fund established by Section 5.01 hereof.

"Revenue Fund" means the Revenue Fund established by Section 5.01 hereof.

"Secretary" means the Secretary of the Governing Body of the Issuer.

"Series 2004 A Notes means the Issuer's Sewerage System Design Notes, Series 2004 A (West Virginia Infrastructure Fund), dated June 15, 2005 in the original aggregate principal amount of $145,000.

"Series 2004 B Notes" means the Issuer's Sewerage System Bond Anticipation Notes, Series 2004 B, dated June 15, 2004, issued in the original principal amount of $300,000 and held by Pendleton County Bank.

"Series 2008 A Bonds" means the Issuer's Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), authorized to be issued hereby.

"Series 2008 A Bonds Project Trust Fund" means the Series 2008 A Bonds Project Trust Fund established by Section 5.01 hereof.

"Series 2008 A Bonds Reserve Account" means the Series 2008 A Bonds Reserve Account established by Section 5.02 hereof.

"Series 2008 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 2008 A Bonds in the then current or any succeeding year.

"Series 2008 A Bonds Sinking Fund" means the Series 2008 A Bonds Sinking Fund established by Section 5.02 hereof.

"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 2008 A Bonds; provided, that any matter intended by this Resolution to be included in the Supplemental Resolution with respect to the Series 2008 A 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 2008 A Bonds, or any other obligations of the Issuer, including, without limitation, the Renewal and Replacement Fund, the Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account.

"System" means the complete properties of the Issuer for the collection, treatment, purification or disposal of liquid or solid wastes, sewerage or industrial wastes, in its entirety or any integral part thereof, and all sewerage facilities owned by the Issuer and all facilities and other property of every nature, real or personal, now or hereafter owned, held or used in connection with the sewerage system.

"Tap Fees" means the fees, if any, paid by prospective customers of the System in order to connect thereto.

"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.

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; and any requirement for execution or attestation of the Bonds or any certificate or other document by the Chairman or the Secretary shall mean that such Bonds, certificates or other document may be executed by an Acting Chairman or Acting Secretary.

ARTICLE II

AUTHORIZATION OF ACQUISITION OF THE PROJECT AND PAYMENT OF THE PRIOR NOTES

Section 2.01. Authorization of Acquisition of the Project. There is hereby authorized and ordered the acquisition of the Project, at an estimated cost not to exceed $4,500,000, 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 2008 A Bonds hereby authorized shall be applied as provided in Article VI hereof. The Issuer has entered into or will enter into contracts for the acquisition of the Project, in an amount compatible with the financing plan submitted to the Authority and the Council.

The cost of the Project is estimated not to exceed $4,500,000, of which $2,500,000 will be obtained from proceeds of the Series 2008 A Bonds and $2,000,000 as a contribution from Snowshoe Mountain, Inc.

Section 2.02 Authorization of Payment of the Prior Notes. There is hereby authorized and ordered the payment in full of the entire principal of and interest on the Prior Notes on the Closing Date. The cost of which will be paid from the proceeds of the Series 2008 A Bonds. Upon payment in full of the Prior Notes, any funds pledged in favor of the holders of the Prior Notes imposed by the Prior Notes Resolution are hereby ordered terminated, discharged and released.

ARTICLE III

AUTHORIZATION, TERMS, EXECUTION, REGISTRATION AND SALE OF BONDS; AUTHORIZATION AND EXECUTION OF LOAN AGREEMENT

Section 3.01. Authorization of Bonds. For the purposes of capitalizing interest, if any, on the Series 2008 A Bonds, funding a reserve account for the Series 2008 A Bonds, paying Costs of the Project not otherwise provided for and paying certain costs of issuance of the Series 2008 A Bonds and related costs, or any or all of such purposes, as determined by the Supplemental Resolution, there shall be and hereby are authorized to be issued negotiable Series 2008 A Bonds of the Issuer. The Series 2008 A Bonds shall be issued as a single bond, designated as "Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund)," in the principal amount of not more than $2,500,000, and shall have such terms as set forth hereinafter and in the Supplemental Resolution. The proceeds of the Series 2008 A Bonds remaining after funding of the Series 2008 A Bonds Reserve Account (if funded from Bond proceeds) and capitalization of interest on the Series 2008 A Bonds, if any, shall be deposited in or credited to the Series 2008 A Bonds Project Trust Fund established by Section 5.01 hereof and applied as set forth in Article VI hereof.

Section 3.02. Terms of Bonds. The Series 2008 A Bonds shall be issued in such principal amounts; shall bear interest, if any, at such rate or rates, not exceeding the then legal maximum rate, payable quarterly on such dates; shall mature on such dates and in such amounts; and shall be redeemable, in whole or in part, all as the Issuer shall prescribe in a Supplemental Resolution or as specifically provided in the Loan Agreement. The Series 2008 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 2008 A Bonds, if any, shall be paid by check or draft of the Paying Agent, or its 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 2008 A Bonds shall be issued in the form of a single bond, fully registered to the Authority, with a record of advances and a debt service schedule attached, representing the aggregate principal amount of the Series 2008 A Bonds. The Series 2008 A Bonds shall be exchangeable at the option and expense of the Registered Owner for another fully registered Bond or Bonds of the same series in aggregate principal amount equal to the amount of said Bonds then Outstanding and being exchanged, with principal installments or maturities, as applicable, corresponding to the dates of payment of principal installments of said Bonds; provided, that the Authority shall not be obligated to pay any expenses of such exchange.

Subsequent series of Bonds, if any, shall be issued in fully registered form and in denominations as determined by a Supplemental Resolution. Such Bonds shall be dated and shall have such terms as set forth in a Supplemental Resolution.

Section 3.03. Execution of Bonds. The Series 2008 A Bonds shall be executed in the name of the Issuer by the Chairman, 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 2008 A Bonds shall cease to be such officer of the Issuer before the Series 2008 A Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2008 A Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Bonds shall hold the proper office in the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

Section 3.04. Authentication and Registration. No Series 2008 A Bonds 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 Bonds, 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 Bonds shall be conclusive evidence that such Bonds have been authenticated, registered and delivered under this Bond Legislation. The Certificate of Authentication and Registration on the Series 2008 A Bonds 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 2008 A Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting the Series 2008 A Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as the Series 2008 A Bonds remain outstanding, the Issuer, through the Bond Registrar or its agent, shall keep and maintain books for the registration and transfer of such Bonds.

The registered Series 2008 A Bonds shall be transferable only upon the books of the Bond Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of

transfer satisfactory to the Bond Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privilege of exchanging Series 2008 A Bonds or transferring the registered Bonds are exercised, Bonds shall be delivered in accordance with the provisions of this Bond Legislation. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Bond Registrar. For every such exchange or transfer of 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 Bonds or, in the case of any proposed redemption of 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 the Series 2008 A Bonds 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 canceled 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 2008 A Bonds shall not, in any event, be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from the Net Revenues derived from the operation of the System as herein provided. No Holder or Holders of the Series 2008 A Bonds shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2008 A Bonds or the interest, if any, thereon.

Section 3.08. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2008 A Bonds shall be secured by a first lien on the Net Revenues derived from the System. Such Net Revenues in an amount sufficient to pay the principal of and interest, if any, on and other payments for the Series 2008 A Bonds, and to make all other payments provided for in the Bond Legislation, are hereby irrevocably pledged to such payments as they become due.

Section 3.09. Delivery of Bonds. The Issuer shall execute and deliver the Series 2008 A Bonds to the Bond Registrar, and the Bond Registrar shall authenticate, register and deliver the Series 2008 A Bonds to the original purchasers upon receipt of the documents set forth below:

A. If other than the Authority, a list of the names in which the Series 2008 A Bonds are to be registered upon original issuance, together with such taxpayer identification and other information as the Bond Registrar may reasonably require;

B. A request and authorization to the Bond Registrar on behalf of the Issuer, signed by an Authorized Officer, to authenticate and deliver the Series 2008 A Bonds to the original purchasers;

C. An executed and certified copy of the Bond Legislation;

D. An executed copy of the Loan Agreement; and

E. The unqualified approving opinion of bond counsel on the Series 2008 A Bonds.

Section 3.10. Form of Bonds. The text of the Series 2008 A Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted hereby, or by any Supplemental Resolution adopted prior to the issuance thereof:

(FORM OF SERIES 2008 A BOND)

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $2,500,000

KNOW ALL MEN BY THESE PRESENTS: That on this _____ day of _____, 2008, POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Pocahontas 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 TWO MILLION FIVE HUNDRED THOUSAND 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.

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 Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated _____, 2008.

This Bond is issued: (i) to pay the costs of acquisition of public sewerage facilities of the Issuer (the "Project"); (ii) to pay the Issuer's Series 2004 A Notes; (iii) to pay the Issuer's Series 2004 B Notes; (iv) to fund the Series 2008 A Bonds Reserve Account; and (v) 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 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on _____, 2008, and a Supplemental Resolution duly adopted by the Issuer on _____, 2008 (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.

THERE ARE NO OUTSTANDING BONDS OR OBLIGATIONS OF THE ISSUER WHICH RANK ON A PARITY WITH THE BONDS OR ARE SECURED BY REVENUES OR ASSETS OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2008 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2008 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 the Bonds; provided however, that so long as there exists in the Series 2008 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 the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of 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 monies received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

_____
Chairman

ATTEST:

_____
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is the Series 2008 A Bond 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: _____, 2008.

THE HUNTINGTON NATIONAL BANK,
as Registrar

_____
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $		(19)	
(2)		(20)	
(3)		(21)	
(4)		(22)	
(5)		(23)	
(6)		(24)	
(7)		(25)	
(8)		(26)	
(9)		(27)	
(10)		(28)	
(11)		(29)	
(12)		(30)	
(13)		(31)	
(14)		(32)	
(15)		(33)	
(16)		(34)	
(17)		(35)	
(18)		(36)	

TOTAL $_____

EXHIBIT B

DEBT SERVICE SCHEDULE

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 Loan Agreement. The Series 2008 A Bonds shall be sold to the Authority, pursuant to the terms and conditions of the Loan Agreement. If not so authorized by previous resolution, the Chairman is specifically authorized and directed to execute the Loan Agreement in the form attached hereto as "EXHIBIT A" and made a part hereof, and the Secretary is directed to affix the seal of the Issuer, attest the same and deliver the Loan Agreement to the Authority, and any such prior execution and delivery is hereby authorized, approved, ratified and confirmed. The Loan Agreement, including all schedules and exhibits attached thereto, is hereby approved and incorporated into this Bond Legislation.

Section 3.12. Filing of Amended Schedule. Upon completion of the acquisition of the Project, the Issuer will file with the Authority and the Council a schedule, the form of which will be provided by the Council 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 with 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 2008 A Bonds Project 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 2008 A Bonds Sinking Fund; and

(2) Series 2008 A Bonds Reserve Account.

Section 5.03. System Revenues; Flow of Funds. A. The entire Gross Revenues derived from the operation of the System and all parts thereof shall be deposited upon receipt by the Issuer 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 monies 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 the 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 3 months prior to the first date of payment of principal of the Series 2008 A Bonds, for deposit in the Series 2008 A Bonds Sinking Fund, an amount equal to 1/3rd of the amount of principal which will mature and become due on the Series 2008 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 2008 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 3 months prior to the first date of payment of principal of the Series 2008 A Bonds, if not fully funded upon issuance of the Series 2008 A Bonds, for deposit in the Series 2008 A Bonds Reserve Account, an amount equal to 1/120th of the Series 2008 A Bonds Reserve Requirement; provided that, no further payments shall be made into the Series 2008 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 2008 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 an amount equal to 2 1/2% of the Gross Revenues each month, exclusive of any payments for account of any Reserve Accounts. 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 Qualified Investments. Withdrawals and disbursements may be made from the Renewal and Replacement Fund for replacements, 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 2008 A Bonds Sinking Fund shall be used only for the purposes of paying principal of and interest, if any, on the Series 2008 A Bonds, as the same shall become due. Monies in the Series 2008 A Bonds Reserve Account shall be used only for the purpose of paying principal of and interest, if any, on the Series 2008 A Bonds, as the same shall come due, when other monies in the Series 2008 A Bonds Sinking Fund are insufficient therefor, and for no other purpose.

All investment earnings on monies in the Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account shall be returned, not less than once each year, by the Commission to the Issuer, and such amounts shall, during the Project, be

deposited in the Series 2008 A Bonds Project Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and applied in full, first to the next ensuing interest payment, if any, due on the Series 2008 A Bonds, and then to the next ensuing principal payment due thereon.

Any withdrawals from the Series 2008 A Bonds Reserve Account which result in a reduction in the balance therein to below the Series 2008 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 2008 A Bonds are issued, provision shall be made for additional payments into the respective sinking fund sufficient to pay the interest on such additional parity Bonds and accomplish retirement thereof at maturity and to accumulate a balance in the respective reserve account in an amount equal to the requirement thereof.

The Issuer shall not be required to make any further payments into the Series 2008 A Bonds Sinking Fund or the Series 2008 A Bonds Reserve Account when the aggregate amount of funds therein are at least equal to the aggregate principal amount of the Series 2008 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 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account created hereunder, and all amounts required for said accounts shall be remitted to the Commission from the Revenue Fund by the Issuer at the times provided herein. If required by the Authority at anytime, the Issuer shall make the necessary arrangements whereby required payments into said accounts shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required hereunder.

Monies in the Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account shall be invested and reinvested by the Commission in accordance with Section 8.01 hereof.

The Series 2008 A Bonds Sinking Fund and the Series 2008 A Bonds Reserve Account shall be used solely and only for, and are hereby pledged for, the purpose of servicing the Series 2008 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 and reserve payments with respect to the Series 2008 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.

C. The Issuer shall complete the "Monthly Payment Form," a form of which is attached to the Loan Agreement, and submit a copy of said form along with a copy of its payment check to the Authority by the 5th day of such calendar month.

D. Whenever all of the required and provided transfers and payments from the Revenue Fund into the several special funds, as hereinbefore provided, are current and there remains in the Revenue Fund a balance in excess of the estimated amounts required to be so transferred and paid into such funds during the following month or such other period as required by the Act, such excess shall be considered as surplus revenues (the "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 Commission, the Registrar, the Paying Agent or the Depository Bank, as the case may be, shall require, such additional sums as shall be necessary to pay their respective charges and fees then due. In the case of payments to the Commission under this paragraph, the Issuer shall, if required by the Authority at anytime, make the necessary arrangements whereby such required payments shall be automatically debited from the Revenue Fund and electronically transferred to the Commission on the dates required.

F. The monies in excess of the maximum amounts insured by FDIC in any of the 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 herein above 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. All remittances made by the Issuer to the Commission shall clearly identify the fund or account into which each amount is to be deposited.

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

J. All Tap Fees shall be deposited by the Issuer, as received, in the Series 2008 A Bonds Project Trust Fund, and following completion of the Project, shall be deposited in the Revenue Fund and may be used for any lawful purpose of the System.

ARTICLE VI

BOND PROCEEDS; DISBURSEMENTS

Section 6.01. Application of Bond Proceeds; Pledge of Unexpended Bond Proceeds. From the monies received from the sale of the Series 2008 A Bonds, the following amounts shall be first deducted and deposited in the order set forth below:

A. From the proceeds of the Series 2008 A Bonds, there shall be deposited with the Commission in the Series 2008 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 2008 A Bonds for the period commencing on the date of issuance of the Series 2008 A Bonds and ending 6 months after the estimated date of completion of the Project.

B. Next, from the proceeds of the Series 2008 A Bonds, there shall be deposited with the Commission in the Series 2008 A Bonds Reserve Account, the amount, if any, set forth in the Supplemental Resolution for funding the Series 2008 A Bonds Reserve Account.

C. Next, from the proceeds of the Series 2008 A Bonds, there shall be deposited with the holders of the Prior Notes, the amount, if any, set forth in the Supplemental Resolution to pay the Prior Notes.

D. As the Issuer receives advances of the remaining monies derived from the sale of the Series 2008 A Bonds, such monies shall be deposited with the Depository Bank in the Series 2008 A Bonds Project Trust Fund and applied solely to payment of the costs of the acquisition 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 2008 A Bonds.

D. After completion of the Project, as certified by the Consulting Engineers, and all costs have been paid, any remaining proceeds of the Series 2008 A Bonds shall be applied as directed by the Council.

Section 6.02. Disbursements From the Bond Project Trust Fund. The Issuer shall each month provide the Council with a requisition for the costs incurred for the Project, together with such documentation as the Council shall require. Payments of all costs shall be made monthly.

Except as provided in Section 6.01 hereof, disbursements from the Series 2008 A Bonds Project Trust Fund shall be made only after submission to and approval from the Council, of a certificate, signed by an Authorized Officer stating that:

(a) None of the items for which the payment is proposed to be made has formed the basis for any disbursement theretofore made;

(b) Each item for which the payment is proposed to be made is or was necessary in connection with the Project and constitutes a Cost of the Project;

(c) Each of such costs has been otherwise properly incurred; and

(d) Payment for each of the items proposed is then due and owing.

Pending such application, monies in the Series 2008 A Bonds Project Trust Fund shall be invested and reinvested in Qualified Investments at the written direction of the Issuer.

The Issuer shall expend all proceeds of the Series 2008 A Bonds within 3 years of the date of issuance of the Council's Bonds, the proceeds of which were used to make the loan to 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 2008 A Bonds as hereinafter provided in this Article VII. All such covenants, agreements and provisions shall be irrevocable, except as provided herein, as long as any of the Series 2008 A Bonds or the interest, if any, thereon is Outstanding and unpaid.

Section 7.02. Bonds not to be Indebtedness of the Issuer. The Series 2008 A Bonds shall not be nor constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter limitation of indebtedness, but shall be payable solely from the funds pledged for such payment by this Bond Legislation. No Holder or Holders of the Series 2008 A Bond shall ever have the right to compel the exercise of the taxing power of the Issuer, if any, to pay the Series 2008 A Bonds or the interest, if any, thereon.

Section 7.03. Bonds Secured by Pledge of Net Revenues. The payment of the debt service of the Series 2008 A Bonds shall be secured by a first lien on the Net Revenues derived from the System. The Net Revenues in an amount sufficient to pay the principal of and interest, if any, on the Series 2008 A Bonds and to make the payments into all funds and accounts and all other payments provided for in the Bond Legislation are hereby irrevocably pledged, in the manner provided herein, to such payments as they become due, and for the other purposes provided in the Bond Legislation.

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 the Issuer shall supply an opinion of counsel to such effect. Such rates and charges shall be sufficient to comply with the requirements of the Loan Agreement and the Issuer shall supply a certificate of certified public accountant to such effect. The initial schedule of rates and charges for the services and facilities of the System shall be as set forth in and approved by the Recommended Decision of the Public Service Commission of West Virginia entered on December 12, 2005, Commission Order dated February 21, 2006 and Commission Order dated October 16, 2008, in Case No 05-0103-PSD-CN, and such rates are hereby adopted.

So long as the Series 2008 A Bonds are outstanding, the Issuer covenants and agrees to fix and collect rates, fees and other charges for the use of the System and to take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Bond Legislation and in compliance with the Loan Agreement. In the event the schedule of rates, fees and charges initially established for the System in connection with

the Series 2008 A Bonds shall prove to be insufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement, the Issuer hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges and take all such actions necessary to provide funds sufficient to produce the required sums set forth in this Bond Legislation and the Loan Agreement.

Section 7.05. Sale of the System. So long as the Series 2008 A Bonds are outstanding and except as otherwise required by law or with the written consent of the Authority and the Council, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the 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 2008 A Bonds, immediately be remitted to the Commission for deposit in the Series 2008 A Bonds Sinking Fund, and, with the written permission of the Authority and the Council, 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 2008 A Bonds. Any balance remaining after the payment of the Series 2008 A Bonds and interest, if any, thereon shall be remitted to the Issuer by the Commission unless necessary for the payment of other obligations of the Issuer payable out of the revenues of the System.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System hereinafter determined in the manner provided herein to be no longer necessary, useful or profitable in the operation thereof. Prior to any such sale, lease or other disposition of such property, if the amount to be received therefor, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, is not in excess of $10,000, the Issuer shall, by resolution duly adopted, determine that such property comprising a part of the System is no longer necessary, useful or profitable in the operation thereof and may then provide for the sale of such property. The proceeds of any such sale shall be deposited in the Renewal and Replacement Fund. If the amount to be received from such sale, lease or other disposition of said property, together with all other amounts received during the same Fiscal Year for such sales, leases or other dispositions of such properties, shall be in excess of $10,000 but not in excess of $50,000, the Issuer shall first, determine upon consultation with a professional engineer 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 such account 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, or their duly authorized representatives, 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 for in this Section 7.06 and Section 7.07 hereof, the Issuer shall not issue any other 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 2008 A Bonds. All obligations issued by the Issuer after the issuance of the Series 2008 A Bonds and payable from the revenues of the System, except such additional parity Bonds, shall contain an express statement that such obligations are junior and subordinate, as to lien on, and source of and security for payment from such revenues and in all other respects, to the Series 2008 A Bonds; provided, that no such subordinate obligations shall be issued unless all payments required to be made into all funds and accounts established by this Bond Legislation 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 2008 A Bonds, and the interest thereon, if any, upon any or all of the income and revenues of the System pledged for payment of the Series 2008 A Bonds and the interest thereon, if any, in this Bond Legislation, or upon the System or any part thereof.

The Issuer shall give the Authority and the Council 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, for the Project 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 2008 A Bonds pursuant to this Bond Legislation, without the prior written consent of the Authority and the Council and without complying with the conditions and requirements herein provided.

All Parity Bonds issued hereunder shall be on a parity in all respects with the Series 2008 A Bonds.

No such Parity Bonds shall be issued except for the purpose of financing the costs of the design, 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, however, 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 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 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 2008 A Bonds on such revenues. The Issuer shall not issue any obligations whatsoever payable from revenues of the System, or any part

thereof, which rank prior to or, except in the manner and under the conditions provided in this section, equally, as to lien on and source of and security for payment from such revenues, with the Series 2008 A Bonds.

No Parity Bonds shall be issued at any time, however, unless all of the payments into the respective funds and accounts provided for in this Bond Legislation with respect to the Bonds then Outstanding, and any other payments provided for in this Bond Legislation, shall have been made in full as required to the date of delivery of the Parity Bonds, and the Issuer then be in full compliance with all the covenants, agreements and terms of this Bond Legislation.

Section 7.08. Books; Records and Audit. The Issuer shall keep complete and accurate records of the cost of acquiring the Project site and the costs of acquiring, constructing and installing the Project. The Issuer shall permit the Authority and the Council, 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 Authority and the Council such documents and information as they may reasonably require in connection with the acquisition, 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 Authority and the Council, 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 the Project and commencement of operation thereof.

The Issuer shall 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 Issuer. The Issuer 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 Issuer shall be reported to such agent of the Issuer as the Issuer shall direct.

The Issuer shall file with the Council, the Authority, or any other original purchaser of the Series 2008 A Bonds, and shall mail in each year to any Holder or Holders of the Series 2008 A Bonds, requesting the same, an annual report containing the following:

(A) A statement of Gross Revenues, Operating Expenses, Net Revenues and Surplus Revenues derived from and relating to the System.

(B) A balance sheet statement showing all deposits in all the funds and accounts provided for in this Bond Legislation, and the status of all said funds and accounts.

(C) The amount of any Bonds, notes or other obligations outstanding.

The Issuer shall also, at least once a year, cause the books, records and accounts of the System to be audited by Independent Certified Public Accountants (and to the extent legally required, in compliance with the applicable OMB Circular, or any successor thereto, 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 2008 A Bonds, and shall submit said report to the Council and the Authority, or any other original purchaser of the Series 2008 A Bonds. Such audit report submitted to the Authority and the Council 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 revenues of the System are adequate to meet the Issuer's Operating Expenses and debt service and reserve requirements.

Subject to the terms, conditions and provisions of the Loan Agreement and the Act, the Issuer has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared by the Consulting Engineers. All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Issuer.

The Issuer shall permit the Authority and the Council, 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 the Project and commencement of operation of the Project, the Issuer shall also provide the Authority and the Council, 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 Authority and the Council with respect to the System pursuant to the Act.

Section 7.09. Rates. Prior to the issuance of the Series 2008 A Bonds, equitable rates or charges for the use of and service rendered by the System shall be established all in the manner and form required by law, and copies of such rates and charges so established will be continuously on file with the Secretary, which copies will be open to inspection by all interested parties. The schedule of rates and charges shall at all times be adequate to produce Gross Revenues from the System sufficient to pay Operating Expenses and to make the prescribed payments into the funds created hereunder. Such schedule of rates and charges shall be changed and readjusted whenever necessary so that the aggregate

of the rates and charges will be sufficient for such purposes. In order to assure full and continuous performance of this covenant, with a margin for contingencies and temporary unanticipated reduction in income and revenues, the Issuer hereby covenants and agrees that the schedule of rates or charges from time to time in effect shall be sufficient, together with other revenues of the System (i) to provide for all Operating Expenses of the System and (ii) to leave a balance each year equal to at least 115% of the maximum amount required in any year for payment of principal of and interest, if any, on the Series 2008 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2008 A Bonds; provided that, in the event that amounts equal to or in excess of the Reserve Requirements are on deposit respectively in the Series 2008 A Bonds Reserve Account and the reserve accounts for obligations on a parity with the Series 2008 A 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 2008 A Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Series 2008 A Bonds. In any event, the Issuer shall not reduce the rates or charges for services described in Section 7.04.

Section 7.10. Operating Budget and Monthly Financial Report. The Issuer shall annually, at least 45 days preceding the beginning of each Fiscal Year, prepare and adopt by resolution a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding Fiscal Year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof. No expenditures for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amounts provided therefor in such budget without a written finding and recommendation by a registered professional engineer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures for the operation and maintenance of the System, and no such increased expenditures shall be made until the Issuer shall have approved such finding and recommendation by a resolution duly adopted. No increased expenditures in excess of 10% of the amount of such budget shall be made except upon the further certificate of a registered professional engineer that such increased expenditures are necessary for the continued operation of the System. The Issuer shall within 30 days of adoption thereof mail copies of such annual budget and all resolutions authorizing increased expenditures for operation and maintenance to the Authority and the Council and to any Holder of any Bonds, who shall file his or her address with the Issuer and request in writing that copies of all such budgets and resolutions be furnished him or her, 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 Authority and the Council 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 of the Project and for two years following the completion of the Project, the Issuer shall each month complete a "Monthly Financial Report," a form of which is attached to the Loan Agreement, and forward a copy of such report to the Authority and the Council by the 10th day of each month.

Section 7.11. Engineering Services and Operating Personnel. The Issuer shall obtain a certificate of the Consulting Engineers in the form attached to the Loan Agreement, stating, among other things, that the Project has been or will be constructed in accordance with the approved plans, specifications and designs as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of the Project.

The Issuer shall provide and maintain competent and adequate engineering services satisfactory to the Authority and the Council, covering the supervision and inspection of the development 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 or will be approved by all necessary governmental bodies.

The Issuer shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of the Loan Agreement.

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 the water system or the 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 waterworks facilities are not owned by the Issuer, the Issuer shall use diligent efforts to enter into a termination agreement with the provider of such water services, subject to any required approval of such agreements by the Public Service Commission of West Virginia.

Section 7.14. No Free Services. 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 either 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 by 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 Series 2008 A 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 Loan Agreement, during construction of the Project on a 100% basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Issuer, the contractors and subcontractors, as their interests may appear.

(2) PUBLIC LIABILITY INSURANCE, with limits of not less than $1,000,000 per occurrence to protect the Issuer from claims for bodily injury and/or death and not less than $500,000 per occurrence from claims for damage to property of others which may arise from the operation of the System, and insurance with the same limits to protect the Issuer from claims arising out of operation or ownership of motor vehicles of or for the System.

(3) WORKER'S COMPENSATION COVERAGE FOR ALL EMPLOYEES OF OR FOR THE SYSTEM ELIGIBLE THEREFOR; AND PERFORMANCE AND PAYMENT OR COMPLETION BONDS, such bonds to be in the amounts of not less than 100% of the amount of any construction contract and to be required of each

contractor dealing 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 any additions, extensions or improvements for the Project in compliance with West Virginia Code, Chapter 38, Article 2, Section 39.

(4) 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.

(5) 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.

(6) BUSINESS INTERRUPTION INSURANCE, to the extent available at reasonable cost to the Issuer.

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 Council. In the event the Loan Agreement so requires, such insurance shall be made payable to the order of the Authority, the Issuer, the prime contractor and all subcontractors, as their interests may appear. The Issuer shall verify such insurance prior to commencement of construction.

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 Department 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 Department of Health and such house, dwelling or building can be adequately served by the System, and every such owner, tenant or occupant shall, after a 30-day notice of the availability of the System, pay the rates and charges established therefor.

Any such house, dwelling or building from which emanates sewage or water-borne waste matter and which is not so connected with the System is hereby declared and found to be a hazard to the health, safety, comfort and welfare of the inhabitants of the Issuer and a public nuisance which shall be abated to the extent permitted by law and as promptly as possible by proceedings in a court of competent jurisdiction.

Section 7.17. Completion and Operation of Project; Permits and Orders. The Issuer shall 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 shall take all steps to properly operate and maintain the System and make the necessary replacements due to normal wear and tear so long as the Series 2008 A Bonds are outstanding.

The Issuer has obtained all permits required by State and federal laws for the acquisition of the Project, all orders and approvals from the Public Service Commission of West Virginia and the Council necessary for the acquisition of the Project and the operation of the System and all approvals for issuance of the Series 2008 A Bonds required by State law, with all requisite appeal periods having expired without successful appeal and the Issuer shall supply 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 2008 A Bonds, a statutory mortgage lien upon the System is granted and created by the Act, which statutory mortgage lien is hereby recognized and declared to be valid and binding, and shall take effect immediately upon delivery of the Series 2008 A Bonds.

Section 7.20. Compliance with Loan Agreement and Law. The Issuer shall perform, satisfy and comply with all the terms and conditions of the Loan Agreement and the Act. Notwithstanding anything herein to the contrary, the Issuer will provide the Council with copies of all documents submitted to the Authority.

The Issuer also agrees to comply with all applicable laws, rules and regulations issued by the Authority, the Council or other State, federal or local bodies in regard to the acquisition of the Project and the operation, maintenance and use of the System.

Section 7.21. Securities Laws Compliance. The Issuer shall 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 2008 A Bonds or immediately thereafter, enter into written contracts for the immediate acquisition of the Project.

B. The Issuer shall submit all proposed change orders to the Council for written approval. The Issuer shall obtain the written approval of the Council before expending any proceeds of the Series 2008 A Bonds held in "contingency" as set forth in the schedule attached to the Certificate of the Consulting Engineer. The Issuer shall also obtain the written approval of the Council before expending any proceeds of the Series 2008 A Bonds made available due to project underruns.

C. The Issuer shall list the funding provided by the Council and the Authority in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any ground breaking or dedication of the Project.

ARTICLE VIII

INVESTMENT OF FUNDS; 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, may make any and all investments permitted by this section through its own investment or trust 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 2008 A Bonds are Outstanding and as long thereafter as necessary to comply with the Code and assure the exclusion of interest, if any, on the Series 2008 A Bonds from gross income for federal income tax purposes.

Section 8.02. Certificate as to the 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 2008 A Bonds as a condition to issuance of the Series 2008 A Bonds. In addition, the Issuer covenants (i) to comply with the Code and all Regulations from time to time in effect and applicable to the Series 2008 A Bonds as governmental 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 2008 A Bonds which would cause any bonds, the interest on which is exempt from federal income taxation under Section 103(a) of the Code; issued by the Authority or the Council, as the case may be, from which the proceeds of the

Series 2008 A Bonds are derived, to lose their status as tax-exempt bonds; and (iii) to take such action or refrain from taking such action, as shall be deemed necessary by the Issuer, or requested by the Authority or the Council, to ensure compliance with the covenants and agreements set forth in this Section, regardless of whether such actions may be contrary to any of the provisions of this Resolution.

The Issuer shall annually furnish to the Authority information with respect to the Issuer's use of the proceeds of the Series 2008 A Bonds and any additional information requested by the Authority.

ARTICLE IX

DEFAULT AND REMEDIES

Section 9.01. Events of Default. Each of the following events shall constitute an "Event of Default" with respect to the Series 2008 A Bonds:

(1) If default occurs in the due and punctual payment of the principal of or interest, if any, on the Series 2008 A Bonds; or

(2) If default occurs in the Issuer's observance of any of the covenants, agreements or conditions on its part relating to the Series 2008 A Bonds set forth in this Bond Legislation, any supplemental resolution or in the Series 2008 A Bonds, and such default shall have continued for a period of 30 days after the Issuer shall have been given written notice of such default by the Commission, the Depository Bank, the Registrar, or Paying Agent, 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 Series 2008 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 Series 2008 A 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 Series 2008 A Bonds, and (v) by action or bill in equity enjoin any acts in violation of the Bond Legislation with respect to the Series 2008 A Bonds, or the rights of such Registered Owners.

Section 9.03. Appointment of Receiver. Any Registered Owner of a Series 2008 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 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 do.

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 herein above 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 said 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 2008 A Bonds, the principal of and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in this Bond Legislation, then the pledge of Net Revenues and other monies and securities pledged under this Bond Legislation and all covenants, agreements and other obligations of the Issuer to the Registered Owners of the Series 2008 A Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Amendment or Modification of Bond Legislation. Prior to issuance of the Series 2008 A Bonds, this Resolution may be amended or supplemented in any way by the Supplemental Resolution. Following issuance of the Series 2008 A Bonds, no material modification or amendment of this Resolution, or of any resolution amendatory or supplemental hereto, that would materially and adversely affect the rights of Registered Owners of the Series 2008 A Bonds shall be made without the consent in writing of the Registered Owners of the Series 2008 A Bonds so affected and then Outstanding; provided, that no change shall be made in the maturity of any Bond or Bonds or the rate of interest, if any, 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 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 excludability of interest, if any, on the Series 2008 A Bonds from gross income of the holders thereof.

Section 11.02. Bond Legislation Constitutes Contract. The provisions of the Bond Legislation shall constitute a contract between the Issuer and the Registered Owners of the 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 2008 A 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 Chairman, Secretary and members of the Governing Body were at all times when any actions in connection with this Resolution occurred and are duly in office and duly qualified for such office.

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

Adopted this 16th day of December, 2008.

Chairman

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT on the 16th day of December, 2008.

Dated: December 30, 2008.

[SEAL]

Secretary

EXHIBIT A

Loan Agreement included in bond transcript as Document 3.

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

SUPPLEMENTAL RESOLUTION

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

WHEREAS, the Public Service Board (the "Governing Body") of Pocahontas County Public Service District (the "Issuer") has duly and officially adopted a bond resolution on December 16, 2008, (the "Bond Resolution" or the "Resolution"), entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND PRE-CONSTRUCTION OF PUBLIC SEWERAGE FACILITIES OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $2,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS,

SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, 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 2008 A (West Virginia Infrastructure Fund), of the Issuer (the "Bonds" or "Series 2008 A Bonds"), in the principal amount not to exceed $2,500,000, and has authorized the execution and delivery of the loan agreement relating to the Series 2008 A Bonds (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), all in accordance with Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"); and in the Bond Resolution it is provided that the form of the Loan Agreement and the exact principal amount, date, maturity date, redemption provision, interest rate, interest and principal payment dates, sale prices and other terms of the Bonds should be established by a supplemental resolution pertaining to the Bonds; and that other matters relating to the Bonds be herein provided for;

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

WHEREAS, the Series 2008 A Bonds are proposed to be purchased by the Authority pursuant to the Loan Agreement; and

WHEREAS, the Governing Body deems it essential and desirable that this supplemental resolution (the "Supplemental Resolution") be adopted, that the Loan Agreement be approved and ratified by the Issuer, that the exact principal amount, the date, the maturity date, the redemption provision, the interest rate, the interest and principal payment dates, the sale price and other terms of the Bonds be fixed hereby in the manner stated herein, and that other matters relating to the Bonds be herein provided for;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT:

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 Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, originally represented by a single Bond, numbered AR-1, in the principal amount of $2,500,000. The Series 2008 A Bonds shall be dated the date of delivery thereof, shall finally mature December 1, 2048, and shall bear no interest. The principal of the Series 2008 A Bonds shall be payable quarterly, on March 1, June 1, September 1 and December 1 of each year, commencing March 1, 2010, to and including December 1, 2048, and in the amounts as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Series 2008 A Bonds. The Series 2008 A Bonds shall be subject to redemption upon the written consent of the Authority and the Council, and upon payment of the redemption premium, if any, and otherwise in compliance with the Loan Agreement, so long as the Authority shall be the registered owner of the Series 2008 A Bonds.

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

Section 3. The Issuer does hereby authorize, approve, ratify and accept the Loan Agreement, including all schedules and exhibits attached thereto, a copy of which is incorporated herein by reference, and the execution and delivery of the Loan Agreement by the Chairman, 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 Loan Agreement and in the application to the Council and the Authority. The price of the Bonds shall be 100% of par value, there being no interest accrued thereon, provided that the proceeds of the 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 2008 A Bonds under the Bond Resolution and does approve and accept the Registrar's Agreement to be dated the date of delivery of the Bonds, by and between the Issuer and the Registrar, and the execution and delivery of the Registrar's Agreement by the Chairman, 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 2008 A Bonds under the Bond Resolution.

Section 6. The Issuer does hereby appoint and designate Pendleton County Bank, Marlinton, West Virginia, to serve as Depository Bank under the Bond Resolution.

Section 7. Series 2008 A Bonds proceeds in the amount of $-0- shall be deposited in the Series 2008 A Bonds Sinking Fund, as capitalized interest.

Section 8. Series 2008 A Bonds proceeds in the amount of $64,104 shall be deposited in the Series 2008 A Bonds Reserve Account.

Section 9. Series 2008 A Bonds Proceeds in the amount of $149,727.91 shall be deposited with the Commission to pay the outstanding principal balance of and all accrued interest on the Issuer's Sewer Design Notes, Series 2004 A (the "Series 2004 A Notes") at Closing.

Section 10. Series 2008 A Bonds Proceeds in the amount of $205,941.21 shall be deposited with Pendleton County Bank to pay the outstanding principal balance of and all accrued interest on the Issuer's Sewer Design Notes, Series 2004 B (the "Series 2004 B Notes") at Closing.

Section 11. The balance of the proceeds of the Series 2008 A Bonds, as advanced from time to time, shall be deposited in or credited to the Series 2008 A Bonds Project Trust Fund for payment of the costs of the acquisition of the Project, including, without limitation, costs of issuance of the Series 2008 A Bonds and related costs.

Section 12. The Chairman 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 Bonds to be issued hereby and by the Bond Resolution approved and provided for, to the end that the Series 2008 A Bonds may be delivered on or about December 30, 2008, to the Authority pursuant to the Loan Agreement.

Section 13. The payment of the Prior Notes and the acquisition of the Project and the financing thereof with proceeds of the 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 14. The Issuer hereby determines that it is in the best interest of the Issuer to invest all monies in the funds and accounts established by the Bond Resolution held by the Depository Bank until expended, subject to any limitation of the Purchaser with respect of the proceeds of the Bonds, in repurchase agreements or time accounts, secured by a pledge of Government Obligations, and therefore, the Issuer hereby directs the Depository

Bank to take such actions as may be necessary to cause such monies to be invested in such repurchase agreements or time accounts, until further directed in writing by the Issuer. Monies in the Series 2008 A Bonds Sinking Fund and the Series 2008 A Reserve Account shall be invested by the West Virginia Municipal Bond Commission in the West Virginia Consolidated Fund.

Section 15. The Issuer hereby approves and accepts all contracts relating to the financing, acquisition of the Project.

Section 16. This Supplemental Resolution shall be effective immediately following adoption hereof.

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Adopted this 16th day of December, 2008.

POCAHONTAS COUNTY
PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman

CERTIFICATION

Certified a true copy of a Supplemental Resolution duly adopted by the Public Service Board of Pocahontas County Public Service District on the 16th day of December, 2008.

Dated: December 30, 2008

[SEAL]

Secretary

IC-1
(11/01/04)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into in several counterparts, by and between the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY, a governmental instrumentality and body corporate of the State of West Virginia (the "Authority"), acting on behalf of the WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL (the "Council"), and the governmental agency designated below (the "Governmental Agency").

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
(2003S-762a)

(Governmental Agency)

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Chapter 31, Article 15A of the Code of West Virginia, 1931, as amended (the "Act"), the Authority is empowered upon request of the Council to make loans to governmental agencies for the acquisition or construction of projects by such governmental agencies, subject to such provisions and limitations as are contained in the Act;

WHEREAS, the Governmental Agency constitutes a governmental agency as defined by the Act;

WHEREAS, the Governmental Agency is authorized and empowered by the statutes of the State to acquire, construct, improve, operate and maintain a project, as defined by the Act, and to finance the cost of acquisition and construction of the same by borrowing money to be evidenced by revenue bonds issued by the Governmental Agency;

WHEREAS, the Governmental Agency intends to construct, is constructing or has constructed such a project at the location and as more particularly described and set forth in the Application, as hereinafter defined (the "Project");

WHEREAS, the Governmental Agency has completed and filed with the Authority an Application for a Construction Loan with attachments and exhibits and an

Amended Application for a Construction Loan also with attachments and exhibits (together, as further revised and supplemented, the "Application"), which Application is incorporated herein by this reference; and

WHEREAS, having reviewed the Application and made all findings required by the Act and having available sufficient funds therefor, the Council has authorized the Authority to lend the Governmental Agency the amount set forth on Schedule X attached hereto and incorporated herein by reference, through the purchase of revenue bonds of the Governmental Agency with money in the Infrastructure Fund, subject to the Governmental Agency's satisfaction of certain legal and other requirements of the Council's loan program (the "Program") as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter contained, the Governmental Agency and the Authority hereby agree as follows:

ARTICLE I

Definitions

1.1 Except where the context clearly indicates otherwise, the terms "Authority," "cost," "Council," "governmental agency," "project," "waste water facility" and "water facility" have the definitions and meanings ascribed to them in the Act.

1.2 "Authority" means the West Virginia Water Development Authority, which is expected to be the original purchaser of the Bonds, acting in its administrative capacity pursuant to Section 10 of the Act and upon authorization from the Council.

1.3 "Consulting Engineers" means the professional engineer, licensed by the State, designated in the Application and any qualified successor thereto; provided, however, when a Loan is made for a Project financed, in part, by the Office of Abandoned Mine Lands, "Consulting Engineers" shall mean the West Virginia Department of Environmental Protection, or any successor thereto.

1.4 "Infrastructure Fund" means the West Virginia Infrastructure Fund established in accordance with Section 9 of the Act.

1.5 "Loan" means the loan to be made by the Authority to the Governmental Agency through the purchase of Local Bonds, as hereinafter defined, pursuant to this Loan Agreement.

1.6 "Local Act" means the official action of the Governmental Agency required by Section 4.1 hereof, authorizing the Local Bonds.

1.7 "Local Bonds" means the revenue bonds to be issued by the Governmental Agency pursuant to the provisions of the Local Statute, as hereinafter defined, to evidence the Loan and to be purchased by the Authority, all in accordance with the provisions of this Loan Agreement.

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

1.9 "Operating Expenses" means the reasonable, proper and necessary costs of operation and maintenance of the System, as hereinafter defined, as should normally and regularly be included as such under generally accepted accounting principles.

1.10 "Project" means the project hereinabove referred to, to be constructed or being constructed by the Governmental Agency in whole or in part with the net proceeds of the Local Bonds.

1.11 "System" means the project owned by the Governmental Agency, of which the Project constitutes all or to which the Project constitutes an improvement, and any improvements thereto hereafter constructed or acquired from any sources whatsoever.

1.12 Additional terms and phrases are defined in this Loan Agreement as they are used.

ARTICLE II

The Project and the System

2.1 The Project shall generally consist of the construction and acquisition of the facilities described in the Application, to be, being or having been constructed in accordance with plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers, the Authority and Council having found, to the extent applicable, that the Project is consistent with the Act.

2.2 Subject to the terms, conditions and provisions of this Loan Agreement and the Local Act, the Governmental Agency has acquired, or shall do all things necessary to acquire, the proposed site of the Project and shall do, is doing or has done all things necessary to construct the Project in accordance with the plans, specifications and designs prepared for the Governmental Agency by the Consulting Engineers.

2.3 All real estate and interests in real estate and all personal property constituting the Project and the Project site heretofore or hereafter acquired shall at all times be and remain the property of the Governmental Agency, subject to any mortgage lien or

other security interest as is provided for in the Local Statute unless a sale or transfer of all or a portion of said property or any interest therein is approved by the Authority and Council.

2.4 The Governmental Agency agrees that the Authority and the Council and their duly authorized agents shall have the right at all reasonable times to enter upon the Project site and Project facilities and to examine and inspect the same. The Governmental Agency further agrees that the Authority and the Council and their duly authorized agents and representatives shall, prior to, during and after completion of construction and commencement of operation of the Project, have such rights of access to the System site and System facilities as may be reasonably necessary to accomplish all of the powers and rights of the Authority and the Council with respect to the System pursuant to the pertinent provisions of the Act.

2.5 The Governmental Agency shall keep complete and accurate records of the cost of acquiring the Project site and the costs of constructing, acquiring and installing the Project. The Governmental Agency shall permit the Authority and the Council, acting by and through their directors or their duly authorized agents and representatives, to inspect all books, documents, papers and records relating to the Project and the System at any and all reasonable times for the purpose of audit and examination, and the Governmental Agency shall submit to the Authority and the Council such documents and information as they may reasonably require in connection with the construction, acquisition and installation of the Project, the operation and maintenance of the System and the administration of the Loan or of any State and federal grants or other sources of financing for the Project.

2.6 The Governmental Agency agrees that it will permit the Authority and the Council and their agents and representatives to have access to the records of the Governmental Agency pertaining to the operation and maintenance of the System at any reasonable time following completion of construction of the Project and commencement of operation thereof or if the Project is an improvement to an existing system at any reasonable time following commencement of construction.

2.7 The Governmental Agency shall require that each construction contractor furnish a performance bond and a payment bond, each in an amount at least equal to one hundred percent (100%) of the contract price of the portion of the Project covered by the particular contract as security for the faithful performance of such contract and shall verify or have verified such bonds prior to commencement of construction.

2.8 The Governmental Agency shall require that each of its contractors and all subcontractors maintain, during the life of the construction contract, workers' compensation coverage, public liability insurance, property damage insurance and vehicle liability insurance in amounts and on terms satisfactory to the Council and the Authority and shall verify or have verified such insurance prior to commencement of construction. Until the Project facilities are completed and accepted by the Governmental Agency, the Governmental Agency or (at the option of the Governmental Agency) the contractor shall maintain builder's risk insurance (fire and extended coverage) on a one hundred percent

(100%) basis (completed value form) on the insurable portion of the Project, such insurance to be made payable to the order of the Authority, the Governmental Agency, the prime contractor and all subcontractors, as their interests may appear. If facilities of the System which are detrimentally affected by flooding are or will be located in designated special flood or mudslide-prone areas and if flood insurance is available at a reasonable cost, a flood insurance policy must be obtained by the Governmental Agency on or before the Date of Loan Closing, as hereinafter defined, and maintained so long as any of the Local Bonds is outstanding. Prior to commencing operation of the Project, the Governmental Agency must also obtain, and maintain so long as any of the Local Bonds are outstanding, business interruption insurance if available at a reasonable cost.

2.9 The Governmental Agency shall provide and maintain competent and adequate engineering services satisfactory to the Council and the Authority covering the supervision and inspection of the development and construction of the Project, and bearing the responsibility of assuring that construction conforms to the plans, specifications and designs prepared by the Consulting Engineers, which have been approved by all necessary governmental bodies. Such engineer shall certify to the Authority, the Council and the Governmental Agency at the completion of construction that construction is in accordance with the approved plans, specifications and designs, or amendments thereto, approved by all necessary governmental bodies.

2.10 The Governmental Agency shall at all times provide operation and maintenance of the System in compliance with any and all State and federal standards. The Governmental Agency shall employ qualified operating personnel properly certified by the State to operate the System during the entire term of this Loan Agreement.

2.11 The Governmental Agency hereby covenants and agrees to comply with all applicable laws, rules and regulations issued by the Council, the Authority or other State, federal or local bodies in regard to the construction of the Project and operation, maintenance and use of the System.

2.12 The Governmental Agency, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project, shall each month complete a Monthly Financial Report, the form of which is attached hereto as Exhibit C and incorporated herein by reference, and forward a copy by the 10th of each month to the Authority and Council.

ARTICLE III

Conditions to Loan;
Issuance of Local Bonds

3.1 The agreement of the Authority and Council to make the Loan is subject to the Governmental Agency's fulfillment, to the satisfaction of the Authority and the Council, of each and all of those certain conditions precedent on or before the delivery date for the Local Bonds, which shall be the date established pursuant to Section 3.4 hereof. Said conditions precedent are as follows:

(a) The Governmental Agency shall have performed and satisfied all of the terms and conditions to be performed and satisfied by it in this Loan Agreement;

(b) The Governmental Agency shall have authorized the issuance of and delivery to the Authority of the Local Bonds described in this Article III and in Article IV hereof;

(c) The Governmental Agency shall either have received bids or entered into contracts for the construction of the Project which are in an amount and otherwise compatible with the plan of financing described in the Application; provided that, if the Loan will refund an interim construction financing, the Governmental Agency must either be constructing or have constructed its Project for a cost and as otherwise compatible with the plan of financing described in the Application; and, in either case, the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect, the form of which certificate is attached hereto as Exhibit A;

(d) The Governmental Agency shall have obtained all permits required by the laws of the State and the federal government necessary for the construction of the Project, and the Authority and the Council shall have received a certificate of the Consulting Engineers to such effect;

(e) The Governmental Agency shall have obtained all requisite orders of and approvals from the Public Service Commission of West Virginia (the "PSC") and the Council necessary for the construction of the Project and operation of the System, with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

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

(g) The Governmental Agency shall have obtained any and all approvals of rates and charges required by State law and shall have taken any other action required to establish and impose such rates and charges (imposition of such rates and charges is not, however, required to be effective until completion of construction of the Project), with all requisite appeal periods having expired without successful appeal, and the Authority and the Council shall have received an opinion of counsel to the Governmental Agency, which may be local counsel to the Governmental Agency, bond counsel or special PSC counsel but must be satisfactory to the Authority and the Council, to such effect;

(h) Such rates and charges for the System shall be sufficient to comply with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof, and the Authority and the Council shall have received a certificate of the accountant for the Governmental Agency, or such other person or firm experienced in the finances of governmental agencies and satisfactory to the Authority and the Council, to such effect; and

(i) The net proceeds of the Local Bonds, together with all moneys on deposit or to be simultaneously deposited (or, with respect to proceeds of grant anticipation notes or other indebtedness for which a binding purchase contract has been entered, to be deposited on a date certain) and irrevocably pledged thereto and the proceeds of grants irrevocably committed therefor, shall be sufficient to pay the costs of construction and acquisition of the Project as set forth in the Application, and the Authority shall have received a certificate of the Consulting Engineers, or such other person or firm experienced in the financing of projects and satisfactory to the Authority and the Council, to such effect, such certificate to be in form and substance satisfactory to the Authority and the Council, and evidence satisfactory to the Authority and the Council of such irrevocably committed grants.

3.2 Subject to the terms and provisions of this Loan Agreement, the rules and regulations promulgated by the Authority, the Council or any other appropriate State agency and any applicable rules, regulations and procedures promulgated from time to time by the federal government, it is hereby agreed that the Authority shall make the Loan to the Governmental Agency and the Governmental Agency shall accept the Loan from the Authority, and in furtherance thereof it is agreed that the Governmental Agency shall sell to the Authority and the Authority shall make the Loan by purchasing the Local Bonds in the principal amount and at the price set forth in Schedule X hereto. The Local Bonds shall have such further terms and provisions as described in Article IV hereof.

3.3 The Loan shall be secured and shall be repaid in the manner hereinafter provided in this Loan Agreement.

3.4 The Local Bonds shall be delivered to the Authority, at the offices of the Authority, on a date designated by the Governmental Agency by written notice to the Authority, which written notice shall be given not less than ten (10) business days prior to the date designated; provided, however, that if the Authority is unable to accept delivery on the date designated, the Local Bonds shall be delivered to the Authority on a date as close as

possible to the designated date and mutually agreeable to the Authority, the Council and the Governmental Agency. The date of delivery so designated or agreed upon is hereinafter referred to as the "Date of Loan Closing." Notwithstanding the foregoing, the Date of Loan Closing shall in no event occur more than ninety (90) days after the date of execution of this Loan Agreement by the Authority or such later date as is agreed to in writing by the Council.

3.5 The Governmental Agency understands and acknowledges that it is one of several governmental agencies which have applied to the Council for loans from the Infrastructure Fund to finance projects and that the obligation of the Authority to make any such loan is subject to the Council's authorization and the Governmental Agency's fulfilling all of the terms and conditions of this Loan Agreement on or prior to the Date of Loan Closing. The Governmental Agency specifically recognizes that the Authority will not purchase the Local Bonds unless and until sufficient funds are available in the Infrastructure Fund to purchase all the Local Bonds and that, prior to execution of this Loan Agreement, the Authority may commit to and purchase the revenue bonds of other governmental agencies for which it has sufficient funds available.

ARTICLE IV

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

4.1 The Governmental Agency shall, as one of the conditions of the Authority to make the Loan, authorize the issuance of and issue the Local Bonds pursuant to an official action of the Governmental Agency in accordance with the Local Statute, which shall, as adopted or enacted, contain provisions and covenants in substantially the form as follows, unless the specific provision or covenant is modified or waived by the Council:

(a) That the gross revenues of the System shall always be used for purposes of the System. Such gross revenues shall be used monthly, in the order of priority listed below:

(i) to pay Operating Expenses of the System;

(ii) to the extent not otherwise limited by any outstanding loan resolution, indenture or other act or document and beginning on the date set forth in Schedule X, to provide debt service on the Local Bonds by depositing in a sinking fund one-third (1/3) of the interest payment next coming due on the Local Bonds and one-third (1/3) of the principal payment next coming due on the Local Bonds and, beginning three (3) months prior to the first date of payment of principal of the Local Bonds, if the reserve account for the Local Bonds (the "Reserve Account") was not funded from proceeds of the Local Bonds or otherwise concurrently with the issuance thereof (which, with an approving opinion of bond counsel to the Governmental Agency, may be with a letter of credit or surety) in an amount

equal to the maximum amount of principal and interest which will come due on the Local Bonds in the then current or any succeeding year (the "Reserve Requirement"), by depositing in the Reserve Account an amount not less than one-twelfth (1/12) of one-tenth (1/10) of the Reserve Requirement or, if the Reserve Account has been so funded (whether by Local Bond proceeds, monthly deposits or otherwise), any amount necessary to maintain the Reserve Account at the Reserve Requirement;

(iii) to create a renewal and replacement, or similar, fund in an amount equal to two and one-half percent (2-1/2%) of the gross revenues from the System, exclusive of any payments into the Reserve Account, for the purpose of improving or making emergency repairs or replacements to the System or eliminating any deficiencies in the Reserve Account; and

(iv) for other legal purposes of the System, including payment of debt service on other obligations junior, subordinate and inferior to the Local Bonds.

Provided, that if the Governmental Agency has existing outstanding indebtedness which has greater coverage or renewal and replacement fund requirements, then the greater requirements will prevail until said existing indebtedness is paid in full.

(b) Covenants substantially as follows:

(i) That the Local Bonds shall be secured by a pledge of either the gross or net revenues of the System, as more fully set forth in Schedule X attached hereto and in the Local Act;

(ii) That the schedule of rates or charges for the services of the System shall be sufficient to provide funds which, along with other revenues of the System, will pay all Operating Expenses and leave a balance each year equal to at least one hundred fifteen percent (115%) of the maximum amount required in any year for debt service on the Local Bonds and all other obligations secured by a lien on or payable from the revenues of the System prior to or on a parity with the Local Bonds or, if the Reserve Account is funded (whether by Local Bond proceeds, monthly deposits or otherwise) at an amount equal to the Reserve Requirement and any reserve account for any such prior or parity obligations is funded at least at the requirement therefor, equal to at least one hundred ten percent (110%) of the maximum amount required in any year for debt service on the Local Bonds and any such prior or parity obligations;

(iii) That the Governmental Agency shall complete the Project and operate and maintain the System in good condition;

(iv) That, except as otherwise required by State law or with the written consent of the Council and the Authority, the System may not be sold, mortgaged, leased or otherwise disposed of, except as a whole, or substantially as a whole, and only if the net proceeds to be realized shall be sufficient to pay fully all the Local Bonds

outstanding, with further restrictions on the disposition of portions of the System as are normally contained in such covenants;

(v) That the Governmental Agency shall not issue any other obligations payable from the revenues of the System which rank prior to, or equally, as to lien and security with the Local Bonds, except parity bonds which shall only be issued if net revenues of the System prior to issuance of such parity bonds, plus reasonably projected revenues from rate increases and the improvements to be financed by such parity bonds, shall not be less than one hundred fifteen percent (115%) of the maximum debt service in any succeeding year on all Local Bonds and parity bonds theretofore and then being issued and on any obligations secured by a lien on or payable from the revenues of the System prior to the Local Bonds and with the prior written consent of the Authority and the Council; provided, however, that additional parity bonds may be issued to complete the Project, as described in the Application as of the date hereof, without regard to the foregoing;

(vi) That the Governmental Agency will carry such insurance as is customarily carried with respect to works and properties similar to the System, including those specified by Section 2.8 hereof;

(vii) That the Governmental Agency will not render any free services of the System;

(viii) That the Authority may, by proper legal action, compel the performance of the duties of the Governmental Agency under the Local Act, including the making and collection of sufficient rates or charges for services rendered by the System, and shall also have, in the event of a default in payment of principal of or interest on the Local Bonds, the right to obtain the appointment of a receiver to administer the System or construction of the Project, or both, as provided by law;

(ix) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, all delinquent rates and charges, if not paid when due, shall become a lien on the premises served by the System;

(x) That, to the extent legally allowable, the Governmental Agency will not grant any franchise to provide any services which would compete with the System;

(xi) That the Governmental Agency shall annually cause the records of the System to be audited by an independent certified public accountant or independent public accountant and shall submit the report of said audit to the Authority and the Council, which report shall include a statement that notes whether the results of tests disclosed instances of noncompliance that are required to be reported under government auditing standards and, if they are, describes the instances of noncompliance and the audited financial statements shall include a statement that notes whether the Governmental Agency's

revenues are adequate to meet its Operating Expenses and debt service and reserve requirements;

(xii) That the Governmental Agency shall annually adopt a detailed, balanced budget of the estimated revenues and expenditures for operation and maintenance of the System during the succeeding fiscal year and shall submit a copy of such budget to the Authority and the Council within 30 days of adoption thereof;

(xiii) That, to the extent authorized by the laws of the State and the rules and regulations of the PSC, prospective users of the System shall be required to connect thereto;

(xiv) That the proceeds of the Local Bonds, advanced from time to time, must (a) be deposited in a construction fund, which, except as otherwise agreed to in writing by the Authority, shall be held separate and apart from all other funds of the Governmental Agency and on which the owners of the Local Bonds shall have a lien until such proceeds are applied to the construction of the Project (including the repayment of any incidental interim financing) and/or (b) be used to pay (or redeem) bond anticipation notes or other interim financing of such Governmental Agency, the proceeds of which were used to finance the construction of the Project; provided that, with the prior written consent of the Authority and the Council, the proceeds of the Local Bonds may be used to fund all or a portion of the Reserve Account, on which the owner of the Local Bonds shall have a lien as provided herein;

(xv) That, as long as the Authority is the owner of any of the Local Bonds, the Governmental Agency may not redeem any Local Bonds by it without the written consent of the Authority and the Council and otherwise in compliance with this Loan Agreement;

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

(xvii) That the Governmental Agency shall on the first day of each month (if the first day is not a business day, then the first business day of each month) deposit with the Commission the required interest, principal and reserve account payment. The Governmental Agency shall complete the Monthly Payment Form, attached hereto as Exhibit D and incorporated herein by reference, and submit a copy of said form along with a copy of the check or electronic transfer to the Authority by the 5th day of such calendar month;

(xviii) That, unless it qualifies for an exception to the provisions of Section 148 of the Internal Revenue Code of 1986, as amended, which exception shall be set forth in an opinion of bond counsel, the Governmental Agency will furnish to the Authority, annually, at such time as it is required to perform its rebate calculations under the

Internal Revenue Code of 1986, as amended, a certificate with respect to its rebate calculations and, at any time, any additional information requested by the Authority;

(xix) That the Governmental Agency shall take any and all action, or shall refrain from taking any action regarding the use of the proceeds of the Local Bonds, as shall be deemed necessary by the Authority to maintain the exclusion from gross income for federal income tax purposes of interest on the State's general obligation bonds or any bonds secured by the Local Bonds;

(xx) That the Governmental Agency shall have obtained the certificate of the Consulting Engineer in the form attached hereto as Exhibit A, to the effect that the Project has been or will be constructed in accordance with the approved plans, specifications and design as submitted to the Authority and the Council, the Project is adequate for the purposes for which it was designed, the funding plan as submitted to the Authority and the Council is sufficient to pay the costs of acquisition and construction of the Project and all permits required by federal and State laws for construction of the Project have been obtained;

(xxi) That the Governmental Agency shall, to the full extent permitted by applicable law and the rules and regulations of the PSC, terminate the services of any water facility owned by it to any customer of the System who is delinquent in payment of charges for services provided by the System and will not restore the services of the water facility until all delinquent charges for the services of the System have been fully paid or, if the water facility is not owned by the Governmental Agency, then the Governmental Agency shall enter into a termination agreement with the water provider;

(xxii) That the Governmental Agency shall furnish to the Authority such information with respect to earnings on all funds constituting "gross proceeds" of the Local Bonds (as that term is defined in the Internal Revenue Code of 1986, as amended) from time to time as the Authority may request;

(xxiii) That the Governmental Agency shall submit all proposed change orders to the Council for written approval. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds held in "contingency" as set forth in the final Schedule B attached to the certificate of the Consulting Engineer. The Governmental Agency shall obtain the written approval of the Council before expending any proceeds of the Local Bonds available due to bid/construction/project underruns;

(xxiv) That the Governmental Agency shall list the funding provided by the Authority and the Council in any press release, publication, program bulletin, sign or other public communication that references the Project, including but not limited to any program document distributed in conjunction with any groundbreaking or dedication of the Project; and

(xxv) That, unless it qualifies for an exception, the Governmental Agency shall comply with all the requirements of Chapter 21, Article 1C of the Code of West Virginia, 1931, as amended (the "West Virginia Jobs Act") and shall require its contractors and subcontractors to comply with the West Virginia Jobs Act. The Governmental Agency shall provide the Council and the Authority with a certificate stating that (I) the Governmental Agency will comply with all the requirements of the West Virginia Jobs Act; (II) the Governmental Agency has included the provisions of the West Virginia Jobs Act in each contract and subcontract for the Project; (III) the Governmental Agency has received or will receive, prior to entering into contracts or subcontracts, from each contractor or subcontractor a certificate demonstrating compliance with Section 4 of the West Virginia Jobs Act or waiver certificates from the West Virginia Division of Labor ("DOL"); and (IV) the Governmental Agency will file with the DOL and the Council copies of the waiver certificates and certified payrolls or comparable documents that include the number of employees, the county and state wherein the employees reside and their occupation, following the procedures established by the DOL. The monthly requisitions submitted to the Council shall also certify that the Governmental Agency is monitoring compliance by its contractors and subcontractors and that the required information has been submitted.

The Governmental Agency hereby represents and warrants that the Local Act has been or shall be duly adopted in compliance with all necessary corporate and other action and in accordance with applicable provisions of law. All legal matters incident to the authorization, issuance, validity, sale and delivery of the Local Bonds shall be approved without qualification by recognized bond counsel acceptable to the Authority in substantially the form of legal opinion attached hereto as Exhibit B.

4.2 The Loan shall be secured by the pledge and assignment by the Governmental Agency, as effected by the Local Act, of the fees, charges and other revenues of the Governmental Agency from the System as further set forth by and subject only to such reservations and exceptions as are described in Schedules X and Y hereto or are otherwise expressly permitted in writing by the Authority and the Council.

4.3 The principal of the Loan shall be repaid by the Governmental Agency on the days and in the years provided in Schedule X hereto. Interest payments on the Loan shall be made by the Governmental Agency on a quarterly basis as provided in said Schedule X.

4.4 The Loan shall bear interest from the date and at the rate or rates per annum set forth on Schedule X hereto. In no event shall the interest rate on or the net interest cost of the Local Bonds exceed any statutory limitation with regard thereto.

4.5 The Local Bonds shall be delivered to the Authority in fully registered form, transferable and exchangeable as provided in the Local Act at the expense of the Governmental Agency. Anything to the contrary herein notwithstanding, the Local Bonds may be issued in one or more series, as reflected by Schedule X hereto.

4.6 The Governmental Agency agrees to expend the net proceeds of the Local Bonds for the Project within 3 years of the issuance of the bonds which are the source of money used to purchase the Local Bonds, unless otherwise agreed to by the Council.

ARTICLE V

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

5.1 The Governmental Agency hereby irrevocably covenants and agrees to comply with all of the terms, conditions and requirements of this Loan Agreement and the Local Act. The Governmental Agency hereby further irrevocably covenants and agrees that, as one of the conditions of the Authority to make the Loan, it has fixed and collected, or will fix and collect, the rates, fees and other charges for the use of the System and will take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and in compliance with the provisions of Subsections 4.1(a) and 4.1(b)(ii) hereof.

5.2 In the event, for any reason, the schedule of rates, fees and charges initially established for the System in connection with the Local Bonds shall prove to be insufficient to produce the required sums set forth in the Local Act and this Loan Agreement, the Governmental Agency hereby covenants and agrees that it will, to the extent or in the manner authorized by law, immediately adjust and increase such schedule of rates, fees and charges (or where applicable, immediately file with the PSC for a rate increase) and take all such actions necessary to provide funds sufficient to produce the required sums set forth in the Local Act and this Loan Agreement.

5.3 In the event the Governmental Agency defaults in the payment due to the Authority pursuant to this Loan Agreement, the amount of such default shall bear interest at the interest rate of the installment of the Loan next due, from the date of the default until the date of the payment thereof.

5.4 The Governmental Agency hereby irrevocably covenants and agrees with the Authority that, in the event of any default hereunder by the Governmental Agency, the Authority may exercise any or all of the rights and powers granted under the Act and State law, including, without limitation, the right to an appointment of a receiver.

ARTICLE VI

Other Agreements of the Governmental Agency

6.1 The Governmental Agency hereby warrants and represents that all information provided to the Authority and the Council in this Loan Agreement, in the Application or in any other application or documentation with respect to financing the Project was at the time, and now is, true, correct and complete, and such information does not omit any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Prior to the Authority's making the Loan and receiving the Local Bonds, the Authority and the Council shall have the right to cancel all or any of their obligations under this Loan Agreement if (a) any representation made to the Authority and the Council by the Governmental Agency in connection with the Loan shall be incorrect or incomplete in any material respect or (b) the Governmental Agency has violated any commitment made by it in its Application or in any supporting documentation or has violated any of the terms of the Act or this Loan Agreement.

6.2 The Governmental Agency hereby covenants that it will rebate any amounts required by Section 148 of the Internal Revenue Code of 1986, as amended, and will take all steps necessary to make any such rebates. In the event the Governmental Agency fails to make any such rebates as required, then the Governmental Agency shall pay any and all penalties, obtain a waiver from the Internal Revenue Service and take any other actions necessary or desirable to preserve the exclusion from gross income for federal income tax purposes of interest on the Local Bonds.

6.3 Notwithstanding Section 6.2, the Authority may at any time, in its sole discretion, cause the rebate calculations prepared by or on behalf of the Governmental Agency to be monitored or cause the rebate calculations for the Governmental Agency to be prepared, in either case at the expense of the Governmental Agency.

6.4 The Governmental Agency hereby agrees to give the Authority and the Council prior written notice of the issuance by it of any other obligations to be used for the System, payable from the revenues of the System or from any grants for the Project or otherwise related to the Project or the System.

6.5 The Governmental Agency hereby agrees to file with the Authority and the Council upon completion of acquisition and construction of the Project a schedule in substantially the form of Amended Schedule B to the Application, setting forth the actual costs of the Project and sources of funds therefor.

ARTICLE VII

Miscellaneous

7.1 Additional definitions, additional terms and provisions of the Loan and additional covenants and agreements of the Governmental Agency, if any, may be set forth in Schedule Z attached hereto and incorporated herein by reference, with the same effect as if contained in the text of this Loan Agreement.

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

7.3 The Authority shall take all actions required by the Council in making and enforcing this Loan Agreement.

7.4 If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement, and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

7.5 This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments and take such other actions as may be necessary to give effect to the terms of this Loan Agreement.

7.6 No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

7.7 This Loan Agreement supersedes all prior negotiations, representations and agreements between the parties hereto relating to the Loan and constitutes the entire agreement between the parties hereto in respect thereof.

7.8 The Authority acknowledges that certain terms and requirements in this Loan Agreement may not be applicable when the Project is financed in part by the West Virginia Department of Environmental Protection, Office of Abandoned Mine Lands and under that circumstance those terms and requirements are specifically waived or modified as agreed to by the Authority and set forth in the Local Act.

7.9 By execution and delivery of this Loan Agreement, notwithstanding the date hereof, the Governmental Agency specifically recognizes that it is hereby agreeing to sell its Local Bonds to the Authority and that such obligation may be specifically enforced or subject to a similar equitable remedy by the Authority.

7.10 This Loan Agreement shall terminate upon the earlier of:

(i) the end of ninety (90) days after the date of execution hereof by the Authority or such later date as is agreed to in writing by the Council if the Governmental Agency has failed to deliver the Local Bonds to the Authority;

(ii) termination by the Authority and the Council pursuant to Section 6.1 hereof; or

(iii) payment in full of the principal of and interest on the Loan and of any fees and charges owed by the Governmental Agency to the Authority, acting on behalf of the Council.

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

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

(SEAL)

By: _____
Its: Chairman
Date: December 30, 2008

Attest:

_____
Its: Secretary

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

(SEAL)

By: _____
Its: Executive Director
Date: December 30, 2008

Attest:

Barbara B Meadows
Its: Secretary-Treasurer

{C1446267.1}

EXHIBIT A

FORM OF CERTIFICATE OF CONSULTING ENGINEER

_____
(Issuer)

_____
(Name of Bonds)

I, _____, Registered Professional Engineer, West Virginia License No. _____, of _____, Consulting Engineers,_____, _____ hereby certify as follows:

1. My firm is engineer for the acquisition and construction of _____ to the _____ system (the "Project") of _____ (the "Issuer"), to be constructed primarily in _____ County, West Virginia, which acquisition and construction are being permanently financed in part by the above-captioned bonds (the "Bonds") of the Issuer. Capitalized words not defined herein shall have the same meanings set forth in the bond _____ adopted or enacted by the Issuer on _____, and the Loan Agreement by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated _____.

2. The Bonds are being issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

3. To the best of my knowledge, information and belief, (i) within the limits and in accordance with the applicable and governing contractual requirements relating to the Project, the Project will be constructed in general accordance with the approved plans, specifications and designs prepared by my firm and approved by [DEP/BPH/PSC] and any change orders approved by the Issuer, the Council and all necessary governmental bodies; (ii) the Project, as designed, is adequate for its intended purpose and has a useful life of at least ___years if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (iii) the Issuer has received bids for the acquisition and construction of the Project which are in an amount and otherwise compatible with the plan of financing set forth in the Schedule B attached hereto as Exhibit A and my firm[1] has ascertained that all

[1]If another responsible party, such as the Issuer's attorney, reviews the insurance and payment bonds, then insert the following: [and in reliance upon the opinion of _____,

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/BPH/PSC] and the bid forms provided to the bidders contain all critical operational components of the Project; (vi) the successful bids include prices for every item on such bid forms; (vii) the uniform bid procedures were followed; (viii) the Issuer has obtained all permits required by the laws of the State of West Virginia and the United States necessary for the acquisition and construction of the Project and operation of the System; (ix) as of the effective date thereof, [2]the rates and charges for the System as adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement; (x) the net proceeds of the Bonds, together with all other moneys on deposit or to be simultaneously deposited and irrevocably pledged thereto and the proceeds of grants, if any, irrevocably committed therefor, are sufficient to pay the costs of acquisition and construction of the Project set forth in the Schedule B attached hereto and approved by the Council; and (xi) attached hereto as Exhibit A is the final amended "Schedule B - Final Total Cost of Project, Sources of Funds and Costs of Financing" for the Project.

WITNESS my signature and seal on this ____ day of _____, ___.

[SEAL]

_____

By: _____
West Virginia License No. _____

Esq.] and delete "my firm has ascertained that".

[2]If the Rule 42 Exhibit and/or rate structure was prepared by an accountant, then insert the following: "In reliance upon the certificate of _____ of even date herewith," at the beginning of (ix).

EXHIBIT B

OPINION OF BOND COUNSEL FOR GOVERNMENTAL AGENCY

[To Be Dated as of Date of Loan Closing]

West Virginia Infrastructure and
Jobs Development Council
300 Summers Street, Suite 980
Charleston, West Virginia 25301

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

Ladies and Gentlemen:

We are bond counsel to _____ (the "Governmental Agency"), a _____.

We have examined a certified copy of proceedings and other papers relating to the authorization of (i) a loan agreement dated _____, _____, including all schedules and exhibits attached thereto (the "Loan Agreement"), between the Governmental Agency and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and (ii) the issue of a series of revenue bonds of the Governmental Agency, dated _____, (the "Local Bonds"), to be purchased by the Authority in accordance with the provisions of the Loan Agreement. The Local Bonds are issued in the principal amount of $_____, in the form of one bond, registered as to principal and interest to the Authority, with interest and principal payable quarterly on March 1, June 1, September 1 and December 1 of each year, beginning _____, 1, _____, and ending _____, 1, _____, as set forth in the "Schedule Y" attached to the Loan Agreement and incorporated in and made a part of the Local Bonds.

The Local Bonds are issued for the purposes of (i) _____, and (ii) paying certain issuance and other costs in connection therewith.

We have also examined the applicable provisions of _____ of the Code of West Virginia, 1931, as amended (the "Local Statute"), and the bond _____ duly adopted or enacted by the Governmental Agency on _____, as supplemented by the supplemental resolution duly adopted by the Governmental Agency on _____ (collectively, the "Local Act"), pursuant to and under which Local Statute and Local Act the Local Bonds are authorized and issued, and the Loan Agreement has been undertaken. The Local Bonds are subject to redemption prior

to maturity to the extent, at the time, under the conditions and subject to the limitations set forth in the Local Act and the Loan Agreement.

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

1. The Loan Agreement has been duly authorized by and executed on behalf of the Governmental Agency and is a valid and binding special obligation of the Governmental Agency, enforceable in accordance with the terms thereof.

2. The Loan Agreement inures to the benefit of the Authority and the Council and cannot be amended so as to affect adversely the rights of the Authority or the Council or diminish the obligations of the Governmental Agency without the consent of the Authority and the Council.

3. The Governmental Agency is a duly organized and validly existing _____, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt or enact the Local Act and to issue and sell the Local Bonds, all under the Local Statute and other applicable provisions of law.

4. The Local Act and all other necessary orders and resolutions have been legally and effectively adopted or enacted by the Governmental Agency and constitute valid and binding obligations of the Governmental Agency, enforceable against the Governmental Agency in accordance with their terms. The Local Act contains provisions and covenants substantially in the form of those set forth in Section 4.1 of the Loan Agreement.

5. The Local Bonds have been duly authorized, issued, executed and delivered by the Governmental Agency to the Authority and are valid, legally enforceable and binding special obligations of the Governmental Agency, payable from the net or gross revenues of the System set forth in the Local Act and secured by a first lien on and pledge of the net or gross revenues of the System, all in accordance with the terms of the Local Bonds and the Local Act.

6. The Local Bonds are, by statute, exempt _____, and under existing statutes and court decisions of the United States of America, as presently written and applied, the interest on the Local Bonds is excludable from the gross income of the recipients thereof for federal income tax purposes.

No opinion is given herein as to the effect upon enforceability of the Local Bonds of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights or in the exercise of judicial discretion in appropriate cases.

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

Very truly yours,

EXHIBIT C

MONTHLY FINANCIAL REPORT

Name of Governmental Agency _____
Name of Bond Issue(s) _____
Type of Project _____ **Water** _____ **Wastewater**
Fiscal Year _____ **Report Month** _____

Item	Current Month	Total Year To Date	Budget Year To Date	Budget Year To Date Minus Total Year To Date
1. Gross Revenues				
2. Operating Expenses				
3. Bond Payments:				
Type of Issue				
Clean Water SRF				
Drinking Water TRF				
Infrastructure Fund				
Water Development Authority				
Rural Utilities Service				
Economic Development Administration				
Other (Identify)				
_____				
_____				
4. Renewal and Replacement Fund Deposits				

_____
Name of Person Completing Form

_____
Address

_____
Telephone

INSTRUCTIONS FOR COMPLETING MONTHLY FINANCIAL REPORT

Item 1 You will need a copy of the current fiscal year budget adopted by the Governmental Agency to complete Items 1 and 2. In Item 1, provide the amount of actual **Gross Revenues** for the current month and the total amount year-to-date in the respective columns. Divide the budgeted annual Gross Revenues by 12. For example, if Gross Revenues of $1,200 are anticipated to be received for the year, each month the base would be increased by $100 ($1,200/12). This is the incremental amount for the Budget Year-to-Date column.

Item 2 Provide the amount of actual **Operating Expenses** for the current month and the total amount year-to-date in the respective columns. Any administrative fee should be included in the Operating Expenses. Divide the budgeted annual Operating Expenses by 12. For example, if Operating Expenses of $900 are anticipated to be incurred for the year, each month the base would be increased by $75 ($900/12). This is the incremental amount for the Budget Year-to-Date column.

Item 3 Provide the **Bond Payments (principal, interest and reserve account)** for all the outstanding bonds of the Governmental Agency according to the source of funding. For example, Clean Water State Revolving Fund loan from Department of Environmental Protection, Drinking Water Treatment Revolving Fund loan from Bureau for Public Health, Infrastructure Fund loan from Infrastructure and Jobs Development Council, or a loan from the Water Development Authority, etc.

Item 4 Provide the amount deposited into the **Renewal and Replacement Fund** each month. This amount is equal to 2.5% of Gross Revenues minus the total reserve account payments included in Item 3. If Gross Revenues are $1,200, then $30 (2.5% of $1,200), LESS the amount of all reserve account payments in Item 3 should be deposited into the Renewal and Replacement Fund. The money in the Renewal and Replacement Fund should be kept separate and apart from all other funds of the Governmental Agency.

The Governmental Agency must complete the Monthly Financial Report and forward it to the Water Development Authority by the 10th day of each month, commencing on the date contracts are executed for the acquisition or construction of the Project and for two years following the completion of acquisition or construction of the Project.

EXHIBIT D

MONTHLY PAYMENT FORM

West Virginia Water Development Authority
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 Governmental Agency] on [Date].

Sinking Fund:	
Interest	$
Principal	$
Total:	$
Reserve Account:	$

Witness my signature this ___ day of_____.

[Name of Governmental Agency]

By: _____
Authorized Officer

Enclosure: copy of check(s)

SCHEDULE X

DESCRIPTION OF LOCAL BONDS

Principal Amount of Local Bonds $2,500,000
Purchase Price of Local Bonds $2,500,000

The Local Bonds shall bear no interest. Commencing March 1, 2010, principal on the Local Bonds is payable quarterly. Quarterly payments will be made on March 1, June 1, September 1 and December 1 of each year as set forth on the Schedule Y attached hereto and incorporated herein by reference.

The Governmental Agency shall authorize the Commission to electronically debit its monthly payments. The Commission will make quarterly payments to the Authority at such address as is given to the Commission in writing by the Authority.

The Local Bonds are fully registered in the name of the Authority as to interest, if any, and principal and the Local Bonds shall grant the Authority a first lien on the gross or net revenues of the Governmental Agency's system as provided in the Local Act.

The Governmental Agency may prepay the Local Bonds in full at any time at the price of par but only with the Council's written consent. The Governmental Agency shall request approval from the Authority and Council in writing of any proposed debt which will be issued by the Governmental Agency on a parity with the Local Bonds which request must be filed at least 60 days prior to the intended date of issuance.

As of the date of the Loan Agreement, the Local Bonds are on a parity as to liens, pledge and source of and security for payment with the following obligations of the Governmental Agency:

(1) Pocahontas County Public Service District Sewerage System Design Notes, Series 2004 A (West Virginia Infrastructure Fund), dated June 15, 2004, in the original aggregate principal amount of $145,000; and

(2) Pocahontas County Public Service District Sewerage System Bond Anticipation Notes, Series 2004 B, dated June 15, 2004, in the original aggregate principal amount of $300,000, and held by Pendleton County Bank.

BOND DEBT SERVICE - $2,500,000

Pocahontas County Public Service District

40 Years; 0% Interest Rate

Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
3/1/2010	16,026.		16,026.
6/1/2010	16,026.		16,026.
9/1/2010	16,026.		16,026.
12/1/2010	16,026.		16,026.
3/1/2011	16,026.		16,026.
6/1/2011	16,026.		16,026.
9/1/2011	16,026.		16,026.
12/1/2011	16,026.		16,026.
3/1/2012	16,026.		16,026.
6/1/2012	16,026.		16,026.
9/1/2012	16,026.		16,026.
12/1/2012	16,026.		16,026.
3/1/2013	16,026.		16,026.
6/1/2013	16,026.		16,026.
9/1/2013	16,026.		16,026.
12/1/2013	16,026.		16,026.
3/1/2014	16,026.		16,026.
6/1/2014	16,026.		16,026.
9/1/2014	16,026.		16,026.
12/1/2014	16,026.		16,026.
3/1/2015	16,026.		16,026.
6/1/2015	16,026.		16,026.
9/1/2015	16,026.		16,026.
12/1/2015	16,026.		16,026.
3/1/2016	16,026.		16,026.
6/1/2016	16,026.		16,026.
9/1/2016	16,026.		16,026.
12/1/2016	16,026.		16,026.
3/1/2017	16,026.		16,026.
6/1/2017	16,026.		16,026.
9/1/2017	16,026.		16,026.
12/1/2017	16,026.		16,026.
3/1/2018	16,026.		16,026.
6/1/2018	16,026.		16,026.
9/1/2018	16,026.		16,026.
12/1/2018	16,026.		16,026.
3/1/2019	16,026.		16,026.
6/1/2019	16,026.		16,026.
9/1/2019	16,026.		16,026.
12/1/2019	16,026.		16,026.
3/1/2020	16,026.		16,026.
6/1/2020	16,026.		16,026.
9/1/2020	16,026.		16,026.
12/1/2020	16,026.		16,026.
3/1/2021	16,026.		16,026.
6/1/2021	16,026.		16,026.
9/1/2021	16,026.		16,026.
12/1/2021	16,026.		16,026.
3/1/2022	16,026.		16,026.

BOND DEBT SERVICE

Pocahontas County Public Service District

40 Years; 0% Interest Rate

Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
6/1/2022	16,026.		16,026.
9/1/2022	16,026.		16,026.
12/1/2022	16,026.		16,026.
3/1/2023	16,026.		16,026.
6/1/2023	16,026.		16,026.
9/1/2023	16,026.		16,026.
12/1/2023	16,026.		16,026.
3/1/2024	16,026.		16,026.
6/1/2024	16,026.		16,026.
9/1/2024	16,026.		16,026.
12/1/2024	16,026.		16,026.
3/1/2025	16,026.		16,026.
6/1/2025	16,026.		16,026.
9/1/2025	16,026.		16,026.
12/1/2025	16,026.		16,026.
3/1/2026	16,026.		16,026.
6/1/2026	16,026.		16,026.
9/1/2026	16,026.		16,026.
12/1/2026	16,026.		16,026.
3/1/2027	16,026.		16,026.
6/1/2027	16,026.		16,026.
9/1/2027	16,026.		16,026.
12/1/2027	16,026.		16,026.
3/1/2028	16,026.		16,026.
6/1/2028	16,026.		16,026.
9/1/2028	16,026.		16,026.
12/1/2028	16,026.		16,026.
3/1/2029	16,026.		16,026.
6/1/2029	16,026.		16,026.
9/1/2029	16,026.		16,026.
12/1/2029	16,026.		16,026.
3/1/2030	16,026.		16,026.
6/1/2030	16,026.		16,026.
9/1/2030	16,026.		16,026.
12/1/2030	16,026.		16,026.
3/1/2031	16,026.		16,026.
6/1/2031	16,026.		16,026.
9/1/2031	16,026.		16,026.
12/1/2031	16,026.		16,026.
3/1/2032	16,026.		16,026.
6/1/2032	16,026.		16,026.
9/1/2032	16,026.		16,026.
12/1/2032	16,026.		16,026.
3/1/2033	16,026.		16,026.
6/1/2033	16,026.		16,026.
9/1/2033	16,026.		16,026.
12/1/2033	16,026.		16,026.
3/1/2034	16,026.		16,026.
6/1/2034	16,026.		16,026.

BOND DEBT SERVICE

Pocahontas County Public Service District

40 Years; 0% Interest Rate

Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
9/1/2034	16,026.		16,026.
12/1/2034	16,026.		16,026.
3/1/2035	16,025.		16,025.
6/1/2035	16,025.		16,025.
9/1/2035	16,025.		16,025.
12/1/2035	16,025.		16,025.
3/1/2036	16,025.		16,025.
6/1/2036	16,025.		16,025.
9/1/2036	16,025.		16,025.
12/1/2036	16,025.		16,025.
3/1/2037	16,025.		16,025.
6/1/2037	16,025.		16,025.
9/1/2037	16,025.		16,025.
12/1/2037	16,025.		16,025.
3/1/2038	16,025.		16,025.
6/1/2038	16,025.		16,025.
9/1/2038	16,025.		16,025.
12/1/2038	16,025.		16,025.
3/1/2039	16,025.		16,025.
6/1/2039	16,025.		16,025.
9/1/2039	16,025.		16,025.
12/1/2039	16,025.		16,025.
3/1/2040	16,025.		16,025.
6/1/2040	16,025.		16,025.
9/1/2040	16,025.		16,025.
12/1/2040	16,025.		16,025.
3/1/2041	16,025.		16,025.
6/1/2041	16,025.		16,025.
9/1/2041	16,025.		16,025.
12/1/2041	16,025.		16,025.
3/1/2042	16,025.		16,025.
6/1/2042	16,025.		16,025.
9/1/2042	16,025.		16,025.
12/1/2042	16,025.		16,025.
3/1/2043	16,025.		16,025.
6/1/2043	16,025.		16,025.
9/1/2043	16,025.		16,025.
12/1/2043	16,025.		16,025.
3/1/2044	16,025.		16,025.
6/1/2044	16,025.		16,025.
9/1/2044	16,025.		16,025.
12/1/2044	16,025.		16,025.
3/1/2045	16,025.		16,025.
6/1/2045	16,025.		16,025.
9/1/2045	16,025.		16,025.
12/1/2045	16,025.		16,025.
3/1/2046	16,025.		16,025.
6/1/2046	16,025.		16,025.
9/1/2046	16,025.		16,025.

BOND DEBT SERVICE

Pocahontas County Public Service District

40 Years; 0% Interest Rate

Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
12/1/2046	16,025.		16,025.
3/1/2047	16,025.		16,025.
6/1/2047	16,025.		16,025.
9/1/2047	16,025.		16,025.
12/1/2047	16,025.		16,025.
3/1/2048	16,025.		16,025.
6/1/2048	16,025.		16,025.
9/1/2048	16,025.		16,025.
12/1/2048	16,025.		16,025.
	2,500,000.		**2,500,000.**

SCHEDULE Z

None.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 16th day of October 2008.

CASE NO. 05-0103-PSD-CN
POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT,
a public utility, Frank, Pocahontas County.

Application for a certificate of convenience and necessity for the construction, acquisition, operation and maintenance of a wastewater treatment and collection system to service approximately 1,981 customers in Linwood, Slaty Fork, Snowshoe, Silver Creek and Hawthorne Valley areas of Pocahontas County.

and

CASE NO. 07-1890-WS-PSD-C
SNOWSHOE PROPERTY OWNERS COUNCIL
Snowshoe, Pocahontas County,

Complainant,

v.

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT,
a public utility,

Defendant.

COMMISSION ORDER

By this order, the Commission (i) approves certain modifications in financing and a proposed new Transfer Agreement for Pocahontas County Public Service District ("District"), and (ii) dismisses the complaint filed by Snowshoe Property Owner Council ("SPOC").

BACKGROUND

The District filed "Utility's Petition for Limited Reopening, or in the Alternative, for Determination by Commission that Reopening is Not Necessary" ("Petition" or "Petition to Reopen") on August 17, 2007. In the Petition, the District explained that it received approval from the West Virginia Infrastructure and Jobs Development Council ("WVIJDC") to (i) acquire the sewer utility of Snowshoe Water & Sewer, Inc. ("Snowshoe Utility"); (ii) repay a WVIJDC deferred

design loan; (iii) repay Pendleton County Bank; (iv) pay all previously incurred professional costs associated with the project; and (v) pay for additional costs associated with the West Virginia Department of Environmental Protection's ("DEP") funding and permit process. The District requested that the reopening be limited to (i) approval of the phasing of the borrowing from WVIJDC; and (ii) approval of a revised Transfer Agreement with the Snowshoe Utility.

In the Petition, the District proposed revisions to the previously approved Transfer Agreement with the Snowshoe Utility (i) to complete acquisition of the sewer utility at this time, rather than in three phases; (ii) to eliminate the $431,000 payment from the District to Snowshoe Resort included in the current agreement; and (iii) to acquire the Snowshoe Utility's treatment facility. Under the current agreement, approved by the Commission on February 21, 2006, Snowshoe Utility will maintain the treatment facility until the District's new facility is operational, then decommission the Snowshoe Utility treatment facility. Regarding the revised financing plan, the District proposes a $2,500,000 infrastructure fund loan at 0% interest for a term of forty years. Additional funding for the project will be a $2,000,000 contribution from Snowshoe Resort and a $5,000 contribution from the Pocahontas County Commission ("County Commission").

On September 28, 2007, SPOC filed a complaint against the Snowshoe Utility and the District requesting (i) that the Commission deny the proposed Transfer Agreement unless a full hearing is held on the Application for a Certificate of Convenience and Necessity in light of the material changes proposed by the District and the Snowshoe Utility; and (ii) that the Commission deny the proposed Transfer Agreement until the District files a petition for transfer of a utility including a statement of financial condition, or, in the alternative, the Commission should disallow the rates previously approved in this case and set rates at a reasonable level.

On January 29, 2008, the Commission ordered that Case No. 05-0103-PSD-CN be reopened for the limited purpose of considering the new financing proposals and the new Transfer Agreement transferring the Snowshoe Utility to the District. The Commission also consolidated Case Nos. 05-0103-PSD-CN and 07-1890-WS-PSD-C.

On April 22, 2008, SPOC filed a supplement to its opposition to the Transfer Agreement between Snowshoe Utility and the District. The supplement consisted of a copy of a letter from the County Commission to the DEP, the District, and Snowshoe Utility, dated April 15, 2008, requesting a self-imposed "delay or halt to all pending litigation, court and administrative proceedings pending a full and robust community discussion to formulate a cooperative and comprehensive plan for the Elk River Watershed and its environs." The letter stated that, at an April 15, 2008 County Commission meeting, the County Commission agreed to participate in a process to develop a watershed plan for the Elk Headwaters. The first meeting to discuss a new plan for the Elk River Watershed was to be held on April 30, 2008.

On June 5, 2008, the Commission entered an order treating SPOC's filing as a motion to postpone a final decision in the case pending the outcome of attempts to develop a comprehensive watershed plan for the area. The Commission ordered other parties to respond to the motion. The Elk Headwaters Watershed Association ("EHWS") and Eight Rivers Safe Development, Inc.

("Eight Rivers") filed in support of delaying a Commission decision. *See,* filings dated June 24, 2008 and July 15, 2008, and Motion for Leave to File Position Statement as Amicus Curiae and position statement, respectively. EHWS is the entity attempting to develop the comprehensive watershed plan for the area and Eight Rivers is a West Virginia non-profit promoting safe development on karst, limestone terrain characterized by caverns, springs, and underground streams and groundwater. Intervenor Russell Holt, the District and Snowshoe Water and Sewer oppose a delay. *See,* June 25, 2008 and June 26, 2008 filings, respectively. Staff did not take a position on SPOC's request to delay the case.

DISCUSSION

Eight Rivers' Motion for Leave to File Position Statement as Amicus Curiae, in Support of SPOC

The Commission's *Rules of Practice and Procedure* do not provide for the filing of amicus curiae briefs nor do the rules prohibit such a filing. In looking to the West Virginia Supreme Court of Appeals' requirements for guidance, the Commission notes that a motion for leave to file an amicus curiae brief shall identify the interest of the applicant and state the reasons why such a brief is desirable. *See, Rules of Appellate Procedure, West Virginia Supreme Court of Appeals*, Rule 19. Eight Rivers indicated, in its motion, that it is a non-profit corporation in West Virginia dedicated to public education and awareness of karst, karst conservation and promotion of safe development on karst terrains. *See*, Eight Rivers' motion at 1. Eight Rivers represents a growing coalition of cavers, anglers and others who are concerned about the potential harm the District's proposed regional sewage plant will have on the caves, springs, trout habitat and groundwater of the Upper Elk Watershed. *Id.* Eight Rivers stated that it has been actively participating in all public meetings regarding the proposed regional sewage treatment center. Eight Rivers considers itself a stakeholder of the proposed project due to its concern of the potential negative impact and irreversible harm to the karst, trout habitat and groundwater, but continues to support the development and implementation of an economically justified, safe and sustainable solution. *See*, Eight Rivers' motion at 3.

After careful consideration and review, the Commission determines that Eight Rivers demonstrated a valid legal interest in the present case, therefore its brief as an amicus curiae shall be accepted as filed.

SPOC's Motion to Stay the Case

This case was reopened for the limited purpose of considering the new financing proposals and the new Transfer Agreement transferring the Snowshoe Utility to the District. While the Commission is aware, through the District's July 31, 2008 filing of a Notice of Wastewater Treatment Plant Site Selection advising the Commission that a new site had been chosen as the location for the plant, whether or not a regional facility should be built in a different location is not an issue pending before the Commission. The Commission approved the construction of a new facility in an order entered on February 21, 2006. The consideration of the Petition to Reopen

currently before the Commission does not affect the location of the planned facility and, therefore, should not affect attempts to develop a comprehensive watershed plan for the area. The Commission finds that it is necessary to consider the Petition to Reopen at this time to address the District's financing requests and the transfer of the Snowshoe Utility.

The District is reminded that a site was approved in a Recommended Decision entered December 12, 2005 (Final February 21, 2006). A change from the approved site would be considered a change in the scope of the project requiring Commission approval. If the District is considering another site for its facility, it will, at least, need to petition to reopen Case No. 05-0103-PSD-CN for approval of the new site. If the proposed new site is a significantly different project, the District should apply for a new certificate of public convenience and necessity.

Petition to Reopen and SPOC's Complaint

The Commission reopened Case No. 05-0103-PSD-CN for the limited purpose of considering the District's new financing proposals and the revised Transfer Agreement and consolidated it with Case No. 07-1890-WS-PSD-C because both cases involve the possible transfer of the Snowshoe Utility to the District.

New Financing Proposals

On June 11, 2007, the WVIJDC approved a revised preliminary application submitted by the District. The approved, revised financing consists of a $2,500,000 Infrastructure Fund loan at 0% interest for a term of forty years, a $2,000,000 contribution by Snowshoe Resort, in the form of the Snowshoe Utility, and a $5,000 County Commission contribution. The proposed financing is not a change in the amount of financing. *See*, Initial and Final Joint Staff Memorandum filed September 21, 2007. The $2,500,000 Infrastructure Fund loan is considered an advance of a portion of the $9,547,000 WVIJDC loan approved in this case. *See*, Recommended Decision entered on December 12, 2005 (Final February 21, 2006). With the revised financing, the District will (i) repay the $300,000 WVIJDC deferred design loan, (ii) repay the $145,000 Pendleton County Bank loan, (iii) pay for additional costs associated with the DEP's funding and permit process, (iv) and pay for all previously incurred professional costs and additional planning and design costs that will be necessary for the project to proceed through the DEP funding and permit process. *See*, Utility's Petition for Limited Reopening filed on August 17, 2007 and Further Joint Staff Memorandum filed April 28, 2008.

The Commission finds that it is reasonable to approve the proposed revised financing set forth in the District's Petition to Reopen because the financing proposed therein is not a change in the amount of financing for this project but merely a revision in the distribution of the funds.

Revised Transfer Agreement

The Transfer Agreement approved in the Recommended Decision provided for a transfer of assets in stages, with the Snowshoe Utility retaining the wastewater treatment facilities. *See*,

Transfer Agreement attached to Application for Certificate of Convenience and Necessity filed February 1, 2005. The proposed agreement filed with the Petition allows the District to immediately take control of the entire Snowshoe Utility system, including all of Snowshoe Utility's wastewater customers and the associated revenue, its sewer collection facilities, and its wastewater treatment facilities. *See*, Transfer Agreement attached to Utility's Petition for Limited Reopening filed August 17, 2007. The revised Transfer Agreement should be approved. Having reviewed the revised Transfer Agreement, and the filings of the parties regarding that agreement, the Commission determines that the agreement must be modified as noted, in the Joint Response of the District and Snowshoe Utility to the Further Staff memorandum. *See*, Joint Response filed on May 15, 2008.

In order to assist the District in meeting start-up costs, it is reasonable to require, as Staff recommended, that the District negotiate a loan in an amount not to exceed $120,000 at an interest rate of not more than 8% and having a term of not longer than ten years to be used to provide working capital and fund start-up costs for the facility. Additionally, the District should negotiate a line of credit in the amount of $107,000, as recommended by Staff, used for the sole purpose of funding major maintenance, repair and replacement needs in accordance with Staff's recommendations in the Further Joint Staff Memorandum. Pursuant to state statute and the rules of the Commission, the District will be required to file the proposed loan and line of credit with the Commission for approval prior to entering into the borrowing agreements.

SPOC's Complaint

The Commission finds it unnecessary to conduct a hearing to determine whether the revised Transfer Agreement should be accepted. The revised agreement does not change the fact that the Commission determined, by issuing a certificate, that a regional sewer system is in the best interest of the public in this area, as determined in the Recommended Decision (Final February 21, 2006) and the District continues to plan to build a sewer system. Staff reviewed the revised Transfer Agreement and continues to recommend that the proposal is in the public's interest. Additionally, it is not necessary for the District to file a request for a transfer of assets pursuant to W.Va. Code §24-2-12 because the transfer is being handled in the certificate case. The financial statement requested by SPOC is unnecessary as the financial condition of the Snowshoe Utility is known to the Commission through its publicly filed annual reports. Finally, the rates approved in the Recommended Decision were determined to be reasonable and the Commission finds no evidence presented in the reopening that indicates otherwise. The Complaint will be dismissed.

The Complaint attacks the reasonableness of rates that were the subject of the certificate proceeding and determined to be reasonable in that case. Although approval of the proposed Transfer Agreement would increase sewer rates immediately for the customers of the Snowshoe Utility, the Commission notes that these new rates, as approved in the Final Order entered February 21, 2006, fall within the average range as compared to other sewer utilities in the state. *See*, Further Joint Staff Memorandum, attachment 1 at p. 22.

The Commission notes that the Snowshoe Utility is operating under a consent decree with DEP, approved in Civil Action No. 03-C-29 in the Circuit Court of Pocahontas County. *See*, Joint

Response of the District and Snowshoe Utility in Opposition to Motion to Postpone Commission Decision, Appendix A, filed on June 26, 2008. Paragraph 20 of the revised Transfer Agreement, as modified by Snowshoe Utility and the District's May 15, 2008 filing, states:

> Snowshoe W&S shall indemnify, defend and hold Pocahontas harmless from and against the following types of claims but not otherwise: (i) claims relating to the condition of the System filed prior to the effective date hereof; and (ii) claims not relating to the condition of the System, regardless of when filed and regardless of the kind or nature of the claim (tort, contract or otherwise), arising or resulting from negligent, grossly negligent or fraudulent conduct by or on behalf of Snowshoe W&S occurring prior to the effective date hereof.

The Commission interprets this language to mean that Snowshoe Resort and the Snowshoe Utility will indemnify the District from, among other liabilities, any further action or liability arising from the issues addressed in the consent decree.

The customers of the Snowshoe Utility will be better positioned after the transfer because the utility will no longer be liable for past problems. Furthermore, the Commission finds that the transfer of the Snowshoe Utility at this time is necessary to provide the District with working capital to further its plan to develop a regional plant. Dismissing the present complaint would not necessarily prohibit SPOC from participating in any future reopenings of Case No. 05-0103-PSD-CN involving matters of concern to the District's customers.

FINDINGS OF FACT

1. The District filed a Petition for Limited Reopening of Case No. 05-0103-PSD-CN to consider (i) proposed changes to the financing for this project; and (ii) a proposed revised Transfer Agreement.

2. SPOC filed a Complaint in Case No. 07-1890-WS-PSD-C requesting (i) that the Commission deny the proposed Transfer Agreement unless a full hearing is held on the Application for a Certificate of Convenience and Necessity in light of the material changes proposed by the District and the Snowshoe Utility; and (ii) that the Commission deny the proposed Transfer Agreement until the District files a petition for transfer of a utility including a statement of financial condition, or, in the alternative, the Commission should disallow the rates previously approved in this case and set rates at a reasonable level.

3. By order issued January 29, 2008, the Commission (i) reopened Case No. 05-0103-PSD-CN for limited purpose of considering the new financing proposals and the proposed new Transfer Agreement; and (ii) consolidated Case Nos. 05-0103-PSD-CN and 07-1890-WS-PSD-C.

4. Eight Rivers filed a Motion for Leave to File Position Statement as Amicus Curiae in support of SPOC on June 24, 2008.

5. SPOC's filing of April 22, 2008 was treated by the Commission as a Motion to Stay the current proceedings. As set forth in the Background section of this order, several parties and other entities filed responses to the motion.

6. The financing proposed in the District's Petition of Reopen is not a change in the amount of funding approved in the Recommended Decision but merely a change in the type of financing. *See*, Initial and Final Joint Staff Memorandum filed September 21, 2007.

7. The financing proposed in the District's Petition to Reopen consists of (i) a $2,500,000 WVIJDC Infrastructure Fund Loan at 0% interest for a term of forty years, (ii) a $2,000,000 contribution from Snowshoe Mountain, Inc., consisting if the transfer of the Snowshoe Utility to the District, and (iii) a $5,000 contribution from the County Commission.

8. The revised Transfer Agreement provides for the immediate acquisition of the Snowshoe Utility by the District.

9. Staff recommends approval of the revised financing and Transfer Agreement with certain modifications as noted in the Discussion section above.

CONCLUSIONS OF LAW

1. Eight Rivers demonstrated a valid legal interest in the present case and, therefore, its brief as an amicus curiae should be accepted.

2. SPOC's Motion to Stay the case should be denied because the issues under consideration in the Petition to Reopen do not affect the location of the planned new facility.

3. It is reasonable to approve the revised financing proposal consisting of a $2,500,000 WVIJDC Infrastructure Fund Loan at 0% interest for a term of forty years, a $2,000,000 contribution by Snowshoe Resort in the form of the Snowshoe Utility, and a $5,000 contribution from the County Commission. The revised financing proposal is not a change in the amount of funding, but merely the repayment of previously obtained loans with a loan more advantageous to the District, one that will also enable the District to pay outstanding debt increased to date.

4. It is reasonable to approve the revised Transfer Agreement, as modified by the Joint Response of the District and Snowshoe Utility filed on March 15, 2008. The revised Transfer Agreement will provide the District with start-up funds, enabling it to pursue its goal of building a regional sewer facility.

5. In order to assist the District in meeting start-up costs, it is reasonable to require the District to obtain a loan in an amount not to exceed $120,000 at an interest rate of not more than 8% and having a term of not more than ten years to be used to provide working capital and fund start-up costs for the District. Once the District has a proposal for a loan, it will need to apply to the

Commission for approval of that loan.

6. As recommended by Staff, the District should negotiate a line of credit in the amount of $107,000 to be used for the sole purpose of funding major maintenance, repair and replacement needs as recommended in the Further Joint Staff Memorandum. The line of credit will also require the Commission's prior approval.

7. It is reasonable to dismiss SPOC's complaint because the transfer of the Snowshoe Utility to the District at this time is reasonable and will provide the District with working capital necessary to promote the goal of a regional facility.

8. Paragraph 20 of the revised Transfer Agreement approved herein should protect the District from any liability, including fines issued by DEP, for problems caused prior to the execution of the Transfer Agreement.

ORDER

IT IS THEREFORE ORDERED that the proposed financing as described in the Petition to Reopen is hereby approved.

IT IS FURTHER ORDERED that, without approving the underlying terms and conditions thereof, the Transfer Agreement attached to the Petition to Reopen is approved, as modified by the District and Snowshoe Utility's response to the Further Staff Memorandum, filed May 15, 2008. The District shall file, within thirty days of the date of this order, a revised, executed Transfer Agreement, complete with Staff's suggested changes as noted in the response referenced herein.

IT IS FURTHER ORDERED that the rates attached as Attachment A to the Recommended Decision entered on December 12, 2005 shall become effective upon execution of the Transfer Agreement approved in this order. The District shall file an original and six copies of the revised tariff within thirty days of the date of execution of the Transfer Agreement.

IT IS FURTHER ORDERED that the District shall negotiate a loan in an amount not to exceed $120,000 at an interest rate of not more than 8% and having a term of not longer than ten years to be used to provide working capital and fund start-up costs for the facility. Additionally, the District should negotiate a line of credit in the amount of $107,000, as recommended by Staff, used for the sole purpose of funding major maintenance, repair and replacement needs in accordance with Staff's recommendations in the Further Joint Staff Memorandum. The District shall seek prior Commission approval, in a separate filing, of these financial arrangements.

IT IS FURTHER ORDERED that, except as modified herein, the Recommended Decision entered on December 12, 2005, final February 21, 2006, remains in full force and effect.

IT IS FURTHER ORDERED that the Complaint filed by SPOC in Case No. 07-1890-WS-

PSD-C shall be dismissed as resolved.

IT IS FURTHER ORDERED that upon entry of this order these cases shall be removed from the Commission's docket of open cases.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this Order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

Chairman Michael A. Albert is recused from these cases.

A True Copy, Teste:

Sandra Squire
Executive Secretary

SMS/slc
050103cg.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered by the Public Service Commission of West Virginia, in the City of Charleston on this 7th day of September, 2006.

CASE NO. 05-0103-PSD-CN
UPPER GREENBRIER PUBLIC SERVICE DISTRICT
DBA POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
Frank, Pocahontas County,

Application for a Certificate of Convenience and Necessity for the construction, acquisition, operation and maintenance of a wastewater treatment and collection system to serve approximately 1,98 1 customers in the Linwood, Slaty Fork, Snowshoe, Silver Creek and Hawthorne Valley areas of Pocahontas County, West Virginia.

The Supreme Court of Appeals of West Virginia has entered an order in the above-styled proceeding on the 6th day of September, 2006, which order is spread upon the record in the words and figures as follows:

"STATE OF WEST VIRGINIA

At a Regular Term of the Supreme Court of Appeals continued and held at Charleston, Kanawha County, on the 6th day of September, 2006, the following order was made and entered:

Thomas Shipley, Petitioner

vs.) No. 060767

Public Service Commission of West Virginia, and
Pocahontas County Public Service District, a public
utility, Respondents

On a former day, to-wit, March 28,2006, came the petitioner, Thomas Shipley, by Benjamin L. Bailey and Deidre H. Purdy, Bailey & Glasser, LLP, and Joseph M. Lovett, his attorneys, and presented to the Court his petition praying for an appeal from, suspension and review of the final order of the Public Service Commission of West Virginia made and entered on the 21st day of February, 2006, in a proceeding before it instituted and designated as Case No. 05-0103-PSD-CN.

Thereafter, on the 27th day of April, 2006, came the respondent, the Pocahontas County Public Service District, by Thomas R. Michael, its attorney, and presented to the Court its written response thereto.

Finally, on the 28th day of Apri, 2006, came the Public Service Commission of West Virginia, by Cassius H. Toon and Richard E. Hitt, its attorneys, and presented to the Court its Statement of Reasons.

Upon consideration whereof, the Court is of opinion to and doth hereby refuse said petition for appeal.

A True Copy:

Attest: Rory Perry
Clerk, Supreme Court of Appeals"

A True Copy, Teste: Sandra Squire
Sandra Squire
Executive Secretary

CG/s
050103sb.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the Public Service Commission of West Virginia, in the City of Charleston, on the 21st day of February, 2006.

CASE NO. 05-0103-PSD-CN

POCAHONTAS COUNTY PUBLIC
SERVICE DISTRICT, a public utility,
Frank, Pocahontas County,
Application for a certificate of convenience and necessity
for the construction, acquisition, operation and maintenance of a
wastewater treatment and collection system to service approximately
1,981 customers in Linwood, Slaty Fork, Snowshoe, Silver Creek and
Hawthorne Valley areas of Pocahontas County.

COMMISSION ORDER

This case is pending before the Commission on exceptions filed by Intervenors Thomas Shipley and John Leyzorek to the Recommended Decision, entered December 12, 2005, granting, contingent upon receiving all necessary local, state and federal permits, an application for a certificate of convenience and necessity to acquire existing wastewater collection systems and to construct a new treatment plant and collection system. By this Order, the exceptions are denied and the Recommended Decision is adopted as a final order of the Commission.

BACKGROUND

The Recommended Decision was entered by Administrative Law Judge (ALJ) Keith A. George on December 12, 2005.[1] The Recommended Decision, in part, granted the application contingent upon the receipt of all necessary local, state and federal permits. See the adopted Recommended Decision for further discussion of this case.

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[1]Intervenor Shipley notes, in his exceptions filed on December 27, 2005, that the names of Joseph Lovett, Deirdre H. Purdy, Evva Shelton and Dr. Rauch are misspelled in the Recommended Decision issued December 12, 2005. The Commission notes the correct spellings, as identified in the Exceptions.

Exceptions to the Recommended Decision were filed by Intervenor Shipley on December 27, 2005.[2] Intervenor Shipley's exceptions primarily assert that 1) cases previously before the Public Service Commission involving Snowshoe Water & Sewer, Inc. (Snowshoe Utility) do not support or require issuing the certificate in the present case; 2) the selected site is inadequate for a regional wastewater treatment plant; and 3) the effluent discharge pipe location will destroy the Big Spring/Evva Shelton Spring complex. John Leyzorek filed exceptions to the Recommended Decision on the same date.

On January 5, 2006, Staff filed its response to the exceptions, arguing that evidence presented by Staff and Utility at the hearing support the Recommended Decision. Furthermore, Staff noted that it would not comment on exceptions relating to trout fishing and other areas that were under the purview of the Department of Environmental Protection, the Division of Natural Resources or other State agencies.

On January 6, 2006, the Pocahontas County Public Service District (Utility) filed its response to the exceptions. The Utility argued that the prior cases involving Snowshoe Utility demonstrated the need for the present proposed project; the selected site is adequate and a better selection than other sites reviewed; and that the effluent discharge issue should not be considered by the Commission but rather should be left to agencies with appropriate jurisdiction in those matters.

DISCUSSION

West Virginia Code § 24-2-11 requires any public utility, person or corporation to obtain from the Public Service Commission a certificate of public convenience and necessity prior to beginning construction upon a wastewater treatment facility such as the one at the heart of this matter. When considering a certificate application, the Commission must assess whether the general public convenience will be served and assess the public necessity for

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[2]A Procedural Order was entered on June 2, 2005, granting Thomas Shipley intervenor status on his own behalf and denying Mr. Shipley's request to intervene on behalf of other interested parties. Intervenor Shipley takes exception with the fact that the Recommended Decision stated, at page 19, note 24, that Barbara Sharp Smith did not appear. Mr. Shipley asserts that she appeared by counsel, Bailey & Glasser. Ms. Smith was not granted party status either by procedural order or at the June 23, 2005 hearing in which motions to intervene were argued; therefore, the Recommended Decision was correct as to Ms. Smith's standing. However, issues raised by Ms. Smith and other family members that were not granted party status were also brought forth by Intervenor Shipley. Therefore, the issue is moot.

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the project. Syl. pt. 4, *Sexton v. Public Service Commission*, 188 W. Va. 305, 423 S.E.2d 914 (1992).

West Virginia Code § 24-1-1, *et seq.* does not define "public convenience and necessity." However, a definition can be found in the "Motor Carriers and Properties for Hire Act," W. Va. Code § 24A-2-5(a)(1980). The Supreme Court of Appeals of West Virginia has construed § 24A-2-5(a) and found:

> Courts and Commissions construing statutes similar to ours have uniformly held that the necessity and convenience referred to is that of the public generally as distinguished from that of a number of individuals or a community, and that the <u>inadequacy of the existing service and the convenience or necessity of the proposed service must both affirmatively appear from the evidence.</u> (Footnote omitted)(Emphasis added).

Sexton v. Public Service Commission, 188 W. Va. 305, 312, 423 S.E.2d 914, 921 (1992), citing *Stowers & Sons Trucking Co. v. Public Service Commission*, 182 W. Va. 374, 378, 387 S.E.2d 841, 844 (1989) (quoting *Monongahela West Penn Public Service Co. v. State Road Comm'n*, 104 W. Va. 183, 192, 139 S.E. 744, 748 (1927)).

The Utility's certificate application was reviewed by Staff of the Public Service Commission who recommended that the application be approved contingent upon a NPDES permit being issued by the Department of Environmental Protection (DEP) and a commitment letter for the Pocahontas County Commission grant. Staff also recommended that the District file for a rate review within eighteen months following the project's completion. To reach its decision that this application should be approved, Engineering Staff reviewed the design and construction specifications of the project, number of customers to be served, site selection, project costs, permitting, and required Operation and Maintenance (O&M) expenses. *See* Final Joint Staff Memorandum, filed on May 23, 2005, at Attachment 1, pp. 1- 4. Financial Staff reviewed the funding for the project, including a West Virginia Infrastructure and Jobs Development Council (WVIJDC) loan, Pocahontas County Commission grant, a West Virginia State Revolving Fund (SRF) loan and asset contributions from Snowshoe Water & Sewer, Inc., a public utility. *Id.* at Attachment 1, p. 5. It is estimated that the wastewater treatment and collection facility will serve, when completed, 1,981 customers (1,596 existing Snowshoe customers, 216 existing Silver Creek customers, 67 new customers in the County and 2 customers in the County that have gathering systems - a mobile home park with 35 units and a condo complex with 37 units). *Id.* at pp. 1-2. The facility is expected to meet projected growth for the next twenty (20) years. *Id.*

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The ALJ found that "the Snowshoe Utility is no longer able to serve its 1,800 customers and be in compliance with environmental regulations." Recommended Decision at p. 23. Furthermore, the ALJ found, "It is essential that the site be cost-effective. . . . Not only was the process used to select the site reasonable, but the outcome is acceptable." Recommended Decision at p. 26. The Administrative Law Judge's Recommended Decision, issued on December 12, 2005, granted the application, contingent upon receipt of all necessary local, state and federal permits. Additionally, the Recommended Decision approved the rates recommended by Staff and ordered the District to file a request for rate review with the Commission no later than eighteen (18) months after the project is completed. Recommended Decision at pp. 35-36. The Administrative Law Judge found that the public convenience and necessity would be served by approving the certificate of convenience and necessity. Intervenors, by their exceptions, have not proven otherwise.

Intervenor Shipley's exceptions are divided primarily into three (3) categories: Prior PSC cases involving Snowshoe Utility, the adequacy of the selected site, and environmental issues.

Prior PSC cases involving Snowshoe Utility.

In making his first exception, Mr. Shipley asserts "according to the ALJ, that case [Snowshoe Utility's Case Number 02-1009-WS-CN] requires this plant to be built and the public has no right to protest the decision." Shipley Exceptions at 3. Numerous protest letters were filed in the present case, public comments were taken at hearings held on June 23, 2005 and October 4, 2005, and certain individuals objecting to the application were given party status as Intervenors. The ALJ's Recommended Decision does not state or otherwise imply that approval of the certificate was required by the previous case.

Mr. Shipley asserts that Finding of Fact 6 was decided erroneously because it relies on the prior Snowshoe case, makes a false statement that the PSC Staff did not support the prior Snowshoe case, and there was "no public outcry like that seen today." Mr. Leyzorek takes exception with Finding of Fact 6 as well. Finding of Fact 6 states:

> 6. In 2002, the Snowshoe Utility attempted to build a plant on resort property, but withdrew its application in the face of opposition from the public and the Public Service Commission Staff. (Tr. I 23; See Case No. 02-1009-WS-CN).

Staff responds that the finding of fact was correct as Snowshoe Utility withdrew its application on January 2, 2003, stating in part, "that the [PSC] Staff was withdrawing support of our stipulation that had been presented in a prior agreement in this matter." Transcript dated January 2, 2003, from Case No. 02-1009-WS-CN at 7. The Commission

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finds nothing wrong with the Recommended Decision providing history as to how the current application came to fruition. Regardless of the characterization of the past case, it is clear that the Administrative Law Judge based his decision on the record developed in this case. The Commission also notes that the occurrences in prior cases have no bearing on the decision in the present case and, therefore, finds the finding of fact correct.

Intervenor Shipley objects to Finding of Fact 49 because it does not state that the rates are very high. Further, he objects to Conclusion of Law 12 which found that the Staff-recommended rates adopted in the Recommended Decision were just and reasonable and based primarily on the cost of providing service. The intervenor has not rebutted Staff's conclusions that the rates are based primarily on the cost of providing service. The Commission agrees with the ALJ's determination that the rates are reasonable.

Intervenor Shipley argues that the project is not cost effective because it primarily serves Snowshoe Resort, which already has sewer service, only added 164 new customers and will be undersized and unable to expand in 10-15 years (Tr. II at 258). Shipley Exceptions at 7. Mr. Shipley argues that an upgraded Snowshoe Utility, serving developers at the foot of the mountain would be "far more cost effective." *Id.* However, the intervenor's recommended solution ignores the fact that the applicant is not Snowshoe and that the facility would serve individuals other than Snowshoe Resort and the developers. Furthermore, the evidence does not support intervenor's allegations that the facility will be undersized and unable to expand in 10-15 years. Laura McNeil, an engineer with Thrasher Engineering working on this project, testified that "there is sufficient room at the site to expand capacity" if necessary. Tr. II at p. 140. Gary Nickerson, an engineer testifying on behalf of Intervenor Shipley, testified on cross-examination that the Sharp Farm site would allow for expansion. Tr. II at pp. 430-32. Additionally, Ms. McNeil testified that, in planning the required capacity of the facility, she took into account Snowshoe's ten year projections, but, based on previous growth at that location, estimated that the projections were more likely to be a 15-20 year plan. Thus, the facility was designed to manage an increased flow projected over twenty years. Tr. II at pp. 121-25 and 135.

Mr. Shipley asserts that Finding of Fact 7 is incomplete because it discusses interim measures, but not the Phase II possibility outlined in Case No. 03-0390-WS-CN. Shipley Exceptions at 8. Finding of Fact 7 states:

> 7. After it withdrew its application, the Snowshoe Utility worked with the DEP on interim solutions to the problem. The Snowshoe Utility spent $1.6 million on interim remedies to expand the capacity of the existing plant. As part of an interim measure, it constructed a 90,000 gallon equalization basin to store excess wastewater flows and normalize the flows to the treatment

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plant. It also expanded an existing equalization basin to 3,000,000 gallons. It installed an ultraviolet disinfection system and continuously backwashing sand filters. (Tr. I 24, 26, 58, 59, 61, 290; Utility Ex. 5).

The Commission finds no reason to discuss the Phase II possibility (expansion of Snowshoe Utility's treatment facility if no regional facility built) in the present case because the present case deals with the building of the regional facility.

Mr. Shipley asserts that Finding of Fact 21 is erroneous because the proposed solution, the Sharp Farm, is neither cheap nor effective. Finding of Fact 21 states:

> 21. The project is still waiting approval from the DEP for its NPDES permit. Mr. Morton has completed his review and believes the plans and specifications are "approvable", pending a finding of no significant impact, and are in compliance with SRF design requirements. He also determined that the proposed solution was the most cost-effective solution. (Tr. I 168, 169, 230; Tr. II 43, 50).

This finding of fact merely recites the status of the NPDES permit and the determination made by DEP Staff reviewing the case for that agency. The Commission finds that this finding of fact is an accurate statement of the status of the NPDES permits and the testimony of Mr. Morton.

Mr. Shipley asserts that Findings of Fact 1, 2, 3, and 5 are erroneous. Shipley Exceptions at 8. Mr. Leyzorek also objects to Findings of Fact 1 and 3. The pertinent findings of fact are as follows:

> 1. The Snowshoe Utility is no longer able to serve its customers and be in compliance with its NPDES permit. (Tr. I 22, 23, 54).
>
> 2. The resort's wastewater treatment issues are a key issue for Snowshoe and for the Snowshoe Utility. The resort side of the business will not be able to grow without new treatment capacity for wastewater. (Tr. I 19, 20, 21, 22, 84).
>
> 3. The project is extremely important economically for the entire community. (Tr. I 84).
>
> 5. Snowshoe projects that over the next five years, there will be an additional 500 units on resort property. The additional units can only be built if there is

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additional wastewater capacity. (Tr. I 34).

Mr. Shipley argues that "it would be more cost-effective for Snowshoe to pay an additional $1.05 million to bring its treatment plant into environmental compliance for its 1800-plus customers than to spend $17 million to build a facility for an additional 164 customers." Shipley Exceptions at 8-9. Again, Intervenor's argument does not take into account that fact that this application is not from Snowshoe Utility but from Pocahontas Public Service District which desires to build a treatment facility to serve a larger number of customers than those served by the Snowshoe Utility.

Both intervenors object to Finding of Fact 9. Intervenor Shipley states that it lists environmental and sportsmen's groups with which Snowshoe is affiliated, but nowhere does the Recommended Decision list environmental and sports groups that oppose the project. Shipley Exceptions at 6. Finding of Fact 9 is as follows:

> 9. Snowshoe supports protecting the environment because its main product is access to the environment. Snowshoe is the only entity in West Virginia with a habitat conservation plan to protect endangered species. Snowshoe is involved with the Shavers Fork Coalition, the Nature Conservancy and Trout Unlimited. (Tr. I 28, 29).

The purpose of Finding of Fact 9 is not to list persons or entities in support of or against the proposed application of the Utility. The record is clear regarding protests received.

The Adequacy of the Site.

Intervenor Shipley argues that the treatment facility planned by the District will not be able to handle current output and will not be able to expand to meet projected growth. Intervenor Shipley further argues that Finding of Fact 35 was decided erroneously because the projections were actually based on 5-10 year estimates and the average daily flow for Snowshoe will exceed the total estimated maximum flow in the finding of fact. Finding of Fact 35 states:

> 35. Thrasher considered plans for future development when it projected flows for the future. Snowshoe's estimates were used, but the assumption was that it would actually take longer to accomplish that number of units, given that Snowshoe had not met targets in the past. The total estimated maximum flow at the end of ten or fifteen years is 1,537,998 gallons. The proposed plant is double the current flow. (Tr. II 123, 124, 125, 135, 136).

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The testimony of Thrasher Engineering employee Laura McNeil which was used for the above finding indicated that Thrasher Engineering felt that the projected growth of Snowshoe, based on actual growth, was more likely to occur over a 15-20 year period. On cross-examination from Mr. Shipley's attorney, Ms. McNeil was asked what the total estimated maximum daily flow for the projection was, whether it's 10 or 15 years. Tr. II at p. 135. Thus, the reason for the 10 to 15 year range in Finding of Fact 35. The Utility, in its response to Mr. Shipley's exceptions points out that Mr. Shipley, in his initial brief, "correctly noted that the actual, average daily flow for the existing Snowshoe WWTP was 0.175 MGD in 2002, and 0.1816 MGD in 2003." Utility's Reply to Exceptions (Utility's Reply) at p. 4. Because the proposed facility has an average daily flow of 0.5 MGD, the District surmised that the proposed plant was more than double the current flow. *Id.*

Intervenor Shipley takes exception with Finding of Fact 36 which found that the Sharp farm site is of adequate size for the needs of the treatment facility. Finding of Fact 36 states:

> 36. There is sufficient room at the proposed site for future expansions of capacity, including an additional SBR basin. One could also add additional equalization basin capacity. (Tr. 332; Tr. II 140, 141, 410).

Intervenor Shipley argues that the Recommended Decision failed to cite testimony of his expert engineer, Gary Nickerson, regarding site expansion. The District argues, in its reply, that the finding is correct and that Mr. Nickerson admitted, on cross-examination, that additional SBR tanks, a cooling tower to address water temperature concerns and three more sand filters could be added. Utility's Reply at p. 4. Mr. Nickerson's testimony on cross may be found in Transcript II at pages 430-32.

Mr. Shipley takes exception with the first Finding of Fact 46[3] in that it states that "this is the most economical site that was evaluated." Finding of Fact 46 states that "Staff concurred with the Utility that this was the most economical site that was evaluated." Mr. Shipley argues that "it is not economical to build a plant only large enough for ten to fifteen years (see finding of fact 35), particularly when an alternate site is available." Shipley Exceptions at p. 13. The Commission finds that the evidence submitted in this case does not support Mr. Shipley's contention. If Mr. Shipley is suggesting that the available alternate site is the Beckwith ball field site, the record indicates that site is not feasible because the facility would have to be built with 300 feet of an occupied structure, the Beckwith Lumber Company office. *See infra*, at 9. Furthermore, projections for the project indicated that it

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[3]Mr. Shipley correctly notes that there are two findings of fact numbered 46 in the Recommended Decision.

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will support projected increases in capacity for 15-20 years. *See supra*, at 5. The record supports the determination that the Sharp Farm site is the most economical of the choices available for this project. Tr. I at pp. 175-99; Tr. II at p. 126; Utility exhibits 25-30.

Mr. Shipley takes exception with findings addressing alternate sites. Mr. Shipley contends that Findings of Fact 44 and 45 are incorrect because the Beckwith ball field site did not entail significantly higher costs and Staff and the Utility did not thoroughly review the site. Findings of Fact 44 and 45 state:

> 44. The Utility thoroughly reviewed numerous sites for the treatment plant. (Tr. I 175, 176, 177, 178, 182, 184, 185, 186, 188, 189, 190, 191, 192, 196, 197, 198, 200, 201, 207, 208, 211, 219, 228, 232, 235, 236, 242, 263, 264, ; Tr. II 126, 202, 226, 227; Staff Ex. 1).
>
> 45. Alternate sites were rejected for various reasons, including significantly higher costs. (Tr. I 176, 177, 178, 184, 185, 188, 189, 192, 196, 197, 198, 200, 211, 208, 219, 232, 235, 236; Tr. II 126, 201, 202, 227; Staff Ex. 1).

The record is replete with evidence that other sites were considered. The Utility selected the Sharp Farm site and Staff for the PSC found that the site was feasible and the costs were reasonable for the project.

Intervenor Shipley asserts that Finding of Fact 39 is incomplete because it does not contain the recognition that the Beckwith ball field site is outside of the flood plain. Finding of Fact 39 was not intended to reference each possible alternative to the selected site. Further, Intervenor Shipley takes exception with the entire discussion at page 26, paragraph 3, of the Recommended Decision regarding alternate sites because it "ignores the Beckwith ball field location except to refer mistakenly to a structure within the 300-foot buffer and an 'on-going business operation.'" Shipley Exceptions at p. 14. Intervenor Shipley misstates the ALJ's discussion on page 26. The ALJ stated "some of the sites have occupied structures within the 300 foot buffer zone. Two of the sites would be in the middle of an ongoing business operation." Recommended Decision at p. 26. The point of the ALJ's discussion was that the applicant's selection of the proposed site was not shown to be unreasonable and that there were problems with all other sites considered that made the Sharp Farm site the most logical choice. Intervenor argues that "no evidentiary basis is provided for the speculative statement that all other sites than Sharp Farm would increase O&M costs by $89,000." Intervenor Shipley also disputes that the Beckwith ball field site would increase O&M costs by $89,000. As discussed below, the Beckwith ball field site was eliminated for other reasons. Regarding increased O&M costs at other possible site selections, Intervenor Shipley did not refute testimony of Laura McNeil that larger pumps,

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longer lines and more equipment would increase operations and management costs at other sites by approximately ten percent or $89,000. Tr. II at 126.

The Beckwith ball field site, identified as Plant Site 2 on Utility Exhibit 25, a part of the record of the October 4-5, 2005 evidentiary hearing in this matter, was considered initially by the Utility and its engineers but dismissed as a possible site as the project would have been built within 300 feet of an occupied structure - the Beckwith Lumber Company office. See Tr. I at pp. 175-78 and Utility Exhibit 25. Intervenor presented no evidence at the hearing to counter this testimony. Additionally, intervenor presents no evidence in his exceptions to support his allegation that the Beckwith ball field site should be selected or his mistaken allegation that the Beckwith ball field site is not within 300 feet of an occupied structure.

Intervenor Shipley argues that the Recommended Decision is incorrect at page 19, footnote 25 because it states "If it [buffer zone] is going to be waived, the property owner must waive it." The Recommended Decision is citing testimony from Ken Moran of Thrasher Engineering at Transcript I, page 207. Intervenor Shipley contends that public health regulations state that the "Commissioner may waive buffer zone requirements upon receipt of a written request by the applicant." 64 C.S.R. § 47.5.1.b.1. Actually, the rule states:

> The Commissioner may wave [sic] buffer zone requirements shown in Table 64-74-E. upon receipt of a written request by the applicant and a detailed review by the Commissioner to determine any public health impact. Health, safety and nuisance considerations shall be the basis of establishing a buffer zone.

64 C.S.R. § 47.5.1.b.1. The table referenced in the rule requires a buffer zone of 300 feet for a plant of this size. Intervenor Shipley suggests that a waiver could be obtained simply by requesting one. The rule clearly provides otherwise. However, because a waiver was not requested and a detailed review was not given by the Bureau for Public Health, this issue is irrelevant to the present case.

Interpretation of West Virginia Department of Health and Human Resources, Bureau for Public Health rules should be left to the Commissioner of that agency.

Arguments pertaining to issues under the purview of other governmental agencies.

Regarding the environmental aspects of this project, Mr. Shipley outlines concerns

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regarding the new discharge point, trout in the area and permits to be obtained from other entities. Mr. Shipley further argues, regarding permitting, that the Recommended Decision "puts the majority of decision-making on other agencies, looking to WVDEP and the State Historic Preservation Office to consider the problems this plan poses." Shipley Exceptions at 19.

Staff, in its reply to the exceptions, maintains that these issues must be left to the purview of other agencies charged with oversight in these areas. The District maintains that "parties appearing before the Commission are not permitted to litigate or re-litigate any permits or clearances needed from or granted by other agencies" and that the Commission may only consider this evidence to consider its effect on the public convenience and necessity. Utility's Reply at 5 (citing *In re Application of Old Standard, LLC*, Case No. 05-0042-S-CN, Commission Order dated 7/20/05).

As the Commission stated in Old Standard, LLC:

> The Commission recognizes and respects the jurisdiction of other state . . . agencies with jurisdiction over this facility. . . . [Intervenors] will not be permitted to litigate or re-litigate before the Commission any permits and clearances that have been granted by other agencies. To the extent that the evidence presented in this case overlaps the jurisdictional purview of another agency, the Commission will not substitute its judgment for that of the agency with statutory authority. The Commission will confine its consideration of such evidence to its effect on the public convenience and necessity of this project.

Id. at p. 4. The environmental issues raised by Intervenors within their Exceptions have been or will be addressed by the appropriate state agencies regulating those areas. Intervenors do not raise any persuasive environmental arguments in their Exceptions to indicate that the public convenience and necessity will not be served by the proposed project. The Commission believes its treatment of the environmental issues is entirely consistent with the Supreme Court's precedent that the Commission's "chief inquiry is the need of the public for the project." *Sexton, supra,* 188 W. Va. at 309, 423 S.E.2d at 918.

With regard specifically to Intervenor Shipley's assertion that Finding of Fact 43 is wrong because it asserts that "Cupp Run and Black Run are much smaller streams than Big Spring Fork and have much less shading than Big Spring Fork," the Commission acknowledges that the transcript is not clear on this point and the testimony may have been as Intervenor asserts. However, the fact remains that issues dealing with the ambient temperatures of streams in the area and the effect on trout of the effluent discharge into the

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Big Spring Fork remain in the purview of the West Virginia Department of Environmental Protection and its permitting process.

Additional Exceptions

Mr. Shipley asserts that Conclusion of Law 7 is erroneous. Mr. Leyzorek objects to this conclusion as well. Conclusion of Law 7 states that "the public convenience and necessity require the project." Mr. Shipley argues that there may be a need for some project to accommodate Snowshoe's future growth, but not this project. Shipley Exceptions at 20. The ALJ concluded that the application met the public convenience and necessity requirements. Based on the evidence present in the record, the Commission concurs with the ALJ's finding.

Mr. Leyzorek objects to Conclusion of Law 6 which states that "the procedure in taking public comment and evidence was reasonable and did not violate any First Amendment rights." Mr. Leyzorek's concern is that he was not permitted to both give public comment and participate as a party. As a party, Mr. Leyzorek presented himself as a witness which gave him the opportunity to comment on the project. See Tr. II at 505. Mr. Leyzorek took the witness stand on October 5, 2005, at the evidentiary hearing, and was permitted by the ALJ to make any relevant factual testimony that he desired to make. Neither Mr. Leyzorek nor any other party was permitted to make legal arguments at the evidentiary hearing. Intervenor takes exception with the fact that he was allowed only to make written arguments rather than oral arguments at the end of the hearing. The Commission finds that this exception is without merit. It is in the ALJ's discretion to decide whether arguments will be presented by brief or by oral argument.

Mr. Leyzorek objects to Conclusion of Law 11 addressing the reasonableness of the interim rates and Conclusion of Law 13 addressing the approval of the agreement between Snowshoe Utility and the Utility. The Commission finds that these arguments are without merit.

Because the Commission is adopting the Recommended Decision, it becomes a final order of the Commission.

FINDINGS OF FACT

1. The Recommended Decision was entered by Administrative Law Judge Keith A. George on December 12, 2005.

2. Exceptions to the Recommended Decision were filed by Intervenor Shipley on

December 27, 2005. Intervenor Shipley's exceptions primarily asserted that 1) cases previously before the Public Service Commission involving the Snowshoe Utility did not support or require issuing the certificate in the present case; 2) the selected site is inadequate for a regional wastewater treatment plant; and 3) the effluent discharge pipe location will destroy the Big Spring/Evva Shelton Spring complex. John Leyzorek filed exceptions to the Recommended Decision on the same date.

3. On January 5, 2006, Staff filed its response to the exceptions, arguing that evidence presented by Staff and Utility at the hearing support the Recommended Decision. Furthermore, Staff noted that it would not comment on exceptions relating to trout fishing and other areas that were under the purview of the Department of Environmental Protection, the Division of Natural Resources or other State agencies.

4. On January 6, 2006, the Utility filed its response to the exceptions. The Utility argued that the prior cases involving Snowshoe Utility necessitated the present proposed project, the selected site is adequate and a better selection than other sites reviewed, and that the effluent discharge issue should not be considered by the Commission but rather should be left to agencies with appropriate jurisdiction in those matters.

5. Multiple letters of protest were filed in the case and public comment was accepted at hearings on June 23, 2005, and October 4, 2005. Notice of the public hearings was provided prior to each public hearing.

6. Intervenors take exception with Finding of Fact 6. In this finding, the ALJ did not rely on the prior Snowshoe case (Case No. 02-1009-WS-CN) to make any decision in the present case. Finding of Fact 6 provides history regarding the decision to make the current application for certificate of convenience and necessity.

7. Intervenor Shipley takes exception with Finding of Fact 49 and Conclusion of Law 12 and questions the reasonableness of the rates proposed in this case. These issues were heard before the ALJ and the Commission concurs with the ALJ's determination that the rates are reasonable.

8. Intervenor Shipley argues that the proposed project is not cost effective because it serves Snowshoe Resort, which already has a sewer service, only adds 164 new customers and will be undersized and unable to expand in ten to fifteen years. The record does not support Intervenor Shipley's arguments. The Snowshoe Utility is no longer able to serve its customers and be in compliance with NPDES permits. (Recommended Decision of 12/12/05 at Finding of Fact 1 and Tr. I 22, 23 & 54). Many of the new customers to be added protested the application in Case No. 02-1009-WS-CN because they would not have

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received service under that application.

9. Intervenor Shipley took exception with Finding of Fact 7 because it did not discuss possible construction for the Snowshoe Utility discussed in Case No. 03-0390-WS-CN. The possible construction discussed in that case did not occur. The present application is not presented by the Snowshoe Utility.

10. Mr. Shipley took exception with Finding of Fact 21, alleging that the Sharp Farm was not a cheap and reasonable solution to the wastewater treatment and collection concerns in the present case. He took exception with the first Finding of Fact 46 for similar reasons. The Commission finds that Finding of Fact 21 does not address whether the Sharp Farm site is cheap. The finding determines that the selected site is the most cost-effective of the sites considered for this project. Furthermore, Finding of Fact 46 merely states Staff's recommendation.

11. Intervenor Shipley took exception with Findings of Fact 1, 2, 3, 5, 9, 35 and 36 alleging that these findings were made erroneously. Intervenor Leyzorek took exception with Findings of Fact 1 and 3. The record supports these findings made by the ALJ.

12. Intervenor Shipley took exception with Findings of Fact 44 and 45 alleging that another site reviewed by Staff and the Utility did not entail significantly higher costs. He further asserted that Staff and Utility did not thoroughly review that additional site. The record supports the Finding of Fact and Intervenor offers no credible contrary evidence.

13. Intervenor Shipley took exception with Finding of Fact 39 asserting that it was incomplete because the ALJ did not state that the Beckwith ball field site was outside of the flood plain. The Commission finds the finding of fact made by the ALJ to be sufficient.

14. Intervenor Shipley took exception with the Recommended Decision at page 26, paragraph 3 as it related to operations and management costs and the Beckwith ball field site in particular. The Beckwith ball field site was eliminated as a potential site for other reasons, as noted in the discussion herein. Regarding other possible site selections, Intervenor Shipley did not refute testimony of Laura McNeil that larger pumps, longer lines and more equipment would increase operations and management costs at other sites by approximately ten percent or $89,000. Tr. II at 126.

15. Intervenors Shipley and Leyzorek took exception with Conclusion of Law 7. The Recommended Decision found, based on the evidence put forth upon the record, that "the public convenience and necessity require the project." The Commission finds that the record supports this Conclusion.

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16. Intervenor Leyzorek took exception with Conclusions of Law 11 and 13 of the Recommended Decision. The Commission finds that both conclusions are supported by the record in this case.

CONCLUSIONS OF LAW

1. This proceeding is not an appropriate forum to litigate permits that are within the jurisdiction of another agency.

2. Intervenor Shipley took exception with the Recommended Decision at page 19, footnote 25 citing fact testimony related to a Department of Health and Human Resources, Bureau for Public Health rule. The Commission finds that it is appropriate to leave the interpretation of Bureau for Public Health rules to the Commissioner for the Bureau of Public Health.

3. The evidence present in the record establishes that the public convenience will be served by the proposed wastewater treatment and collection system and a public necessity exists for the project.

4. The decisions in Case numbers 02-1009-WS-CN and 03-0390-WS-CN have no bearing on the present case.

5. The public had multiple opportunities to protest the application for certificate of convenience and necessity filed by the Utility in the present case.

6. Intervenor Leyzorek's first amendment constitutional rights were not violated during this proceeding.

7. The exceptions filed by Intervenor Shipley should be denied.

8. The exceptions filed by Intervenor Leyzorek should be denied.

9. As discussed herein, the Commission concludes that the Recommended Decision should be adopted as a final order of the Commission.

ORDER

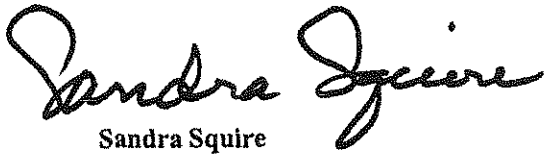
IT IS THEREFORE ORDERED that the exceptions of Intervenor Thomas Shipley and Intervenor John Leyzorek are denied.

IT IS FURTHER ORDERED that the Recommended Decision entered December 12, 2005 is adopted and is a final order of the Commission.

IT IS FURTHER ORDERED that, upon entry hereof, this case shall be removed from the Commission's docket of active cases.

IT IS FURTHER ORDERED that the Commission's Executive Secretary serve a copy of this order upon all parties of record by United States First Class Mail and upon Commission Staff by hand delivery.

A True Copy, Teste:



Sandra Squire
Executive Secretary

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PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: December 12, 2005

CASE NO. 05-0103-PSD-CN

POCAHONTAS COUNTY PUBLIC
SERVICE DISTRICT, a public utility, Frank
Pocahontas County.
Application for a certificate of convenience and necessity for the construction, acquisition, operation and maintenance of a wastewater treatment and collection system to service approximately 1,981 customers in Linwood, Slaty Fork, Snowshoe, Silver Creek and Hawthorne Valley areas of Pocahontas County.

RECOMMENDED DECISION

On February 1, 2005, the Pocahontas County Public Service District (Utility) filed an application for a certificate to acquire the existing wastewater collection system of Snowshoe Water & Sewer, Inc., (Snowshoe Utility)[1] and several smaller facilities in the area and to construct a new 1.5 million gallon per day wastewater treatment plant near Slaty Fork. The proposed certificate would also authorize the construction of a new collection system in the areas of Slaty Fork, Linwood, Snowshoe, Silver Creek and Hawthorne Valley, to serve approximately 1,981 customers in Pocahontas County.

On March 16, 2005, the Commission referred the matter. The current decision due date is December 28, 2006.

The Commission received numerous letters of protest concerning the application and numerous requests to intervene.

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[1]The Utility is currently a paper utility, without any customers. (Tr. II 250). The Snowshoe Utility is a wholly-owned subsidiary of Snowshoe Mountain, Inc. (Snowshoe). (Tr. I 20). Snowshoe is the Snowshoe Utility's largest customer. (Tr. I 20, 75). The Snowshoe Utility filed an application to build its own treatment plant on the mountain in 2002. The application was eventually withdrawn because of widespread community opposition and eventually Staff opposition. Most of the opposition argued that a larger regional plant should be built in the valley which would enable more potential customers to obtain service. (See Case No. 02-1009-WS-CN).

By Procedural Order issued May 17, 2005, the matter was set for hearing on June 23, 2005. The Order required the Utility to publish notice of the hearing. The Procedural Order also granted Thomas Shipley intervenor status.

On June 1, 2005, Thomas Shipley, Jr., moved to continue the hearing.

On June 10, 2005, the Utility moved to toll the statutory deadline for thirty (30) days in order to give Mr. Shipley additional time to prepare his case.

On June 21, 2005, the Utility filed a motion to toll the statutory deadline an additional ninety (90) days, to extend the decision due date and to postpone the presentation of evidence. The Utility indicated that the West Virginia Division of Culture and History (WVDCH) had modified its position and was now indicating that a historical district could be created for the Sharp farm and store. The Utility indicated that it needed additional time to consider alternative sites for the treatment plant or additional mitigation for the existing site.

By Procedural Order issued June 22, 2005, the June 23, 2005 hearing was limited to taking public comment.

The hearing on June 23, 2005, was held as scheduled. Thomas R. Michael, Esquire, appeared on behalf of the Utility. Joseph Lovette, Esquire, appeared on behalf of Thomas Sharp. Cassius H. Toon, Esquire, appeared on behalf of Staff. John Leyzorek appeared on his own behalf. Russell Holt appeared on his own behalf. Both Mr. Leyzorek and Mr. Holt were granted intervenor status at the hearing.[2]

By Procedural Order issued August 5, 2005, the matter was set for hearing on October 4, 2005, in Marlinton. The Utility was ordered to publish notice of the hearing.

On September 16, 2005, the Commission received a petition signed by about approximately 62 individuals requesting a hearing in the evening. By Procedural Order issued September 19, 2005, an additional public comment hearing was set for 7:00 p.m., on October 4, 2005, and the Utility was required to publish notice of the additional public comment hearing.

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[2]At the June 23, 2005 hearing, the following individuals were denied party status for failure to appear at the hearing: Norman Alderman, John and Andrea Crockett, Broderick and Joyce Sharp, Arthur Sharp and Jeanette Sharp. Ralph Sharp appeared at the hearing, but agreed to make extensive public comment and not participate as an intervenor. Mr. Leyzorek also wanted to offer public comment. Given the large amount of public comment and evidence in the proceeding, Mr. Leyzorek, along with all others interested in party status, was given the option of either making public comment or participating as a full party to the proceeding. Mr. Leyzorek choose to be a party and participated fully in all the hearings as a party.

By Procedural Order issued September 27, 2005, the parties were warned that the October 4 hearing may go late into the evening hours and may continue into October 5, 2005.

The hearing scheduled for October 4 and 5 was held as scheduled. Thomas R. Michael, Esquire, appeared on behalf of the Utility. Joseph Lovette, Esquire, and Deidra R. H. Purdy, Esquire, appeared on behalf of Thomas Sharp. Cassius H. Toon, Esquire, appeared on behalf of Staff. Both John Leyzorek and Russell Holt appeared on their own behalf.

Public Comment

Douglas Bernier believes that it would be better to use existing public lands for a sewer plant than to take private property through eminent domain. (Tr. III 18).[3]

Louise Gibson dislikes eminent domain and resents the fact that the government took her father's property away for a highway. (Tr. III 20). She believes that Snowshoe should be responsible for any additional costs in finding a better location for the treatment plant. (Tr. III 20).

Ronald Pickering believes the site is a "crazy" site, given the karst terrain. He also believes that it is un-American to take property through eminent domain. (Tr. IV 63).

Chas Barrow believes that Snowshoe should take care of its problem. (Tr. IV 26). He believes the process should be slowed down and that things are going too quickly. (Tr. IV 26). Mr. Barrow is alarmed by the prospect of the use of eminent domain. (Tr. IV 26).

Phillip C. Dean, Sr., is offended that the Utility may use eminent domain. (Tr. IV 28, 29). He believes that the matter of the sewage plant should be put up to a vote of the individuals in the county. (Tr. IV 30).

Arol Wolfing helped put a billboard on the site so individuals in the county would know the proposed site of the plant. (Tr. IV 31). Ms. Wolfing believes that eminent domain for economic gain is "sinful." (Tr. IV 32). Ms. Wolfing helped put a citizen's ad against the plant site in the newspaper. (Tr. IV 34). She believes that it is strange that the Utility claims that its sewer treatment plant will be "campus like." (Tr. IV 34). Ms. Wolfing worries about the odor. (Tr. IV 34). She believes that there are karst-free areas that would be available. (Tr. IV 35). Ms. Wolfing believes that Thrasher just got a $3 million fine for problems at an Idamay treatment plant it designed. (Tr. IV 35). Ms. Wolfing believes that this is a Snowshoe problem. (Tr. IV 36).

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[3]References to the hearing held on October 4, 2005, will be Tr. I. References to the hearing held on October 5, 2005, will be Tr. II. References to the June 23, 2005, hearing will be Tr. III. References to the October 4, 2005 public comment hearing will be Tr. IV.

Kenneth Gibson believes that the sewer plant should be moved downstream. (Tr. III 19). He believes that the Utility could save the expense of a pump station if it moved the treatment plant. (Tr. III 19).

Dottie Gay went to the Sharps' store as a child. (Tr. III 27). Whenever her relatives come home to Pocahontas County, they always make sure that the Sharps' store is one of their stops. (Tr. III 27). She is concerned that the treatment plant will impact the Sharps' store. (Tr. III 27). Ms. Gay is also concerned with odors. (Tr. III 28).

Lisa Sharp is concerned that the treatment plant will be located near the highway. (Tr. III 31). She believes there is a need to try to preserve tourism. (Tr. III 31). She is concerned about the environmental impact of the plant. (Tr. III 31). Ms. Sharp believes that Snowshoe needs the plant. (Tr. III 33). She is concerned that the system will pass by other properties which will be required to hook onto this system when they have no need or desire for sewer service. (Tr. III 33).

Ralph Sharp believes the proposed location of the treatment plant will be an environmental disaster. (Tr. III 40, 41). Mr. Sharp believes the proposed plant is in a flood plain. (Tr. III 42). Mr. Sharp lived on the Sharp farm as a child and believes there are sink holes in the area. (Tr. III 42, 43). He believes that the proposed discharge stream is dry most of the time. (Tr. III 43).

Mr. Sharp believes there are unmarked graves including a Native American burial on the property. (Tr. III 44). Mr. Sharp indicated that there were two civil war era graves on the property of Mary Ellen and William Luther Sharp. (Tr. III 62). Mary Ellen died of typhoid and William Luther Sharp was shot by the Confederates. (Tr. III 62). Mr. Sharp believes that the Eva Shelton property was a Native American encampment. (Tr. III 44).

Mr. Sharp believes that the County Commission abdicated too much responsibility for site selection to the engineering firm. (Tr. III 44, 45). He believes that the Utility has been less than forthcoming in the production of documents and resents having to go through its attorney to obtain information about the project. (Tr. III 45, 46). Mr. Sharp believes that one stream crossing Route 219 is not an intermittent stream, as indicated by Thrasher Engineering. (Tr. III 47, 48).

Mr. Sharp believes that there is a blow hole 200 feet from the office building, which, at times, blows water six-feet high. (Tr. III 50). Mr. Sharp is concerned that the plant may affect the local crayfish and/or trout. (Tr. III 51, 52). He is concerned that any spillage of the plant would go into the ground water. (Tr. III 51, 52). Mr. Sharp believes that an environmental impact study should be conducted. (Tr. III 53).

The Sharp farmhouse was built in 1912 and was recently turned into a bed and breakfast (B&B). (Tr. III 55). Mr. Sharp disputes the fact that some have argued that you cannot see the log home from this proposed treatment site. (Tr. III 56). The log house was built in about 1815, with its cellar being built in 1850. (Tr. III 56).

Mr. Sharp believes that the proposed rates are too high. (Tr. III 57, 58). Mr. Sharp is concerned with the wind direction and wonders where the odors will go. (Tr. III 58).

Mr. Sharp indicated that having additional treatment capacity will result in additional development. (Tr. III 59). Mr. Sharp is concerned that his cousin, Barbara, who owns the property will be less likely to be able to develop it with a sewer plant on the property. (Tr. III 60). Mr. Sharp is concerned that the treatment plant may be too close to possible future construction by the Sharps somewhere on the farm site. (Tr. III 53, 54). Mr. Sharp criticized one of the other alternative sites considered by the Utility. (Tr. III 61). Mr. Sharp also believes that the selection of the plant involves discrimination against the elderly. (Tr. III 69).

Donna Gibson is not against the plant, but only the location of the plant. (Tr. III 36).

Tom Shipley, Sr., believes that there are other good places close to the sawmill. (Tr. IV 61). He believes that it is worth two or three million dollars to relocate the plant. (Tr. IV 61).

Brian Sharp is Tom Shipley's cousin. (Tr. IV 14). The family has been in the area since the 1700s, being among the first settlers. (Tr. IV 14). Mr. Sharp believes that the flood in 1985 exceeded the 100-year flood level. (Tr. IV 14). Mr. Sharp believes that a sewage spill could result in e-coli being in the ground water in the area for ten years or more. (Tr. IV 15).

The sewage plant will be relatively close to the Sharp family's cemetery. (Tr. IV 16). Mr. Sharp's ancestors go back for generations in that cemetery. (Tr. IV 16). Mr. Sharp's father passed on the family heritage in that quiet family cemetery. (Tr. IV 16). Mr. Sharp passed on that same heritage to his boys last summer. (Tr. IV 16). He figures that his grandchildren will stand with the stench of sewage in their noses if they attempt to visit the cemetery. (Tr. IV 16). Mr. Sharp believes that the B&B owned by his cousin, Tom, will be impacted by the plant. (Tr. IV 16). Mr. Sharp owns a farm that sells products at the Sharp Country Store and believes that he may be impacted. (Tr. IV 16, 17). Mr. Sharp believes that the million and one-half dollars or so that it would take to relocate the plant would be money well spent. (Tr. IV 17).

Mona Sharp Shipley was born on the Sharp farm in 1928. (Tr. IV 19). She worked in the various fields on a farm as a child bailing hay. (Tr. IV 20). She believes that there are unmarked graves of Sharp family members in the area. (Tr. IV 20). In the 1930s, the Sharp store had fuel and the Sharp family had tourist cabins. (Tr. IV 21). One tourist cabin is still standing. (Tr. IV 21). The family hosted hobos in the 1930s. (Tr. IV 21). Barbara Sharp has 400 acres of land and can make money subdividing it. (Tr. IV 24). Ms. Shipley's son has come back to take over the store. (Tr. IV 24). Ms. Shipley believes that the treatment plant is really the responsibility of Snowshoe. (Tr. IV 25). Ms. Shipley believes that a sewer plant should not be near the road. (Tr. IV 25).

Dave Sharp believes that the Utility Board members and the County Commissioners had never visited the site until very late in the process. (Tr. IV 43). Dave Sharp described the site as the only level ground on Barbara Sharp's meadow. (Tr. IV 43). Dave Sharp believes that the B&B was the largest house built in 1912 in the County. (Tr. IV 44). The store is over 90 years old and a log house on the property was visited by General Lee in the fall of 1861. (Tr. IV 45). Mr. Sharp was very supportive of tourism. (Tr. IV 45). The Sharp family has collected petitions with approximately 1,000 names. (Tr. IV 46). Mr. Sharp believes that some of the properties were listed as historically important. (Tr. IV 48).

Jennavine Dinkins supports the plant, but is opposed to the location. Ms. Dinkins suggested putting it in the school yard. (Tr. III 37).

Eileen Shelton Vass is concerned about her mother, Eva Shelton, who lives across the street from the proposed plant. (Tr. III 21, 22). Eva Shelton is 92 years old and still resides in her trailer. (Tr. III 22). Eva Shelton gets her water from the spring box and Ms. Vass worries that construction will disturb the water supply. (Tr. III 23). Eva Shelton will have to endure and suffer the construction of the plant, but will not be able to hook onto the plant, because the line is not coming that far. (Tr. III 36). Ms. Vass supports relocating the treatment plant behind the saw mill. (Tr. III 24).

Teresa Rhea is concerned about Eva Shelton who lives near the treatment plant site. (Tr. IV 48). She is not against the plant, but believes the construction will kill Eva Shelton. (Tr. IV 49).

Mary Jo Sharp is afraid that the treatment plant might hasten the death of Eva Shelton, Dave Sharp, Robert Bennett and other seniors in the area. (Tr. IV 11). Ms. Sharp says that L. D. Sharp invented tourism before the word was popular. (Tr. IV 12, 13). She believes that the sewage plant will make it harder to promote tourism in the area, especially along Route 219. (Tr. IV 13). She objects to the Board members of the Utility all being from Durbin. (Tr. IV 13). Ms. Sharp believes that the Hurricane treatment plant has terrible odors and fears the proposed plant will to. (Tr. IV 13).

Norman Alderman believes that the Utility is not competent to build the treatment plant because the Board members are not bonded. (Tr. IV 6). Mr. Alderman believes that the Board members have never visited the proposed treatment site. (Tr. IV 7). He objects that all the Board members of the Utility are from the same end of the county. (Tr. IV 7). He believes that certain county commission members have relatives that are employees at Snowshoe. (Tr. IV 7, 8). Mr. Alderman objects to the fact that Snowshoe paid for an ad in the newspaper supporting the project. (Tr. IV 8). Mr. Alderman objects to the fact that one of the ads paid for by Snowshoe appeared to be paid for by the Region IV Planning and Development Council (Region 4). (Tr. IV 9). Mr. Alderman believes that the discharge point proposed is a dry stream bed. (Tr. IV 10).

Tom Leneer has a concern that the Utility Board members passed the decision on location to the engineering firm. (Tr. IV 40, 41). Mr. Leneer thinks that the treatment plant should be somewhere other than the Sharp farm. (Tr. IV 41).

George Dyke is concerned with the karst geology in the area. (Tr. IV 27). Mr. Dyke wonders why the communities of Bartow, Frank, Green Bank, Arborvale and Huntersville do not have public sewage systems. (Tr. IV 28, 29).

Gene Gibson believes that the proposed plant site is in a flood plain and has seen water in that area before. (Tr. IV 50). He believes that the plant should be placed on some Snowshoe property. (Tr. IV 51).

William Dawson is concerned that the engineering firm got to pick the site. (Tr. IV 54). He believes that the karst terrain and the flood plains make the site inappropriate. (Tr. IV 54).

Zoe Crist wants to make sure an environmental impact study was done on the site. (Tr. IV 62).

Billy Mills is the Executive Secretary for the Snowshoe Property Owners Council and believes that the rates proposed by the Utility are excessive. (Tr. III 21). Mr. Mills believes that more of the costs should be borne by Snowshoe and not by the Utility customers. (Tr. III 21).

John Butler is the General Manager for the Mountain Lodge Association at Snowshoe. (Tr. III 29). He objects to treating the condominiums as individual units, as opposed to commercial service, indicating that the proposed billing change will increase the Association's bill by $96,000 a year. (Tr. III 29). The units are owned individually. (Tr. III 29). Mr. Butler is also concerned with the use of eminent domain and concerned with protecting historic sites. (Tr. III 30).

Gail Boyette-Gibson believes that growth is coming to the County. (Tr. IV 56). She believes that the multiple septic systems will inevitably fail, creating significant problems in the karst terrain. (Tr. IV 56). She believes the sewage treatment plant will help all the citizens of the County, not just Snowshoe. (Tr. IV 57). Ms. Boyette-Gibson believes that the County is at fault in part for not having zoning. (Tr. IV 57, 58). She believes that, if the County does not protect the environment, they are going to lose the biggest part of the economy, which is tourism. (Tr. IV 58). Tourism provides education to the County's children, and provides money for medical care, clothing and other things for County residents. (Tr. IV 58). Ms. Boyette-Gibson is concerned with Eva Shelton. (Tr. IV 59). She believes the treatment plant can be built with a minimal amount of odor and little or no visual impact. (Tr. IV 59). She has seen treatment plants in Georgia that appeared to be barns. (Tr. IV 59). She is confident that odor problems can be handled. (Tr. IV 59). She is concerned about the site being on the flood plain. (Tr. IV 59, 60). She does believe that a plant will have to go somewhere. (Tr. IV 60).

Sam Gibson believes that a sewer plant should have been built ten years ago. (Tr. III 28). Mr. Gibson is related to the Sharps, but, nevertheless, feels that the proposed location is the appropriate place for the plant. (Tr. III 28).

Joel Callison, the President of the Pocahontas County Commission, is sympathetic that no one wants to live beside a treatment plant. (Tr. IV 52). Unfortunately, he believes that someone is going to have to have a treatment plant in their neighborhood. (Tr. IV 52). Mr. Callison believes that, if another site was selected, people would oppose the alternative site. (Tr. IV 53). He supports the engineering study and science that picked this site. (Tr. IV 53).

EVIDENCE

The Snowshoe Utility is no longer able to serve its customers and be in compliance with its NPDES permit. (Tr. I 22, 23, 54). The resort's wastewater treatment issues are a key issue for Snowshoe and for the Snowshoe Utility. (Tr. I 21). The resort side of the business will not be able to grow without new treatment capacity for wastewater. (Tr. I 22, 84).[4] From 1995 to 2005, Snowshoe had a net growth of 572 residential units ranging from studio apartments to single family homes. (Tr. I 33). Snowshoe projects that, over the next five years, there will be an additional 500 units on resort property. (Tr. I 34). The additional units will only be able to be built if there is additional wastewater capacity. (Tr. I 34). Bill Rock, the general manager of Snowshoe, believes it is critical that the plant move forward so that the utility obligations may be met in an appropriate manner. (Tr. I 19, 20, 22).

In 2002, the Snowshoe Utility attempted to build a plant on resort property, but withdrew its application in the face of opposition from the public and the Public Service Commission Staff. (Tr. I 23; See Case No. 02-1009-WS-CN). Snowshoe withdrew its application and agreed to support a regional solution for the greater good of the community. (Tr. I 23).

After it withdrew its application, the Snowshoe Utility worked with the Department of Environmental Protection (DEP) on interim solutions to the problem. (Tr. I 24). The Snowshoe Utility spent $1.6 million on interim remedies to expand the capacity of the existing plant. (Tr. I 26; Utility Ex. 5). As part of an interim measure, it constructed a 90,000 gallon equalization basin to store excess wastewater flows and normalize the flows to the treatment plant. (Tr. I 58).[5] It also expanded an existing equalization basin to 3,000,000 gallons. (Tr. I 59, 290). It installed an ultraviolet disinfection system and continuously

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[4]W. D. Smith, the executive director of Region 4, testified that the project is extremely important economically for the entire community. (Tr. I 84).

[5]The nature of Snowshoe is that it has lots of people on the mountain sometimes and virtually no people at other times. (Tr. I 64). On the busiest winter day of the year, there are approximately 9,000 people on the mountain. (Tr. I 64).

backwashing sand filters. (Tr. I 59, 61). The DEP agreement also required the Snowshoe Utility to support the development of a regional treatment plant. (Tr. I 26).

Snowshoe supports protecting the environment because its main product is access to the environment. (Tr. I 28). Snowshoe is the only entity in West Virginia with a habitat conservation plan to protect endangered species. (Tr. I 28, 29). Snowshoe is involved with the Shavers Fork Coalition, the Nature Conservancy and Trout Unlimited. (Tr. I 29).

Snowshoe's parent company has invested over $200 million in the resort since it acquired the property. (Tr. I 27). Snowshoe's property taxes in 2005 amounted to more than one-half of the entire property taxes collected by Pocahontas County. (Tr. I 27). Snowshoe Resort contributes 90% of the County's hotel and motel tax. (Tr. I 27). Snowshoe employs 600 year-round and 1,600 in the winter season. (Tr. I 27). Snowshoe draws employees primarily from Pocahontas, Randolph and Webster Counties. (Tr. I 68). Snowshoe's parent company is publicly traded and each employee has the opportunity through the 401K plan to own stock in the company and many do. (Tr. I 68). Snowshoe created a charitable foundation called Snowshoe Foundation which donated $70,000 to local charities. (Tr. I 27). Snowshoe also contributes in excess of $100,000 in services and cash to the local community. (Tr. I 28).

The Snowshoe Utility has 1,800 sewer customers. (Tr. I 35). The Snowshoe Utility will transfer those customers to the Utility pursuant to a transfer agreement. (Tr. I 35; Utility Ex. 7). The agreement between the two utilities transfers Snowshoe's customers and any physical assets that the Utility wants, including the collection assets. (Tr. I 37). For a time, the Utility will operate as a vendor maintaining the Snowshoe Utility's system. (Tr. I 38). After the treatment plant is operational, all assets that the Utility wants will be transferred and any that are not transferred will be mitigated by the Snowshoe Utility. (Tr. I 38). At the end of the process, the Snowshoe Utility will cease to be a sewer utility. (Tr. I 39).

The collection system is valued, per books, at $2.7 million. (Tr. I 40). The Utility is also going to receive the headworks of the treatment plant, the equalization tank, the ultraviolet light system and the sand filters under the terms of the agreement. (Tr. I 40, 61, 223, 224). The Utility is paying $431,000 to reimburse the Snowshoe Utility for its reclamation cost. (Tr. I 41, 223, 224).[6] Any reclamation cost above $431,000 will be borne solely by the Snowshoe Utility. (Tr. I 41).

Region 4 helped to find the funding for the project, which includes a West Virginia Infrastructure and Jobs Development Council (IJC) loan and a Clean Water State Revolving Fund (SRF) loan. (Tr. I 91). There is also a $5,000 grant from the Pocahontas County Commission. (Tr. I 91).

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[6]Kenneth Moran, the project manager with Thrasher, characterized the Utility receiving all of the facilities from the Snowshoe Utility in exchange for the $431,000 contribution as a "good deal." (Tr. I 162, 223, 224).

Both the IJC and SRF have issued commitment letters for the funding. (Tr. I 97, 99; Utility Ex. 11, 12). The IJC loan of $9,547,000 is for forty years at 0% interest and no administrative fee. (Tr. II 252). No money is due during the construction. (Tr. II 252). The $5,711,000 SRF loan is for forty years at 0% interest, with a 1/2% administrative fee. (Tr. II 253). The Utility had a public hearing regarding the proposed funding in July of 2003 in order to comply with the SRF requirements. (Tr. I 89, 90; Utility Ex. 10). Both the IJC and SRF loans are amortized over 36.5 years to allow for construction and anticipated delays due to winter weather. (Staff Ex. 1). Mr. Smith believed that getting grant funding for the project was almost impossible because of the relatively high median household income of the ski resort area. (Tr. I 101, 102).

WVDCH determined, at some point, that the Sharp Farm could be eligible to be a historic district and requested an archeological and cultural survey which the Utility obtained. (Tr. I 104, 106, 107; Utility Exs. 14, 15, 16, 17, 18). The Division of Natural Resources found no wetlands on the site. (Staff Ex. 1). The project has received its clearance from Fish and Wildlife which included specific clearances for the Indiana Bat, Northern Squirrel, Cheat Mountain Salamander and a crayfish which turned out not to be endangered. (Tr. I 170, 171, Staff Ex. 1). The Corps of Engineers sent the project a letter saying no special permit was required. (Tr. I 172). The project is still waiting approval from the DEP for its NPDES permit. (Tr. I 168, 169).[7] The WVDCH permit is still pending, because it will be attached to the NPDES Permit. (Tr. I 107, 169). The project has been approved by the IJC. (Tr. I 168). An environmental impact study is not required. (Tr. I 230). Sixty-five easements are necessary for this system and 57 have been collected. (Tr. II 75). Staff concluded that the "permitting process is satisfactory for the certificate." (Staff Ex. 1).

The proposed discharge point was recently relocated to a point downstream, due to a request to do so from the DEP. (Tr. I 169, Tr. II 56). Dr. Henry Raush, an expert in hydrogeology with respect to karst regions who teaches at West Virginia University, also recommended the relocation to a perennially-flowing section of Big Spring Fork. (Tr. II 150, 161).[8] The relocation will allow maximum dissolution of the effluent. (Tr. II 161). The discharge point will be to a location which is wetter than the current discharge point, which at the time of the hearing was a dry rock. (Tr. I 170, Tr. II 56). The new discharge point is about 500 feet further downstream from the bridge. (Tr. I 170, 171).

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[7]Elbert Morton, an engineer with the DEP assigned to the SRF program, reviewed the plans on behalf of the DEP and determined that the proposed solution was the most cost-effective solution. (Tr. II 43, 50). Mr. Morton has completed his review and believes the plans and specifications are "approvable" and in compliance with SRF design requirements, pending a finding of no significant impact. (Tr. I 230, Tr. II 50).

[8]The Big Spring Fork is very dynamic and fluctuates in the different seasons. (Tr. II 456). The Big Spring Fork and the Old Field Fork come together to form the Elk River at a location below the discharge point. (Tr. I 174).

When the Utility was requested by DEP to move the discharge point of the proposed treatment plant, it determined that taking the line behind Eva Shelton's trailer would be the best alternative. (Tr. I 293). Moving the discharge point added approximately $60,500 to the cost of the project. (Tr. I 293, 294). Dr. Raush agrees with the decision to place the new effluent line behind Eva Shelton's trailer. (Tr. II 161). Such a placement will lessen any potential impact on Ms. Shelton's spring. (Tr., II 162).[9] The alluvial soil is 5 feet thick and should be easily diggable. (Tr. II 162). On most of Eva Shelton's property, the effluent line will be at the depth of 4 to 5 feet. (Tr. I 320).

William K. Jones, a hydrologist, believes that the springs around Eva Shelton's trailer are basically one spring with numerous rise points. (Tr. II 454, 462). Mr. Jones believes that there are "possibilities" of encountering problems with the line behind Eva Shelton's home. (Tr. II 465). It is possible they will hit bedrock pinnacles at the depth of four or five feet. (Tr. II 466). Mr. Jones thinks there is a "better than a slight chance" of disrupting the spring flow with the line. (Tr. II 466).[10] Mr. Jones does not know how active the spring is at the back of the trailer. (Tr. II 468). Any leaks on karst terrain can migrate vertically downward to the water table and be carried very rapidly. (Tr. II 472).[11] There has been prior construction in that area with the highway and the highway bridge. (Tr. II 474, 475).

The Health Department regulations require the sewer line to be at a minimum of ten feet of horizontal separation or 18-inch vertical separation, which is met by the discharge line as designed. (Tr. I 323). Dayton Carpenter, the design engineer for Thrasher, believes that the discharge line will be going through the alluvial loamy soils above the

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[9]Eric Gillespie, an environmental scientist working for Thrasher, believes that Eva Shelton's pump appears to pump water from the Big Spring Fork back into the cistern. (Tr. II 83, 96). He has concluded that, due to the way the pump is operating, the spring would be under the influence of surface water. (Tr. II 96; Utility Ex. 38). When the stream is high, most of the water Ms. Shelton is collecting is from the stream and not the spring. (Tr. II 98, 99). In the sampling of the Big Spring Fork, some of the samples showed fecal coliform of 1,100, which could be an indication of failing septic systems. (Tr. II 91). Mr. Gillespie believes that the spring comes in front of Eva Shelton's house and not behind it. (Tr. II 102).

[10]The property owner, Lowell Gibson, expressed concerns about any digging on his property possibly impacting the springs. (Tr. II 272, 276). Mr. Gibson testified that Ms. Shelton's water comes from a spring near the Big Spring Fork but indicated that there are springs on other locations of the property. (Tr. II 273, 274).

[11]Karst is a land form that develops on soluble rocks, such as limestone, dolomite and gypsum. (Tr. II 456). Its characteristics are sinking streams, caves, sinkholes and a lack of surface water. (Tr. II 456). Due to the mountainous limestone terrain, ground water can become polluted even from distant contamination sources. (Tr. I 86, 87, 88; Utility Ex. 9).

karst geology. (Tr. I 324, 325). Since the construction is in the loamy soil there is little chance of any impact on the spring. (Tr. I 325). Mr. Morton indicated that reducing manholes behind the Eva Shelton property would reduce the possible of contamination of her water supply. (Tr. II 55).

The proposed plant is a sequencing batch reactor (SBR) plant. (Tr. I 179). The proper treatment level is based on the wasteload allocations issued by the DEP. (Tr. I 179). DEP verbally told Thrasher Engineering that the wasteload allocation at the new discharge plant will be roughly the same in terms of total gallons per day as the original discharge site. (Tr. II 93). The maximum effluent discharge under the original discharge plant was 1.5 million gallons per day. (Tr. I 227). SBR technology was selected based on a 20-year present worth analysis, which indicated that SBR was the lowest and most cost-effective system to meet the treatment requirements. (Tr. II 28). The SBRs are very flexible, handle the anticipated flow ranges very well, and are easy to operate. (Tr. II 28).[12]

The treatment process as proposed will have a mechanical screen to remove inert matter and rags, then it will go to a grit changer where rocks and sand and abrasive materials are removed. (Tr. I 299, 300). The effluent then goes to the SBR tanks which are programable. (Tr. I 301). The aeration in those tanks is between a four and a six-hour cycle, depending on the flow rate. (Tr. I 301). After the SBR basin, the effluent goes to sludge holding tanks and is decanted into a post-equalization dissolved oxygen basin. (Tr. I 301). The next step is going through three dynasand filters. (Tr. I 301). The plant will use ultraviolet lights to kill bacteria near the end of its treatment cycle. (Tr. II 16). The treatment process will be monitored by an SCDA system, which has an auto dialer on it in case there are problems. The auto dialer will call an operator to come out and make adjustments. (Tr. II 25).

The design requires that the wastewater be at least 40° F in order to keep the nitrification reaction working. (Tr. I 305). The colder the water temperature, the more oxygen you can dissolve into it. (Tr. I 306). The amount of oxygen must be kept above 6 at all times. (Tr. I 306). The system would have values to turn off the blowers at 6-1/2 or 7, or whatever is appropriate. When the dissolved oxygen level drops to another point, the system would automatically kick on the blowers. (Tr. I 306).

The sludge press and the loading area for the trucks are inside the building at the proposed plant for both aesthetic reasons and for odor control. (Tr. I 315). There is very little chance of odors if the facility is kept clean and properly maintained. (Tr. I 315). There are standby generators for all of the equipment and redundancy on every piece of equipment, including all the blowers and pumps. (Tr. I 315). For

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[12]Mr. Morton believes that the proposed technology beats the current wasteload requirements. (Tr. II 51). Even Mr. Shipley's engineer, Gary Nickerson, admitted that the plant as designed meets the regulatory requirements. (Tr. II 399, 400, 450).

plants that Mr. Carpenter has designed in the last ten years, there have not really been complaints about odors. (Tr. I 317). On the force main part of the line, it will turn over five to forty times per day depending on the flow. (Tr. II 128).[13]

Thrasher considered plans for future development when it projected flows for the future. (Tr. II 123). Snowshoe's estimates were used, but the assumption was that it would actually take longer to accomplish that number of units, given that Snowshoe had not met targets in the past. (Tr. II 123, 124, 125). The proposed plant is double the current flow. (Tr. II 136). There is sufficient room at the proposed site for future expansions of capacity including an additional SBR basin. (Tr. 332, Tr. II 140, 141). One possibility would be additional equalization basin capacity. (Tr. II 141). Although the peak flow is designed at 1.5 million gallons per day, the average daily flow is anticipated to be 500,000 gallons per day. (Tr. I 20).

Kenneth Moran believes that attempting to have multiple small treatment plants as an alternative would be inappropriate, since there are already centrally collected sewage and various treatment plants in the area which will be abandoned as a result of this project. (Tr. I 243). The DEP favors taking the multiple plants out of service and using a centralized treatment plant. (Tr. I 245). Mr. Moran believes there are already eight centralized plants in the area and any effort to use the de-centralized plants would require numerous plants. (Tr. I 247).

It was difficult to find a site that was not on the flood plain. (Tr. I 182, 183). The plant can be built on a flood plain, as long as it does not sustain damage during a 100-year flood and is able to continue operation during a 25-year flood. (Tr. I 183).

Exhibit 31 is the 100-year flood plain for the proposed site. (Tr. I 249). The entire preferred site is outside the 100-year flood plain. (Tr. I 249; Utility Ex. 31).[14] The lowest elevation of any structure proposed on the preferred site is 2,704.5 feet. (Tr. I 249). That is the elevation of the filter floor and the elevation of the floor of the office building. (Tr. I 249, 250).

Phillip Becker is employed by the Division of Highways and was involved in the construction of the highway bridge on Rt. 219 in Slatyfork. (Tr. I 13). In the process of that construction, Mr. Becker

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[13]Mr. Nickerson believes that, in low flow summer time operations, the sewage may sit for four or five hours and go anaerobic. (Tr. II 419). That would create odor problems. (Tr. II 419). Mr. Nickerson would recommend odor control, such as iron salts. (Tr. II 419). There could also be a carbon scrubber on the air outflows from the buildings. (Tr. II 420). Mr. Nickerson believes that, if the plant isn't operated at night, there is a higher risk of odor due to sewage sitting in the mains. (Tr. II 437).

[14]Mr. Moran indicated that the basins are several feet high and would not discharge untreated sewage, even in a 100-year flood. (Tr. I 238).

was required to determine the 100-year flood plain in and around the location. (Tr. I 13). Mr. Becker modeled 400 feet of the Big Spring Fork for flood plain analysis using both surveys and computer modeling.[15] (Tr. I 14). He established 25, 50 and 100-year flood plains. (Tr. I 14). The 100-year flood plain at the point of the bridge was 2,696.9 feet. (Tr. I 15). Mr. Becker speculated that the 1985 flood was greater than a 100-year flood. (Tr. I 17). Mr. Becker's flood plain analysis was admitted into the record as Exhibit 4. (Tr. I 18; Ex. 4).

Gary Nickerson did his own flood plain analysis which resulted in a slightly larger flood plain. (Tr. II 404, 405). Even though Mr. Nickerson's plotted flood plan is larger than the other flood plains in the record, it still does not encroach upon any structure of the proposed plant. (Tr. II 409). Mr. Nickerson testifed that the greater flood plain would limit a future expansion of a third SBR basin toward the flood plain but would still allow for expansion of the facility. (Tr. II 410).

Dr. Henry Raush does not foresee any problems with flooding of the site. (Tr. II 150, 156). Dr. Raush indicated that there was an ephemeral spring channel coming down the side of Middle Mountain near the site, but that the engineer could make appropriate culverts and handle any flows. (Tr. II 158, 159). Dr. Raush sees no issues related to the proposed Sharp site that concern him. (Tr. II 155).

Mr. Rock is concerned with the aesthetics of the plant but believes that those issues are being addressed. (Tr. I 42). The Utility plans to add additional trees, both evergreen and deciduous, between the proposed site and Route 219. (Tr. I 266, 325, 326). The trees will help screen the plant from the highway and from the Sharp store area. (Tr. I 266).

The office building is located diagonally across the entrance of the site. (Tr. I 267). Mr. Moran described the site as "campus-like". (Tr. I 268). Mr. Moran has never been involved with the design of a plant that has this much emphasis on the way the plant looked. (Tr. I 268). The plant design includes saving a large tree, which exists in the meadow. (Tr. I 268). The colors were picked to be "earthy tones". (Tr. I 269). The roofs will be standing-seam metal roofs. (Tr. I 274, 275). The buildings will be split-faced base block buildings, which are aesthetically pleasing. (Tr. I 276). Mr. Moran believes that the site will be lighted twenty-four hours per day for security purposes. (Tr. I 221).[16] If WVDCH requires additional shielding and aesthetic changes, those can be accomplished with the current site. (Tr. II 34).

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[15]Mr. Becker used a program called the National Flood Frequency Program, which was developed by the U.S. Department of the Interior. (Tr. I 16).

[16]The lighting at the plant will be much less, if the Utility chooses not to staff the plant at night. (Tr. II 24). Even if staffed at night, the lights can be angled towards the equipment and away from the Sharp farm. (Tr. II 24, 25). Mr. Nickerson recommends shading any lights, especially those on the SBR basin. (Tr. II 420).

There is a catch and release fishery on the Elk River from the point of its formation downstream. (Tr. I 174).[17] Brook, Rainbow and Brown Trout live in the general area. (Tr. I 145).[18] The Brook Trout is the native species. (Tr. I 145). Brook Trout don't thrive in water that is above 19° C and the upper lethal temperature is about 24° C. (Tr. I 145). If the average weekly maximum temperatures are less than 22° C, Brook Trout tend to be in good health. (Tr. I 145, 146). Above 22° C, the population will die in most cases. (Tr. I 146). Brook Trout can stay in water as high as 25.6° C for 120 minutes. (Tr. I 146). Any Brook Trout in water temperature above 24° C for a week would be severely stressed and have significant mortality. (Tr. I 146). Rainbow Trout can tolerate warmer water than Brook Trout with a higher maximum temperature of about 25° C. (Tr. I 147). Brown Trout are even more tolerant and can survive in temperatures as high as 27° C. (Tr. I 147). Rainbow Trout, for growth and viability, have an upper limit of about 23° C as do the Browns. (Tr. I 147).[19]

Trout spawn in the fall and prefer temperatures below 15° C. (Tr. I 146, Tr. II 346). Optimum breeding temperatures are in the range between 8 and 15° C. (Tr. I 146). For spawning, both Rainbow and Brook Trout need water that is no warmer than 15 to 18° C. (Tr. I 147). Brook Trout often spawn in tributaries which tend to be cooler, especially in the fall. (Tr. I 147, 148).

Given the temperatures indicated on Utility Ex. 19, Dr. Ray Morgan believes that trout would thrive and breed in that water. (Tr. I 148, 149).[20]

Water temperature tends to be elevationally driven and cooler at higher elevations. (Tr. I 150). The presence of significant spring flows also impacts water temperature. (Tr. I 150). Dr. Morgan believes that streams at the elevation roughly of the stream at issue would rarely get over 19° C throughout the entire year. (Tr. I 151).

Dr. Morgan believes that water at 4,000 feet would be cooler than water at 2,700 feet and that water coming off the Snowshoe Mountain would not change in temperature much due to the fact that it is shipped down in

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[17]Trout Unlimited at first supported the project believing regional treatment of wastewater would be superior to additional septic systems given the karst geology of the area. (Tr. I 29, 30; Utility Ex. 6). Trout Unlimited took no position on the proper location for the plant. (Tr. I 46, 47; Utility Ex. 6). After the hearing, it withdrew its support in a letter dated November 14, 2005.

[18]The Elk River was described at hearing as a "world class fishery," which means that people would travel to fish there from far away. (Tr. II 280).

[19]23° C is slightly above 70° F. (Tr. II 24).

[20]Dr. Ray Morgan teaches at the University of Maryland and his primary work has been with trout and trout fisheries for 25 years. (Tr. I 143).

underground pipes. (Tr. I 157, 158). Dr. Morgan was shown the expected temperature of the effluent and indicated that he did not believe that putting effluent of that temperature in the stream would be detrimental to the trout. (Tr. I 160).

The Snowshoe wastewater treatment plant is about 4,700 feet elevation, plus or minus 100 feet. (Tr. I 297, 298). The sewage flows from Snowshoe in the summertime are very low and very high in the wintertime. (Tr. I 298).

Generally, most effluent from wastewater treatment plants ranges between 50° and 70° F. (Tr. I 304). Mr. Carpenter believes that much of the effluent from this plant would be 68° F. (Tr. I 305). The highest temperature effluent Mr. Carpenter has ever seen from wastewater treatment systems was one that served a prison and its effluent was about 80° F. (Tr. I 308). Mr. Carpenter is confident that this facility will be much lower than that given that the ground water in the area is about 55° F. (Tr. I 308). Mr. Carpenter is confident that the temperature will be less than 70° and probably less than 60° F. (Tr. I 308). 80% to 90% of the wastewater will be coming from Snowshoe. (Tr. I 310).[21] Mr. Carpenter believes that most of the water in the valley will be discharged from people's homes into the sewers between 50° and 70° F. (Tr. I 311).

Mr. Carpenter believes that most treatment plants inside their buildings are about 65° F. (Tr. I 339). Mr. Carpenter believes that there would be very small temperature changes through the dynasand filters. (Tr. I 340). The latent heat of water is much higher than the latent heat of air. (Tr. II 13). The SBRs were designed to be relatively tall in order to minimize the surface area that will be in contact with the air. (Tr. II 14). The plant was designed to help maintain water temperature because of the cold winters. (Tr. II 14). The treatment processes need the water to be at least 40° F, which is about 4.4° C . (Tr. II 22, 23). The low flows in the summer will have greater energy loss because of the longer retention of the effluent in the treatment plant. (Tr. II 14).

In Mr. Morton's experience with the DEP designing effluent for trout streams, the temperatures have not been a concern. (Tr. II 52). There is a history of allowing discharges into trout streams which have not brought negative impact on those steams. (Tr. II 52). Numerous plants discharge into trout streams, including the Martinsburg, Charles Town, Ansted, White Oak and Mt. Hope Public Service District plants. (Tr. II 52, 53).

Mr. Morton got effluent temperatures and forwarded it to individuals at the State fisheries who were not overly concerned. (Tr. II 53). There is a possibility that DNR will request that DEP make temperature monitoring in the summer a requirement of the permit. (Tr. II 53, 54).

In 25 years working for the DEP, Mr. Morton has never had an indication from the DNR of any concern regarding temperature controls on

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[21]Only 8.3% of the customers will be from the valley. (Tr. II 258).

streams with trout. (Tr. II 65). If temperatures became an issue, the DEP would put the Utility on notice that it would have to install a cooling tower or something to take care of the problem. (Tr. II 66, 67). Mr. Morton would anticipate the temperatures coming out of the treatment plant to be lower than those predicted by the other evidence. (Tr. II 68). Mr. Morton believes that the effluent coming out of the proposed treatment plant would be lower than effluent coming out of Snowshoe, because it will be going through 5.5 miles of gravity sewer line, which will be about 55° F. (Tr. II 72). Given that, he believes the influent into the plant will be cooler then the anticipated effluent will be too. (Tr. II 72).

There are five miles of pipe from the main Snowshoe plant to the wastewater treatment plant with the pipes running three feet deep or deeper, which will expose the effluent to a constant ground temperature of 55° F. (Tr. II 127). Laura McNeal, an engineer from Thrasher involved in the facilities planning, believes that there will be a cooling effect of 1.4° F or approximately .8° C for every 1.5 mile of line. (Tr. II 119, 127, 128).

Dr. Todd Petty, an expert on trout fisheries, testified that the Elk River is highly productive because it is largely spring feed. (Tr. II 277, 278, 281; Shipley Ex. 7).[22] Although the Elk River is stocked, it has significant native reproduction. (Tr. II 282). Dr. Petty indicated that many of the rivers mentioned by Mr. Morton were mostly stocked. (Tr. II 282). Dr. Petty believes that the springs are of vital importance to the Elk River fishery. (Tr. II 288).

Dr. Petty believes there are no trout in the Old Field Fork because it is too warm. (Tr. II 291, 202). Dr. Petty fears that a discharge into Big Spring Fork that would sufficiently raise the temperature of the water would result in the loss of the cold water refuge nature of the stream. (Tr. II 296).[23] In the four miles of fishery in the Upper Elk, there are other cold water tributaries, including Laurel Run and Fox Run. (Tr. II 347). Dr. Petty thought that they might be isolated from the main stem of the Elk during dry periods. (Tr. II 348). Dr. Petty is much more confident that any thermal changes to the stream would affect the Big Spring Fork than he is that it would affect waters downstream. (Tr. II 358).

Dr. Petty believes that trout do their best at temperature between 12 and 18° C. (Tr. II 300). The springs come out about 15° C. (Tr. II 300). Dr. Petty's concern is with the low flow of the Big Spring Fork in the summer and adding that much effluent. (Tr. II 305). Much of his concern depends upon the temperature of the effluent. (Tr. II 305). Dr. Petty indicated they had never measured anything much higher than 16° C in the deepest parts of Big Spring Fork. (Tr. II 313).

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[22]Dr. Petty teaches at West Virginia University. (Tr. 278; Shipley Ex. 7).

[23]Tributaries are important to trout streams because, in times of thermal stress, the trout go to the cold water tributaries. (Tr. II 289, 290).

Dr. Petty testified that there were significant numbers of free-reproducing trout in the Shaver's Fork and its Black Run tributary. (Tr. II 338, 339, 340). The current Snowshoe treatment plant discharges into the Black Run tributary. (Tr. II 340). Cupp Run is another tributary with trout and the Snowshoe Utility also discharges into that tributary. (Tr. II 341). Cupp Run and Black Run are much smaller streams than Big Spring Fork. (Tr. II 341). Those tributaries also have much less shading than the Big Spring Fork. (Tr. II 342).

Dr. Petty is not aware of any documented evidence that treated discharge from wastewater plants has negatively impacted reproducing trout in West Virginia. (Tr. II 342). Dr. Petty agreed that the trout in Cupp Run would benefit substantially if the proposed plant were built. (Tr. II 343). Generally, Dr. Petty supports the treatment plant and believes that it will be beneficial to the fish in the area. (Tr. II 344, 345).

From the textbooks, effluent from wastewater could be as high as 75° F. (Tr. II 421). Some wastewater comes from showers and washing machines which raise the temperature. (Tr. II 422). Mr. Nickerson believes that 70 to 75° F would be the worst case scenario for temperatures from the wastewater treatment plants in the eastern United States. (Tr. II 439). Mr. Nickerson agrees that even the elevation in the valley of roughly 2,700 feet would be relatively cool compared to other places in West Virginia. (Tr. II 440).

If the temperature of the effluent from the treatment plants becomes a problem, there are methods to cool the water, including cooling towers or heat exchangers. (Tr. II 30, 422, 423). Mr. Carpenter and Mr. Nickerson both believe that there is room at the site to add cooling equipment if it is needed for environmental reasons. (Tr. II 33, 423).

Mr. Gillespie obtained a report related to crayfish after certain objections were made. (Utility Ex. 36; Tr. II 83, 85, 86). The U.S. Fish and Wildlife Service has indicated that the particular crayfish is not listed on the threatened or endangered species list. (Tr. II 86, 87, 386). The report concluded that, in the highly unlikely event of a major crayfish kill, the upstream populations would provide the opportunity for community reestablishment. (Tr. II 87).

Whitney Stocker, an expert on crayfish who discovered the particular crayfish species in the Elk River, testified that this species of crayfish lives near the location of the proposed treatment plant and is also found in Laurel Fork and Holly River. (Tr. II 364, 366, 367, 368). Mr. Stocker found these crayfish in both Old Field Fork and the Big Spring Fork, although there were fewer in Old Field Fork. (Tr. II 371). He considered the population in Big Spring Fork to be very healthy. (Tr. II 371). Mr. Stocker believes the springs are essential for the crayfish population. (Tr. II 377). Mr. Stocker believes that alteration of the water temperature could interfere with the breeding cycles and any sediment could interfere with the breeding cycles. (Tr. II 379). It is not known what water temperatures crayfish tolerate. (Tr. II 380, 399).

During the initial selection process, the engineering firm picked out three potential sites. (Tr. I 175). One site was the current location. (Tr. I 175, 176). Regarding the current site, there are no buildings or structures within 300 feet of the proposed plant site. (Tr. I 177; Staff Ex. 1). Staff believed this was the most economical site that was evaluated. (Staff Ex. 1). Staff also concluded that the site was geographically located to minimize pumping facilities. (Staff Ex. 1). There is easy access to the highway and the site will require very little road work. (Staff Ex. 1). Ms. McNeal has had several conversations with Barbara Smith, who owns the property above the project. (Tr. II 129, 130).[24]

The second site was the ball field site on the Beckwith property. (Tr. 176). For the ball field site, there are occupied structures within 300 feet, both the Beckwith Lumber office and a trailer. (Tr. I 177, 178, Staff Ex. 1).[25]

The third site was also on the Beckwith property, but on the far side of the Old Field Fork. (Tr. I 176). For the third initially selected site, it would be necessary to build a private bridge to reach it. (Tr. I 178, 184). The old plant building for Beckwith Lumber is within 300 feet of that site. (Tr. I 178). The site is in the middle of many of the current operations of the Beckwith mill. (Tr. I 184, 232). Mr. Beckwith also has additional business plans for his property. (Tr. I 232). It was in a flood plain, though one could build around the flood plain at that site. (Tr. I 184, 208). Staff concluded that it would take an additional $1,500,000 in bridge and other construction costs to use this site over the selected site. (Staff Ex. 1).

After Staff requested that the Utility look at more additional sites, the Utility evaluated eleven possibilities. (Tr. I 182).

Another site seriously considered was across the highway and at a high elevation. (Tr. I 184). It would require a larger force main to pump wastewater to the site. (Tr. I 184, 185). It would require a lengthy private road and clearing. (Tr. I 185). The cost difference for the site at the high elevation was an additional $2,263,886. (Tr. I 200). The $2.2 million estimate did not factor in the entire cost of the bridge, which makes the project closer to $2.5 or $2.6 million more expensive. (Tr. I 200). That site would require that a high-wall of some 80 to 85 feet be constructed and a bridge. (Tr. I 200, Tr. II 202). The high-wall would be clearly visible from the Elk River. (Tr. II 227). Many regulatory agencies frown on such extensive high-walls. (Tr. II 227).

Site number thirteen on Exhibit 26 is believed to be owned by the rail authority. (Tr. I 235). That site would require the construction

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[24]Barbara Smith did not appear at any of the hearings in this proceeding. (See transcripts).

[25]There is a normal buffer zone around sewage treatment plants of 300 feet, which can be waived. (Tr. I 207). If it is going to be waived, the property owner must waive it. (Tr. I 207).

of a bridge and forest clearing. (Tr. I 235). The site is on karst geology. (Tr. I 236). The bridge alone would cost $300,000 or so. (Tr. I 236). That site was not "costed out". (Tr. I 236). Mr. Moran believes that it would be more than the $1.5 million for sites in that area. (Tr. I 236). Staff concluded that it would be about $2,000,000 more for this site. (Staff Ex. 1).

After the engineering firm reviewed the various sites, it concluded that the original site was still preferable. (Tr. I 186). A large part of that was cost. (Tr. I 186). Staff concluded that the vast majority of sites considered were simply "not usable." (Staff Ex. 1).

After the WVDCH made indications that it was concerned with the preferred site, the Utility did further evaluation of three sites. (Tr. I 188). One of the sites was offered at a public comment hearing by Sam Gibson, which was reviewed. (Tr. I 188, 189). They also reviewed, once again, the two sites on the Beckwith property. (Tr. I 189).

The Utility did core drilling at the Sam Gibson property and discovered that there were voids in several of the borings. (Tr. I 192). Dr. Raush indicated that the alternate Gibson site was mostly on karst terrain. (Tr. II 200). Three of the four deep borings on the Gibson site intersected cavities. (Tr. II 200). The Gibson site was relative small and did not leave room to move around to try to avoid the underground voids. (Tr. I 192). Until the Utility core drilled the Gibson site, the assumption was that, if it was possible, they might build on that site. (Tr. I 211). The difference in cost between the Gibson site, which had the voids under it, assuming there were no voids, and the preferred site was $1,440,287. (Tr. I 197, 198).

The Utility did core drilling at the Sharp site and conducted an additional microgravity study there. (Tr. I 190). This is the first microgravity study that Mr. Moran's engineering firm has ever done on a project. (Tr. I 242).[26] It was done, in part, because of the karst geology of the area. (Tr. I 242). The seventeen core drillings at the proposed site showed that there was solid rock underneath each proposed structure. (Tr. I 191, 228). The microgravity study did indicate that there were anomalies which the Utility had scheduled to be drilled. (Tr. I 228). The area of the anomalies in the microgravity study is not under any of the buildings. (Tr. I 263). The interest in an anomaly is that it might carry underground water and create a flooding situation. (Tr. I 263). If that occurs, the Utility intends to do appropriate surface drainage. (Tr. I 263, 264).[27]

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[26]As far as Dr. Raush is aware, there had not been any microgravity studies done for any other sewer plants in West Virginia, until this one. (Tr. II 226).

[27]It appears that the drilling was done after the hearing and that several voids were found. The Utility indicated that no additional changes were needed for the site as a result of the voids given that they were not under any structures. (See Utility Response Brief).

The difference between the current site and alternate site 1 was $1,517,530. (Tr. I 196). The additional users to be added to the system if the plant was on the Beckwith property would still result in a cost per customer being much higher than the current site. (Tr. I 219). One of the reasons that the project was blocked was to keep the cost per customer at a reasonable level. (Tr. I 219). The regulatory agencies and lending agencies require that the Utility use the most cost-effective site. (Tr. I 231, 232). The potential cost has to be cost-effective and the end rate has to be possible for the community. (Tr. I 132, 182, Tr. II 429, 430). Most of the Beckwith site would not be on Greenbrier karst, but may be on karst. (Tr. II 201). Ms. McNeal believes that there would be $89,000 in additional annual O&M expenses for the alternate sites being discussed. (Tr. II 126).

Tom Shipley lives on the Sharp Farm in Slatyfork. (Tr. II 480). He has a house and a country store. (Tr. II 480). Mr. Shipley also runs a B&B. (Tr. II 481). Mr. Shipley has owned a part of the field on or near the sewer plant for the last two months. (Tr. II 481). His great uncle, David Sharp, sold him the property. (Tr. II 481). Mr. Shipley indicated that the Sharp cemetery was shortly above the proposed sewer plant. (Tr. II 482). The country store has been continuously in operation for 120 years. (Tr. II 483). The farm house was recently restored into a B&B. (Tr. II 483).

Mr. Shipley believes that the location of the sewer facility will make it much more difficult to operate his businesses. (Tr. II 484). Mr. Shipley presented a large number of letters that were sent to him in response to letters he mailed out opposing the project. (Tr. II 485).[28] Mr. Shipley's B&B was built in 1912 and he believes it to be one of the largest residences in Pocahontas County. (Tr. II 490). The complex includes a large cabin that had been visited by Robert E. Lee. (Tr. II 490). Mr. Shipley has had conversations with his family about putting log cabins on the property, perhaps building a hunting lodge. (Tr. II 492). They have had discussions about a trout farm. (Tr. II 492). Mr. Shipley believes that, between all the various family members, there are about 1,600 acres owned. (Tr. II 493). Mr. Shipley actually owns a part of the footprint of the proposed treatment plant. (Tr. II 500).

Michael Griffith is a CPA employed by the Utility to prepare its Rule 42 Exhibit. (Tr. II 230, 240). Mr. Griffith prepared interim rates for the time when the Utility is operating the Snowshoe Utility, but does not yet have its own facility. (Tr. 241). Any change in the net value of the facilities that the Snowshoe Utility is giving to the Utility does not affect rates and has no financial bearing on the Utility, because it does not pay taxes and it is not subject to depreciation. (Tr. II 242). The increase in the net book value is merely a record-keeping issue. (Tr. II 242).

The majority of the customers on Snowshoe Mountain are unmetered. (Tr. II 246). The tariff structure is similar to that which the Snowshoe

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[28]The letters were not made an exhibit and were simply lodged in the file.

Utility currently uses. (Tr. II 246). The tariff is based on the number of bedrooms. (Tr. II 246).

There is a pending water rate case filed by Snowshoe Water and Sewer, Inc. (Tr. II 247). If the Commission allows or requires metering in that water rate case, it will impact the ability of the Utility to charge metered rates for sewer service. (Tr. II 247).

The rates in the valley would be $33.00 per month in the interim period and $49.50 in the post-project period, which is a flat rate. (Tr. II 248). Mr. Griffith believed that the post-project rates for residential customers were on the high-end. (Tr. II 269). Bond coverage at the post-project rates is 130.8%. (Tr. II 249). The proposed project surplus was $46,707. (Tr. II 249). The Utility agrees with the Staff-recommended tariff, which is essentially the same one that the Utility proposed. (Tr. II 250).

The Utility will have 1,776 customers after its first phase, including 1,596 Snowshoe customers, 216 Silver Creek customers and 164 customers in the valley. (Tr. II 254). Overall revenue for the Utility is $1,450,234 per year. (Tr. II 254).

The Utility is also seeking permission for a short-term line of credit to allow it to cover start-up costs, given that it has no existing customers. (Tr. II 255, 256). Its requesting $110,000 at an interest rate not to exceed 9% with an 18-month payback. (Tr. II 256).

Ralph Clark is an engineer employed by Commission Staff. (Tr. II 513). Staff concluded that the project's design did not conflict with the Commission's rules and regulations. (Staff Ex. 1). Mr. Clark's review was based upon the effluent discharge point that was in existence before it was moved. (Tr. II 516).

Scott McNeely is a financial analyst for Commission Staff. (Tr. II 519). The total project is $17,263,000. (Tr. II 521). Staff recommends approval of start-up money for the Utility in the amount of a $110,000 loan, at 9% interest. (Tr. II 522-523). Staff agrees with the rates as proposed by Mr. Griffith. (Tr. II 523). The interim rates should only be in effect for 18 to 24 months. (Staff Ex. 1). The interim operating expenses are estimated to be $715,822. (Staff Ex. 1). The Staff-recommended interim rates should produce a surplus of $9,135 and a debt service coverage of 125.08%. (Staff Ex. 1). The change from the interim rates to the post-project rates will generate an additional $580,406 in annual revenue. (Staff Ex. 1). The O&M expenses should increase by $174,984. (Staff Ex. 1).

After the project is completed, the Utility should have operating revenues of $1,450,234 and operating expenses of $890,806. (Staff Ex. 1). The surplus should be $48,578 and the debt service coverage should be 130.3%. (Staff Ex. 1). Staff did recommend that the Utility be required to file for a review of its rates 18 months after the project is complete. (Staff Ex. 1). On a $17 million project, the amount needed to move the discharge line would make very minimal difference in the rates. (Tr. II 525). There is a 10% contingency in the project of

$1,197,000, which should take care of the extra money to move the outlet. (Tr. II 526).

DISCUSSION

The Snowshoe Utility is no longer able to serve its 1,800 customers and be in compliance with environmental regulations. The resort will not be able to grow if sewer issues are not resolved. If adequate sewer facilities are developed, Snowshoe anticipates hundreds of new residential units being built in the next decade. The resort employs a large number of individuals in Pocahontas County and is a major part of the County's tax base, amounting to more than half the County's property tax and 90% of its hotel and motel tax. W. D. Smith, of Region 4, testified that the project is extremely important to the economic vitality of the entire area.

In 2002, the Snowshoe Utility applied with the Commission to build a treatment facility on the mountain to meet the resort's needs. (See Case No. 02-1009-WS-CN). The application was withdrawn in the face of strenuous opposition from the public demanding that sewer needs in the valley also be addressed.

Since that time, the Snowshoe Utility spent $1.6 million on interim remedies to avoid fines and penalties from DEP. The remedies included new ultraviolet disinfection, new filters and additional equalization basins. It has also consistently supported the regional approach demanded by the public.

The Utility and the Snowshoe Utility have worked diligently together and did exactly what the public demanded that they do in Case No. 02-1009-WS-CN. A regional plant in the valley has been proposed. The Snowshoe Utility has agreed to turn over significant assets and a large number of customers to the Utility to make a regional plant a reality. And now the argument is made both by people making public comment and Mr. Shipley that the proper answer is for the plant to be built on the mountain just to serve the resort.

Undoubtedly, homeowners and businesses in the valley deserve modern sewer service as much as the individuals in the resort. The karst geography of the area compounds problems when septic systems fail or when people simply discharge untreated sewage into the environment. The argument that the valley should remain without sewer service is even less tenable given the loud public outcry that was made when the resort attempted to build a plant for its own use several years ago. If there had been no public opposition to that attempt, it is likely that a new plant would now be in operation on the mountain serving the needs of the customers in the resort.

Applications before the Commission are "not the appropriate forum to litigate or re-litigate permits or clearances that are within the jurisdiction of another agency." Old Standard, LLC, Case No. 05-0042-S-CN (W.Va. P.S.C July 20, 2005). It is true that standards such as public convenience, necessity, public interest, and reasonable utility practices are broad and nebulous. It is also true that "environmental concerns are

relevant to the Commission's analysis of public convenience." (Id.). But the Commission has indicated that "to the extent that the evidence presented . . . overlaps the jurisdictional purview of another agency, the Commission will not substitute its judgment for that of the agency with statutory authority." (Id.).

At hearing, the Utility moved to exclude Mr. Shipley's expert witness on trout fisheries on the ground that the such environmental issues were not appropriate before the Commission but in the purview of other agencies. (Tr. 140, 141). The Utility's motion was denied not because the evidence was deemed proper or relevant but in an effort to develop a full record and avoid a possible remand. (Tr. 141, 142). The parties were warned that the evidence might not be considered by the Administrative Law Judge or the Commission. (Tr. 142).

A significant amount of evidence was heard about the potential impact on both trout and crayfish. Several expert witnesses appeared and offered extensive testimony on both the impact of water temperatures on three species of trout and the likely temperature of the effluent.[29] Mr. Shipley's briefs make much of the opposition by various public groups connected with fishing that oppose the location of the plant.

The crucial information came from the witness from the DEP. Mr. Morton testified that the temperature of the effluent had not been a significant concern for the DEP. He testified that there is a history of allowing discharges into trout streams that has not had a negative impact on the streams. Mr. Morton collected the data on temperatures and forwarded it to the DNR officials associated with fisheries. Mr. Morton indicated that they were not overly concerned.

The DEP and DNR have much more expertise and authority to protect trout and crayfish than does the Commission. It appears that those agencies are the proper forum for litigating these concerns. The Commission should not stop this project based upon the evidence presented before it related to these concerns.

Mr. Shipley also argues that the application is premature, relying on incomplete permits. Mr. Shipley's briefs strongly emphasize the lack of the NPDES permit and the fact that there has not been a definitive wasteload allocation for the new discharge point. However, the DEP witness, Mr. Morton, indicated that he had completed his review of the project and has deemed the project "approvable" pending a finding of no

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[29]The evidence most favorable to Mr. Shipley came from Dr. Petty who feared that the discharge into the Big Spring Fork might result in the loss of the cold water refuge nature of the stream. But Dr. Petty also admitted that the Snowshoe Utility's discharges into Cupp Run and Black Run have not prevented significant populations of free-reproducing trout in those streams. Further, Mr. Petty was not aware of any documented evidence which demonstrated that treated discharge from wastewater plants has negatively impacted reproducing trout in West Virginia. The evidence on the crayfish was even less persuasive. Mr. Stocker testified that it was not even known what water temperatures the crayfish could tolerate.

impacts. The Utility has already worked on mitigating any visual impact on the Sharp store and B&B.

Staff has concluded that the "permitting process is satisfactory for the certificate." The project is indeed not premature to be before the Commission. It appears likely that the project will receive all the required permits. Any granting of the certificate would be contingent on all permits being issued. The failure of the Utility to obtain a necessary permit from another agency would stop the project.

Mr. Shipley argues that the proposed plant is undersized to meet future needs and that the proposed site has inadequate space for expansion. The proposed plant is more than double the current flow. It is true that Snowshoe has very optimistic plans for additional development.[31] It is also true that, in the past, Snowshoe has fallen far short of its projections at the rate of growth. The Utility has concluded that the growth will come, but at a slightly slower pace than estimated by Snowshoe. The evidence also clearly shows that there is indeed adequate space at the proposed site for expansion of the plant when that is required. Even Mr. Shipley's engineer admitted as much. There is also the possibility of additional equalization basins on the mountain given the fact that the flow from the resort increases so significantly on weekends. No forecasts of future growth are perfect, but those relied upon by the Utility are reasonable and appropriate.

The selection of the proposed site was not done in an unreasonable manner. The Utility reviewed many sites. It is difficult to find an appropriate site given the area's mountainous terrain, the karst geology, and issues related to flood plains. The Utility reviewed several of the sites on more than one occasion. It paid for core drilling on one alternate site. The vast majority of the sites reviewed were simply not usable. Some of the other sites could be used but would cost from 1.5 million to in excess of 2 million more dollars in initial costs. Many sites require the construction of roads and/or bridges. Some would require extensive excavation and/or highwalls. Some of the sites have occupied structures within the 300 foot buffer zone. Two of the sites would be in the middle of an ongoing business operation. All of the other sites would increase future O&M costs by about $89,000 annually.

It is essential that the site be cost-effective. The rates resulting from this project are already relatively high with an average post-project monthly residential bill of $49.50. To add millions of extra dollars onto the cost of the project, by selecting a higher cost site, only drives the end rate to an even higher level. The Commission and other state and federal agencies must support cost- effective sites.

Not only was the process used to select the site reasonable, but the outcome is acceptable. No one wants a sewer treatment plant in their community, but they are a part of modern life. They have to be constructed somewhere.

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[31]All growth in the resort is dependant on some adequate means of sewer disposal being developed.

Any issues related to economic losses to Mr. Shipley or other members of his extended family are more properly decided in the future eminent domain proceeding if one is necessary or in possible nuisance suits in circuit court. Sexton v. Public Service Commission, 188 W.Va. 305, 423 S.E.2d 914 (1992).

Mr. Leyzorek was granted intervenor status based on the fact that he is a resident of Pocahontas County. He will not be served by the project and does not live in the general area of the project. (Tr. III 6, 7). Mr. Leyzorek appeared at all of the hearings and frequently cross-examined various witnesses, made objections and fully participated as a party. In briefing, Mr. Leyzorek objects to the fact that, as a party, he was not allowed to make public comment. Given the large number of individuals who wanted to make public comment and the extensive evidence in the proceeding, individuals were allowed to either be parties or make public comment but not both.[32] Mr. Leyzorek argues that the procedure violated his First Amendment rights to free speech and to petition. He also objected to the fact that two individuals were denied the right to make public comments at one hearing because they had already made public comments at an earlier hearing.

There is no violation of the First Amendment when the manner and opportunity to speak is regulated at a formal administrative hearing. If anyone could speak at any time, in any way they desired, there would be chaos. At this hearing, it was explained that full parties would have amply opportunity to present witnesses and engage in briefing. Given that ability, parties were not permitted to make public comment. Ralph Sharp decided to make extensive public comment and forgo party status. Mr. Leyzorek decided to be a full party and forgo public comment. Such a procedure was necessary and appropriate given the circumstances of the proceeding and did not violate anyone's First Amendment rights. The prohibition upon the same individuals making public comment at more than one hearing in this case was also reasonable and did not violate anyone's First Amendment rights.

Mr. Leyzorek also expressed frustration that when he testified many of the Staff Attorney's objections were sustained. It was explained to Mr. Leyzorek that he would have an opportunity to make legal argument in briefing and that the hearing would not include oral argument. Nevertheless, Mr. Leyzorek continuously engaged in legal argument to which the Staff Attorney objected and most, if not all, of the objections were sustained. Indeed, Mr. Leyzorek was afforded the opportunity to make legal arguments which are included in his brief.[33] There is no right

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[32]The hearings, when reduced to transcripts, constitute 1,019 pages. The hearings on both October 4 and 5 ended after 11:00 p.m. despite the fact that the October 5 hearing started at 9:30 a.m.

[33]Most of Mr. Leyzorek's arguments are addressed in other parts of this Recommended Decision. Some of his arguments, such as that this project would amount to "ethnic cleansing" or that the Utility's boundary expansion constituted "ab origine a corrupt and non-public purpose which constituted a fraud perpetrated upon the citizens and taxpayers," require no response.

to have oral argument at a Commission hearing when written briefs will be filed.

The Utility should be granted a certificate for the proposed project.

There is no dispute between the parties as to the proper rates to be charged either before or after the project. The rates are reasonable, based primarily on the cost of providing service and should be approved for use by the Commission.

FINDINGS OF FACT

1. The Snowshoe Utility is no longer able to serve its customers and be in compliance with its NPDES permit. (Tr. I 22, 23, 54).

2. The resort's wastewater treatment issues are a key issue for Snowshoe and for the Snowshoe Utility. The resort side of the business will not be able to grow without new treatment capacity for wastewater. (Tr. I 19, 20, 21, 22, 84).

3. The project is extremely important economically for the entire community. (Tr. I 84).

4. From 1995 to 2005, Snowshoe had a net growth of 572 residential units ranging from studio apartments to single family homes. (Tr. I 33).

5. Snowshoe projects that over the next five years, there will be an additional 500 units on resort property. The additional units can only be built if there is additional wastewater capacity. (Tr. I 34).

6. In 2002, the Snowshoe Utility attempted to build a plant on resort property, but withdrew its application in the face of opposition from the public and the Public Service Commission Staff. (Tr. I 23; See Case No. 02-1009-WS-CN).

7. After it withdrew its application, the Snowshoe Utility worked with the DEP on interim solutions to the problem. The Snowshoe Utility spent $1.6 million on interim remedies to expand the capacity of the existing plant. As part of an interim measure, it constructed a 90,000 gallon equalization basin to store excess wastewater flows and normalize the flows to the treatment plant. It also expanded an existing equalization basin to 3,000,000 gallons. It installed an ultraviolet disinfection system and continuously backwashing sand filters. (Tr. I 24, 26, 58, 59, 61, 290; Utility Ex. 5).

8. The nature of Snowshoe is that it has lots of people on the mountain sometimes and virtually no people at other times. On the busiest winter day of the year, there are approximately 9,000 people on the mountain. (Tr. I 64).

9. Snowshoe supports protecting the environment because its main product is access to the environment. Snowshoe is the only entity in West Virginia with a habitat conservation plan to protect endangered

species. Snowshoe is involved with the Shavers Fork Coalition, the Nature Conservancy and Trout Unlimited. (Tr. I 28, 29).

10. Snowshoe's parent company has invested over $200 million in the resort since it acquired the property. Snowshoe's property taxes in 2005 amounted to more than one-half of the entire property taxes collected by Pocahontas County. Snowshoe Resort contributes 90% of the County's hotel and motel tax. Snowshoe employs 600 year-round and 1,600 in the winter season. (Tr. I 27).

11. The Snowshoe Utility has 1,800 sewer customers. (Tr. I 35).

12. The Snowshoe Utility will transfer those customers to the Utility pursuant to a transfer agreement. The agreement between the two utilities transfers Snowshoe's customers and any physical assets that the Utility wants, including the collection assets. (Tr. I 35, 37; Utility Ex. 7).

13. For a period of time, the Utility will operate as a vendor maintaining the Snowshoe Utility's system. After the treatment plant is operational, all assets that the Utility wants will be transferred and any that are not transferred will be mitigated by the Snowshoe Utility. At the end of the process, the Snowshoe Utility will cease to be a sewer utility. (Tr. I 38, 39).

14. The collection system is valued, per books, at $2.7 million. The Utility is also going to receive the headworks of the treatment plant, the equalization tank, the ultraviolet light system and the sand filters under the terms of the agreement. (Tr. I 40, 61, 223, 224).

15. The Utility is paying $431,000 to reimburse the Snowshoe Utility for its reclamation cost. Any reclamation cost above $431,000 will be borne solely by the Snowshoe Utility. (Tr. I 41, 223, 224).

16. The total project is $17,263,000. Funding for the project includes an IJC loan of $9,547,000 for forty years at 0% interest and no administrative fee and an SRF loan of $5,711,000 for forty years at 0% interest, with a 1/2% administrative fee. There is also a $5,000 grant from the Pocahontas County Commission. Both the IJC and SRF loans are amortized over 36.5 years to allow for construction and anticipated delays due to winter weather. (Tr. I 91, 97, 99; Tr. II 252, 253, 521; Utility Ex. 11, 12; Staff Ex. 1).

17. WVDCH determined, at some point, that the Sharp Farm could be eligible to be a historic district and requested an archeological and cultural survey which the Utility obtained. (Tr. I 104, 106, 107; Utility Exs. 14, 15, 16, 17, 18).

18. The Division of Natural Resources found no wetlands on the site. (Staff Ex. 1).

19. The project has received its clearance from Fish and Wildlife which included specific clearances for the Indiana Bat, Northern Squirrel, Cheat Mountain Salamander and a crayfish which turned out not to be endangered. (Tr. I 170, 171; Staff Ex. 1).

20. The Corps of Engineers sent the project a letter saying no special permit was required. (Tr. I 172).

21. The project is still waiting approval from the DEP for its NPDES permit. Mr. Morton has completed his review and believes the plans and specifications are "approvable", pending a finding of no significant impact, and are in compliance with SRF design requirements. He also determined that the proposed solution was the most cost-effective solution. (Tr. I 168, 169, 230; Tr. II 43, 50).

22. The WVDCH permit is still pending, because it will be attached to the NPDES Permit. (Tr. I 107, 169).

23. The project has been approved by the IJC. (Tr. I 168).

24. An environmental impact study is not required. (Tr. I 230).

25. Sixty-five easements are necessary for this system and 57 have been collected. (Tr. II 75).

26. Staff concluded that the "permitting process is satisfactory for the certificate." (Staff Ex. 1).

27. The proposed discharge point was recently relocated to a point downstream from the original location, due to a request to do so from the DEP. Dr. Raush also recommended the relocation to a perennially-flowing section of Big Spring Fork. The relocation will allow maximum dissolution of the effluent. The new discharge point will be in a location which is wetter than the original discharge point, which, at the time of the hearing, was a dry rock. The new discharge point is about 500 feet further downstream from the bridge. DEP verbally told Thrasher Engineering that the wasteload allocation at the new discharge plant will be roughly the same in terms of total gallons per day as the original discharge site. (Tr. I 169, 170, 171; Tr. II 56, 93, 150, 161).

28. When the Utility was requested by DEP to move the discharge point of the proposed treatment plant, it determined that taking the line behind Eva Shelton's trailer would be the best alternative. Dr. Raush agrees with the decision to place the new effluent line behind Eva Shelton's trailer. Such a placement will lessen any potential impact on Ms. Shelton's spring. The alluvial soil is 5 feet thick and should be easily diggable. On most of Eva Shelton's property, the effluent line will be at the depth of 4 to 5 feet. There has been prior construction in that area with the highway and the highway bridge. (Tr. I 293, 320, 324, 325; Tr. II 161, 162, 474, 475).

29. Moving the discharge point added approximately $60,500 to the cost of the project. There is a 10% contingency in the project of $1,197,000, which should take care of the extra money to move the outlet. (Tr. I 293, 294; Tr. II 526).

30. Karst is a land form that develops on soluble rocks, such as limestone, dolomite and gypsum. Its characteristics are sinking streams, caves, sinkholes and a lack of surface water. Due to the mountainous limestone terrain, ground water can become polluted even from distant

contamination sources. Any leaks on karst terrain can migrate vertically downward to the water table and be carried very rapidly. (Tr. I 86, 87, 88; Utility Ex. 9; Tr. II 456, 472).

31. The proposed treatment plant is an SBR plant. The proper treatment level is based on the wasteload allocations issued by the DEP. The maximum effluent discharge under the original discharge plant was 1.5 million gallons per day. SBR technology was selected based on a 20-year present worth analysis which indicated that SBR was the lowest and most cost-effective system to meet the treatment requirements. SBRs are very flexible, handle the anticipated flow ranges very well, and are easy to operate. (Tr. I 179, 227; Tr. II 28).

32. Mr. Morton believes that the proposed technology beats the current wasteload requirements. Even Mr. Shipley's engineer admitted that the plant as designed meets the regulatory requirements. (Tr. II 51, 399, 400, 450).

33. The treatment process as proposed will have a mechanical screen to remove inert matter and rags, then it will go to a grit changer where rocks and sand and abrasive materials are removed. The effluent then goes to the SBR tanks which are programable. The aeration in those tanks is between a four and a six-hour cycle, depending on the flow rate. After the SBR basin, the effluent goes to sludge holding tanks and is decanted into a post-equalization dissolved oxygen basin. The next step is going through three dynasand filters. The plant will use ultraviolet lights to kill bacteria near the end of its treatment cycle. The treatment process will be monitored by an SCDA system, which has an auto dialer on it in case there are problems. The auto dialer will call an operator to come out and make adjustments. (Tr. I 299, 300, 301; Tr. II 16, 25).

34. The sludge press and the loading area for the trucks are inside the building at the proposed plant for both aesthetic reasons and for odor control. There is very little chance of odors if the facility is kept clean and properly maintained. There are standby generators for all of the equipment and redundancy on every piece of equipment, including all the blowers and pumps. (Tr. I 315, 317).

35. Thrasher considered plans for future development when it projected flows for the future. Snowshoe's estimates were used, but the assumption was that it would actually take longer to accomplish that number of units, given that Snowshoe had not met targets in the past. The total estimated maximum flow at the end of ten or fifteen years is 1,537,998 gallons. The proposed plant is double the current flow. (Tr. II 123, 124, 125, 135, 136).

36. There is sufficient room at the proposed site for future expansions of capacity, including an additional SBR basin. One could also add additional equalization basin capacity. (Tr. 332; Tr. II 140, 141, 410).

37. The peak flow of the proposed plant is designed at 1.5 million gallons per day, and the average daily flow is anticipated to be 500,000 gallons per day. (Tr. I 20).

38. Attempting to have multiple small treatment plants as an alternative would be inappropriate, since there are already centrally collected sewage and various treatment plants in the area which will be abandoned as a result of this project. The DEP favors taking the multiple plants out of service and using a centralized treatment plant. Any effort to use the de-centralized plants would require numerous plants. (Tr. I 243, 245, 247).

39. It was difficult to find a site that was not on the flood plain. The entire preferred site is outside the 100-year flood plain. The lowest elevation of any structure proposed on the preferred site is 2,704.5 feet. (Tr. I 182, 183, 249, 250; Tr. II 404, 405, 409; Utility Ex. 4, 31).

40. Dr. Raush does not foresee any problems with flooding of the site. Dr. Raush indicated that there was an ephemeral spring channel coming down the side of Middle Mountain near the site, but that the engineer could make appropriate culverts and handle any flows. (Tr. II 150, 156, 158, 159).

41. The Utility plans to add additional trees, both evergreen and deciduous, between the proposed site and Route 219. The trees will help screen the plant from the highway and from the Sharp store area. The office building is located diagonally across the entrance of the site. The plant design includes saving a large tree, which exists in the meadow. The colors were picked to be "earthy tones". The roofs will be standing-seam metal roofs. The buildings will be split-faced base block buildings. If WVDCH requires additional shielding and aesthetic changes, those can be accomplished with the current site. (Tr. I 266, 267, 268, 269, 274, 275, 276 325; Tr. II 34).

42. Mr. Morton believes that, in his experience with the DEP designing effluent for trout streams, temperatures have not been a concern. There is a history with allowing discharges into trout streams which has not resulted in a negative impact on those steams. Numerous plants discharge into trout streams, including the Martinsburg, Charles Town, Ansted, White Oak and Mt. Hope Public Service District plants. Mr. Morton got effluent temperatures and forwarded them to individuals at the State fisheries who were not overly concerned. In 25 years working for the DEP, Mr. Morton has never had an indication from the DNR of any concern regarding temperature controls on streams with trout. If temperatures became an issue, the DEP would put the Utility on notice that it would have to install a cooling tower or heat exchangers to take care of the problem. There is room at the site to add cooling equipment if it is needed for environmental reasons.(Tr. II 30, 33, 52, 53, 54, 65, 66, 67, 422, 423).

43. There are significant free-reproducing trout in Shaver's Fork and its Black Run and Cupp Run tributaries which are currently the receiving streams for the Snowshoe Utility's effluent. Cupp Run and Black Run are much smaller streams than Big Spring Fork and have much less shading than the Big Spring Fork. (Tr. II 338, 339, 340, 341, 342).

44. The Utility thoroughly reviewed numerous sites for the treatment plant. (Tr. I 175, 176, 177, 178, 182, 184, 185, 186, 188,

189, 190, 191, 192, 196, 197, 198, 200, 201, 207, 208, 211, 219, 228, 232, 235, 236, 242, 263, 264, ; Tr. II 126, 202, 226, 227; Staff Ex. 1).

45. Alternate sites were rejected for various reasons, including significantly higher costs. (Tr. I 176, 177, 178, 184, 185, 188, 189, 192, 196, 197, 198, 200, 211, 208, 219, 232, 235, 236; Tr. II 126, 201, 202, 227; Staff Ex. 1).

46. Regarding the proposed site, there are no buildings or structures within 300 feet of the proposed plant site. Staff concurred with the Utility that this was the most economical site that was evaluated. Staff also concluded that the site was geographically located to minimize pumping facilities. There is easy access to the highway and the site will require very little road work. The Utility did core drilling at the Sharp site and conducted an additional microgravity study there because of the karst geology of the area. The seventeen core drillings at the proposed site showed that there was solid rock underneath each proposed structure. The microgravity study did indicate that there were anomalies which the Utility had scheduled to be drilled. The area of the anomalies in the microgravity study is not under any of the buildings. (Tr. I 177, 186, 190, 191, 228, 242, 263, 264; Staff Ex. 1).

46. The regulatory agencies and lending agencies require that the Utility use the most cost-effective site. The potential cost has to be cost-effective and the end rate has to be possible for the community. (Tr. I 132, 182, 219, 231, 232; Tr. II 429, 430).

47. Tom Shipley lives on the Sharp Farm in Slatyfork and operates a B&B and the Sharp Store. (Tr. II 480).

48. The majority of the customers of the Snowshoe Utility are unmetered. The proposed tariff structure is similar to that which the Snowshoe Utility currently uses. The tariff is based on the number of bedrooms. (Tr. II 246).

49. The proposed rates in the valley would be $33.00 per month in the interim period and $49.50 in the post-project period, which is a flat rate. The interim rates should only be in effect for 18 to 24 months. (Tr. II 248; Staff Ex. 1).

50. Bond coverage at the post-project rates is 130.8%. The proposed project surplus was $46,707. (Tr. II 249).

51. The Utility agrees with the Staff-recommended tariff. (Tr. II 250, 523).

52. The Utility will have 1,776 customers after its first phase, including 1,596 Snowshoe customers, 216 Silver Creek customers and 164 customers in the valley. Overall revenue for the Utility is $1,450,234 per year. (Tr. II 254).

53. The Utility is also seeking permission for a short-term line of credit to cover start-up costs given that it has no existing customers. It is requesting $110,000 at an interest rate not to exceed 9% with an

18-month payback. Staff recommended approval of the start up loan. (Tr. II 255, 256, 522, 523).

54. The interim operating expenses are estimated to be $715,822. The Staff-recommended interim rates should produce a surplus of $9,135 and a debt service coverage of 125.08%. (Staff Ex. 1).

55. The change from the interim rates to the post-project rates will generate an additional $580,406 in annual revenue. The O&M expenses should increase by $174,984. (Staff Ex. 1).

56. After the project is completed, the Utility should have operating revenues of $1,450,234 and operating expenses of $890,806. The surplus should be $48,578 and the debt service coverage should be 130.3%. (Staff Ex. 1).

57. Staff recommended that the Utility be required to file for a review of its rates 18 months after the project is complete. (Staff Ex. 1).

58. Staff concluded that the project's design did not conflict with the Commission's rules and regulations. (Staff Ex. 1).

59. It is unclear from the record exactly just how far the Shipley B&B is from the proposed site or what the visual impact of the plant will be from the existing structures. No one offered a precise distance from the plant to the B&B or the Sharp store. (Transcripts generally, Tr. II 481, 482).

60. Given the large number of individuals who wanted to make public comment and the extensive evidence in the proceeding, individuals were allowed to either be parties or make public comment but not both. The same individuals were not allowed to make public comment at both public comment hearings. (Transcripts III and IV).

CONCLUSIONS OF LAW

1. Applications before the Commission are "not the appropriate forum to litigate or re-litigate permits or clearances that are within the jurisdiction of another agency." Old Standard, LLC, Case No. 05-0042-S-CN (W.Va. P.S.C July 20, 2005).

2. Although "environmental concerns are relevant to the Commission's analysis of public convenience," the Commission has indicated that "to the extent that the evidence presented . . . overlaps the jurisdictional purview of another agency, the Commission will not substitute its judgment for that of the agency with statutory authority." (Id.).

3. The DEP and DNR have much more expertise and authority to protect trout and crayfish than does the Commission. It appears that those agencies are the proper forum for litigating these concerns.

4. The Commission need not make a precise determination about the visual impact of the proposed plant on historic structures in the

vicinity of the plant because that is in the primary jurisdiction of WVDCH. It is clear from the record that WVDCH is taking this matter seriously and it has already indicated that mitigation will likely be required to lesson any visual impacts.

5. Any issues related to economic losses to Mr. Shipley or other members of his extended family are more properly decided in the future eminent domain proceeding if one is necessary or in possible nuisance suits in circuit court. Sexton v. Public Service Commission, 188 W.Va. 305, 423 S.E.2d 914 (1992).

6. The procedure in taking public comment and evidence was reasonable and did not violate any First Amendment rights.

7. The public convenience and necessity require the project.

8. The Utility's proposed financing of the project is reasonable and should be approved.

9. The Utility's proposal to establish a line of credit not to exceed $110,000 at an interest rate not to exceed 9% for no longer than 18 months to finance start-up costs is reasonable and should be approved.

10. The Utility should be required to seek Commission approval should the project's scope or proposed financing change for any reason.

11. The Staff-recommended interim rates for use after the Utility takes over the Snowshoe Utility system are reasonable, just, based primarily on the cost of providing service and should be adopted for use by the Utility once it acquires the Snowshoe Utility system.

12. The Staff-recommended rates for use after the construction of the project are reasonable, just, based primarily on the cost of providing service and should be approved for use by the Utility.

13. The agreement between the Utility and the Snowshoe Utility regarding the transfer of Utility assets is in the public interest and should be approved by the Commission.

14. The Utility should be required to file for a review of its rates 18 months after the project has been completed.

ORDER

IT IS, THEREFORE, ORDERED that the application filed by the Pocahontas County Public Service District on February 1, 2005, for a certificate of convenience and necessity to acquire the existing wastewater collection system of Snowshoe Water & Sewer, Inc., and several smaller facilities in the area and to construct a new treatment plant and collection system as described in the application, be, and hereby is, granted, contingent upon the receipt of all necessary local, state and federal permits. The Utility shall forward copies of all outstanding permits to the Commission upon receipt.

IT IS FURTHER ORDERED that the proposed financing of the project, consisting of a loan from the West Virginia Infrastructure and Jobs Development Council in the amount of $9,547,000 for forty years at 0% interest and no administration fee, a loan from the Clean Water State Revolving Fund in the amount of $5,711,000 for forty years at 0% interest and a .5% administration fee, and a grant in the amount of $5,000 from the Pocahontas County Commission, be, and hereby is, approved.

IT IS FURTHER ORDERED that Pocahontas County Public Service District petition the Commission to reopen the proceeding should the cost, scope or financing of the project change for any reason.

IT IS FURTHER ORDERED that the Pocahontas County Public Service District submit a certified copy of bid tabulations for all contract bids as soon as they are available. The Utility shall also submit a copy of a certificate of substantial completion issued for each construction contract associated with the project, as soon as they are available.

IT IS FURTHER ORDERED that, if this project requires the use of Division of Highways' rights-of-way, the Utility shall comply with all rules and regulations of the Division of Highways regarding the use of those rights-of-way.

IT IS FURTHER ORDERED that the transfer agreement between the Pocahontas County Public Service District and Snowshoe Water and Sewer, Inc., regarding the transfer of the Snowshoe Utility's sewer assets be, and hereby is, approved. The approval does not approve the specific terms and conditions of the agreement.

IT IS FURTHER ORDERED that the rates attached hereto as Appendix A be, and hereby are, approved for use by the Pocahontas County Public Service District for all service rendered on and after the date that it acquires the sewer facilities of Snowshoe Water & Sewer Inc. The Utility shall file a proper tariff and five (5) copies within thirty (30) days from the date of the transfer of the facilities.

IT IS FURTHER ORDERED that the rates attached as Appendix B be, and hereby are, approved for use by the Pocahontas County Public Service District for all service rendered after substantial completion of the project. The Utility shall file with the Commission a proper tariff and five (5) copies within thirty (30) days from the date of substantial completion.

IT IS FURTHER ORDERED that the Pocahontas County Public Service District be, and hereby is, required to file a request with the Commission for a rate review no later than 18 months after the project is completed.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary within fifteen (15) days of the date this order is mailed. If exceptions are filed, the

parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served the exceptions.

If no exceptions are filed, this order shall become the order of the Commission, without further action, five (5) days following the expiration of the fifteen (15) day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Keith A. George
Administrative Law Judge

KAG:pst:dfs:mal
050103aj.wpd

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
CASE NO. 05-0103-PSD-CN

APPROVED INTERIM RATES

SCHEDULE I

APPLICABILITY

Applicable to Snowshoe, Silver Creek Lodge and Silver Creek Ski Resort.

AVAILABILITY

Available for residential, commercial, governmental, industrial, and resale sewer service.

RATES

Efficiency w/o	$33.00 per month
Efficiency	$33.00 per month
1 Bedroom	$33.00 per month
2 Bedroom	$33.00 per month
3 Bedroom	$45.00 per month
4 Bedroom	$55.00 per month
5 Bedroom	$60.00 per month
6 Bedroom	$70.00 per month
Hot Tub	$ 4.75 per month

Usage charge $ 7.00 per 1,000 gallons

MINIMUM CHARGE

No bill will be rendered for less than $33.00 per month.

An Efficiency is defined as a one room unit with kitchen and bathroom facilities.

Lofts, Bunkrooms, or other rooms used for sleeping quarters (other than living rooms) in Residential Units will be counted as Bedrooms.

Residential Hot Tub is defined as any Hot Tub, Jacuzzi, Hydra Spa, or other similar type tub that is larger than a standard bathtub in either length, width or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub but have water jets will not be subject to this additional charge.

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts 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.

DISCONNECTION/RECONNECTION/ADMINISTRATIVE FEES

Whenever water service has been disconnected for any reason, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected in the field, an administrative fee of $25.00 shall be charged. Whenever water service which has been previously disconnected for any reason is reconnected, a reconnecting fee of $25.00 shall be charged.

TAP FEE

The following charges are to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $25.00 will be charged to customers applying for service before construction is completed adjacent to customer's premises in connection with a certificate proceeding before the Commission. This pre-construction tap fee will be invalid after the completion of construction adjacent to the applicant's premises that is associated with a certificate proceeding.

A tap fee of $350.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the sewer utility 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.

LEAK ADJUSTMENT

$3.50 per 1,000 gallons is to be used when a bill reflects unusual water consumption which can be attributed to eligible water leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

SCHEDULE II

APPLICABILITY

Applicable to all customer except the Snowshoe, Silver Creek Lodge or Silver Creek Ski Resort customers.

AVAILABILITY

Available for residential, commercial, governmental, industrial, and resale sewer service.

RATES

Residential	$ 33.00 per month
Light Commercial	$ 55.00 per month
Small Commercial	$ 60.00 per month
Medium Commercial	$180.00 per month
Hot Tub	$ 4.75 per month

Residential Hot Tub is defined as any Hot Tub, Jacuzzi, Hydra Spa, or other similar type tub that is larger than a standard bathtub in either length, width or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub but have water jets will not be subject to this additional charge.

Light Commercial, Small Commercial, Medium to Large Commercial shall be determined by the District in consultation with the District's consulting engineer. This determination shall be based on the applicant's line of business or industry and the level of water consumption/wastewater used or produced. The District will utilize industry related data and other means as it deems necessary to make the determination.

Usage Charge $7.00 per 1,000 gallons

MINIMUM CHARGE

No bill will be rendered for less than $33.00

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts 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.

DISCONNECTION/RECONNECTION/ADMINISTRATIVE FEES

Whenever water service has been disconnected for any reason, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected in the field, an administrative fee of $25.00 shall be charged. Whenever water service which has been previously disconnected for any reason is reconnected, a reconnecting fee of $25.00 shall be charged.

TAP FEE

The following charges are to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $25.00 will be charged to customers applying for service before construction is completed adjacent to customer's premises in connection with a certificate proceeding before the Commission. This pre-construction tap fee will be invalid after the completion of construction adjacent to the applicant's premises that is associated with a certificate proceeding.

A tap fee of $350.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the sewer utility 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.

LEAK ADJUSTMENT

$3.50 per 1,000 gallons is to be used when a bill reflects unusual water consumption which can be attributed to eligible water leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

SCHEDULE III

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

Whenever the utility has discovered that a customer's roof drain, downspout, storm sewer or similar facilities conducting surface water have been connected to the utility's sewer system, and such customer has failed to take appropriate action, within thirty (30) days of receipt of a demand by the utility in accordance with the Rules of the Public Service Commission, to eliminate such connection, a surcharge will be imposed upon the customer calculated on the basis of the following formula:

$$S = A \times R \times .0006233 \times C$$

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
.0006233 = A conversion factor to change inches of rain x square feet of surface to thousands of gallons of water.
C = The utility's approved rate per thousand gallons of metered water usage.

The utility shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system.

The surcharge shall be calculated and imposed for each month that the condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water in accordance with the Rules of the Public Service Commission of West Virginia.

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
CASE NO. 05-0103-PSD-CN

APPROVED POST PROJECT RATES

SCHEDULE I

APPLICABILITY
Applicable to Snowshoe, Silver Creek Lodge and Silver Creek Ski Resort.

AVAILABILITY
Available for residential, commercial, governmental, industrial, and resale sewer service.

RATES

Efficiency w/o	$ 49.50 per month
Efficiency	$ 49.50 per month
1 Bedroom	$ 49.50 per month
2 Bedroom	$ 49.50 per month
3 Bedroom	$ 70.50 per month
4 Bedroom	$ 80.75 per month
5 Bedroom	$ 91.50 per month
6 Bedroom	$102.10 per month
Hot Tub	$ 7.25 per month

Usage charge $ 10.50 per 1,000 gallons

MINIMUM CHARGE
No bill will be rendered for less than $49.50 per month.

An Efficiency is defined as a one room unit with kitchen and bathroom facilities.

Lofts, Bunkrooms, or other rooms used for sleeping quarters (other than living rooms) in Residential Units will be counted as Bedrooms.

Residential Hot Tub is defined as any Hot Tub, Jacuzzi, Hydra Spa, or other similar type tub that is larger than a standard bathtub in either length, width or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub but have water jets will not be subject to this additional charge.

DELAYED PAYMENT PENALTY
The above schedule is net. On all accounts 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.

DISCONNECTION/RECONNECTION/ADMINISTRATIVE FEES

Whenever water service has been disconnected for any reason, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected in the field, an administrative fee of $25.00 shall be charged. Whenever water service which has been previously disconnected for any reason is reconnected, a reconnecting fee of $25.00 shall be charged.

TAP FEE

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A tap fee of $350.00 will be charged to customers applying for service outside of a certificate proceeding before the Commission for each new tap to the system.

RETURNED CHECK CHARGE

A service charge equal to the actual bank fee assessed to the sewer utility 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.

LEAK ADJUSTMENT

$3.50 per 1,000 gallons is to be used when a bill reflects unusual water consumption which can be attributed to eligible water leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

SCHEDULE II

APPLICABILITY

Applicable to all customer except the Snowshoe, Silver Creek Lodge or Silver Creek Ski Resort customers.

AVAILABILITY

Available for residential, commercial, governmental, industrial, and resale sewer service.

RATES

Residential	$ 49.50 per month
Light Commercial	$ 80.75 per month
Small Commercial	$ 91.50 per month
Medium Commercial	$274.50 per month
Hot Tub	$ 6.25 per month

Residential Hot Tub is defined as any Hot Tub, Jacuzzi, Hydra Spa, or other similar type tub that is larger than a standard bathtub in either length, width or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub but have water jets will not be subject to this additional charge.

Light Commercial, Small Commercial, Medium to Large Commercial shall be determined by the District in consultation with the District's consulting engineer. This determination shall be based on the applicant's line of business or industry and the level of water consumption/wastewater used or produced. The District will utilize industry related data and other means as it deems necessary to make the determination.

Usage Charge $10.50 per 1,000 gallons

MINIMUM CHARGE

No bill will be rendered for less than $49.50

DELAYED PAYMENT PENALTY

The above schedule is net. On all accounts 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.

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SCHEDULE III

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$$S = A \times R \times .0006233 \times C$$

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
.0006233 = A conversion factor to change inches of rain x square feet of surface to thousands of gallons of water.
C = The utility's approved rate per thousand gallons of metered water usage.

The utility shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, dye testing or on-site inspection that rain or surface water is being introduced into the sanitary sewer system at the customer's location, and that the customer has not acted within thirty (30) days from receipt of such notice to divert the water from the sanitary sewer system.

The surcharge shall be calculated and imposed for each month that the condition continues to exist. Failure to pay the surcharge and/or correct the situation shall give rise to the possible termination of water in accordance with the Rules of the Public Service Commission of West Virginia.

West Virginia Infrastructure & Jobs Development Council

Public Members:
Kenneth Lowe, Jr.
Shepherdstown
Dwight Calhoun
Petersburg
Dave McComas
Prichard

300 Summers Street, Suite 980
Charleston, West Virginia 25301
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Jefferson E. Brady, PE
Executive Director

Jefferson.Brady@verizon.net

June 11, 2007

William Rexroad, Chairman
Pocahontas Public Service District
HC 63, Box 122
Frank, West Virginia 24920

Re: Pocahontas Public Service District
Sewer Project 2003S-762a

Dear Mr. Rexroad:

The West Virginia Infrastructure and Jobs Development Council (the "Council") has reviewed the Pocahontas Public Service District's (the "District") revised preliminary application regarding its proposed project to acquire the Snowshoe system; repay the Infrastructure Fund deferred design loan, and Pendleton County Bank, covering all previously incurred professional costs associated with the project and to pay for additional costs associated with the DEP funding and permitting process (the "Project").

Based on the findings of the Sewer Technical Review Committee, the Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The District should carefully review the enclosed comments of the Sewer Technical Review Committee as the District may need to address certain issues raised in said comments as it proceeds with the Project.

Upon consideration of the revised preliminary application, the Council recommends that the District utilize a $2,500,000 Infrastructure Fund loan (0%, 40 yrs), a $2,000,000 Snowshoe Resort contribution and a $5,000 Pocahontas County Commission contribution to fund this $4,505,000 project.

If you have any questions regarding this matter, please contact Jeff Brady at 558-4607.

Sincerely,

Kenneth Lowe, Jr.

Enclosure
cc: Mike Johnson, P.E., DEP (w/o enclosure)
Region IV Planning & Development Council
Snowshoe Resort
Pocahontas County Commission
Kenneth Moran, P.E., Thrasher Engineering, Inc.

West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
Henry Harmon, Vice Chairman
Hurricane
Dwight Calhoun
Petersburg
C. R. "Rennie" Hill, III
Beckley

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE
Executive Secretary

Katy.Mallory@verizon.net

August 6, 2003

William Kisner, Chairman
Pocahontas Public Service District
HC 63, Box 122
Frank, West Virginia 24920

Re: Pocahontas Public Service District
Sewer Project 2003S-762

Dear Mr. Kisner:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the Pocahontas Public Service District's (the "District") preliminary application regarding its proposed project to acquire the Snowshoe system and build a collection system and new 1.5 MGD Wastewater Treatment Plant to serve customers in the Linwood, Slaty Fork, Snowshoe and Hawthorne Valley areas (the "Project").

Based on the findings of the Sewer Technical Review Committee, the Infrastructure Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The District should carefully review the enclosed comments of the Sewer Technical Review Committee as the District may need to address certain issues raised in said comments as it proceeds with the Project.

Upon consideration of the preliminary application, the Infrastructure Council recommends that the District pursue a $4,300,000 Clean Water State Revolving Fund loan, a $2,197,000 Water Development Authority loan, a $2,000,000 Snowshoe Resort contribution and a $5,000 Pocahontas County Commission contribution to fund this $12,802,000 project. Please contact the WV Department of Environmental Protection office at 558-0641and the Water Development Authority office at 558-3612for specific information on the steps the District needs to follow to apply for these funds. **Please note that this letter <u>does not</u> constitute funding approval from these agencies.**

The Infrastructure Council also determined the District may be eligible for an Infrastructure Fund loan of $4,300,000 pending the District's readiness to proceed and availability of funds in the Infrastructure Fund. **This letter is not a commitment letter of Infrastructure Funds.** The Project will be placed on the Infrastructure Council's pending list of projects.

If you have any questions regarding this matter, please contact Katy Mallory at 558-4607.

Sincerely,

Russell L. Isaacs

Enclosure
cc: Mike Johnson, DEP (w/o enclosure)
Bernie Yonkosky, WDA (w/o enclosure)
Snowshoe Resort
Pocahontas County Commission
Region IV Planning & Development Council
Thrasher Engineering, Inc.

West Virginia Infrastructure & Jobs Development Council

Public Members:
Russell L. Isaacs, Chairman
Cottageville
Dwight Calhoun
Petersburg
C. R. "Rennie" Hill, III
Beckley
Timothy Stranko
Morgantown

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE
Executive Secretary

Katy.Mallory@verizon.net

October 1, 2003

William Kisner, Chairman
Pocahontas Public Service District
HC 63, Box 122
Frank, West Virginia 24920

Re: Pocahontas Public Service District
Sewer Project 2003S-762

Dear Mr. Kisner:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the Pocahontas Public Service District's (the "District") revised preliminary application regarding it's proposed project to acquire the Snowshoe system, build a collection system and wastewater treatment plant to serve customers in the Linwood, Slaty Fork, Snowshoe and Hawthorne Valley areas.

Based on the findings of the Sewer Technical Review Committee, the Infrastructure Council has determined that the Project is technically feasible within the guidelines of the Infrastructure and Jobs Development Act. The District should carefully review the enclosed comments of the Sewer Technical Review Committee as the District may need to address certain issues raised in said comments as it proceeds with the Project.

Upon consideration of the revised preliminary application, the Infrastructure Council, at its October 1, 2003 meeting voted the District utilize a $4,700,000 Clean Water State Revolving Fund loan, $2,207,500 Water Development Authority loan, $2,000,000 Snowshoe Resort contribution, $5,000 Pocahontas County Commission contribution and receive a binding commitment for an Infrastructure Fund loan of $4,700,000 (0%, 40 yrs) to complete the financing of this $13,612,500 Project. Please note that this binding commitment offer is contingent on the Infrastructure Council's 2003 Revenue Bonds being issued which is proposed to be completed in October, 2003.

In order to receive the proposed binding commitment the District must adhere to a certain project schedule. Please contact Katy Mallory at 558-4607 by **November 1, 2003** to establish the necessary schedule and finalize the proposed binding commitment.

Sincerely,

Russell L. Isaacs

Enclosure
cc: Mike Johnson, DEP (w/o enclosure)
Bernie Yonkosky, WDA (w/o enclosure)
J. D. Morgan, Snowshoe Resort
Pocahontas County Commission
Region IV Planning & Development Council
Ken Moran, Thrasher Engineering, Inc.

West Virginia Infrastructure & Jobs Development Council

Public Members:
Mark Prince, Chairman
Hurricane
Dwight Calhoun, Vice Chairman
Petersburg
C. R. "Rennie" Hill, III
Beckley
Tim Stranko
Morgantown

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE

Executive Secretary
Katy.Mallory@verizon.net

June 2, 2004

Mr. William Kisner, Chairman
Pocahontas Public Service District
HC 63, Box 122
Frank, West Virginia 24920

Re: Pocahontas Public Service District
Wastewater Project 2003S-762

Dear Mr. Kisner:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the Pocahontas Public Service District's (the "District") request for revision to the Infrastructure Council's binding commitment offer of December 5, 2003 to the District for financing its regional wastewater project. At its June 2, 2004 meeting, the Infrastructure Council voted to revise the binding commitment as shown on the attached Schedule A. The WDA loan is increased to $3,164,000 and the total project cost is increased to $14,569,000. Please contact Katy Mallory if you have any questions concerning this matter.

Sincerely,

Mark Prince

MP/km
Attachment

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

Pocahontas Public Service District

By:_____

Its: _____

Date:_____

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Pocahontas Public Service District
Wastewater Project 2003S-762
June 2, 2004 Rev 1

SCHEDULE A

A. Approximate Amount: $ 4,700,000 Loan

B. Loan: $ 4,700,000

1. Maturity Date: 40 years from date of closing.

2. Interest Rate: 0%

3. Loan Advancement Date(s) Monthly, upon receipt of proper requisition

4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.

5. Special Conditions: None

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

C. Other Funding:

CWSRF loan	$ 4,700,000
WDA loan	3,164,000
Pocahontas County Commission	5,000

C. Total Construction Project: $12,569,000

D. In Kind Contribution:

Snowshoe Resort providing in-kind contribution of it's existing system in an amount in excess of $2,000,000	$ 2,000,000

E. Total Project Cost: $14,569,000

cc: Samme Gee, Esq., Jackson & Kelly
Ken Moran, Thrasher Engineering, Inc.
W. D. Smith, Region IV Planning & Development Council
John Stump, Esq., Steptoe & Johnson
Bernie Yonkosky, WDA
Rosalie Brodersen, DEP
Tom Michael

West Virginia Infrastructure & Jobs Development Council

Public Members:
Mark Prince, Chairman
Hurricane
Dwight Calhoun, Vice Chairman
Petersburg
C. R. "Rennie" Hill, III
Beckley
Tim Stranko
Morgantown

300 Summers Street, Suite 980
Charleston, West Virginia 25301
Telephone: (304) 558-4607
Facsimile: (304) 558-4609

Katy Mallory, PE

Executive Secretary
Katy.Mallory@verizon.net

September 1, 2004

Mr. G. Calvin Hill, Chairman
Pocahontas Public Service District
HC 63, Box 122
Frank, West Virginia 24920

Re: Pocahontas Public Service District
Wastewater Project 2003S-762

Dear Mr. Hill:

The West Virginia Infrastructure and Jobs Development Council (the "Infrastructure Council") has reviewed the Pocahontas Public Service District's (the "District") request for revision to the Infrastructure Council's binding commitment offer of June 2, 2004 to the District for financing its regional wastewater project. At its September 1, 2004 meeting, the Infrastructure Council voted to revise the binding commitment as shown on the attached Schedule A. The Infrastructure Fund loan is increased to $9,547,000 and the CWSRF loan / WDA BAN Program is increased to $5,711,000 making the total project cost $17,263,000. Please contact Katy Mallory if you have any questions concerning this matter.

Sincerely,

Mark Prince

MP/km
Attachment

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

Pocahontas Public Service District

By: G. Calvin Hill

Its: Chairman

Date: 9-8-04

WEST VIRGINIA INFRASTRUCTURE & JOBS DEVELOPMENT COUNCIL

Pocahontas Public Service District
Wastewater Project 2003S-762
September 1, 2004 Rev 2

SCHEDULE A

A. Approximate Amount: $ 9,547,000 Loan

B. Loan: $ 9,547,000

1. Maturity Date: 40 years from date of closing.

2. Interest Rate: 0%

3. Loan Advancement Date(s) Monthly, upon receipt of proper requisition

4. Debt Service Commencement: The first quarter following completion of construction, which date must be identified prior to closing.

5. Special Conditions: None

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

C. Other Funding:

CWSRF loan / WDA BAN Program	$ 5,711,000
Pocahontas County Commission	5,000

C. Total Construction Project: $15,263,000

D. In Kind Contribution:

Snowshoe Resort providing in-kind contribution of it's existing system in an amount in excess of $2,000,000	$ 2,000,000

E. Total Project Cost: $17,263,000

cc: Samme Gee, Esq., Jackson & Kelly
Ken Moran, Thrasher Engineering, Inc.
W. D. Smith, Region IV Planning & Development Council
John Stump, Esq., Steptoe & Johnson
Bernie Yonkosky, WDA
Rosalie Brodersen, DEP
Tom Michael

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

On the 30th day of December, 2008, the undersigned authorized representative of the West Virginia Water Development Authority (the "Authority"), for and on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the undersigned Chairman of Pocahontas County Public Service District (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On the 30th day of December, 2008, the Authority received the Pocahontas County Public Service District Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), issued in the principal amount of $2,500,000, as a single, fully registered Bond, numbered AR-1 and dated December 30, 2008 (the "Bonds").

2. At the time of such receipt, the Bonds had been executed by the Chairman 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 Bonds, of the sum of $1,740,076, being a portion of the principal amount of the Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer by the Authority and the Council as the Project progresses.

[Remainder of Page Intentionally Blank]

Dated as of the day and year first written above.

WEST VIRGINIA WATER DEVELOPMENT
AUTHORITY

By: Barbara B Meadows
Its: Authorized Representative

POCAHONTAS COUNTY
PUBLIC SERVICE DISTRICT

By: William C Reverde
Its: Chairman

12.08.08
710090.00005

CH5036095.1

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

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

Ladies and Gentlemen:

On this the 30th day of December, 2008, there are delivered to you herewith:

(1) Bond No. AR-1, constituting the entire original issue of the Pocahontas County Public Service District Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), in the principal amount of $2,500,000, dated December 30, 2008 (the "Bonds"), executed by the Chairman and Secretary of Pocahontas County Public Service District (the "Issuer"), and bearing the official seal of the Issuer, authorized to be issued under and pursuant to a Bond Resolution and a Supplemental Resolution, both duly adopted by the Issuer on December 16, 2008 (the "Bond Legislation");

(2) A copy of the Bond Legislation authorizing the above-described Bond issue, duly certified by the Secretary of the Issuer;

(3) Executed counterparts of the loan agreement dated December 30, 2008, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Loan Agreement"); and

(4) An executed opinion of nationally recognized bond counsel regarding the validity of the Loan Agreement and the Bonds.

You are hereby requested and authorized to deliver the Bonds to the Authority upon payment to the account of the Issuer of the sum of $1,740,076, representing a portion of the principal amount of the Bonds. Prior to such delivery of the Bonds, you will please cause the Bonds to be authenticated and registered by an authorized officer, as Bond Registrar, in accordance with the form of Certificate of Authentication and Registration thereon.

Dated as of the day and year first written above.

POCAHONTAS COUNTY
PUBLIC SERVICE DISTRICT

By: William E Reland
Its: Chairman

SPECIMEN

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
SEWER REVENUE BOND, SERIES 2008 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $2,500,000

KNOW ALL MEN BY THESE PRESENTS: That on this 30th day of December, 2008, POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Pocahontas 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 TWO MILLION FIVE HUNDRED THOUSAND DOLLARS ($2,500,000), 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 March 1, 2010 to and including December 1, 2048, as set forth on the "Debt Service Schedule" attached as EXHIBIT B hereto and incorporated herein by reference.

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 Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated December 30, 2008.

This Bond is issued: (i) to pay the costs of acquisition of public sewerage facilities of the Issuer (the "Project"); (ii) to pay the Issuer's Series 2004 A Notes; (iii) to pay the Issuer's Series 2004 B Notes; (iv) to fund the Series 2008 A Bonds Reserve Account; and (v) 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 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), a Bond Resolution duly adopted by the Issuer on December 16, 2008, and a Supplemental Resolution duly adopted by the Issuer on December 16, 2008 (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.

THERE ARE NO OUTSTANDING BONDS OR OBLIGATIONS OF THE ISSUER WHICH RANK ON A PARITY WITH THE BONDS OR ARE SECURED BY REVENUES OR ASSETS OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from monies in the reserve account created under the Bond Legislation for the Bonds (the "Series 2008 A Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the monies in the Series 2008 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 the Bonds; provided however, that so long as there exists in the Series 2008 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 the Bonds, an amount at least equal to the requirement therefor, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of 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 monies received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond

Legislation, and there shall be and hereby is created and granted a lien upon such monies, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated as of the date first written above.

[SEAL]

Chairman

ATTEST:

Secretary

SPECIMEN

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is the Series 2008 A Bond 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: December 30, 2008.

THE HUNTINGTON NATIONAL BANK,
as Registrar

Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) $1,740,076	December 30, 2008	(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

BOND DEBT SERVICE - $2,500,000

Pocahontas County Public Service District

40 Years; 0% Interest Rate

Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
3/1/2010	16,026.		16,026.
6/1/2010	16,026.		16,026.
9/1/2010	16,026.		16,026.
12/1/2010	16,026.		16,026.
3/1/2011	16,026.		16,026.
6/1/2011	16,026.		16,026.
9/1/2011	16,026.		16,026.
12/1/2011	16,026.		16,026.
3/1/2012	16,026.		16,026.
6/1/2012	16,026.		16,026.
9/1/2012	16,026.		16,026.
12/1/2012	16,026.		16,026.
3/1/2013	16,026.		16,026.
6/1/2013	16,026.		16,026.
9/1/2013	16,026.		16,026.
12/1/2013	16,026.		16,026.
3/1/2014	16,026.		16,026.
6/1/2014	16,026.		16,026.
9/1/2014	16,026.		16,026.
12/1/2014	16,026.		16,026.
3/1/2015	16,026.		16,026.
6/1/2015	16,026.		16,026.
9/1/2015	16,026.		16,026.
12/1/2015	16,026.		16,026.
3/1/2016	16,026.		16,026.
6/1/2016	16,026.		16,026.
9/1/2016	16,026.		16,026.
12/1/2016	16,026.		16,026.
3/1/2017	16,026.		16,026.
6/1/2017	16,026.		16,026.
9/1/2017	16,026.		16,026.
12/1/2017	16,026.		16,026.
3/1/2018	16,026.		16,026.
6/1/2018	16,026.		16,026.
9/1/2018	16,026.		16,026.
12/1/2018	16,026.		16,026.
3/1/2019	16,026.		16,026.
6/1/2019	16,026.		16,026.
9/1/2019	16,026.		16,026.
12/1/2019	16,026.		16,026.
3/1/2020	16,026.		16,026.
6/1/2020	16,026.		16,026.
9/1/2020	16,026.		16,026.
12/1/2020	16,026.		16,026.
3/1/2021	16,026.		16,026.
6/1/2021	16,026.		16,026.
9/1/2021	16,026.		16,026.
12/1/2021	16,026.		16,026.
3/1/2022	16,026.		16,026.

BOND DEBT SERVICE - $2,500,000

Pocahontas County Public Service District

40 Years; 0% Interest Rate

Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
3/1/2010	16,026.		16,026.
6/1/2010	16,026.		16,026.
9/1/2010	16,026.		16,026.
12/1/2010	16,026.		16,026.
3/1/2011	16,026.		16,026.
6/1/2011	16,026.		16,026.
9/1/2011	16,026.		16,026.
12/1/2011	16,026.		16,026.
3/1/2012	16,026.		16,026.
6/1/2012	16,026.		16,026.
9/1/2012	16,026.		16,026.
12/1/2012	16,026.		16,026.
3/1/2013	16,026.		16,026.
6/1/2013	16,026.		16,026.
9/1/2013	16,026.		16,026.
12/1/2013	16,026.		16,026.
3/1/2014	16,026.		16,026.
6/1/2014	16,026.		16,026.
9/1/2014	16,026.		16,026.
12/1/2014	16,026.		16,026.
3/1/2015	16,026.		16,026.
6/1/2015	16,026.		16,026.
9/1/2015	16,026.		16,026.
12/1/2015	16,026.		16,026.
3/1/2016	16,026.		16,026.
6/1/2016	16,026.		16,026.
9/1/2016	16,026.		16,026.
12/1/2016	16,026.		16,026.
3/1/2017	16,026.		16,026.
6/1/2017	16,026.		16,026.
9/1/2017	16,026.		16,026.
12/1/2017	16,026.		16,026.
3/1/2018	16,026.		16,026.
6/1/2018	16,026.		16,026.
9/1/2018	16,026.		16,026.
12/1/2018	16,026.		16,026.
3/1/2019	16,026.		16,026.
6/1/2019	16,026.		16,026.
9/1/2019	16,026.		16,026.
12/1/2019	16,026.		16,026.
3/1/2020	16,026.		16,026.
6/1/2020	16,026.		16,026.
9/1/2020	16,026.		16,026.
12/1/2020	16,026.		16,026.
3/1/2021	16,026.		16,026.
6/1/2021	16,026.		16,026.
9/1/2021	16,026.		16,026.
12/1/2021	16,026.		16,026.
3/1/2022	16,026.		16,026.

BOND DEBT SERVICE

Pocahontas County Public Service District
40 Years; 0% Interest Rate
Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
6/1/2022	16,026.		16,026.
9/1/2022	16,026.		16,026.
12/1/2022	16,026.		16,026.
3/1/2023	16,026.		16,026.
6/1/2023	16,026.		16,026.
9/1/2023	16,026.		16,026.
12/1/2023	16,026.		16,026.
3/1/2024	16,026.		16,026.
6/1/2024	16,026.		16,026.
9/1/2024	16,026.		16,026.
12/1/2024	16,026.		16,026.
3/1/2025	16,026.		16,026.
6/1/2025	16,026.		16,026.
9/1/2025	16,026.		16,026.
12/1/2025	16,026.		16,026.
3/1/2026	16,026.		16,026.
6/1/2026	16,026.		16,026.
9/1/2026	16,026.		16,026.
12/1/2026	16,026.		16,026.
3/1/2027	16,026.		16,026.
6/1/2027	16,026.		16,026.
9/1/2027	16,026.		16,026.
12/1/2027	16,026.		16,026.
3/1/2028	16,026.		16,026.
6/1/2028	16,026.		16,026.
9/1/2028	16,026.		16,026.
12/1/2028	16,026.		16,026.
3/1/2029	16,026.		16,026.
6/1/2029	16,026.		16,026.
9/1/2029	16,026.		16,026.
12/1/2029	16,026.		16,026.
3/1/2030	16,026.		16,026.
6/1/2030	16,026.		16,026.
9/1/2030	16,026.		16,026.
12/1/2030	16,026.		16,026.
3/1/2031	16,026.		16,026.
6/1/2031	16,026.		16,026.
9/1/2031	16,026.		16,026.
12/1/2031	16,026.		16,026.
3/1/2032	16,026.		16,026.
6/1/2032	16,026.		16,026.
9/1/2032	16,026.		16,026.
12/1/2032	16,026.		16,026.
3/1/2033	16,026.		16,026.
6/1/2033	16,026.		16,026.
9/1/2033	16,026.		16,026.
12/1/2033	16,026.		16,026.
3/1/2034	16,026.		16,026.
6/1/2034	16,026.		16,026.

BOND DEBT SERVICE

Pocahontas County Public Service District
40 Years; 0% Interest Rate
Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
9/1/2034	16,026.		16,026.
12/1/2034	16,026.		16,026.
3/1/2035	16,025.		16,025.
6/1/2035	16,025.		16,025.
9/1/2035	16,025.		16,025.
12/1/2035	16,025.		16,025.
3/1/2036	16,025.		16,025.
6/1/2036	16,025.		16,025.
9/1/2036	16,025.		16,025.
12/1/2036	16,025.		16,025.
3/1/2037	16,025.		16,025.
6/1/2037	16,025.		16,025.
9/1/2037	16,025.		16,025.
12/1/2037	16,025.		16,025.
3/1/2038	16,025.		16,025.
6/1/2038	16,025.		16,025.
9/1/2038	16,025.		16,025.
12/1/2038	16,025.		16,025.
3/1/2039	16,025.		16,025.
6/1/2039	16,025.		16,025.
9/1/2039	16,025.		16,025.
12/1/2039	16,025.		16,025.
3/1/2040	16,025.		16,025.
6/1/2040	16,025.		16,025.
9/1/2040	16,025.		16,025.
12/1/2040	16,025.		16,025.
3/1/2041	16,025.		16,025.
6/1/2041	16,025.		16,025.
9/1/2041	16,025.		16,025.
12/1/2041	16,025.		16,025.
3/1/2042	16,025.		16,025.
6/1/2042	16,025.		16,025.
9/1/2042	16,025.		16,025.
12/1/2042	16,025.		16,025.
3/1/2043	16,025.		16,025.
6/1/2043	16,025.		16,025.
9/1/2043	16,025.		16,025.
12/1/2043	16,025.		16,025.
3/1/2044	16,025.		16,025.
6/1/2044	16,025.		16,025.
9/1/2044	16,025.		16,025.
12/1/2044	16,025.		16,025.
3/1/2045	16,025.		16,025.
6/1/2045	16,025.		16,025.
9/1/2045	16,025.		16,025.
12/1/2045	16,025.		16,025.
3/1/2046	16,025.		16,025.
6/1/2046	16,025.		16,025.
9/1/2046	16,025.		16,025.

BOND DEBT SERVICE

Pocahontas County Public Service District
40 Years; 0% Interest Rate
Closing Date: December 30, 2008

Period Ending	Principal	Interest	Debt Service
12/1/2046	16,025.		16,025.
3/1/2047	16,025.		16,025.
6/1/2047	16,025.		16,025.
9/1/2047	16,025.		16,025.
12/1/2047	16,025.		16,025.
3/1/2048	16,025.		16,025.
6/1/2048	16,025.		16,025.
9/1/2048	16,025.		16,025.
12/1/2048	16,025.		16,025.
	2,500,000.		**2,500,000.**

(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:

_____

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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

December 30, 2008

Pocahontas County Public Service District
Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Pocahontas County Public Service District
Frank, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs
Development Council
Charleston, West Virginia

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance by Pocahontas County Public Service District (the "Issuer"), a public service district, public corporation and political subdivision created and existing under the laws of the State of West Virginia, of its $2,500,000 Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), 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 loan agreement, dated December 30, 2008, including all schedules and exhibits attached thereto (the "Loan Agreement"), by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), and the Bonds, which are to be purchased by the Authority in accordance with the provisions of the Loan 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 March 1, 2010, to and including December 1, 2048, all as set forth in the "Schedule Y" attached to the Loan 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 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), for the purposes of (i) paying the costs of acquisition and construction of a public sewerage facilities of the Issuer (the "Project"); (ii) to pay the Issuer's Series 2004 A Notes; (iii) to pay the Issuer's 2004 B Notes; (iv) to fund the Series 2008 A Bonds Reserve Account; and (v) paying certain costs of issuance of the Bonds and related costs.

We have also examined the applicable provisions of the Act, the Bond Resolution duly adopted by the Issuer on December 16, 2008, as supplemented by a Supplemental Resolution duly adopted by the Issuer on December 16, 2008, (collectively, the "Bond Legislation"), pursuant to and under which Act and Bond Legislation the Bonds are authorized and issued, and the Loan 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 Loan Agreement. All capitalized terms used herein and not otherwise defined herein shall have the same meanings set forth in the Bond Legislation and the Loan 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 service district, public corporation and political subdivision of the State of West Virginia, with full power and authority to acquire and construct the Project, to operate and maintain the System, to adopt the Bond Legislation and to issue and sell the Bonds, all under the Act and other applicable provisions of law.

2. The Loan 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 Council and cannot be amended by the Issuer so as to affect adversely the rights of the Authority and the Council or diminish the obligations of the Issuer without the written consent of the Authority and the Council.

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 of the Loan 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 and secured by a first lien on and pledge of the Net Revenues of the System, all in accordance with the terms of the Bonds and the Bond Legislation.

5. The Bonds are, under the Act, 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 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.

7. The Issuer's Sewer Design Notes, Series 2004 A (West Virginia Infrastructure Fund), dated June 15, 2004 issued in the aggregate principal amount of $145,000 (the "Series 2004 A Bonds") has been paid within the meaning and with the effect expressed in the resolution authorizing the issuance of the Series 2004 A Bonds, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2004 A Bonds has been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the Receipt and Release of the West Virginia Water Development Authority to the sufficiency of the monies on deposit to provide for the payment of the principal of, interest on, and premium, if any, of the Series 2004 A Bonds.

8. The Issuer's Sewerage System Bond Anticipation Notes, Series 2004 B, dated June 15, 2004 issued in the aggregate principal amount of $300,000 (the "Series 2004 B Bonds") has been paid within the meaning and with the effect expressed in the resolution authorizing the issuance of the Series 2004 B Bonds, and the covenants, agreements and other obligations of the Issuer to the holders and owners of the Series 2004 B Bonds has been satisfied and discharged. In rendering the opinion set forth in this paragraph, we have relied upon the Receipt and Release of the Pendleton County Bank to the sufficiency of the monies on deposit to provide for the payment of the principal of, interest on, and premium, if any, of the Series 2004 B Bonds.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds, the Loan 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

STEPTOE & JOHNSON PLLC

12.08.08
710090.00005

LAW OFFICE

Thomas R. Michael

ATTORNEY AT LAW
P.O. BOX 250
LOST CREEK, WEST VIRGINIA, 26385-0250

PHONE 304-745-5904 FAX 304-745-5907 EMAIL tom_michael@yahoo.com

December 30, 2008

Pocahontas County Public Service District
Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Pocahontas County Public Service District
Frank, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

Steptoe & Johnson PLLC
Charleston, West Virginia

Ladies and Gentlemen:

I am counsel to Pocahontas County Public Service District, a public service district, in Pocahontas County, West Virginia (the "Issuer"). As such counsel, I have examined copies of the approving opinion of Steptoe & Johnson PLLC, as bond counsel, relating to the above-captioned bonds of the Issuer (the "Bonds"), a loan agreement for the Bonds dated December 30, 2008, including all schedules and exhibits attached thereto, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council") (the "Loan Agreement"), the Bond Resolution duly adopted by the Issuer on December 16, 2008, as supplemented by the Supplemental Resolution duly adopted by the Issuer on December 16, 2008, (collectively, the "Bond Legislation"), orders of The County Commission of Pocahontas County relating to the Issuer and the appointment of members of the Public Service Board of the Issuer, and other documents, papers, agreements, instruments and certificates relating to the Bonds and the Issuer. All capitalized terms used herein and not otherwise defined herein shall have the same meaning set forth in the Resolution and the Loan Agreement when used herein.

I am of the opinion that:

1. The Issuer is duly created and validly existing as a public service district and as a public corporation and political subdivision of the State of West Virginia.

2. The members and officers of the Public Service 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.

3. The Loan Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the Authority thereto, constitutes a valid and binding agreement of the Issuer enforceable in accordance with its terms.

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

5. The execution and delivery of the Bonds and the Loan Agreement and the consummation of the transactions contemplated by the Bonds, the Loan Agreement and the Bond Legislation 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 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. The Issuer has received all permits, licenses, approvals, consents, exemptions, orders, certificates and authorizations necessary for the creation and existence of the Issuer, the issuance of the Bonds, the acquisition and construction of the Project, the operation of the System and the imposition of rates and charges for use of the System, including, without limitation, all requisite orders, certificates and approvals from The County Commission of Pocahontas County, the West Virginia Department of Environmental Protection and the Council, and 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 all requisite orders and approvals from the Public Service Commission of West Virginia, including the Recommended Decision entered on December 12, 2005, Commission Order dated February 21, 2006 and Commission Order dated October 16, 2008, in Case No. 05-0103-PSD-CN, among other things, granting a certificate of convenience and necessity for the Project, approving the financing for the Project. The time for appeal of the Commission Order has expired prior to the date hereof without any appeal and remains in full force and effect.

7. To the best of my knowledge, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated by the Bonds, the Loan Agreement, the Resolution, the acquisition and construction of the Project, the operation of the System, the validity of the Bonds, the collection of the Gross Revenues or pledge of the Net Revenues for the Bonds.

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

Very truly yours,

Thomas R. Michael

THOMAS R. MICHAEL

LAW OFFICE

Thomas R. Michael
ATTORNEY AT LAW
P.O. BOX 250
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PHONE 304-745-5904 FAX 304-745-5907 EMAIL tom_michael@yahoo.com

December 30, 2008

West Virginia Infrastructure & Jobs Development Council
300 Summers Street, Suite 980
Charleston, WV 25301

Re: Pocahontas County Public Service District
Project No. 2003S-762A
FINAL TITLE OPINION

Dear Sirs:

This firm represents the Pocahontas County Public Service District with regard to a proposed sewer project design loan and transfer of the Snowshoe Water & Sewer, Inc. ("Snowshoe") sewer utility, and provides this final title opinion on behalf of the Pocahontas County Public Service District to satisfy the requirements of the West Virginia Infrastructure and Jobs Development Council with regard to the Infrastructure Fund financing proposed for the Project. Please be advised of the following:

1. That I am of the opinion that the Pocahontas County Public Service District is a duly created and existing public service district possessed with all the powers and authority granted to public service districts under the laws of the State of West Virginia and has the full power and authority to accept, operate and maintain the sewer utility.

2. That the Pocahontas County Public Service District has obtained approval for all necessary permits and approvals, including Department of Environmental Protection approval of the transfer of the NPDES permits.

3. That I have investigated and ascertained the location of and am familiar with the legal description of the necessary sites, including easements and/or rights of way, required for operation of the sewer utility as set forth in the surveys and plats prepared by Thrasher Engineering, the consulting engineers for the District.

4. That I have examined the records on file in the Office of the Clerk of the County Commission of Pocahontas County, West Virginia, the county in which the sewer utility is located, and, in my opinion, the Pocahontas County Public Service District has acquired legal

title or such other estate or interest in all of the necessary site components for operation of the sewer utility, including all easements and/or rights-of-way, sufficient to assure undisturbed use and possession for the purpose of operation and maintenance of the sewer utility, subject to the following:

a. There are no plats of the collection system or its components of record. There are no metes and bounds descriptions of the collection system or its components of record. This omission will be corrected going forward by the recordation of the map of the collection system prepared by Thrasher Engineering, Inc. However, the possibility that parts of the collection system are located on properties without complete title to an easement cannot be ruled out. Nonetheless, there are numerous declarations of covenants of record, all of which reserve the right to install and maintain sewer lines. Said lines have been in place varying amounts of time and there have been no adverse claims of record.

b. There are nine lift stations and three treatment facilities being transferred, with associated access easements. There may be remaining outstanding issues with access and minor encroachments on neighboring properties, but such matters have been outstanding for years without interfering with the operation of the systems.

c. There are extensions being constructed by developers pursuant to alternate mainline extension agreements where the easements have not yet been conveyed to Snowshoe. Pursuant to the transfer agreement, these alternate mainline extension agreements will be assigned to the District.

d. Pursuant to the transfer agreement, Snowshoe will transfer its collection system and treatment facilities to Pocahontas "as is, where is". The deeds that have been approved as part of the transfer convey all of Snowshoe's title to the collection system and treatment facilities without exception or reservation. Upon completion of the transfer, Pocahontas should be able to continue operation of the utility without interruption. In my opinion, and for purposes of the proposed transfer of the sewer utility "as is, where is", the deficiencies noted herein can be safely waived.

5. All deeds, easements and rights of way have been duly recorded in the aforesaid Clerk's Office in order to protect the legal title to and interest of the Pocahontas County Public Service District.

If you have any questions regarding any of the information contained in this final title opinion, please contact this office.

Yours truly,

Thomas R. Michael

Thomas R. Michael

cc: William Rexrode, Chairman, Pocahontas County Public Service District
John Stump, Esq., Steptoe & Johnson
Ken Moran, Thrasher Engineering

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

GENERAL CERTIFICATE OF ISSUER AND ATTORNEY ON:

1. TERMS
2. NO LITIGATION
3. GOVERNMENTAL APPROVALS
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. LOAN AGREEMENT
11. RATES
12 PUBLIC SERVICE COMMISSION ORDER
13. SIGNATURES AND DELIVERY
14 BOND PROCEEDS
15. SPECIMEN BOND
16. CONFLICT OF INTEREST
17. PROCUREMENT OF ENGINEERING SERVICES
18. EXECUTION OF COUNTERPARTS

We, the undersigned CHAIRMAN and the undersigned SECRETARY of the Public Service Board of Pocahontas County Public Service District in Pocahontas County, West Virginia (the "Issuer") and the undersigned COUNSEL to the Issuer hereby certify, on this 30th day of December, 2008, in connection with the Issuer's Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated the date hereof (the "Bonds" or the "Series 2008 A Bonds"), as follows:

1. TERMS: All capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meaning as set forth in the Bond Resolution of the Issuer duly adopted December 16, 2008, and the Supplemental Resolution duly adopted December 16, 2008, (collectively, the "Bond Legislation").

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 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 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 monies 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 of the Project, the operation of the System, the pledge or application of monies and security or the collection of the Gross Revenues or the pledge of the Net Revenues as security for the Bonds.

3. GOVERNMENTAL APPROVALS: All applicable and necessary approvals, permits, exemptions, consents, authorizations, registrations and certificates required by law for the creation and existence of the Issuer, the acquisition 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.

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 Loan Agreement, and the Issuer has met all conditions prescribed in the Loan Agreement. The Issuer has or can provide the financial, institutional, legal and managerial capabilities necessary to complete the Project.

There are no outstanding bonds or obligations of the Issuer which rank on a parity with the Bonds or are secured by revenues or assets of the System. The Series 2004 A Notes and Series 2004 B Notes were paid in full by the Series 2008 A Bonds.

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

Loan Agreement

Public Service Commission Orders

Infrastructure and Jobs Development Council Approval

County Commission Orders on Creation of District

County Commission Orders Appointing Current Boardmembers

Oaths of Office of Current Boardmembers

Rules of Procedure

Affidavit of Publication on Notice of Filing

Minutes of Current Year Organizational Meeting

Excerpt of Minutes on Adoption of Bond Resolution, Supplemental Resolution and First Draw Resolution

Environmental Health Services Permit

Evidence of Insurance

Receipt and Release of Series 2004 A Notes

Receipt and Release of Series 2004 B Notes

6. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "Pocahontas County Public Service District." The Issuer is a public service district and public corporation duly created by The County Commission of Pocahontas County and presently existing under the laws of, and a public corporation and political subdivision of, the State of West Virginia. The Issuer operates the System in Pocahontas County, West Virginia. The governing body of the Issuer is its Public Service Board consisting of 3 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
William Rexrode	June 6, 2006	June 30, 2009
Mark N. Smith	September 22, 2004	September 21, 2010
Scott Millican	September 5, 2006	June 30, 2012

The names of the duly elected, appointed, qualified and acting officers of said Public Service Board of said Issuer for the calendar year 2008 are as follows:

Chairman – William Rexrode
Secretary – Scott Millican

The duly appointed and acting counsel to the Issuer is Thomas R. Michael, Lost Creek, West Virginia.

7. LAND AND RIGHTS-OF-WAY: All land in fee simple and all rights-of-way and easements necessary for the acquisition 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, 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, 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 will be required to maintain Worker's Compensation, public liability and property damage insurance, and builder's risk insurance where applicable, in accordance with the Bond Legislation. All insurance for the System required by the Bond Legislation and Loan Agreement is in full force and effect.

10. LOAN AGREEMENT: As of the date hereof, (i) the representations of the Issuer contained in the Loan Agreement are true and correct in all material respects as if made on the date hereof; (ii) the Loan Agreement does not contain any untrue 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 Loan Agreement which should be disclosed for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information in the Loan Agreement not misleading; and (iv) the Issuer is in compliance with all covenants, terms and representations in the Loan Agreement.

11. RATES: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia (the "PSC") entered December 12, 2005, which became Final Order of the PSC by Commission Order dated February 21, 2006 and Commission Order dated October 16, 2008 in Case No. 05-0103-PSD-CN approving the rates and charges for the services of the System, and has adopted a resolution prescribing such rates and charges. The time for appeal of such Order has expired prior to the date hereof without any appeal, and such rates and charges will become effective upon completion of the Project.

12. PUBLIC SERVICE COMMISSION ORDER: The Issuer has received the Recommended Decision of the Public Service Commission of West Virginia (the "PSC") entered December 12, 2005, which became Final Order of the PSC by Commission Order dated February 21, 2006 and Commission Order dated October 16, 2008 in Case No. 05-0103-PSD-CN, among other things, granting to the Issuer approval for the Project approving the financing for the Project and approving the rates and charges of the System. The time for appeal of the Order has expired prior to the date hereof without any appeal and remains in full force and effect.

13. SIGNATURES AND DELIVERY: On the date hereof, the undersigned Chairman did officially sign all of the Bonds of the aforesaid issue, consisting upon original issuance of a single Bond, numbered AR-1, 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 the Bonds and to be attested by his or her manual signature, and the Registrar did officially authenticate, register and deliver the Bonds to a representative of the Authority as the original purchaser of the Bonds under the Loan Agreement. Said official seal is also impressed above the signatures appearing on this certificate.

14. BOND PROCEEDS: On the date hereof, the Issuer received $1,740,076 from the Authority and the Council, being a portion of the principal amount of the Series 2008 A Bonds. The balance of the principal amount of the Bonds will be advanced to the Issuer as the Project progresses.

15. SPECIMEN BOND: Delivered concurrently herewith is a true and accurate specimen of the Bond.

16. CONFLICT OF INTEREST: No member, officer or employee of the Issuer has a substantial financial interest, direct, indirect or by reason of ownership of stock in any corporation, in any contract with the Issuer or 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 Legislation 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.

17. 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.

18. 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 POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT as of the date first written above.

[CORPORATE SEAL]

SIGNATURE	OFFICIAL TITLE
	Chairman
	Secretary
	Counsel to Issuer

12.10.08
710090.00005

CH5036121.1

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

CERTIFICATE OF ENGINEER

I, Kenneth P. Moran, Registered Professional Engineer, West Virginia License No. 11309, of Thrasher Engineering, Inc., Clarksburg, West Virginia, hereby certify this 30th day of December, 2008 as follows:

1. My firm is engineer for the acquisition of a public sewerage facility (the "Project" or the "System") of Pocahontas County Public Service District (the "Issuer") in Pocahontas County, West Virginia, which acquisition is being financed by the proceeds of the above-captioned bonds (the "Bonds") of the Issuer. Capitalized terms used herein and not defined herein shall have the same meaning set forth in the Bond Resolution adopted by the Issuer on December 16, 2008, as supplemented by Supplemental Resolution duly adopted by the Issuer on December 16, 2008 (collectively, the "Resolution"), and the Loan Agreement for the Bonds, by and between the Issuer and the West Virginia Water Development Authority (the "Authority"), on behalf of the West Virginia Infrastructure and Jobs Development Council (the "Council"), dated December 30, 2008, (the "Loan Agreement").

2. The Bonds are being issued for the purposes of (i) paying a portion of the costs of acquisition of the Project; (ii) paying the Series 2004 A Notes; (iii) paying the Series 2004 B Notes; (iv) funding the Series 2008 A Bonds Reserve Account; and (v) paying certain costs of issuance of the Bonds and related costs.

3. To the best of my knowledge, information and belief, (i) the Project is adequate for its intended purpose and has a useful life of at least forty years, if properly operated and maintained, excepting anticipated replacements due to normal wear and tear; (ii) in reliance upon the certificate of Griffith & Associates, Certified Public Accountants, of even date, as of the effective date thereof, the rates and charges for the System as approved by the Public Service Commission of West Virginia and adopted by the Issuer will be sufficient to comply with the provisions of the Loan Agreement and the Resolution; (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 of the Project set forth in Schedule B attached hereto and approved by the Council; and (iii) 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.

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

THRASHER ENGINEERING, INC.

(SEAL)

Kenneth P. Moran, P.E.
West Virginia License No. 11309

KENNETH P. MORAN
REGISTERED
11309
STATE OF
WEST VIRGINIA
PROFESSIONAL ENGINEER

12/10/08

12.10.08
710090.00005

CH5036127.1

WEST VIRGINIA INFRASTRUCTURE
SCHEDULE B
POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

12/15/08

A. COST OF PROJECT	TOTAL	Snowshoe	IJDC Loan
1 Construction	0.00	0.00	0.00
2 Technical Services - Thrasher			
a. Planning	121,700.00		121,700.00
b. Engineering Design	1,211,500.00		1,211,500.00
c Inspection	0.00		0.00
d. Special Services	0.00		0.00
3 Legal	200,000.00		200,000.00
4 Administrative			
a Project Coordinator	150,000.00		150,000.00
b Other Administrative Costs (accounting, permits)	100,000.00		100,000.00
5 Interim Financing			
a IJDC Design Loan payoff (principal, admin, MBC fee)	149,728.00		149,728.00
b Pendleton County Bank loan payoff	205,942.00		205,942.00
6 Sites & Other Lands			
a. Land acquisition / Snowshoe	2,000,000.00	2,000,000.00	0.00
b Lands & ROW	134,630.00		134,630.00
7 Contingency	101,896.00		101,896.00
8 Miscellaneous	0.00		0.00
9 TOTAL of Lines 1 through 8	4,375,396.00	2,000,000.00	2,375,396.00
B. COST OF FINANCING			
10 Funded Reserve	64,104.00	0.00	64,104.00
11 Registrar fees	500.00	0.00	500.00
12 Bond Counsel	60,000.00	0.00	60,000.00
13 Cost of Financing	124,604.00	0.00	124,604.00
14 TOTAL PROJECT COST line 9 plus line 13	4,500,000.00	2,000,000.00	2,500,000.00
C. SOURCES OF OTHER FUNDS			
15 Federal Grants			
16 State Grants			
17 Other Grants County			
18 Any Other Source Snowshoe (in-kind)	2,000,000.00	2,000,000.00	
19 TOTAL GRANTS Lines 15 through 18	2,000,000.00	0.00	0.00
20 Size of Bond Issue	2,500,000.00	2,000,000.00	2,500,000.00

The $5,000 County Commission contribution was included in the budget at the closing of the IJDC Design loan and the Pendleton County Bank loan.

Pocahontas County Public Service District — Date: 12-16-08

Thrasher Engineering, Inc. — Date: 12/16/08

Griffith & Associates

Accountants & Consultants

December 30, 2008

Pocahontas County Public Service District
Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

Pocahontas County Public Service District
Frank, West Virginia

West Virginia Infrastructure and Jobs Development Council
Charleston, West Virginia

West Virginia Water Development Authority
Charleston, West Virginia

Ladies and Gentlemen:

Based upon the sewer rates and charges set forth in the Recommended Decision of the Public Service Commission of West Virginia (the "PSC") entered December 12, 2005, which became Final Order of the PSC by Commission Order dated February 21, 2006 and Commission Order dated October 16, 2008 in Case No. 05-0103-PSD-CN, the projected operating expenses and the anticipated customer usage as furnished to us by Thrasher Engineering, Inc., Consulting Engineers, it is our opinion that the revenues from such rates and charges will be sufficient to provide for all operating expenses of the sewerage system (the "System") of Pocahontas County Service District (the "Issuer"), and to leave a balance each year equal to at least 115% of the maximum amount required in any year for debt service on the Issuer's Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund) to be issued on the date hereof.

Very truly yours,

Michael D. Griffith, CPA

MDG/dk

Michael D. Griffith, CPA
michaelgriffithcpa@verizon.net

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

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

CERTIFICATE AS TO USE OF PROCEEDS

The undersigned Chairman of the Public Service Board of Pocahontas County Public Service District in Pocahontas County, West Virginia (the "Issuer"), being one of the officials of the Issuer duly charged with the responsibility for the issuance of $2,500,000 Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, dated December 30, 2008, (the "Series 2008 A Bonds" or "Bonds"), hereby certify, on this the 30th day of December, 2008, 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 December 16, 2008 as supplemented by Supplemental Resolution duly adopted by the Issuer on December 16, 2008 (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 December 30, 2008, the date on which the Bonds are being physically delivered in exchange for a portion of the principal amount of the Series 2008 A Bonds (100% par value), 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 Infrastructure and Jobs Development Council (the "Council"), 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 2008 A Bonds were sold on December 30, 2008, to the Authority, pursuant to a loan agreement dated December 30, 2008, by and between the Issuer and the Authority, on behalf of the Council, for an aggregate purchase price of $2,500,000 (100% of

par), at which time, the Issuer received $1,740,076 from the Authority and the Council, being a portion of the principal amount of the Series 2008 A Bonds. No accrued interest has been or will be paid on the Series 2008 A Bonds. The balance of the principal amount of the Series 2008 A Bonds will be advanced to the Issuer as acquisition of the Project progresses.

6. The Series 2008 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 of a public sewerage facilities of the Issuer (the "Project"); (ii) paying the Series 2004 A Notes; (iii) paying the Series 2004 B Notes; (iv) funding the Series 2008 A Bonds Reserve Account; and (v) paying certain costs of issuance of the Bonds and related costs.

7. 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 acquisition of the Project, constituting a substantial binding commitment. The acquisition of the Project and the allocation of 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 2008 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 acquisition of the Project on or before December 1, 2010. The acquisition of the Project is expected to be completed by September 1, 2010.

8. The total cost of the Project financed from the proceeds of the Bonds and grants is estimated at $4,500,000. Sources and uses of funds for the Project are as follows:

SOURCES	
Gross Proceeds of the Series 2008 A Bonds	$ 2,500,000.00
Contribution from Snowshoe Mountain	2,000,000.00
Total Sources	$ 4,500,000.00

USES	
Acquisition of Project	$ 4,019,726.88
Paying the Series 2004 A Notes	149,727.91
Paying the Series 2004 B Notes	205,941.21
Fund Series 2008 A Bonds Reserve Account	64,104.00
Costs of Issuance	60,500.00
Total Uses	$ 4,500,000.00

9. Pursuant to Article V of the Bond Resolution, the following special funds or accounts have been created or continued relative to the Series 2008 A Bonds:

(1) Revenue Fund;

(2) Renewal and Replacement Fund;

(3) Series 2008 A Bonds Project Trust Fund;

(4) Series 2008 A Bonds Sinking Fund; and

(5) Series 2008 A Bonds Reserve Account.

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

A. Series 2008 A Bonds proceeds in the amount of $64,104 shall be deposited in the Series 2008 A Bonds Reserve Account.

B. Series 2008 A Bonds proceeds in the amount of $149,727.91 shall be deposited with the Commission to pay the Series 2004 A Notes.

C. Series 2008 A Bonds proceeds in the amount of $205,941.54 shall be deposited with the Pendleton County Bank to pay the Series 2004 B Notes.

D. The balance of the proceeds of the Series 2008 A Bonds, as advanced from time to time, shall be deposited in or credited to the Series 2008 A Bonds Project Trust Fund for payment of the costs of the acquisition of the Project, including, without limitation, costs of issuance of the Series 2008 A Bonds and related costs.

11. Monies held in the Series 2008 A Bonds Sinking Fund will be used solely to pay principal of and interest, if any, on the Series 2008 A Bonds and will not be available to meet costs of acquisition of the Project. Monies in the Series 2008 A Bonds Reserve Account will be used only for the purpose of paying principal of and interest, if any, on the Series 2008 A Bonds as the same shall become due, when other monies in the Series 2008 A Bonds Sinking Fund are insufficient therefor. All investment earnings on monies in the Series 2008 A Bonds Sinking Fund and Series 2008 A Bonds Reserve Account, if any, will be withdrawn therefrom and deposited into the Series 2008 A Bonds Project Trust Fund during 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.

12. Work with respect to the acquisition of the Project will proceed with due diligence to completion. The acquisition of the Project is expected to be completed within 9 months of the date hereof.

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

14. With the exception of the amount deposited in the Series 2008 A Bonds Reserve Account, if any, all of the proceeds of the Bonds will be expended on the acquisition of the Project within 12 months from the date of issuance thereof.

15. 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.

16. 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.

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

18. 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.

19. The original proceeds of the Bonds will not exceed the amount necessary for the purposes of the issue.

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

21. The Bonds are not federally guaranteed.

22. 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 governmental or public purpose bonds.

23. The Issuer has either (a) funded the Series 2008 A Bonds Reserve Account at the maximum amount of principal and interest which will mature and become due, on the Bonds in the then current or any succeeding year with the proceeds of the Bonds, or (b) created the Series 2008 A Bonds Reserve Account which will be funded with equal payments made on a monthly basis over a 10-year period until such Series 2008 A Bonds Reserve Account holds 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 2008 A Bonds Reserve Account and the Series 2008 A Bonds Sinking Fund will be used solely to pay principal of and interest on the Bonds and will not be available to pay costs of the acquisition of the Project.

24. 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.

25. 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.

26. 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.

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

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WITNESS my signature as of the date first written above.

POCAHONTAS COUNTY
PUBLIC SERVICE DISTRICT

By: William E. Richards
Its: Chairman

12.08.08
710090.00005

CH5036134.1

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION

WHEREAS, Pocahontas County Public Service District (the "Issuer") was previously known as "Upper Greenbrier Public Service District";

WHEREAS, by Commission Order entered on March 13, 1998 (the "Order"), the Public Service Commission of West Virginia ordered the name of the District to be changed to "Pocahontas County Public Service District";

WHEREAS, in accordance with the Order, the District has operated under the name Pocahontas County Public Service District since the entry of the Order;

WHEREAS, the District now desires to recognize bondholder consent to the name change and ratify and affirm all actions taken by the District to date as Pocahontas County Public Service District;

NOW, THEREFORE, BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT:

Section 1. The District has received the bondholder consents related to the change of the District's name to Pocahontas County Public Service District.

Section 2. All actions of the District heretofore taken as Pocahontas County Public Service District are ratified and affirmed, and remain in full force and affect.

Section 3. This Resolution shall be effective immediately following adoption hereof.

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CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of Pocahontas County Public Service District on the 16th day of December, 2008.

Dated: December 16, 2008

[SEAL]

Secretary

CERTIFICATION

Certified a true copy of a Resolution duly adopted by the Public Service Board of Pocahontas County Public Service District on the 16th day of December, 2008.

Dated: December 16, 2008

[SEAL]

Secretary

040273alj101904.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

Entered: October 19, 2004

FINAL
11-08-04

CASE NO. 04-0273-PSD-PC

POCAHONTAS COUNTY COMMISSION
Petition for consent and approval of the enlargement of the sewer authority of the Pocahontas County Public Service District.

RECOMMENDED DECISION

On February 24, 2004, the Pocahontas County Commission (County Commission) filed an Order dated February 17, 2004, to enlarge the boundaries of the Pocahontas County Public Service District (District), pursuant to West Virginia Code §16-13A-2.

By Order dated March 23, 2004, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before September 21, 2004.

On April 28, 2004, Staff Attorney Cassius H. Toon filed a Final Joint Staff Memorandum, to which was attached the Final Internal Memorandum, prepared by Mr. Scott McNeely, Utilities Analyst II, Water and Wastewater Division. The County Commission seeks to expand the boundaries of the District to provide sewer services to certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts. Currently, the District has county-wide sewer authority, excluding the corporate limits of the Towns of Durbin, Marlinton, Hillsboro and the proposed Intrawest land. The proposed adjustment of the boundaries would allow expansion of the District's system to provide sewer service to a number of customers within the Snowshoe and Silver Creek Resorts and surrounding areas. The District will be filing a certificate application for a sewer plant project to serve Snowshoe, Silver Creek and the surrounding areas. Staff recommended that the Order of the County Commission be approved, after the statutorily required Public Service Commission hearing is held.

By Order dated May 5, 2004, this matter was set for hearing to be held in the Marlinton City Building, Council Chambers, 209 2nd Avenue, Marlinton, West Virginia, on May 28, 2004. Said Order required the Pocahontas County Commission to give notice of the hearing to be held on May 28, 2004, by publishing a Notice of Hearing once, in a newspaper duly qualified by the Secretary of State, published and of general circulation in Pocahontas County.

On May 25, 2004, Thomas R. Michael, Esquire, counsel for the Pocahontas County Public Service District, filed a motion for

4. The Pocahontas County Commission gave proper notice of the hearing to be held on September 14, 2004, as required by the Order of August 24, 2004. (See, affidavit of publication; case file).

5. No one appeared at the hearing in protest to the Pocahontas petition. (See, Tr., p. 7).

CONCLUSION OF LAW

Since the Pocahontas County Commission gave proper notice of the hearing to be held in this case on September 14, 2004, and no one appeared in protest to the petition, the February 17, 2004 Order of the Pocahontas County Commission to enlarge the boundaries of the Pocahontas County Public Service District can be approved in accordance with West Virginia Code §16-13A-2.

ORDER

IT IS, THEREFORE, ORDERED that the Pocahontas County Commission's Order of February 17, 2004, to enlarge the boundaries of the Pocahontas County Public Service District be, and the same hereby is, approved.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:pst
040273ac.wpd

ORIGINAL

ENTERED
OB 98E Page _____

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the Public Service Commission of West Virginia, in the City of Charleston, on the 13th day of March, 1998.

CASE NO. 96-1252-PSWD-PC

POCAHONTAS COUNTY COMMISSION
Petition for consent and approval
to expand boundaries of Upper
Greenbrier Public Service District.

COMMISSION ORDER

PROCEDURE AND HISTORY

On October 9, 1996, on its own motion by order duly adopted, the Pocahontas County Commission filed a petition seeking consent and approval for (1) the expansion of the Upper Greenbrier Public Service District into a county-wide public water and sewer district, to be known as the Pocahontas County Public Service District, and to include all of Pocahontas County, excluding the corporate limits of the Towns of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; (2) the Pocahontas County Commission's nunc pro tunc creation of the Upper Greenbrier Public Service District and the expansion of its boundaries to include the Town of Durbin; and (3) the dissolution of the Little Levels and Cheat Mountain Public Service Districts.

Public Service Commission of West Virginia

On November 19, 1997, the Administrative Law Division entered a Recommended Decision approving the expansion of the Upper Greenbrier Public Service District to include a county-wide public water district, excluding the corporate limits of the Town of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; the change in the name of the Upper Greenbrier Public Service District to the Pocahontas County Public Service District; the *nunc pro tunc* creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin; and the dissolution of the Little Levels and Cheat Mountain Public Service Districts. The creation of a county-wide public sewer district was not approved because creating a county-wide sewer system could possibly create a liability for the public service district in the future, if the DEP or USEPA should order improvements, since a county wide sewer district would be the legal entity to make the changes.

On December 23, 1997, John Leyzorek, an intervenor in this case, filed a letter requesting the Commission reconsider the Recommended Decision.

On February 4, 1998, the Public Service Commission reconsidered the Recommended Decision entered on December 23, 1997 and approved the Pocahontas County Commission's petition to create a county-wide public sewer district. The Commission determined that giving the Pocahontas County Commission a county-wide sewer system would afford the Commission the flexibility necessary to meet the needs of Pocahontas County, which has an dynamic tourism based economy, and, further it would enable the Commission to expand the infrastructure to provide service to those areas in which the service is now inadequate.

On February 5,1998, John Leyzorek filed exceptions to the February 4, 1998 Commission Order alleging the reason for the denial of his petition, his untimely filing of his petition for reconsideration on December 23, 1997, was in error. He states he had good reason for his untimeliness. However, his point is moot, as the Commission, on its own motion chose to reopen the case for reconsideration. Upon review of the entire case, the Commission determined that the Pocahontas County Commission's petition to expand the Upper Greenbrier Public Service District into a county-wide public water and sewer district, to be known as the Pocahontas

County Public Service District is reasonable.

DISCUSSION

Having reviewed Mr. Leyzorek's letter of February 10, 1998, and finding no compelling reason to reconsider this matter, the Commission will dismiss this petition.

FINDINGS OF FACT

1. On October 9, 1996, on its own motion by order duly adopted, the Pocahontas County Commission filed a petition seeking consent and approval for (1) the expansion of the Upper Greenbrier Public Service District into a county-wide public water and sewer district, to be known as the Pocahontas County Public Service District, and to include all of Pocahontas County, excluding the corporate limits of the Towns of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; (2) the Pocahontas County Commission's nunc pro tunc creation of the Upper Greenbrier Public Service District and the expansion of its boundaries to include the Town of Durbin; and (3) the dissolution of the Little Levels and Cheat Mountain Public Service Districts.

2. On November 19, 1997, the Administrative Law Division entered a Recommended Decision approving the expansion of the Upper Greenbrier Public Service District to include a county-wide public water district, excluding the corporate limits of the Town of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; the change in the name of the Upper Greenbrier Public Service District to the Pocahontas County Public Service District; the *nunc pro tunc* creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin; and the dissolution of the Little Levels and Cheat Mountain Public Service Districts. The creation of a county-wide public sewer district was not approved because creating a county-wide sewer system could possibly create a liability for the public service district in the future, if the DEP or USEPA should order improvements, since a county wide sewer district would be the legal entity to make the changes.

3. On February 4, 1998, the Public Service Commission reconsidered the Recommended Decision entered on December 23, 1997 and approved the Pocahontas County Commission's petition to create a county-wide public sewer district.

4. Mr. Leyzorek's point is moot, as the Commission, on its own motion chose to reopen the case for reconsideration. Upon review of the entire case, the Commission determined that the Pocahontas County Commission's petition to expand the Upper Greenbrier Public Service District into a county-wide public water and sewer district, to be known as the Pocahontas County Public Service District is reasonable.

CONCLUSION OF LAW

The Pocahontas County Commission's petition to expand the Upper Greenbrier Public Service District into a county-wide public water and sewer district, to be known as the Pocahontas County Public Service District is reasonable and the Commission finds no compelling reason has been offered to reconsider the matter.

ORDER

IT IS THEREFORE ORDERED that Mr. Leyzorek's petition for reconsideration is denied.

IT IS FURTHER ORDERED that the Commission's Executive

Secretary shall serve a copy of this order upon all parties of record by United States First Class Mail, and upon the Commission by hand delivery.

Otis D. Casto, Commissioner

Richard D. Frum, Commissioner

Charlotte R. Lane, Chairman

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ORIGINAL

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the Public Service Commission of West Virginia, in the City of Charleston, on the 4th day of February, 1998.

CASE NO. 96-1252-PSWD-PC

POCAHONTAS COUNTY COMMISSION
Petition for consent and approval
to expand boundaries of Upper
Greenbrier Public Service District.

COMMISSION ORDER

PROCEDURE AND HISTORY

On October 1, 1996, April 24, 1997, and May 6, 1997, the Pocahontas County Commission issued orders taking various actions regarding the Upper Greenbrier Public Service District, the Little Levels Public Service District and the Cheat Mountain Public Service District.

On October 9, 1996, on its own motion by order duly adopted, the Pocahontas County Commission filed a petition seeking consent and approval for (1) the expansion of the Upper Greenbrier Public Service District into a county-wide public water and sewer district, to be known as the Pocahontas County Public Service District, and to include all of Pocahontas County, excluding the corporate limits of the Towns of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver

Public Service Commission of West Virginia

FROM THOMAS MICHAEL (THU)DEC 11 2008 8:48/ST. 8:44/No. 6801160992 P 11

Creek Resorts; (2) the Pocahontas County Commission's nunc pro tunc creation of the Upper Greenbrier Public Service District and the expansion of its boundaries to include the Town of Durbin; and (3) the dissolution of the Little Levels and Cheat Mountain Public Service Districts.

On November 19, 1997, the Administrative Law Division entered a Recommended Decision approving the expansion of the Upper Greenbrier Public Service District to include a county-wide public water district, excluding the corporate limits of the Town of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; the change in the name of the Upper Greenbrier Public Service District to the Pocahontas County Public Service District; the *nunc pro tunc* creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin; and the dissolution of the Little Levels and Cheat Mountain Public Service Districts. The creation of a county-wide public sewer district was not approved because creating a county-wide sewer system could possibly create a liability for the public service district in the future, if the DEP or USEPA should order improvements, since a county wide sewer district would be the legal entity to make the changes.

Public Service Commission of West Virginia

On December 23, 1997, John Leyzorek, an intervenor in this case, filed a letter requesting the Commission reconsider the Recommended Decision. He did not state a reason for his untimely filing, the letter was returned to him, and he was told he should file a letter stating the circumstances for his late filing. He sent another letter on January 8, 1998 without reference to his reason for late filing. On January 15, he filed a third letter stating the tardiness of his filing was due to the U. S. Certified Mail service.

DISCUSSION

Having reviewed Mr. Leyzorek's letter and the reason for his tardiness in responding to the Recommended Decision, his petition for reconsideration is denied. Mr. Leyzorek's first petition for reconsideration, received December 23, 1997, was received two (2) weeks after the Recommended Decision became a final order of the Commission and Mr. Leyzorek, in his subsequent petitions, received on January 8, 1998 and January 15, 1998, did not state a satisfactory reason for his tardiness in filing, even after speaking with the Executive Secretary's Office. Due to the untimeliness of his responses the petition is denied.

Public Service Commission of West Virginia

However, the Commission, on its own motion, chooses to reopen this case in order to reconsider granting the Pocahontas County Commission approval of a county-wide public sewer district, excluding the corporate limits of the Towns of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts. Upon review of the record and Recommended Decision, the Commission finds that creation of a county-wide public sewer district would give the Pocahontas County Commission flexibility necessary to meet the needs of Pocahontas County, which has a dynamic tourism-based economy. A county-wide public sewer district would enable the Pocahontas County Commission to expand the infrastructure to provide sewer as well as water service to those areas in which the service is now inadequate. Upon consideration of the above, and Commission Staff's reluctance to recommend the county-wide public sewer district, the Commission finds the benefits of a county-wide system outweigh the possibility of liability and find it reasonable to approve the county-wide public sewer district in addition to the already approved county-wide public water district.

FINDINGS OF FACT

1. Mr. Leyzorek's responses to the Recommended Decision were not timely nor did they adequately detail a reason for their untimeliness. (See, petitions)

2. There is a possibility that a county-wide sewer authority could create a liability for the public service district in the future if the DEP or USEPA should order improvements, since a county wide sewer district would be the legal entity to make the changes. (See, Tr., pp. 24, 36).

3. The creation of a county-wide public sewer district would give the Pocahontas County Commission flexibility necessary to meet the needs of Pocahontas County, which has a dynamic tourism-based economy. (See, Tr., pp. 42-44).

4. A county-wide public sewer district would enable the Pocahontas County Commission to expand the infrastructure to provide sewer service to those areas in which the service is now inadequate. (See, Tr., pp. 5-11).

CONCLUSIONS OF LAW

Approving the Pocahontas County Commission's petition to create a county-wide public sewer district, giving the Commission the flexibility necessary to meet the needs of Pocahontas County, which has a dynamic tourism-based economy,

Public Service Commission of West Virginia

and enabling the Commission to expand the infrastructure to provide service to those areas in which the service is now inadequate outweighs the possibility of liability resulting from such county-wide expansion.

ORDER

IT IS THEREFORE ORDERED that due to the untimeliness of Mr. Leyzorek's responses to the Recommended Decision, his petition for reconsideration is denied.

IT IS FURTHER ORDERED that the Pocahontas County Commission's petition for approval of a county-wide public sewer district, excluding the corporate limits of the Towns of Marlington and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts is granted.

IT IS FURTHER ORDERED that the Commission's Executive Secretary shall serve a copy of this order upon all parties of record by United States First Class Mail, and upon the Commission by hand delivery.

Otis D. Casto, Commissioner

Richard D. Frum, Commissioner

Charlotte R. Lane, Chairman

Public Service Commission of West Virginia

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PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

FINAL
12-9-97

Entered: November 19, 1997

CASE NO. 96-1252-PSWD-PC

POCAHONTAS COUNTY COMMISSION
Petition for consent and approval to, inter alia, expand the boundaries of the Upper Greenbrier Public Service District.

RECOMMENDED DECISION

On October 1, 1996, April 24, 1997, and May 6, 1997, the Pocahontas County Commission issued orders taking various actions regarding the Upper Greenbrier Public Service District, the Little Levels Public Service District and the Cheat Mountain Public Service District.

By Order dated November 18, 1996, this matter was referred to the Division of Administrative Law Judges for a decision to be rendered on or before May 5, 1997. By Order dated April 11, 1997, the decision due date was extended until August 4, 1997. By subsequent Order dated July 21, 1997, the decision due date was further extended until December 3, 1997.

On September 9, 1997, Staff Attorney Ronald E. Robertson, Jr., Esquire, filed the Final Joint Staff Memorandum, to which was attached the Further Final Internal Memorandum of Mr. James W. Boggess, Utilities Analyst II, Water and Wastewater Division. Messrs. Robertson and Boggess explained that, in its petition in this case, the Pocahontas County Commission seeks consent and approval for (1) the expansion of the Upper Greenbrier Public Service District into a county-wide public sewer and water district, to be known as the Pocahontas County Public Service District, and to include all of Pocahontas County, excluding the corporate limits of the Towns of Marlinton and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; (2) the Pocahontas County Commission's nunc pro tunc creation of the Upper Greenbrier Public Service District and the expansion of its boundaries to include the Town of Durbin; and (3) the dissolution of the Little Levels and Cheat Mountain Public Service Districts.

After setting forth a lengthy chronology of events occurring in this case, Staff set forth its recommendations in this case to be as follows:

1) Approval of a county-wide district for water service, excluding the corporate limits of the Towns of Marlinton and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts;

2) Approval of a sewer district, limited to the East Cass area;

3) Approval to change the name of Upper Greenbrier Public Service District to Pocahontas County Public Service District, subject to bondholder approval;

4) Approval for the dissolution of the Little Levels and Cheat Mountain Public Service Districts;

5) Approval of the nunc pro tunc creation of the Upper Greenbrier Public Service District and the nunc pro tunc expansion of the District to include the Town of Durbin; and

6) A public hearing be held as required by West Virginia Code §16-13A-2 in Pocahontas County.

By Order dated September 11, 1997, this matter was set for a hearing to be held in the Council Room, Marlinton, West Virginia, on September 29, 1997. In a letter received September 12, 1997, the Pocahontas Commission requested that the hearing scheduled for the Council Room be changed to the Pocahontas County Commission Room, Pocahontas County Courthouse.

By Order dated September 16, 1997, the hearing in this matter was scheduled to be held in the Pocahontas County Commission Room, Pocahontas County Courthouse, 900 10th Avenue, Marlinton, West Virginia, on September 29, 1997. Said Order also required that the Pocahontas County Commission give notice of the hearing to be held on September 29, 1997, by publishing a copy of a Notice of Hearing, once in a newspaper, duly qualified by the Secretary of State, published and of general circulation in Pocahontas County.

The hearing was held as scheduled on September 29, 1997, in Marlinton. The Pocahontas County Commission appeared by Walter Weiford, Esquire. Staff was represented by Staff Attorney Ronald E. Robertson, Jr. One Intervenor, Mr. John Leyzorek, appeared at the hearing. Prior to the receipt of evidence, the County Commission provided the affidavit of publication giving notice of the hearing. The affidavit was marked as Petitioner's Exhibit No. 1.

EVIDENCE

Mr. Dana Moyers, President of the Pocahontas County Commission (County Commission), explained that the Pocahontas County Commission decided that it was important for the County Commission to have the ability to be able to expand the infrastructure of Pocahontas County to address the inadequacy of water and sewer service in certain areas of Pocahontas County. In August 1996, the Pocahontas County Commission first proposed to expand the Upper Greenbrier Public Service District (Upper Greenbrier). Publication was made and notice given of the hearing to be held for this purpose on August 20, 1996. At the hearing held on August 20, 1996, public comment was received concerning the expansion. After receiving the public's comments, the County Commission decided to proceed, but, in September 1996, the Pocahontas County Commission voted to hold additional hearings. Since Pocahontas County is a rural county, it wanted to make sure that everyone was given an opportunity to express themselves concerning this proposal. At a meeting held in September 1996, further comments were received both pro and con to the

proposal. On October 1, 1996, the Pocahontas County Commission adopted a proposal for the expansion of the Upper Greenbrier Public Service District into a county-wide water and sewer public service district and filed its petition with the Public Service Commission, in accordance with the provisions of West Virginia Code §16-13A-2. (See, Tr., pp. 5-10).

Mr. Moyers explained that the Little Levels and Cheat Mountain Public Service Districts had been created, but were never activated nor held any property. Therefore, it was decided that, since these "paper" public service districts do not have board members, they should be dissolved. In April 1996, after correspondence between bond counsel for the Upper Greenbrier Public Service District and the Public Service Commission, the Pocahontas County Commission took action to expand the boundaries of the Upper Greenbrier Public Service District to include the Town of Durbin. Also, in May of 1996, the Pocahontas County Commission further ordered that the name be changed to the Pocahontas County Public Service District. The board members of the Upper Greenbrier Public Service District are Mr. William Kisner, Ms. June Elliott and Mr. William Rexroad. The Upper Greenbrier Public Service District provides both water and sewer service to its customers. (See, Tr., pp. 10-19).

With the testimony of Mr. Moyers, the Petitioner had no further evidence to present and Commission Staff presented its evidence in this case.

Mr. James Boggess, Utilities Analyst, Water and Wastewater Division, prepared the Further Internal Memorandum which was marked as Staff Exhibit No. 1. In its petition, Mr. Boggess indicated that the Pocahontas County Commission proposes creating both county-wide water and sewer public service districts. After reviewing the proposal of the Pocahontas County Commission, Staff recommended that a county-wide public service district be approved for water service to include the entire county, excluding those areas that are currently being served by existing water utilities, including the Town of Marlinton, which actually provides service outside of its corporate limits to a hospital. The hospital has its own sewer package plant. In making Staff's recommendation concerning sewer service, Mr. Boggess explained that Staff was reluctant to incorporate an area within the boundaries of the sewer district that could possibly create a liability for the public service district in the future if the West Virginia Department of Environmental Protection (DEP) or the United States Environmental Protection Agency (USEPA) would order improvements or corrections and the county-wide sewer district would have to make the changes. (Tr., pp. 19-24).

The Staff's recommendation for the sewer district was to limit it to the East Cass area. Mr. Boggess testified that he was informed that there is a preliminary application for a sewer project for this area. Mr. Boggess had been told by the President of the Pocahontas County Commission that, due to recent flooding, the Federal Emergency Management Agency (FEMA) is proposing some action to either raise the homes in the East Cass area or move the entire community to higher ground which would directly impact the sewer service. At a meeting that Staff had with the Pocahontas County Commission, the County Commission was advised of the procedure to expand districts under West Virginia Code §16-13A-2, and for the dissolution of

"paper" public service districts. Mr. Boggess did not wish to change the Staff's recommendation about limiting sewer service to the East Cass area of Pocahontas County. (See, Tr., pp. 24-26).

Mr. Boggess indicated that most county-wide public service districts are named for the county. The reason for Staff's recommendation to change the name is that it removes any confusion, as in this case, where the Upper Greenbrier Public Service District actually includes all of Pocahontas County. The Little Levels and Cheat Mountain Public Service Districts had been created by the Pocahontas County Commission, but never activated. These districts never held any property and never had a project or board members. Since these were pure "paper" public service districts, they should be dissolved since there would be no impact on customers. (Tr., pp. 26-27).

Concerning Staff recommendations five and six, Mr. Boggess explained that, since the Pocahontas County Commission could not find the orders creating the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin, the Pocahontas County Commission created documents nunc pro tunc to reflect these actions. An affidavit indicated that the original documents had been seen by Mr. Walt Helmick, an earlier President of the Pocahontas County Commission, who signed the affidavit. Mr. Boggess indicated that there are facilities in place in the current Upper Greenbrier Public Service District for providing water service, but he did not know if the present or any proposed facilities are adequate to serve the entire county. He was aware of a proposed upgrade of the plant facility to provide expanded service. The East Cass area doesn't have any sewer service now. (Tr., pp. 27-34).

The only indebtedness that the Upper Greenbrier Public Service District has consists of two notes with the Bank of Marlinton, totaling $12,000. He wasn't aware of any bonds that might be outstanding. Mr. Boggess indicated that the Upper Greenbrier Public Service District does not have any prefilings presently at the Commission. He was not aware of the number of water customers served by the Upper Greenbrier Public Service District. Staff Attorney Ronald Robertson stated that the Upper Greenbrier Public Service District has incurred long-term indebtedness with the Rural Economic Community Development Service (RECD) to fund line replacement and other improvements. This indebtedness was approved in P.S.C. Case No. 94-0775-PWD-CN. (See, Tr., pp. 34-37).

Mr. Dana Moyers further testified that the County Commission has no objection to the change in the public service district's name. However, the Pocahontas County Commission has some reservations about Staff's recommendation regarding limiting sewer service to the East Cass area, as the Pocahontas County Commission wants to have the ability to provide sewer service throughout the county where it is necessary and it can meet the engineering, financial and statutory requirements. Mr. Moyers explained that the East Cass area consists of approximately 40 residents and approximately half of these are in the flood plain, which recently experienced a flood. This area has been affected by the two floods that have hit the region. Mr. Moyers explained that FEMA has informed the Pocahontas County Commission about a mitigation program and the Pocahontas County Commission is completing the application for an East Cass mitigation

program. Under such a program, one of the available options is relocation, where the individual residents would be bought out and would be relocated, either in mass to keep the community together or the individual could move to any number of areas that are flood proof. In addition, the residents of East Cass could raise the foundations of their homes and stay where they are or do nothing. Since the application deadline isn't until November 30, 1997, the Pocahontas County Commission doesn't know what will be the ultimate fate for this community. (Tr., pp. 38-41).

The County Commission has offered to assist the East Cass residents by providing property, either giving property that it owns or trying to find a suitable parcel of land so that the community could stay together. However, Mr. Moyers did not feel that the County Commission could find thirty pieces of property. Even if it could, it would be difficult through the existing funding sources to put in thirty septic systems or thirty wells. The Upper Greenbrier Public Service District does provide sewer service to the community of Frank and the Town of Durbin and it is the Pocahontas County Commission's desire to be able to provide sewer service to the East Cass area, in addition to these other serviced areas. Therefore, Mr. Moyers testified that the Pocahontas County Commission opposes the Staff recommendation to limit its ability to provide sewer service to the East Cass area, as it does not want to limit itself because there may be other areas of the county that perhaps could be in the same position as East Cass, considering flooding situations and the growing tourism-based economy. The Pocahontas County Commission does not know what the demands are going to be in that area or the area of the ski resort and resort community, as well as other communities. He pointed out that there is a community in Buckeye, where there is a need for water and sewer service. Mr. Moyers believes that other communities will also step forward, at which time the County Commission will have to look at the numbers to see if there are enough people to pay for such a system. (See, Tr., pp. 41-45).

Mr. John Leyzorek made a sworn statement as an Intervenor in this action. Mr. Leyzorek represented that, at the hearings held on this matter, the public comment has been overwhelming opposed to the idea, although there were some who testified in favor. He did not believe that it is a good idea to create a public entity with powers such as eminent domain without a pressing immediate need, although he admitted that, in some areas, there may be a need. He did not believe that it was good to cover the entire county, which is lightly populated, with a "bureaucratic umbrella" and this seemed to him to be potentially dangerous and certainly unnecessary. Mr. Leyzorek pointed out that West Virginia Code §16-13A-2(g) provides that no expansion of a public service district may occur if existing or proposed facilities are not adequate to serve the proposed area. He believed that the implication of the law is that, if an area for a public service district is proposed, there needs to be facilities which can service the entire area and he did not see that there were such facilities or, to his knowledge, any plans to build any facilities to serve the entire county area. Intervenor's Exhibit No. 1 was received and introduced into evidence. (Tr., pp. 45-52).

With the testimony of Mr. Leyzorek, no further evidence was presented and the case was submitted for a decision.

A procedural schedule was established for the submission of briefs and reply briefs by the parties. No briefs were submitted by the parties in this case. (See, Tr., pp. 37-55; case file generally).

DISCUSSION

In its petition submitted for Public Service Commission approval, in accordance with West Virginia Code §16-13A-2, the Pocahontas County Commission requested that its following actions be approved:

1. The expansion of the Upper Greenbrier Public Service District into a county-wide public sewer and water district to include all of Pocahontas County, excluding the corporate limits of the Towns of Marlinton and Hillsboro, and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts;

2. The nunc pro tunc creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin;

3. The dissolution of the Little Levels and Cheat Mountain Public Service Districts; and

4. The change of the name of the Upper Greenbrier Public Service District to the Pocahontas County Public Service District.

After a review of this petition, Commission Staff recommended (1) approval of a county-wide district for water service, excluding the corporate limits of the Towns of Marlinton and Hillsboro and the Snowshoe and Silver Creek Resorts; (2) that the sewer district be limited to the East Cass area of Pocahontas County; (3) approval of the change in the name of the Upper Greenbrier Public Service District to the Pocahontas County Public Service District; (4) the dissolution of the Little Creek and Cheat Mountain Public Service Districts; and (5) approval of the nunc pro tunc creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin.

Mr. Dana Moyers, President of the Pocahontas County Commission, expressed the County Commission's objection to the sewer district being limited to the East Cass area. He explained that this area has about 40 residents and has been recently flooded. Because of the flooding, the Pocahontas County Commission is applying to FEMA for a mitigation program for the East Cass area, which could result in this community being moved to a new location out of the flood plain. The Pocahontas County Commission took the action to create county-wide water and sewer districts in order to give it the flexibility to meet the needs of Pocahontas County, which has a dynamic tourism-based economy. This action would enable the Pocahontas County Commission to expand the infrastructure to provide water and sewer service to those areas in which the service is now inadequate.

Upon consideration of all of the above, the Administrative Law Judge is of the opinion that, although the County Commission objects to being limited to only providing sewer service to the East Cass area, the Staff

recommendation has the best interests of the County Commission in mind, since Staff is reluctant to recommend creation of a large sewer district that gives more exposure for possible action by the DEP or USEPA that could expose the Pocahontas County Commission to potential liability to correct problems that might develop in the future. Although the future of the East Cass area may be in doubt, since this area does not have sewer service, it is reasonable to agree with Staff as to this limitation. If, in the future, other areas of need develop for sewer service, the County Commission can seek authority to serve these areas and keep the potential liability to only the areas of actual need. The creation of the county-wide water district does not pose the same liability problems as sewer and it will be approved. Therefore, different treatment of the two requests is appropriate.

In this present case, since there is not a metes and bounds description of the sewer district proposed by Staff, the expansion of the sewer district must be disapproved until the Pocahontas County Commission has an appropriate description of the sewer district proposed for the East Cass area and approved by separate Pocahontas County Commission order.

The Administrative Law Judge is of the opinion that, since the Little Levels and Cheat Mountain Public Service Districts were never activated and do not have customers, it is reasonable to approve the dissolution of these two public service districts.

Since a former president of the Pocahontas County Commission, Mr. Walt Helmick, signed an affidavit that he had seen the missing documents creating the Upper Greenbrier Public Service District and its subsequent inclusion of the Town of Durbin, the Pocahontas County Commission's nunc pro tunc creation of these documents should be approved to provide a record of these actions.

The Staff recommendation for approval of the name change of the Upper Greenbrier Public Service District to become the Pocahontas County Public Service District is reasonable to eliminate confusion, since the Upper Greenbrier Public Service District water utility will include all of Pocahontas County. Also, now is the time to change the name when the county-wide public service district is created and new invoices will need to be printed by the District to bill its customers.

FINDINGS OF FACT

1. On October 1, 1996, April 24, 1997, and May 6, 1997, the Pocahontas County Commission issued orders taking various actions regarding the Upper Greenbrier Public Service District, the Little Levels Public Service District and the Cheat Mountain Public Service District. (See, petition).

2. On September 9, 1997, Staff Attorney Ronald E. Robertson filed the Final Joint Staff Memorandum, to which was attached the Further Final Internal Memorandum of Mr. James W. Boggess, Utilities Analyst II, Water and Wastewater Division, in which Staff recommended: 1) approval of a county-wide public service district for water to exclude the corporate limits of Marlinton, Hillsboro and the Snowshoe area; 2) approval of a sewer public service district limited to the East Cass area; 3) that the name of the Upper Greenbrier Public Service District be changed to Pocahontas County

Public Service District; 4) that the Little Levels and Cheat Mountain Public Service Districts be dissolved; 5) and that approval be granted to the nunc pro tunc creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin. (See, Final Joint Staff Memorandum filed September 9, 1997).

3. Mr. Dana Moyers, President of the Pocahontas County Commission, testified that the Pocahontas County Commission decided that it needed to expand the boundaries of the Upper Greenbrier Public Service District to give it the ability to expand the Pocahontas County infrastructure in order to address the inadequacies in the water and sewer service being provided in certain areas. (See, Tr., pp. 5-11).

4. The East Cass area consists of 40 residents and one-half of these live in a flood plain. The East Cass area has no sewer service at this time. (See, Tr., pp. 34, 40).

5. The Pocahontas County Commission has applied to FEMA for a mitigation program for the East Cass area, which, if approved, would provide two options of either flood proofing the houses in the area or complete relocation of the community, to a new location out of the flood plain in Pocahontas County. (See, Tr., p. 40).

6. Mr. James Boggess testified that Staff was reluctant to recommend a county-wide sewer authority and incorporate a large area within the sewer boundaries which could possibly create a liability for the public service district in the future if the DEP or USEPA should order improvements, since a county-wide sewer district would be the legal entity to make the changes. (See, Tr., pp. 24, 36).

CONCLUSIONS OF LAW

The Administrative Law Judge is of the opinion and finds that:

1. Since the Little Levels and Cheat Mountain Public Service Districts were never activated by the Pocahontas County Commission and have no board members or customers, it is reasonable to dissolve these public service districts.

2. Due to the potential future liability of the Pocahontas County Commission arising from action by the DEP or USEPA, it is reasonable to deny the Pocahontas County's request to create a county-wide sewer district and to adopt the Staff recommendation that the expansion of the sewer district be limited to the East Cass area. However, since there is no metes and bounds or other legal description of the sewer district proposed by Staff, the current order of the Pocahontas County Commission creating the county-wide sewer district should be disapproved and the Pocahontas County Commission should have a metes and bounds or other legal description of the Staff's proposed sewer district prepared and approved by separate County Commission order.

3. Since the original documents creating the Upper Greenbrier Public Service District and expanding it to include the town of Durbin were observed by Mr. Walt Helmick, the nunc pro tunc action of the Pocahontas

County Commission creating the Upper Greenbrier Public Service District and its subsequent inclusion of the Town of Durbin should be approved.

4. Since the Pocahontas County Commission has determined that there are areas of need for water service throughout Pocahontas County, it is reasonable to approve a county-wide water district to give the Pocahontas County Commission the ability to meet these needs.

ORDER

IT IS, THEREFORE, ORDERED that the October 1, 1996, April 24, 1997, and May 6, 1997 orders of the Pocahontas County Commission, be, and the same hereby are, approved, insofar as they provide for: 1) the expansion of the Upper Greenbrier Public Service District to include a county-wide public water district, excluding the corporate limits of the Town of Marlinton and Hillsboro and certain tracts of land held by Intrawest, commonly known as Snowshoe and Silver Creek Resorts; the change in the name of the Upper Greenbrier Public Service District to the Pocahontas County Public Service District; the nunc pro tunc creation of the Upper Greenbrier Public Service District and its subsequent expansion to include the Town of Durbin; and the dissolution of the Little Levels and Cheat Mountain Public Service Districts.

IT IS FURTHER ORDERED that the October 1, 1996, and May 6, 1997 orders of the Pocahontas County Commission, creating a county-wide public sewer district, be, and the same hereby are, disapproved.

The Executive Secretary is hereby ordered to serve a copy of this order upon the Commission by hand delivery, and upon all parties of record by United States Certified Mail, return receipt requested.

Leave is hereby granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen (15) days of the date this order is mailed. If exceptions are filed, the parties filing exceptions shall certify to the Executive Secretary that all parties of record have been served said exceptions.

If no exceptions are so filed this order shall become the order of the Commission, without further action or order, five (5) days following the expiration of the aforesaid fifteen (15) day time period, unless it is ordered stayed or postponed by the Commission.

Any party may request waiver of the right to file exceptions to an Administrative Law Judge's Order by filing an appropriate petition in writing with the Secretary. No such waiver will be effective until approved by order of the Commission, nor shall any such waiver operate to make any Administrative Law Judge's Order or Decision the order of the Commission sooner than five (5) days after approval of such waiver by the Commission.

Robert W. Glass
Administrative Law Judge

RWG:pst

4/24/97

TOWN OF DURBIN

A RESOLUTION *NUNC PRO TUNC* CONSENTING TO THE INCLUSION OF THE TOWN OF DURBIN WITHIN THE SERVICE AREA OF UPPER GREENBRIER PUBLIC SERVICE DISTRICT

WHEREAS, the Upper Greenbrier Public Service District was expanded on or about July 10, 1979, to include within its boundaries the incorporated Town of Durbin;

WHEREAS, state law requires that all incorporated towns within the boundaries of a public service district consent to being included within such boundaries;

WHEREAS, this Council believes, and notes and other documents of the Council reflect, that such consent was given by resolution of the Town of Durbin shortly after the aforementioned expansion of Upper Greenbrier Public Service District and said consent has not been revoked or rescinded, however, a copy of such resolution cannot be found;

WHEREAS, this Council believes that the actual resolution was destroyed in floods which have occurred in the Town since the aforementioned expansion of Upper Greenbrier Public Service District; and

WHEREAS, it is now deemed desirous by said Council to adopt a resolution *nunc pro tunc* consenting to the inclusion of the Town of Durbin within the boundaries of Upper Greenbrier Public Service District, and confirming and ratifying the prior existence of said consent back to the date upon which the enlargement of the district was approved,

NOW, THEREFORE, BE IT, AND IT IS, RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DURBIN AS FOLLOWS:

1. That the Town of Durbin consents to its inclusion within the boundaries of Upper Greenbrier Public Service District.

2. That the Town of Durbin hereby ratifies and confirms that this Council adopted a Resolution shortly after the expansion of Upper Greenbrier Public Service District consenting to the Town of Durbin's inclusion within the boundaries of said District and that said Resolution has not been rescinded or revoked.

3. The Clerk of the Town of Durbin shall provide the Clerk of the County Commission of Pocahontas County a copy of this resolution.

4. The Clerk of the Town of Durbin shall cause a copy of this resolution to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten days following the adoption hereof.

Entered *NUNC PRO TUNC* into the permanent record of the Town of Durbin, West Virginia, this 10th day of July, 1979.

Executed on the 24th day of April, 1997

TOWN OF DURBIN

Mayor

Council Member

Council Member

Council Member

Council Member

ATTEST:

Clerk

04/18/97
UGS.A1
924720\94001

4/21/97

BEFORE THE COUNTY COMMISSION OF POCAHONTAS COUNTY

RESOLUTION AND ORDER *NUNC PRO TUNC* EXPANDING THE BOUNDARIES OF UPPER GREENBRIER PUBLIC SERVICE DISTRICT TO INCLUDE THE Town of Durbin

WHEREAS, on June 5, 1979, the County Commission of Pocahontas County, West Virginia, at the request of the Mayor and Town Council of the Town of Durbin, entered an order proposing the expansion of the boundaries of Upper Greenbrier Public Service District to include the Town of Durbin and ordered that a public hearing be held on the 10th day of July, 1979, at a public meeting place in the Town of Durbin on the proposed expansion;

WHEREAS, this County Commission believes, and notes and other documents of the Commission and the Town of Durbin reflect, that such public hearing was held;

WHEREAS, this County Commission believes, and notes and other documents of the Commission and the Town of Durbin reflect, that an order was entered on or about July 10, 1979, expanding the boundaries of Upper Greenbrier Public Service District to include the Town of Durbin, however, a copy of such order cannot be located;

WHEREAS, Upper Greenbrier Public Service District is the only operating Public Service District in Pocahontas County and has been providing water to the communities of Durbin, Frank, and Bartow and the surrounding areas for approximately fifteen years;

WHEREAS, the attached affidavit from Senator Walt Helmick, President of the County Commission of Pocahontas County from 1977 to 1986, confirms that this Commission did enter an order expanding the boundaries of Upper Greenbrier Public Service District to include the Town of Durbin.

WHEREAS, the Public Service Commission of West Virginia confirmed the expansion of the boundaries of Upper Greenbrier Public Service District by this County Commission to include the Town of Durbin in the County Plan which the Public Service Commission approved by Final Order on July 23, 1991; and

WHEREAS, it is now deemed desirous by said County Commission to adopt a resolution and order *nunc pro tunc* expanding the boundaries of Upper Greenbrier Public Service District to include the Town of Durbin.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY, RESOLVED AND ORDERED, by the County Commission of Pocahontas County as follows:

1. That the County Commission of Pocahontas County, West Virginia, does hereby expand the boundaries of Upper Greenbrier Public Service District to include the Town of Durbin.

2. That the Clerk of the County Commission of Pocahontas County shall cause a copy of this resolution and order to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten (10) days following the adoption hereof.

Entered *NUNC PRO TUNC* in the permanent record of Pocahontas County, West Virginia, this 10th day of July, 1979.

Executed on the 21st day of April, 1997.

COUNTY COMMISSION OF
POCAHONTAS COUNTY, WEST VIRGINIA

Dana Moyer
President

Michael Myers
Commissioner

Joel S. Collison
Commissioner

ATTEST:

Patricia B. Bunbrack
Clerk

04/18/97
UGS.A4
924720\94001

4/21/1997

BEFORE THE COUNTY COMMISSION OF POCAHONTAS COUNTY

RESOLUTION AND ORDER *NUNC PRO TUNC* CREATING
UPPER GREENBRIER PUBLIC SERVICE DISTRICT

WHEREAS, on February 1, 1972, the County Commission of Pocahontas County, West Virginia, entered an order proposing the creation of Upper Greenbrier Public Service District;

WHEREAS, the County Commission of Pocahontas County believes, and notes and other documents of the Commission reflect, that, on or about March 1, 1972, this County Commission entered an order creating the Upper Greenbrier Public Service District, however, a copy of such order cannot be located;

WHEREAS, Upper Greenbrier Public Service District is the only operating Public Service District in Pocahontas County and has been providing water to the communities of Durbin, Frank, and Bartow and the surrounding areas for approximately fifteen years;

WHEREAS, the attached affidavit from Senator Walt Helmick, President of the County Commission of Pocahontas County from 1977 to 1986, confirms that this Commission did enter an order creating Upper Greenbrier Public Service District.

WHEREAS, the Public Service Commission of West Virginia confirmed the creation of Upper Greenbrier Public Service District by this County Commission in the County Plan which the Public Service Commission approved by Final Order on July 23, 1991; and

WHEREAS, it is now deemed desirous by said County Commission to adopt a resolution and order *nunc pro tunc* creating Upper Greenbrier Public Service District.

NOW, THEREFORE, BE IT, AND IT IS, HEREBY, RESOLVED AND ORDERED, by the County Commission of Pocahontas County as follows:

1. That the County Commission of Pocahontas County, West Virginia, does hereby create Upper Greenbrier Public Service District.

2. That the Clerk of the County Commission of Pocahontas County shall cause a copy of this resolution and order to be filed with the Executive Secretary of the Public Service Commission of West Virginia not less than ten (10) days following the adoption hereof.

Entered *NUNC PRO TUNC* in the permanent record of Pocahontas County, West Virginia, this 1st day of March, 1972.

Executed on the 21st day of April, 1997.

COUNTY COMMISSION OF
POCAHONTAS COUNTY, WEST VIRGINIA

Dana Moyers
President

Michael Myers
Commissioner

Joel S. Collison
Commissioner

ATTEST:

Patricia A. Lunsford
Clerk

04/18/97
UGS.A3
924720\94001

4/18/97

AFFIDAVIT OF WALT HELMICK

STATE OF WEST VIRGINIA,

COUNTY OF KANAWHA, TO-WIT:

Walt Helmick being first duly sworn comes now and says:

1. That I am Walt Helmick, an adult over the age of 18, and I am a resident of Marlinton, Pocahontas County, West Virginia.

2. That, from 1977 to 1989, I served as a Commissioner for the County Commission of Pocahontas County.

3. During my tenure on the County Commission of Pocahontas County, I served as President.

4. That, during my tenure as County Commissioner, I remember and recall seeing documents of the County Commission of Pocahontas County ordering the creation of Upper Greenbrier Public Service District.

5. That, during my tenure as County Commissioner, I remember and recall the Commission entering an order expanding Upper Greenbrier Public Service District to include the Town of Durbin.

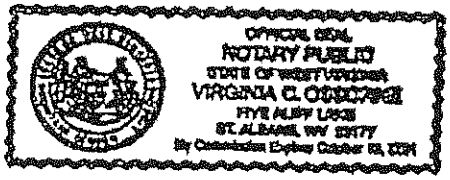
Further Affiant Saith Not.

Walt Helmick

Walt Helmick

Taken, subscribed, and sworn to before me this 18th day of April, 1997.

My commission expires: October 16, 2001



Virginia C. Osborne

Notary Public

(NOTARIAL SEAL)

924720\94001\AFFADIVI

COUNTY COURT ORDER BOOK 23 PAGE 410
FEBRUARY 15, 1983 MINUTES

examination of the 1983-84 budget could be made.

IN RE: UPPER GREENBRIER PUBLIC SERVICE DISTRICT - EXPANSION

As a result of a public hearing duly advertised for the purpose of the consideration of extending the Upper Greenbrier Valley Public Service District area, and there being no objections or exceptions filed thereto, either in person or in writing, it is the decision of the Commission and same is hereby ORDERED that the revised Upper Greenbrier Valley Public Service District boundaries shall be as follows, to-wit:

The Town of Durbin, and from the east town line, a line 600 yards north of the center line of U. S. Highway 250 to the Greenbrier River at the Hermitage Motel in Bartow. Thence a line running 100 yards east of State Route 28 centerline to State Secondary Route 28/33. Thence a line running 100 yards west of State Route 28 centerline to the Secondary Road known as the Old Pike Road. Thence, westerly along the Old Pike Road back to the east line of the Town of Durbin.

A copy of the Revised Map of 11/82 is placed of record in Pocahontas County Commission File #1300, along with Publisher's Certificates.

IN RE: INVOICES APPROVED

General County Fund	-	3605 - 3649
Magistrate Court Fund	-	814 - 817
Revenue Sharing Fund	-	1729 - 1732
Jail Improvement Fund	-	429 - 431

ORDERED THAT THIS COMMISSION BE ADJOURNED, SINE DIE.

Walter D. Helmick

WALTER D. HELMICK, President

At a Special Session of the County Commission of Pocahontas County, West Virginia, held at the Courthouse thereof, on Saturday, February 26, 1983.

1982

Public Notices

LEGAL NOTICE

The Upper Greenbrier Public Service District intends to request the Pocahontas County Commission [illegible] the Upper Greenbrier Public Service District to include the area now served east of Greenbrier River at the Hermitage Motel in Bartow. One additional customer may be served.

The revised Public Service District boundaries would then be described as including: the town of Durbin, and from the east town line, a line 600 yards north of the center line of U. S. Highway 250 to the Greenbrier River at the Hermitage Motel in Bartow. Thence a line running 100 yards east of State Route 28 centerline to State Secondary Route 28/33. Thence a line running 100 yards west of State Route 28 centerline to the Secondary Road known as the Old Pike Road. Thence, westerly along the Old Pike Road back to the east line of the town of Durbin.

Any comments should be in writing to the Upper Greenbrier Public Service District, Frank, West Virginia.

9-16-2 9-16-82

LEGAL NOTICE

The Upper Greenbrier Public Service District intends to request the Pocahontas County Commission [illegible] the Upper Greenbrier Public Service District to include the area now served east of Greenbrier River at the Hermitage Motel in Bartow. One additional customer may be served.

The revised Public Service District boundaries would then be described as including: the town of Durbin, and from the east town line, a line 600 yards north of the center line of U. S. Highway 250 to the Greenbrier River at the Hermitage Motel in Bartow. Thence a line running 100 yards east of State Route 28 centerline to State Secondary Route 28/33. Thence a line running 100 yards west of State Route 28 centerline to the Secondary Road known as the Old Pike Road. Thence, westerly along the Old Pike Road back to the east line of the town of Durbin.

Any comments should be in writing to the Upper Greenbrier Public Service District, Frank, West Virginia.

9-16-2 9-23-82

Pocahontas Times

September 16 and 23, 1982

A TRUE COPY; Certified this 11th day of April, 19 97

Patricia D. Dunlap, Clerk

POCAHONTAS COUNTY COMMISSION
Marlinton, West Virginia 24954

By [illegible], Deputy

8. This Resolution shall become effective immediately.

9. The President of the Commission is authorized to certify copies of this Resolution as required and the Clerk is the Commission is authorized to affix the official seal of Commission to such certifications and to attest the same.

ENTER: /s/ Harlan G. Tallman
President
The County Commission of Pocahontas Count

IN RE: COURTHOUSE INSURANCE AND EMERGENCY MEDICAL SERVICE COUNCIL.

Neal Kellison came before the Commission with a detailed written report on the insurance coverage of the Courthouse property. This indicated a coverage of $2,057,180. at an annual premium of $4,711.00. He further reported an error in the billing dated March 3, 1979, and that the Commission had overpaid this 1979 premium by $2,355.50. A refund in being processed for payment of said overpayment.

Mr. Kellison also discussed the Emergency Medical Service Council and its creation as an Authority. He reported the Council had agreed to function and assume the responsibilities as the Pocahontas County Emergency Medical Service Authority as created by order of the County Commission dated November 1, 1977 and recorded in County Court Order Book No. 23, Page 8

The unspent funds as budgeted for the EMS Council (Authority) in the 1979 Budget were discussed and a motion was made by Walter D. Helmick, seconded by Richard I. McNeel to turn the unspent funds remaining in the budget over to the EMS Authority. Motion carried unanimous

IN RE: POCAHONTAS COUNTY HEALTH SERVICE CORPORATION.

William R. McNeel, President, Gibbs Kinderman, Admininstation and Guy Fultz member of the Pocahontas County Health Service Corporation came before the County Commission to discuss the written Summary, Health Services Study in Pocahontas County as prepared under HEW Grant #03-H-001,252-01 as per Authorization Section 330 P.L. 94-63, Rural Health Initiative. The summary was duscussed, with questions and comments. No action was taken pending further review by the membership of the PCHS Corporation which is set to meet June 7, 1979 with the Commission.

IN RE: UPPER GREENBRIER VALLEY PUBLIC SERVICE DISTRICT.

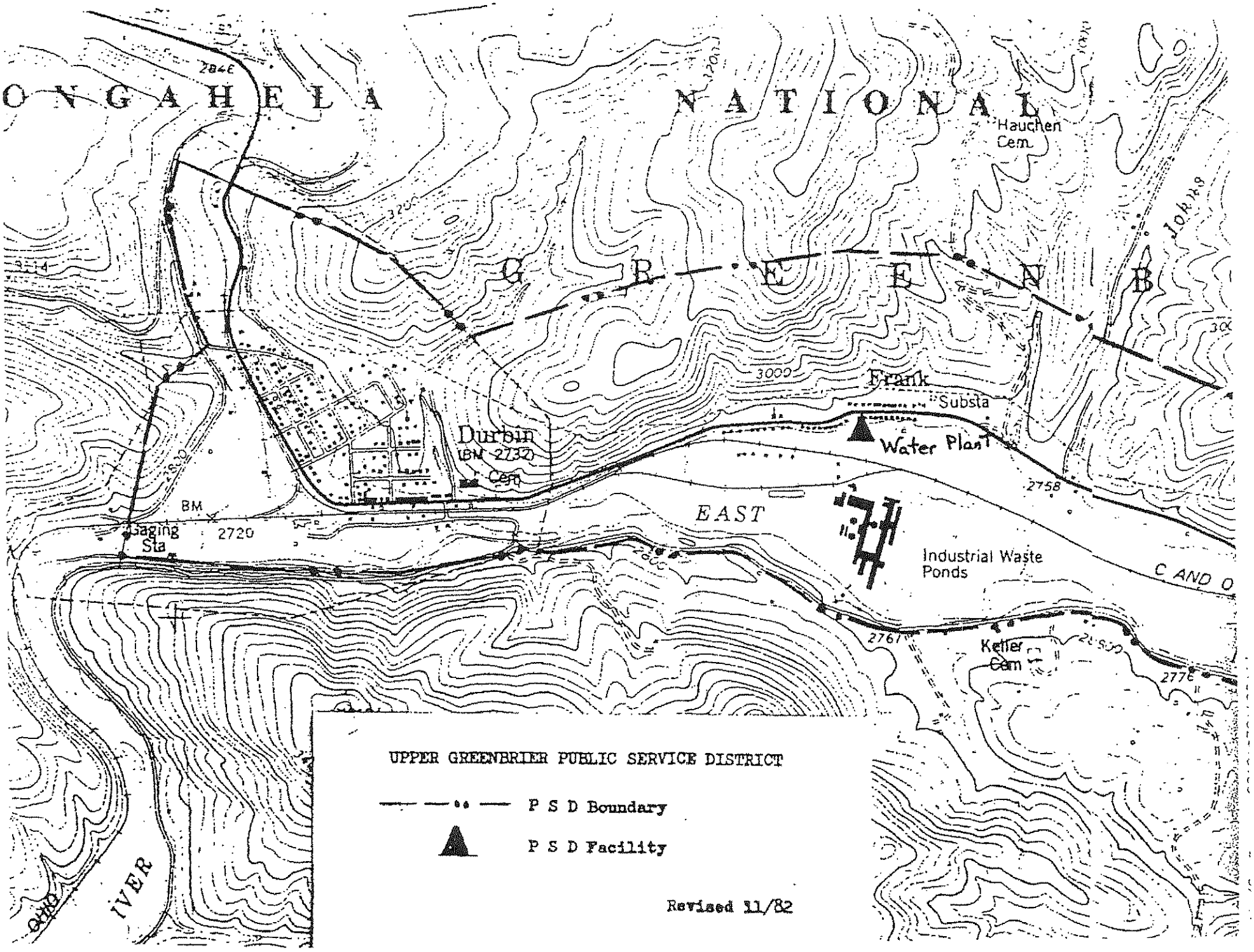
As per written request from the Mayor and the Town Council, the County Commission by its own motion proposed to enlarge the Upper Greenbrier Valley Public Service District to incorporate the Town of Durbin and to follow the boundary lines of the Incorporated Town of Durbin which said extension is for the provision of water services and does further order that a public hearing be held on the 10th day of July, 1979 at a public meeting place within the Town of Durbin.

IN RE: BEA GLADWELL - REGION IV ADVISORY COUNCIL OF THE AREA AGENCY ON AGING. [3]

Bea Gladwell was appointed as the County Commission's representative to the Region IV Advisory Council of the Area Agency on Aging.

IN RE: BECKIE PERRY - NUTRITION BOARD OF DIRECTORS, REGION IV AREA AGENCY ON AGING.

Beckie Perry was appointed as the County Commissions representative to the Nutrition Board of Directors, Region IV Area Agency on Aging, representing Pocahontas County regarding the development of a Multi-County Nutrition Program for the Counties of Pocahontas, Webster and Greenbrier.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Water Plant
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(BM 2732)
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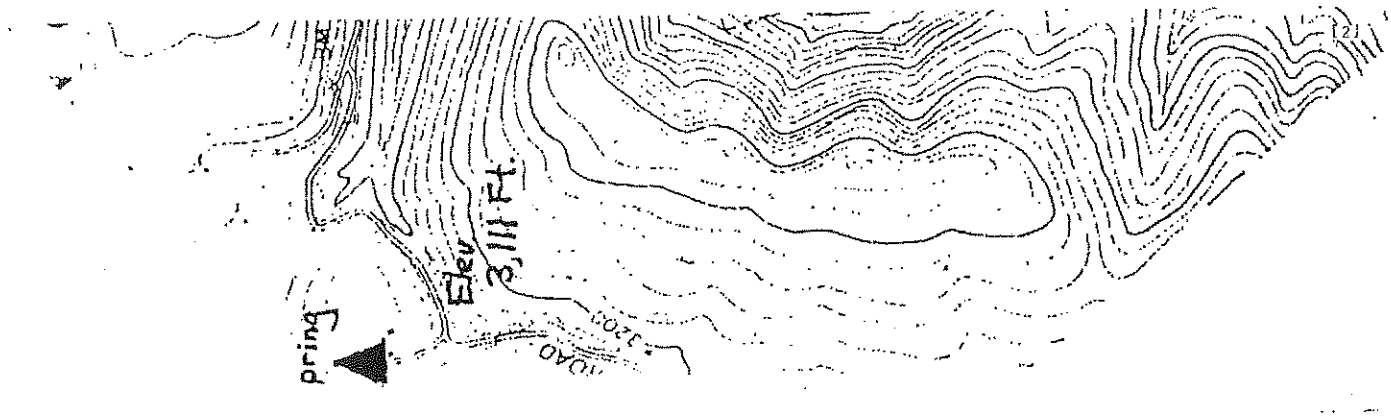
OHIO
UPPER GREENBRIER PUBLIC SERVICE DISTRICT
P S D Boundary
P S D Facility
Revised 11/82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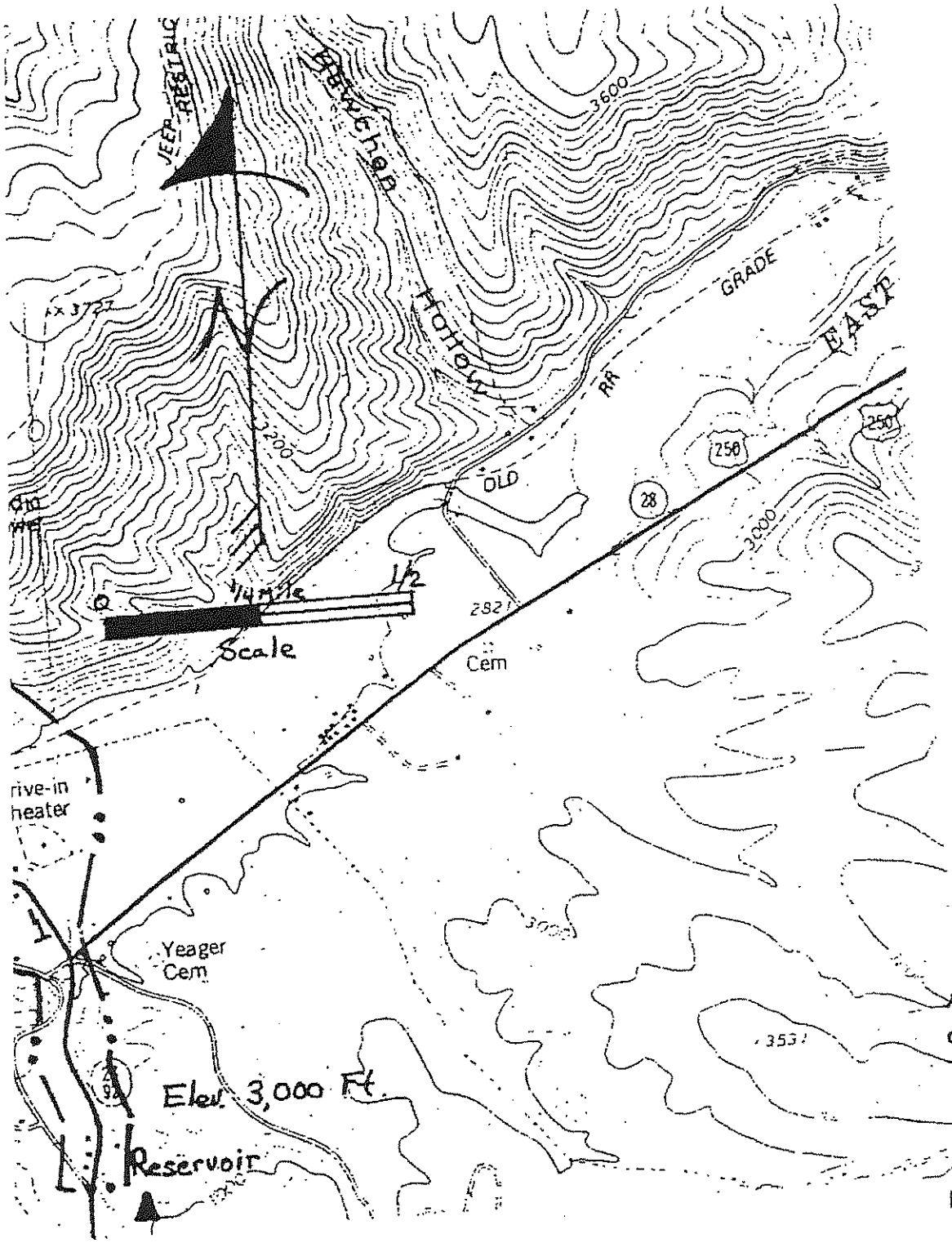
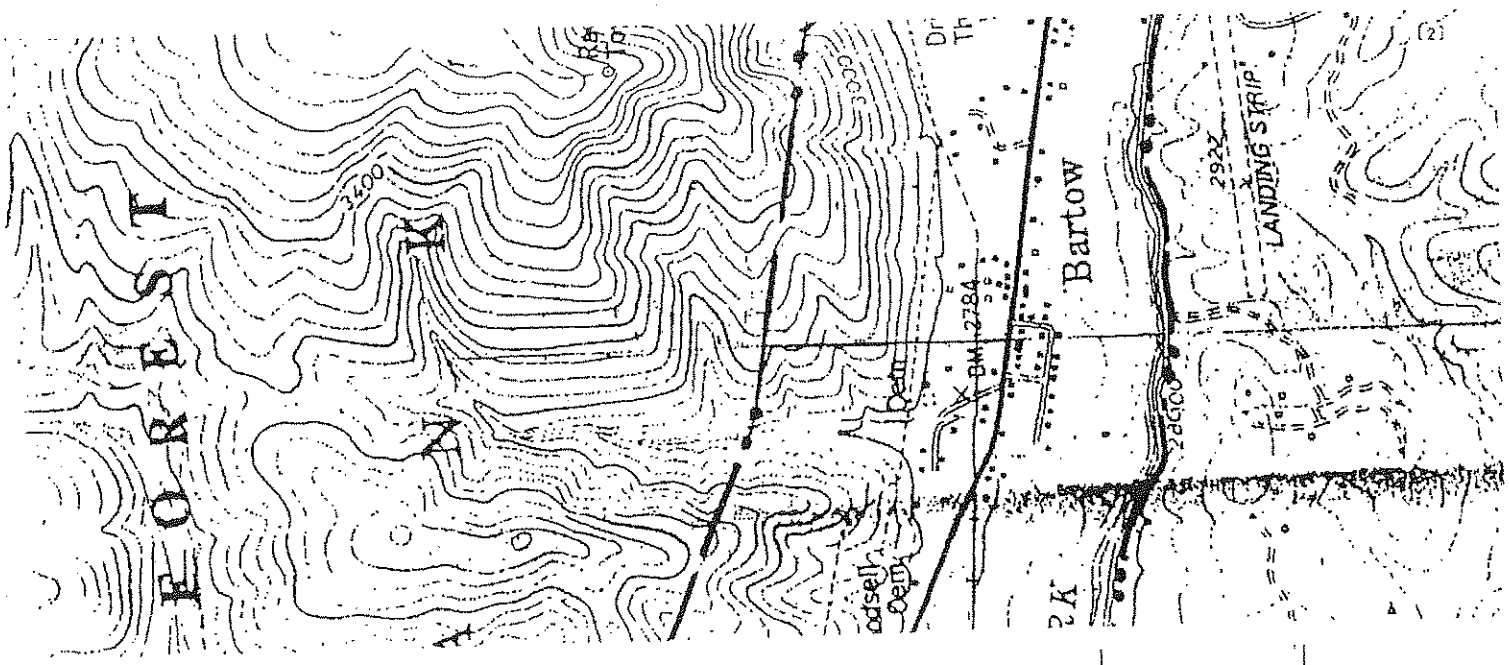


A TRUE COPY; Certified this 16th
day of April, 19 97
Patricia D Durbrack, Clerk
POCAHONTAS COUNTY COMMISSION
Marlinton, West Virginia 24954
By Gay E Yeager, Deputy



Bartow
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3000
2922

1972

COUNTY COURT ORDER BOOK 22 PAGE 307 exhibit 1C .
February 1, 1972 minutes

February 1, 1972

POCAHONTAS COUNTY COURT
MARLINTON, WEST VIRGINIA

A request is hereby made to the Pocahontas County Court to order a Public Service District in upper Green Bank District to be known as the "UPPER GREENBRIER PUBLIC SERVICE DISTRICT".

Generally, this District is meant to start at the Eastern Line of the TOWN OF DURBIN and extend in an easterly direction to take in the entire unincorporated towns of Frank and Bartow and lands between these two unincorporated towns.

Specifically, the proposed bounds are as follows:

At a point on the east line of the TOWN OF DURBIN 600 yards north of the center line of US Highway No. 250. Thence, a line running 600 yards north of the center line of US Highway No. 250 east across the Greenbrier River at the Hermitage Motel in Bartow. Thence, westerly along the secondary road known as "Old Pike Road" back to the west line of the TOWN OF DURBIN. "Old Pike Road" runs parallel to the Greenbrier River and is located south of the Greenbrier River. From the point where "Old Pike Road" intersects the east line of the TOWN OF DURBIN the line will be northerly to the first point.

A TRUE COPY; Certified this 15th
day of April, 19 97
Patricia D Dunbrack, Clerk
POCAHONTAS COUNTY COMMISSION
Marlinton, West Virginia 24954
By Jay E Yee, Deputy

10

Pocahontas County Commission

JOEL S. CALLISON
President
RITA J. GRIFFITH
Commissioner
JAMES W. CARPENTER
Commissioner
PATRICIA D. [illegible]
Clerk

September 22, 2004

Pocahontas County Public Service District
HC 63, Box 122
Frank, West Virginia 24920

Re: Appointment of Mark Smith to Public Service District

Dear Sirs:

The Pocahontas County Commission at its regular session held on September 22, 2004, appointed Mark Smith to serve a six year term on the Pocahontas County Public Service District.

As per West Virginia Code Mr. Smith will be required to attend training in order to serve in this position, and this letter is written to ask that arrangements be made in order to fulfill this requirement as soon as possible.

Should you have any questions or comments please feel free to contact the Commission at 304-799-6063.

Sincerely,

Joel S Callison / dsh

Joel S. Callison
President

JSC/dsh

POCAHONTAS COUNTY COMMISSION

Joel S. Callison, President
James W. Carpenter, Commissioner
Reta J. Griffith, Commissioner
Sandra K. Friel, Clerk

900-C TENTH AVENUE
MARLINTON, WV 24954
(304)799-6063 or 799-4549

June 6, 2006

William Rexrode
Post Office Box 92
Durbin, West Virginia 26264

Re: Appointment to Pocahontas County Public Service District

Dear Mr. Rexrode:

At its meeting today, the Commission appointed you to serve as a member of the Pocahontas County Public Service District for a three year term expiring on June 30, 2009.

I am writing to request that you stop in the county clerk's office at your earliest convenience in order that you may be sworn in by the clerk, Sandra Friel. The courthouse hours are Monday through Friday, 8:30 a.m. to 4:30 p.m.

Thank you.

Sincerely,

Joel S Callison / dsh

Joel S. Callison
President

JSC:dsh

POCAHONTAS COUNTY COMMISSION

Joel S. Callison, President
James W. Carpenter, Commissioner
Reta J. Griffith, Commissioner
Sandra K. Friel, Clerk

900-C TENTH AVENUE
MARLINTON, WV 24954
(304)799-6063 or 799-4549

September 5, 2006

Mr. Scott Millican
Post Office Box 357
Snowshoe, West Virginia 26209

Re: Appointment to Pocahontas County Public Service District

Dear Mr. Millican:

At its meeting today, the Commission appointed you to serve as a member of the Pocahontas County Public Service District for the unexpired term of Calvin Hill, ending on June 30, 2012.

I am writing to request that you stop in the county clerk's office at your earliest convenience in order that you may be sworn in by the clerk, Sandra Friel. The courthouse hours are Monday through Friday, 8:30 a.m. to 4:30 p.m.

Thank you.

Sincerely,

Joel S Callison / dsh

Joel S. Callison
President

JSC:dsh

BOOK 0003 PAGE 0412

OFFICER'S OATH C-532

STATE OF WEST VIRGINIA,

COUNTY OF POCAHONTAS, to-wit:

I, MARK SMITH, do solemnly swear that I will support the Constitution of the United States, the Constitution of West Virginia, and that I will faithfully discharge the duties of the office Pocahontas County Public Service District

to which office I have been elected/appointed to the best of my skill and judgment. So help me God.

MARK SMITH

Subscribed and sworn before me this the 28th day of September 2004.

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
SUE HELTON
MARLINTON, WEST VIRGINIA
MY COMMISSION EXPIRES JUNE 20, 2011

NOTARY PUBLIC
My Commission Expires:
June 20, 2011

W. Va. Code 5-3-3 (268)

OATH OF OFFICE
POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

STATE OF WEST VIRGINIA

COUNTY OF POCAHONTAS

I **WILLIAM C. REXRODE** DO SOLEMNLY SWEAR THAT I WILL SUPPORT THE CONSTITUTION OF THE UNITED STATES, THE CONSTITUTION OF THE STATE OF WEST VIRGINIA, AND THAT I WILL FAITHFULLY DISCHARGE THE DUTIES OF THE OFFICE OF THE **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT** TO WHICH OFFICE I HAVE BEEN APPOINTED ON JUNE 6, 2006 AND ELECTED BOARD MEMBER **CHAIRMAN** ON JANUARY 29, 2008, TO THE BEST OF MY SKILL AND JUDGMENT, SO HELP ME GOD.

William C Rexrode
AFFIANT

TAKEN, SUBSCRIBED AND SWORN BEFORE ME THIS 10 DAY OF December, 2008.

Ricky L. Barkley
NOTARY PUBLIC

MY COMMISSION EXPIRES : August 27, 2012

OFFICIAL SEAL:

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
RICKY L. BARKLEY
HC 63, BOX 139
FRANK, WV 24920
My commission expires August 27, 2012

MAILED DELIVERED TO File

DATE 9/18/06

BOOK 0003 PAGE 0535

C-532

OFFICER'S OATH

STATE OF WEST VIRGINIA.

COUNTY OF Pocahontas, to-wit:

I, B. Scott Millican do solemnly swear that I will support the Constitution of the United States, the Constitution of West Virginia, and that I will faithfully discharge the duties of the office of Public Service District

to which office I have been elected / appointed to the best of my skill and judgment. So help me God.

B. Scott Millican

Subscribed and sworn to before the undersigned authority, this the 15th day of

September

OFFICIAL SEAL
NOTARY PUBLIC
STATE OF WEST VIRGINIA
LISA G. WORKMAN
C 82, BOX 2204
MARLINTON, WEST VIRGINIA 24954
MY COMMISSION EXPIRES DECEMBER 16, 2014

Lisa G. Workman

My Commission expries December 16, 2014

UPPER GREENBRIER PUBLIC SERVICE DISTRICT

RULES OF PROCEDURE

ARTICLE I

NAME AND PLACE OF BUSINESS

Section 1. Name: UPPER GREENBRIER PUBLIC SERVICE DISTRICT. The Public Service District does business as "Pocahontas County Public Service District."

Section 2. The principal office of this Public Service District will be located at Back Mountain Road, Frank, West Virginia.

Section 3. The Common Seal of the District shall consist of 2 concentric circles between which circles shall be inscribed Upper Greenbrier Public Service District, and in the center "seal" as follows:

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

ARTICLE II

PURPOSE

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

ARTICLE III

MEMBERSHIP

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

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

ARTICLE IV

MEETINGS OF THE PUBLIC SERVICE BOARD

Section 1. The members of the Public Service Board of this District shall hold regular monthly meetings on the fourth Tuesday of each month 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 Public Service Board may be called at any time by the Chairman or by a quorum of the Board.

Section 2. At any meeting of the Public Service Board of the District, 3 members shall constitute a quorum. Each member of the Public Service 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 meetings 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 3 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 thereat, and 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 such Public Service Board, and the date, time, place and purpose of all special meetings of such Public Service Board, shall be made available, in advance, to the public and news media (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 Public Service Board of the Public Service District at the front door or bulletin board of the Pocahontas County Courthouse and at the front door or bulletin board of the place fixed for regular meetings of the Public Service Board of the date, time and place fixed and entered of record by the Public Service 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 Public Service Board not less than 72 hours before such regular meeting is to be held. 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 Public Service Board at the front door or bulletin board of the Pocahontas County Courthouse and at the front door or bulletin board of the place fixed for the regular meetings of the Public Service Board not less than 72 hours before a specially scheduled meeting is to be held, stating the date, time, place and purpose for which such special meeting shall 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.

ARTICLE V

OFFICERS

Section 1. The officers of the Public Service Board shall be a Chairman, a Secretary and a Treasurer. The Chairman shall be elected from the members of the Public Service Board. The Secretary and Treasurer need not be members of the Public Service Board, and may be the same person.

Section 2. The officers of the Public Service Board shall be elected each year by the members at the first 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 Public Service Board at a regular or special meeting. Persons selected to fill vacancies shall serve until the following January meeting of the Board when their successors shall be elected hereinabove provided.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. When present, the Chairman shall preside as Chairman at all meetings of the Public Service Board. The Chairman shall, together with the Secretary, sign the minutes of all meetings at which he or she shall preside. The Chairman 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 Chairman 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 Secretary shall keep a record of all proceedings of the Board which shall be available for inspection as other public records. The Secretary shall, together with the Chairman, 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 District 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 3. The Treasurer shall be the lawful custodian of all funds of the District and shall disburse funds of the District 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 4. If the Chairman, Secretary or Treasurer is absent from any meeting, the remaining members of the Board shall select a temporary chairman, 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 District.

Adopted this 9th day of June, 2004.

05/24/04
710090.00001

STATE OF WEST VIRGINIA,
COUNTY OF POCAHONTAS, ss:

I, Pamela E. Pritt

an officer of The Pocahontas Times, Inc., a weekly newspaper published at Marlinton, Pocahontas County, West Virginia, do hereby certify that the attached notice in the case of

Upper Greenbrier Public Service District, doing business as Pocahontas County Public Service District

vs.

Case No. 05-0103-PSD-CN

Notice of Filing

was published for 1 ~~successive~~ week~~s~~ in said paper, and that the date~~s~~ of publication thereof ~~were~~ was

February 17, 2005

This 18 day of February, 2005

Pamela E. Pritt

Managing Editor
Title

Publication Cost $ 74.77

[92¼ inches @ $8.03 ~~words at ___ cents per word~~]

Sworn to and subscribed before me this 18th day of February, 05

Marsha C. Moore

Notary Public in and for Pocahontas County,. West Virginia.

My Commission Expires 1-10-10.

OFFICIAL SEAL
Notary Public State Of West Virginia
MARSHA C. MOORE
THE Pocahontas Times
610 Second Avenue
Marlinton, WV 24954

Publisher's Certificate

Legal

Publication

IN THE CASE OF

Upper Greenbrier Public Service District doing business as Pocahontas County Public Service District

Case No. 05-0103-PSB-CN

Notice of Filing

Publication Cost $ 740.77

POCAHONTAS TIMES
Marlinton, W. Va.

050103ecf020205.wpd

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA, CHARLESTON

Entered by the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 2nd day of February, 2005.
CASE NO. 05-0103-PSD-CN

UPPER GREENBRIER PUBLIC SERVICE DISTRICT
DBA POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
HC 63, BOX 122
Frank, Pocahontas County,

Application for a Certificate of Convenience and Necessity for the construction, acquisition, operation and maintenance of a wastewater treatment and collection system to serve approximately 1,981 customers in the Linwood, Slaty Fork, Snowshoe, Silver Creek and Hawthorne Valley areas of Pocahontas County, West Virginia.

NOTICE OF FILING

WHEREAS, on February 1, 2005, the Upper Greenbrier Public Service District, dba Pocahontas County Public Service District filed an application, duly verified, for a Certificate for the acquisition of the existing wastewater collection system of Snowshoe Water & Sewer, Inc., and several smaller facilities in the surrounding area; the construction of a new 1.5 million gallons per day wastewater treatment plant along the Big Spring Fork near the Slaty Fork community, and the construction of a new collection system along U. S. Route 219 and West Virginia Route 66 in the areas of Slaty Fork, Linwood, Snowshoe, Silver Creek and Hawthorne Valley, to serve approximately 1,981 customers in Pocahontas County, West Virginia. The application is on file with and available for public inspection at the Public Service Commission, 201 Brooks Street, Charleston, West Virginia.

WHEREAS, the Upper Greenbrier Public Service District, dba Pocahontas County Public Service District estimates that the costs of the project are not to exceed $21,578,750.00. Of this amount, the District has funding commitments for $17,263,000.00, which is the current estimate of the project costs. The District intends to finance the project by the following means: a Grant from Pocahontas County Commission - $5,000.00; a Loan from West Virginia Infrastructure and Jobs Development Council $9,547,000.00 (0%, 40 years); and, a Loan from the West Virginia State Revolving Fund $5,711,000.00 (1/2 0/0, 30 years). The District proposes that the loans will be repaid through the issuance of revenue bonds. In addition, Snowshoe Water & Sewer, Inc., will contribute some of its existing facilities to the District with an estimated value of over $2,000,0000.00. If additional funding up to $21,578,750.00 becomes necessary, the District intends to finance the additional funding with the Infrastructure and Jobs Development Council, the State Revolving Fund, or any other lender.

WHEREAS, the District anticipates charging Interim Rates to the current sewer customers of Snowshoe Water & Sewer, Inc., after the District acquires the collection system of Snowshoe Water & Sewer. These Interim Rates will remain in effect until the District's new wastewater treatment plant is operational. The following are the proposed Interim Rates, applicable to Snowshoe, Silver Creek Lodge and Silver Creek Resort:

INTERIM SEWER RATES APPLICABLE TO SNOWSHOE, SILVER CREEK LODGE, AND SILVER CREEK SKI RESORT

Availability

Available for residential, commercial, governmental, industrial and resale service.

Flat Rate Charge (Customers with non-metered water supply)

Efficiency w/o	$33.00 per month
Efficiency	$33.00 per month
1 Bedroom	$33.00 per month
2 Bedroom	$33.00 per month
3 Bedroom	$45.00 per month
4 Bedroom	$55.00 per month
5 Bedroom	$60.00 per month
6 Bedroom	$70.00 per month
Hot Tub	$4.75 per month

Metered Rate (Customers with metered water supply) $7.00 per 1,000 gallons (Subject to a minimum charge of $33.00 per month)

An efficiency is defined as a one room unit with kitchen and bathroom facilities.

Lofts, bunkrooms, or other rooms used for sleeping quarters (other than living rooms) in Residential Units will be counted as bedrooms.

Residential Hot Tub is defined as any hot tub, jacuzzi, hydro spa, or other similar type tub that is larger than a standard bathtub in either length, width, or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub, but have water jets, will not be subject to this additional charge.

Delayed Payment Penalty

The above schedule is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

Tap Fee $350.00 (generally)

The following charges are to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $25.00 will be charged to customers applying for service before construction is completed adjacent to the customer's premises in connection with a certificate proceeding before the Commission. This pre-construction tap fee will be invalid after the completion of construction adjacent to an applicant's premises that is associated with a certificate proceeding.

A tap fee of $300.00 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.

Water Disconnect - Reconnect - Administrative Fees $25.00

Whenever water service has been disconnected for any reason, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected in the field, an administrative fee of $25.00 shall be charged. Whenever water service which has been previously disconnected for any reason is reconnected, a reconnecting fee of $25.00 shall be charged.

Returned Checks Charge

A service charge of $25.00 will be imposed upon any customer whose check for payment of charges is returned

legals continued to page 11

in their bank of any reason.

Leak Adjustment

$3.50 per 1,000 gallons is to be used when a bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

Surcharge Formula - to be applied in cases where surface drainage is connected to the district's sanitary sewer system

Where the District has discovered that a customer's roof drain, down spouts, storm sewer or other similar facilities conducting surface water have been connected to the District's sewer system, and such customer has failed to take appropriate action, within thirty (30) days of receipt of a demand by the District 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 system, in the square feet.

R - the measured monthly rainfall, in inches.

0.0006233 - a conversion factor to change inches of rainfall x square feet of a surface to thousands of gallons of water.

C - the District's approved rate per thousand gallons of metered water usage.

The District shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing or on-site inspection, that rain or other surface water is being introduced into the sanitary sewer system at customer's location, and that the customer has not acted within thirty (30) days from the 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 its rise to possible termination of water service in accordance with the Rules and Regulations of the Public Service Commission of West Virginia.

WHEREAS, the utility anticipates charging Final Rates to all customers, including the current sewer customers of Snowshoe Water & Sewer, Inc., and the new customers to be served by the new collection system proposed by the District. The Final Rates will be effective when the District's new wastewater treatment plant is operational. The following are the proposed Final Rates.

FINAL SEWER RATES APPLICABLE TO SNOWSHOE, SILVERCREEK LODGE, AND SILVER CREEK SKI RESORT.

Availability

Available for residential, commercial, governmental, industrial and resale service.

Flat Rate Charge (Customers with non-metered water supply)

Efficiency w/o	$54.45 per month
Efficiency	$54.45 per month
1 Bedroom	$54.45 per month
2 Bedroom	$54.45 per month
3 Bedroom	$77.55 per month
4 Bedroom	$88.83 per month
5 Bedroom	$100.65 per month
6 Bedroom	$112.31 per month
Hot Tub	$7.98 per month

Metered Rate (Customers with metered water supply) $11.55 per 1,000 gallons (Subject to a minimum charge of $54.45 per month)

An efficiency is defined as a one room unit with kitchen and bathroom facilities.

Lofts, bunkrooms, or other rooms used for sleeping quarters (other than living rooms) in Residential Units will be counted as bedrooms.

Residential Hot Tub is defined as any hot tub, jacuzzi, hydra spa, or other similar type tub that is larger than a standard bathtub in either length, width, or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub, but have water jets, will not be subject to this additional charge.

FINAL SEWER RATES APPLICABLE TO "VALLEY" CUSTOMERS

Availability

Available for residential, commercial, governmental, industrial and resale service.

Flat Rate Charge

Residential	$54.45 per month
Light Commercial	$88.83 per month
Small Commercial	$100.65 per month
Medium Commercial	$301.95 per month
Hot Tub	$6.98 per month

Residential Hot Tub is defined as any hot tub, jacuzzi, hydra spa, or other similar type tub that is larger than a standard bathtub in either length, width, or depth. Jacuzzis that are similar in size to a standard 5 foot bathtub, but have water jets, will not be subject to this additional charge.

Light Commercial, Small Commercial, Medium to Large Commercial shall be determined by the District in consultation with the District's consulting engineer. This determination shall be based on the applicants line of business or industry and the level of water consumption/wastewater used or produced. The District will utilize industry related data and other means as it deems necessary to make the determination.

Metered Rate (Customers with metered water supply) $11.55 per 1,000 gals.

(Subject to a minimum charge of $54.45 per month)

FINAL SEWER RATES AND CHARGES APPLICABLE TO ALL CUSTOMERS

Delayed Payment Penalty

The above schedule is net. On all accounts not paid in full when due, ten percent will be added to the net current amount unpaid. This delayed payment penalty is not interest and is to be collected only once for each bill where it is appropriate.

Tap Fee $350.00 (generally)

The following charges are to be made whenever the utility installs a new tap to serve an applicant.

A tap fee of $25.00 will be charged to customers applying for service before construction is completed adjacent to the customer's premises in connection with a certificate proceeding before the Commission. This pre-construction tap fee will be invalid after the completion of construction adjacent to an applicant's premises that is associated with a certificate proceeding.

A tap fee of $300.00 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.

Water Disconnect-Reconnect-Administrative Fees $25.00

Whenever water services has been disconnected for any reason, a disconnection fee of $25.00 shall be charged; or in the event the delinquent sewer bill is collected in the field, and administrative fee of $25.00 shall be charged. Whenever water service which has been previously disconnected for any reason is reconnected, a reconnecting fee of $25.00 shall be charged.

Returned Checks Charge

A service charge of $25.00 will be imposed upon any customer whose check for payment of charges is returned by their bank for any reason.

Leak Adjustment

$3.50 per 1,000 gallons is to be used when a bill reflects unusual consumption which can be attributed to eligible leakage on customer's side of the meter. This rate shall be applied to all such consumption above the customer's historical average usage.

Surcharge Formula - to be applied in cases where surface drainage is connected to the District's sanitary sewer system

Where the district has discovered that a customer's roof drain, down spouts, storm sewer or other similar facilities conducting surface water have been connected the District's sewer system, and such customer has failed to take appropriate action, within thirty (30) days of receipt of a demand by the District 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:

$$S = A \times R \times 0.0006235 \times C$$

S - the surcharge in dollars.

A - the area under roof, and/or the area of any other water collection surface connected to the sanitary system, in the square feet.

R - the measured monthly rainfall, in inches.

0.0006235 - a conversion factor to change inches of rainfall x square feet of a surface to thousands of gallons of water.

C - the District's approved rate per thousand gallons of metered water usage.

The District shall not impose the surcharge unless and until the customer has been notified by certified mail, return receipt requested, or by hand delivery, that it has been established by smoke testing, 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 the 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 possible termination of water service in accordance with the Rules and Regulations of the Public Service Commission of West Virginia.

Pursuant to §24-2-11, West Virginia Code, IT IS ORDERED that Upper Greenbrier Public Service District, dba Pocahontas County Public Service District give notice of the filing of said application, by publishing a copy of this order, once in a newspaper duly qualified by the Secretary of State, published and of general circulation in Pocahontas County, making due return to this Commission of proper certification of publication immediately after publication. Anyone desiring to protest or intervene should file a written protest or notice of intervention within thirty (30) days following the date of this publication unless otherwise modified by Commission order. Failure to timely protest or intervene can affect your right to protest aspects of this certificate case including any associated rates increased, or to participate in future proceedings. All protests or requests to intervene should briefly state the reason for the protest or intervention. Requests to intervene must comply with the Commission's rules on intervention as set forth in the Commission's Rules of Practice and Procedure. All protests and interventions should be addressed to Sandra Squire, Executive Secretary, P.O. Box 812, Charleston, West Virginia 25323.

IT IS FURTHERED ORDERED that if no protests are received within said thirty (30) day period, the Commission may waive formal hearing and grant the application based on the evidence submitted with said application and its review thereof.

FOR THE COMMISSION:

Sandra Squire
Executive Secretary

SS/gem
050103a.wpd

2/17/15

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT
HC 63 BOX 122
FRANK, WEST VIRGINIA
PHONE & FAX #'S 304-456-3127
MINUTES OF MEETING

DATE: January 29, 2008

The Pocahontas County PSD held its regular monthly meeting on January 29, 2008 at 7:00 pm at the Pocahontas County PSD District Office, (Water Plant). Those in attendance at the meeting were:

William Rexrode / Chairman
Scott Millican / Secretary
Mark Smith / Board Member
Ricky Barkley / Plant Manager/Treasurer

Also in attendance were: Tom Michael / Attorney, Heather Niday, WVMR radio, Randy Watson, Thrasher Engineering, Kermit Friel, Tom Shipley, David Fleming, and Drew Tanner, Pocahontas Times.

The meeting was called to order by William Rexrode at 7:10 pm.

1. Scott Millican read the minutes from the previous meeting held on December 27, 2007. A motion was made by William Rexrode and was seconded by Mark Smith to accept minutes. Motion carried 3 to 0 to accept.

2. Mark Smith read the financial statements for accounts paid and accounts payable for January 2008. Motion was made by William Rexrode and seconded by Scott Millican to accept. Motion carried 3 to 0 in favor.

3. Discussion on reorganization of officers. Scott Millican made a motion and was seconded by Mark Smith to leave officers as they were. William Rexrode / Chairman, Scott Millican/ Secretary, and Mark Smith / Board Member. Motion carried 3 to 0.

4. Randy Watson, with Thrasher Engineering addressed the board about the Green Bank and Slatyfork Water Project. Cost on Green Bank for 275 customers would be seven million.
Slatyfork water project 1.5 million Rt 66 for 70 customers. This would tie in to Snowshoe system. 1. 75 million on 219N to County line. Low income for 51 % of customers for SCBG. 1.5 SCBG is the limit. Over 25.000 per customer is not feasible, 20,000 per customer is the target range. Board members were more concerned on the water loss at present time with the water plant due to leaks in the service lines. Discussed applying for a Grant for engineering preliminary study, to determine cost to replace all service lines in the Durbin, Frank, and Bartow areas. Ricky will send Randy a report on all lines, parts, requirements, and labor expected. Randy will project the cost of this project. No action was taken on this issue. Will discuss more at the next PSD regular meeting. Tabled.

5. The board review the Management letter from Randy Harris/ Auditor. No action was necessary.

6. Discussion on project coordinator contract. The board offered the job to Kermit Friel, with the exception that he would provide his own Workers Compensation and work on a contingent basic.

Scott Millican made a motion to go into executive session and was seconded by Mark Smith to discuss personnel issues on this matter. Motion carried 3 to 0. Executive session began at 8:15pm and ended at 8:30pm.

A motion was made by Scott Millican to accept contract with the addition of change in Workers Compensation to be added to the contract, stating that Mr. Friel would provide his own workers compensation, and for William Rexrode to sign contract when all modifications are taken care of. Motion was seconded by Mark Smith. Motion carried 3 to 0

Motion was made by Mark Smith and seconded by William Rexrode to adjourn. Meeting was adjourned at 8:40 pm.

William G Rexrode

William Rexrode/Chairman

Scott Millican/Secretary

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

EXCERPT OF MINUTES ON ADOPTION OF DISTRICT NAME RESOLUTION, BOND RESOLUTION, SUPPLEMENTAL RESOLUTION, SWEEP RESOLUTION AND DRAW RESOLUTION

The undersigned SECRETARY of Pocahontas County Public Service District hereby certifies that the following is a true and correct excerpt of the minutes of a special meeting of the said Public Service District:

*** *** ***

Pocahontas County Public Service District met in special session, pursuant to notice duly posted, on the 16th day of December, 2008, in Frank, West Virginia, at the hour of 6:00 p.m.

PRESENT:	William C. Rexrode	-	Chairman
	Scott Millican	-	Secretary
	Mark N. Smith	-	Member

William C. Rexrode, Chairman, presided, and Scott Millican, acted as Secretary. The Chairman announced that a quorum of members was present and that the meeting was open for any business properly before it.

Thereupon, the Chairman presented a proposed Resolution ratifying the name of the District as Pocahontas County Public Service District and caused the same to be read and there was discussion. Thereupon, on motion duly made by Mark Smith and seconded by William Rexrode, it was unanimously ordered that the said Bond Resolution be adopted and be in full force and effect on and from the date hereof.

Thereupon, the Chairman presented a proposed Bond Resolution in writing entitled:

RESOLUTION AUTHORIZING THE ACQUISITION AND PRE-CONSTRUCTION ACTIVITIES OF PUBLIC SEWERAGE

FACILITIES OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT AND THE FINANCING OF THE COST, NOT OTHERWISE PROVIDED, THEREOF THROUGH THE ISSUANCE BY THE DISTRICT OF NOT MORE THAN $2,500,000 IN AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND); PROVIDING FOR THE RIGHTS AND REMEDIES OF AND SECURITY FOR THE REGISTERED OWNERS OF SUCH BONDS; AUTHORIZING EXECUTION AND DELIVERY OF ALL DOCUMENTS RELATING TO THE ISSUANCE OF SUCH BONDS; APPROVING, RATIFYING AND CONFIRMING A LOAN AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE SALE AND PROVIDING FOR THE TERMS AND PROVISIONS OF SUCH BONDS AND ADOPTING OTHER PROVISIONS RELATING THERETO.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by William C. Rexrode and seconded by Mark N. Smith, 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 Chairman presented a proposed Supplemental Bond Resolution in writing entitled:

SUPPLEMENTAL RESOLUTION PROVIDING AS TO PRINCIPAL AMOUNT, DATE, MATURITY DATE, REDEMPTION PROVISION, INTEREST RATE, INTEREST AND PRINCIPAL PAYMENT DATES, SALE PRICES AND OTHER TERMS OF THE SEWER REVENUE BONDS, SERIES 2008 A (WEST VIRGINIA INFRASTRUCTURE FUND), OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT; APPROVING AND RATIFYING THE LOAN AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND APPROVING THE SALE OF THE BONDS TO THE WEST VIRGINIA WATER DEVELOPMENT AUTHORITY; DESIGNATING A REGISTRAR, PAYING AGENT AND DEPOSITORY BANK; AND MAKING OTHER PROVISIONS AS TO THE BONDS.

and caused the same to be read and there was discussion. Thereupon, on motion duly made by William C. Rexrode and seconded by Mark N. Smith, 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 Chairman 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 by Mark N. Smith and seconded by William C. Rexrode, it was unanimously ordered that the said Sweep Resolution be adopted.

Next, the Chairman presented a proposed Draw Resolution for the approval of invoices. Thereupon, on motion duly made by Mark N. Smith and seconded by William C. Rexrode, it was unanimously ordered that the said Draw 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.

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CERTIFICATION

I hereby certify that the foregoing is a true copy of the minutes of Pocahontas County Public Service District and that such actions remain in full force and effect and have not been amended, rescinded, superseded, repealed or changed.

WITNESS my signature on this 30th day of December, 2008.

Secretary

11.21.08
710090.00005

WV MUNICIPAL BOND COMMISSION
1207 Quarrier Street
Suite 401
Charleston, WV 25301
(304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: 30-Dec-08

(See Reverse for Instructions)

ISSUE: Pocahontas County Public Service District
Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund)

ADDRESS: HC 63 Box 122, Frank, West Virginia 26920 COUNTY: Pocahontas

PURPOSE OF ISSUE:
New Money: x
Refunding:

REFUNDS ISSUE(S) DATED: NA

ISSUE DATE: 30-Dec-08
CLOSING DATE: 30-Dec-08
ISSUE AMOUNT: $2,500,000
RATE: 0%
1ST DEBT SERVICE DUE: 1-Mar-10
1ST PRINCIPAL DUE 1-Mar-10
1ST DEBT SERVICE AMOUNT 16,026.00
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: Pendleton County Bank
Contact: Selina King
Phone: 304.799.6700

ESCROW TRUSTEE:
Firm:
Contact:
Phone:

KNOWLEDGEABLE ISSUER CONTACT
Contact: Ricky Barkley
Position: Manager
Phone: 304.456.3127

OTHER:
Agency: West Virginia Infrastructure & Jobs Development Council
Contact:
Position: Executive Director
Phone: (304) 558-4607

DEPOSITS TO MBC AT CLOSE

By:				
x	Wire		Accrued Interest:	$
	Check		Capitalized Interest:	$
		x	Reserve Account:	$ 64,104
		x	Other: pay 2004 A Notes	$ 149,727.91

REFUNDS & TRANSFERS BY MBC AT CLOSE

By:				
	Wire		To Escrow Trustee	$
	Check		To Issuer	$
	IGT		To Cons. Invest. Fun	$
			To Other:	$

NOTES: The Series 2008 A Bonds Reserve Account to be funded with bond proceeds

FOR MUNICIPAL BOND COMMISSION USE ONLY:
DOCUMENTS REQUIRED:
TRANSFERS REQUIRED:

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specificed by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF APPOINTMENT AS DEPOSITORY BANK

Pendleton County Bank, Marlinton, West Virginia, hereby accepts appointment as Depository Bank in connection with a Bond Resolution and a Supplemental Resolution of Pocahontas County Public Service District (the "Issuer"), both adopted December 16, 2008 (collectively, the "Bond Legislation"), authorizing issuance of the Issuer's Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated December 30, 2008, issued in the principal amount of $2,500,000 (the "Bonds"), as set forth in the Bond Legislation.

WITNESS my signature on this 30th day of December, 2008.

PENDLETON COUNTY BANK

By: _____
Its: Authorized Officer

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

ACCEPTANCE OF DUTIES AS REGISTRAR

THE HUNTINGTON NATIONAL BANK, Charleston, West Virginia, hereby accepts appointment as Registrar in connection with the Pocahontas County Public Service District Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), dated December 30, 2008, issued in the principal amount of $2,500,000 (the "Bonds"), and agrees to perform all duties of Registrar in connection with such Bonds, as set forth in the Bond Legislation authorizing issuance of the Bonds.

WITNESS my signature on this 30th day of December, 2008.

HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

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 Pocahontas County Public Service District (the "Issuer"), hereby certifies that on the date hereof, the single, fully registered Pocahontas County Public Service District Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), of the Issuer, dated December 30, 2008, in the principal amount of $2,500,000, numbered AR-1, is 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 30th day of December, 2008.

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

REGISTRAR'S AGREEMENT

THIS REGISTRAR'S AGREEMENT, dated as of the 30th day of December, 2008, by and between the POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT, a public service district and 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 $2,500,000 Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund), in fully registered form (the "Series 2008 B Bonds"), pursuant to a Bond Resolution of the Issuer duly adopted December 16, 2008, and a Supplemental Resolution of the Issuer duly adopted December 16, 2008 (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 exemption of interest on the Bonds from federal income taxation, 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: Pocahontas County Public Service District
HC 63 Box 122
Frank, West Virginia 26920
Attention: Chairman

REGISTRAR: The Huntington National Bank
One Huntington Square
Charleston, West Virginia 25301
Attention: Corporate Trust Department

8. 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.

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By: _____
Its: Chairman

THE HUNTINGTON NATIONAL BANK

By: _____
Its: Authorized Officer

12.11.08
710090.00005

CH5036155.1

EXHIBIT A

Bond Legislation included in bond transcript as Documents No. 1 and No. 2

SCHEDULE OF COMPENSATION

(See attached)

Private Financial Group
P.O. Box 633 - WE3013
Charleston, West Virginia 25322-0633

Huntington

STATEMENT OF REGISTRAR'S FEES
Invoice Date December 30, 2008

Pocahontas County Public Service District
Account Number 6089001809

Pocahontas County Public Service District
Sewer Revenue Bond, Series 2008 A
C/o John C. Stump
Steptoe & Johnson, PLLC
P.O. Box 1588
Charleston, WV 25326-1588

SUMMARY OF ACCOUNT

****

FEE CALCULATION FOR December, 2008

****

TOTAL AMOUNT	$	500.00
TOTAL DUE	**$**	**500.00**

* FEE INVOICES ARE PAYABLE WITHIN 30 DAYS. IF PAYMENT *
* IS NOT RECEIVED, FEES WILL BE DEDUCTED FROM THE PLAN *
* .. MAIL CHECK TO: HUNTINGTON NATIONAL BANK, ATTN: BARRY. . *
* .. GRIFFITH, PO BOX 633, CHARLESTON, WV 25322-0633 . . . . . *

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT
Barry Morgan Griffith at (304)348-5035

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
SMALL FACILITY SEWAGE SLUDGE MANAGEMENT REPORT

FACILITY NAME (The Inn at Snowshoe)POCAHONTAS COUNTY PSD
ADDRESS Hc 63 Box 122, Frank, WV 24920

DESIGN FLOW 20,000 gpd
REGISTRATION NO. WVG550692
REPORT YEAR _____

LIQUID SLUDGE

Amount Removed From Facility This Year(Gallons) _____
Liquid Sludge Removed By _____

Frequency of Removal(Occurrences per Year) _____
Septage Hauler Registration Number _____

DRY SLUDGE AND SAND

Amount of Dry Sewage Sludge, Sand, or Other Filter Media Removed This Year(Tons) _____
Location of Disposal _____

Method of Disposal _____

POLISHING POND CLEANING

Amount Removed This Year(Gallons) _____
Method of Disposal _____

Liquid Sludge Removed By _____
Location of Disposal _____

ADDITIONAL COMMENTS OR EXPLANATION _____

I certify under penalty of law that the sewage management practices are requirements of Federal regulations 40 CFR Part 503 and state sludge regulations Title 33, Series 2 have been met and that all sewage sludge disposed from this facility during this reporting period is reconciled and accounted for in this sewage sludge management report. This determination has been made under my direction and supervision in accordance with the system designed to ensure that qualified personnel properly gather and evaluate the information used to determine that these requirements have been met.

I also certify that this document and all the attachments were prepared under my direction or supervision, and that this information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that these are significant penalities for false certification including the possibility of fine and imprisonment.

OFFICIAL _____
SIGNATURE _____

TITLE _____
DATE _____

WRD 2A-82
LIMITATION CATEGORY: 1A
GEN. PMT. REGISTRATION NO. WVG550692

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

Final Limitations

FACILITY NAME: (The Inn at Snowshoe) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0103110 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-B Flow,in Conduit or thru plant Year Round	Reported												
	Permit Limits	N/A	N/A			N/A	0.02 Max. Daily	N/A	N/A	mgd		1/quarter	Estimated
00310 (ML-B) RF-B BOD, 5-Day 20 Deg.C Year Round	Reported												
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l		30 Avg. Monthly	60 Max. Daily	75 Inst. Max.	N/A	mg/l		1/quarter	Grab
00530 (ML-A) RF-B Total Suspended Solids Year Round	Reported												
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily	mg/l		30 Avg. Monthly	60 Max. Daily	75 Inst. Max.	N/A	mg/l		1/quarter	Grab
74055 (ML-A) RF-B Coliform, Fecal Year Round	Reported												
	Permit Limits	N/A	N/A			200 Mo. Geo. Mean	400 Max. Daily	500 Inst. Max.	N/A	Cnts/100		1/quarter	Grab
00400 (ML-A) RF-B pH Year Round	Reported												
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.	N/A	S.U.		1/quarter	Grab
00600 (ML-A) RF-C Nitrogen, Total (as N) Year Round	Reported												
	Permit Limits	N/A	N/A			Rpt Only Avg. Monthly	Rpt Only Max. Daily	Rpt Only Inst. Max.	N/A	mg/l		1/6 months	Grab
00665 (ML-A) RF-C Phosphorus, Total Year Round	Reported												
	Permit Limits	N/A	N/A			Rpt Only Avg. Monthly	Rpt Only Max. Daily	Rpt Only Inst. Max.	N/A	mg/l		1/6 months	Grab
50060 (ML-A) RF-B Chlorine, Total Residual Year Round	Reported												
	Permit Limits	N/A	N/A			0 Avg. Monthly	0 Max. Daily	0 Inst. Max.	N/A	ug/l		1/quarter	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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-A Flow,in Conduit or thru plant Year Round	Reported								N/A	mgd		Continuous	measured
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	92 Avg. Monthly	184 Max. Daily	Lbs/Day		N/A	20 Avg. Monthly	40 Max. Daily					
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	138 Avg. Monthly	276 Max. Daily	Lbs/Day		N/A	30 Avg. Monthly	60 Max. Daily					
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported								N/A	Cnts/100		2/month	Grab
	Permit Limits	N/A	N/A			N/A	200 Mo. Geo. Mean	400 Max. Daily					
00400 (ML-A) RF-A pH Year Round	Reported								N/A	S.U.		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.					
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported								N/A	mg/l		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	N/A					

* CEL = Compliance Evaluation Level

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

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00600 (ML-A) RF-B Nitrogen, Total (as N) Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
00665 (ML-A) RF-B Phosphorus, Total Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
01114 (ML-A) RF-D Lead, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/year	8 hr comp
	Permit Limits	N/A	N/A										
01094 (ML-A) RF-A Zinc, Total Recoverable Year Round	Reported					N/A	0.047 Avg. Monthly	0.117 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00900 (ML-A) RF-B Hardness, Total (as CaCO3) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										
01104 (ML-1) RF-A Aluminum, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00940 (ML-1) RF-B Chloride (as Cl) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										

* 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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-A Flow,in Conduit or thru plant Year Round	Reported								N/A	mgd		Continuous	measured
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	92 Avg. Monthly	184 Max. Daily	Lbs/Day		N/A	20 Avg. Monthly	40 Max. Daily					
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	138 Avg. Monthly	276 Max. Daily	Lbs/Day		N/A	30 Avg. Monthly	60 Max. Daily					
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported								N/A	Cnts/100		2/month	Grab
	Permit Limits	N/A	N/A			N/A	200 Mo. Geo. Mean	400 Max. Daily					
00400 (ML-A) RF-A pH Year Round	Reported								N/A	S.U.		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.					
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported								N/A	mg/l		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	N/A					

* 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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00610 (ML-A) RF-A Ammonia Nitrogen Summer Mar 1-Nov 30	Reported			Lbs/Day		N/A	6.8 Avg. Monthly	13.7 Max. Daily	N/A	mg/l		2/month	8 hr comp
	Permit Limits	31 Avg. Monthly	63 Max. Daily										
00600 (ML-A) RF-B Nitrogen, Total (as N) Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
00665 (ML-A) RF-B Phosphorus, Total Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
01114 (ML-A) RF-D Lead, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/year	8 hr comp
	Permit Limits	N/A	N/A										
01094 (ML-A) RF-A Zinc, Total Recoverable Year Round	Reported					N/A	0.047 Avg. Monthly	0.117 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00900 (ML-A) RF-B Hardness, Total (as CaCO3) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										
01104 (ML-1) RF-A Aluminum, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										

* CEL = Compliance Evaluation Level

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

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00940 (ML-1) RF-B Chloride (as Cl) Year Round	Reported								N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				

* 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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-A Flow,in Conduit or thru plant Year Round	Reported								N/A	mgd		Continuous	measured
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	92 Avg. Monthly	184 Max. Daily	Lbs/Day		N/A	20 Avg. Monthly	40 Max. Daily					
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	138 Avg. Monthly	276 Max. Daily	Lbs/Day		N/A	30 Avg. Monthly	60 Max. Daily					
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported								N/A	Cnts/100		2/month	Grab
	Permit Limits	N/A	N/A			N/A	200 Mo. Geo. Mean	400 Max. Daily					
00400 (ML-A) RF-A pH Year Round	Reported								N/A	S.U.		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.					
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported								N/A	mg/l		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	N/A					

* 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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00610 (ML-A) RF-A Ammonia Nitrogen Winter Dec 1-Feb 28	Reported			Lbs/Day		N/A	8.7 Avg. Monthly	17.5 Max. Daily	N/A	mg/l		2/month	8 hr comp
	Permit Limits	40 Avg. Monthly	80 Max. Daily										
00600 (ML-A) RF-B Nitrogen, Total (as N) Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
00665 (ML-A) RF-B Phosphorus, Total Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
01114 (ML-A) RF-D Lead, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/year	8 hr comp
	Permit Limits	N/A	N/A										
01094 (ML-A) RF-A Zinc, Total Recoverable Year Round	Reported					N/A	0.047 Avg. Monthly	0.117 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00900 (ML-A) RF-B Hardness, Total (as CaCO3) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										
01104 (ML-1) RF-A Aluminum, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										

* CEL = Compliance Evaluation Level

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

WRD 2A-82

Interim Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00940 (ML-1) RF-B Chloride (as Cl) Year Round	Reported								N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				

* 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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-A Flow,in Conduit or thru plant Year Round	Reported								N/A	mgd		Continuous	measured
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	92 Avg. Monthly	184 Max. Daily	Lbs/Day		N/A	20 Avg. Monthly	40 Max. Daily					
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	138 Avg. Monthly	276 Max. Daily	Lbs/Day		N/A	30 Avg. Monthly	60 Max. Daily					
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported								N/A	Cnts/100		2/month	Grab
	Permit Limits	N/A	N/A			N/A	200 Mo. Geo. Mean	400 Max. Daily					
00400 (ML-A) RF-A pH Year Round	Reported								N/A	S.U.		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.					
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported								N/A	mg/l		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	N/A					

* 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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00600 (ML-A) RF-B Nitrogen, Total (as N) Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
00665 (ML-A) RF-B Phosphorus, Total Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported					N/A	0.011 Avg. Monthly	0.015 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
01114 (ML-A) RF-D Lead, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/year	8 hr comp
	Permit Limits	N/A	N/A										
01094 (ML-A) RF-A Zinc, Total Recoverable Year Round	Reported					N/A	0.047 Avg. Monthly	0.117 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00900 (ML-A) RF-B Hardness, Total (as CaCO3) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										
01104 (ML-1) RF-A Aluminum, Total Recoverable Year Round	Reported					N/A	0.071 Avg. Monthly	0.143 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00940 (ML-1) RF-B Chloride (as Cl) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										

* CEL = Compliance Evaluation Level

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

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-A Flow,in Conduit or thru plant Year Round	Reported								N/A	mgd		Continuous	measured
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	92 Avg. Monthly	184 Max. Daily	Lbs/Day		N/A	20 Avg. Monthly	40 Max. Daily					
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	138 Avg. Monthly	276 Max. Daily	Lbs/Day		N/A	30 Avg. Monthly	60 Max. Daily					
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported								N/A	Cnts/100		2/month	Grab
	Permit Limits	N/A	N/A			N/A	200 Mo. Geo. Mean	400 Max. Daily					
00400 (ML-A) RF-A pH Year Round	Reported								N/A	S.U.		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.					
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported								N/A	mg/l		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	N/A					

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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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00610 (ML-A) RF-A Ammonia Nitrogen Summer Mar 1-Nov 30	Reported			Lbs/Day		N/A	6.8 Avg. Monthly	13.7 Max. Daily	N/A	mg/l		2/month	8 hr comp
	Permit Limits	31 Avg. Monthly	63 Max. Daily										
00600 (ML-A) RF-B Nitrogen, Total (as N) Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
00665 (ML-A) RF-B Phosphorus, Total Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported					N/A	0.011 Avg. Monthly	0.015 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
01114 (ML-A) RF-D Lead, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/year	8 hr comp
	Permit Limits	N/A	N/A										
01094 (ML-A) RF-A Zinc, Total Recoverable Year Round	Reported					N/A	0.047 Avg. Monthly	0.117 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00900 (ML-A) RF-B Hardness, Total (as CaCO3) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										
01104 (ML-1) RF-A Aluminum, Total Recoverable Year Round	Reported					N/A	0.071 Avg. Monthly	0.143 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										

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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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00940 (ML-1) RF-B Chloride (as Cl) Year Round	Reported								N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				

* CEL = Compliance Evaluation Level

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Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
50050 (ML-1) RF-A Flow,in Conduit or thru plant Year Round	Reported								N/A	mgd		Continuous	measured
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
00310 (ML-B) RF-A BOD, 5-Day 20 Deg.C Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	92 Avg. Monthly	184 Max. Daily	Lbs/Day		N/A	20 Avg. Monthly	40 Max. Daily					
00530 (ML-A) RF-A Total Suspended Solids Year Round	Reported								N/A	mg/l		2/month	8 hr comp
	Permit Limits	138 Avg. Monthly	276 Max. Daily	Lbs/Day		N/A	30 Avg. Monthly	60 Max. Daily					
81010 (ML-K) RF-A BOD, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
81011 (ML-K) RF-A Suspended Solids, % Removal Year Round	Reported								N/A	Percent		2/month	Calculated
	Permit Limits	N/A	N/A			85 Month. Avg. Min.	N/A	N/A					
74055 (ML-A) RF-A Coliform, Fecal Year Round	Reported								N/A	Cnts/100		2/month	Grab
	Permit Limits	N/A	N/A			N/A	200 Mo. Geo. Mean	400 Max. Daily					
00400 (ML-A) RF-A pH Year Round	Reported								N/A	S.U.		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	9 Inst. Max.					
00300 (ML-A) RF-A Dissolved Oxygen Year Round	Reported								N/A	mg/l		2/month	Grab
	Permit Limits	N/A	N/A			6 Inst. Min.	N/A	N/A					

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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
Title of Officer		Signature of Principal Executive Officer or Authorized Agent

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD

LOCATION OF FACILITY: SLATYFORK; Pocahontas County

PERMIT NO.: WV0023311 OUTLET NO.: 001

WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:

CERTIFIED LABORATORY ADDRESS:

INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00610 (ML-A) RF-A Ammonia Nitrogen Winter Dec 1-Feb 28	Reported			Lbs/Day		N/A	8.7 Avg. Monthly	17.5 Max. Daily	N/A	mg/l		2/month	8 hr comp
	Permit Limits	40 Avg. Monthly	80 Max. Daily										
00600 (ML-A) RF-B Nitrogen, Total (as N) Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
00665 (ML-A) RF-B Phosphorus, Total Year Round	Reported			Lbs/Day		N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	Rpt Only Avg. Monthly	Rpt Only Max. Daily										
01119 (ML-A) RF-A Copper, Total Recoverable Year Round	Reported					N/A	0.011 Avg. Monthly	0.015 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
01114 (ML-A) RF-D Lead, Total Recoverable Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/year	8 hr comp
	Permit Limits	N/A	N/A										
01094 (ML-A) RF-A Zinc, Total Recoverable Year Round	Reported					N/A	0.047 Avg. Monthly	0.117 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										
00900 (ML-A) RF-B Hardness, Total (as CaCO3) Year Round	Reported					N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily	N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A										
01104 (ML-1) RF-A Aluminum, Total Recoverable Year Round	Reported					N/A	0.071 Avg. Monthly	0.143 Max. Daily	N/A	mg/l		1/month	8 hr comp
	Permit Limits	N/A	N/A										

* CEL = Compliance Evaluation Level

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

WRD 2A-82

Final Limitations

STATE OF WEST VIRGINIA
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM
DISCHARGE MONITORING REPORT

FACILITY NAME: (Snowshoe Village) POCAHONTAS COUNTY PSD
LOCATION OF FACILITY: SLATYFORK; Pocahontas County
PERMIT NO.: WV0023311 OUTLET NO.: 001
WASTELOAD FOR THE MONTH OF:

CERTIFIED LABORATORY NAME:
CERTIFIED LABORATORY ADDRESS:
INDIVIDUAL PERFORMING ANALYSIS:

Parameter		Quantity				Other Units						Measurement Frequency	Sample Type
				Units	N.E.				CEL*	Units	N.E.		
00940 (ML-1) RF-B Chloride (as Cl) Year Round	Reported								N/A	mg/l		1/quarter	8 hr comp
	Permit Limits	N/A	N/A			N/A	Rpt Only Avg. Monthly	Rpt Only Max. Daily					
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				
									N/A				

* CEL = Compliance Evaluation Level

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

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

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
(304) 353-8147
Armando.Benincasa@steptoe-johnson.com

November 26, 2008

S & J FILE COPY
HAND DELIVERED
Date: 11/26/2008
Received by: JWhese
Agency: DEP

Via Hand Delivery

Yogesh Patel, P.E.
Division of Water and Waste Management
West Virginia Department of
Environmental Protection
601 57th Street SE
Charleston, West Virginia 25304

11-26-08P02:44 RCVD
RECEIVED
NOV 26 2008
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Re: Transfer of West Virginia National Pollutant Discharge Elimination System Permits WVG550692, WV0023322, and WV0082937.

Dear Mr. Patel:

Please accept this correspondence as formal request on behalf of the Pocahontas County Public Service District to transfer legal responsibility for compliance with the terms and conditions of the following WV/NPDES Permits Number WVG550692 and WV0023322 on December 30, 2008 from Snowshoe Mountain, Inc., and WV/NPDES Permit Number WV0082937 from Snowshoe Water and Sewer, Inc., to the Pocahontas County Public Service District pursuant to 47 Code of State Regulation, Section 3.5.d.

In furtherance of this request, please find enclosed copies of the WRD 10-64N forms executed for each facility, a copy of that certain Consent Decree entered by the Circuit Court of Pocahontas County requiring the transfer of permit authority from the Snowshoe entities to the Pocahontas County Public Service District, and a Letter Agreement executed and entered into by the parties setting forth the time of transfer of permit responsibility. Originals of each form and the agreement will be forwarded upon receipt.

Should you have any questions regarding this request, please contact me at (304) 353-8147. Thank you in advance for your time and attention to this matter.

Sincerely,

Armando Benincasa

Enclosure
AFB/dav
cc: Tom Michael, Esq.
Tom McJunkin, Esq
John Stump, Esq.

CH5045031v1

LETTER AGREEMENT

Dated: November 25, 2008

Yogesh Patel, P.E.
Division of Water and Waste Management
West Virginia Department of
Environmental Protection
601 57th Street SE
Charleston, West Virginia 25304

Re: Transfer of West Virginia National Pollutant Discharge Elimination System Permits WVG550692, WV0023311, and WV0082937.

Dear Mr. Patel,

This Letter Agreement is hereby entered into by and between Snowshoe Mountain, Inc., Snowshoe Water and Sewer, Inc., and the Pocahontas County Public Service District (jointly referred to as the "parties") and is further forwarded to the West Virginia Department of Environmental Protection as part of that certain request for transfer of permit responsibility for the following permits from Snowshoe Mountain, Inc., and Snowshoe Water and Sewer, Inc., to the Pocahontas County Public Service District:

1. WV/NPDES Permit No. WVG550692;
2. WV/NPDES Permit No. WV0023311; and
3. WV/NPDES Permit No. WV0082937.

The parties to this agreement state, pursuant to such other agreements heretofore previously agreed to and hereby acknowledged by the parties, that Snowshoe Mountain, Inc., and Snowshoe Water and Sewer, Inc., have agreed to sell the above-referenced facilities to the Pocahontas County Public Service District. The current anticipated closing date for these transactions is December 30, 2008.

Upon the date of sale, the Pocahontas County Public Service District agrees to and shall assume all legal rights and duties with regard to the proper operation and maintenance of wastewater treatment facilities referenced above and agrees to and shall assume all responsibility for compliance with the terms and conditions of permits referenced above. Further, the Pocahontas County Public Service District hereby affirmatively states it has the ability to comply with those terms and conditions of the permits referenced above.

By agreement of the parties, please note that this Letter Agreement is being signed in counterparts by the parties. Should you have any questions regarding this request, please contact Armando Benincasa, Esquire at (304) 353-8147.

Sincerely,

William C. Rock

Snowshoe Mountain, Inc.

Its: President + Chief Operating Officer

William C. Rock

Snowshoe Water and Sewer, Inc.

Its: Authorized Representative

William C. Russell

Pocahontas County Public Service District

Its: Chairman

west virginia department of environmental protection

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

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

WRD 10-64N
Revised 12/2005

Date:

To: Department of Environmental Protection
Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304-2345

This is to notify you that by agreement dated the 30th day of December, 2008.
Inn at Snowshoe
10 Snowshoe Drive, Snowshoe, WV 26209, in Pocahontas County,
(Facility Name and Mailing Address)

West Virginia, which is currently owned and operated by Snowshoe Mountain, Inc.,
Pocahontas County Public Service District
Will be purchased by HC 63, Box 122, Frank, WV 24920.
(New Owner Name and Mailing Address)

The above property is to be operated as Inn at Snowshoe
(Facility Name or Number)

and there will be full compliance with the terms and conditions of such permit, with the plans and specifications submitted with the application for such permit and with the plan of maintenance and method of operation of the activity submitted on or with such application.

It is requested that WV/NPDES Water Pollution Control Permit No. WVG550692 issued on 9th day of December, 20 04, be transferred to the undersigned.

(SELLER)	(BUYER)
William C. Rock	William C. Rexrode
(Signature)	(Signature)
William C. Rock	William Rexrode
(Print or Type Name)	(Print or Type Name)
President and COO	Chairman
(Title)	(Title)
Snowshoe Mountain, Inc.	Pocahontas County Public Service District
(Company Name)	(Company Name)
(304) 572-5601	(304) 456-3127
(Telephone)	(Telephone)
10 Snowshoe Drive	HC 63, Box 122
(Mailing Address)	(Mailing Address)
Snowshoe, WV 26209	Frank, WV 24920
brock@snowshoemtn.com	
(Email Address)	(Email Address)

west virginia department of environmental protection

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

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

WRD 10-64N
Revised 12/2005

Date:

To: Department of Environmental Protection
Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304-2345

This is to notify you that by agreement dated the 31st day of December, 2008,
Snowshoe Village
10 Snowshoe Drive, Snowshoe, WV 26209, in Pocahontas County,
(Facility Name and Mailing Address)

West Virginia, which is currently owned and operated by Snowshoe Mountain, Inc.,
Pocahontas County Public Service District
Will be purchased by HC 63, Box 122, Frank, WV 24920;
(New Owner Name and Mailing Address)

The above property is to be operated as Snowshoe Village
(Facility Name or Number)

and there will be full compliance with the terms and conditions of such permit, with the plans and specifications submitted with the application for such permit and with the plan of maintenance and method of operation of the activity submitted on or with such application.

WRD 10-64N
Page 2
Revised 12/2005

It is requested that WV/NPDES Water Pollution Control Permit No. WV0023311 issued on 12th day of July, 2007, be transferred to the undersigned.

(SELLER)

William C. Rock
(Signature)

William C. Rock
(Print or Type Name)

President and COO
(Title)

Snowshoe Mountain, Inc.
(Company Name)

(304) 572-5601
(Telephone)

10 Snowshoe Drive
(Mailing Address)

Snowshoe, WV 26209

brock@SnowshoeMTN.com
(Email Address)

(BUYER)

William C. Rexrode
(Signature)

William Rexrode
(Print or Type Name)

Chairman
(Title)

Pocahontas County Public Service Distric
(Company Name)

(304) 456-3127
(Telephone)

HC 63, Box 122
(Mailing Address)

Frank, WV 24920

(Email Address)

west virginia department of environmental protection

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

Joe Manchin III, Governor
Randy C. Huffman, Cabinet Secretary
www.wvdep.org

WRD 10-64N
Revised 12/2005

Date:

To: Department of Environmental Protection
Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304-2345

This is to notify you that by agreement dated the 30th day of December, 20 08.
Silver Creek
1. Silver Creek Parkway, Snowshoe, WV 26209, in Pocahontas County,
(Facility Name and Mailing Address)

West Virginia, which is currently owned and operated by Snowshoe Water and Sewer, Inc.
Pocahontas County Public Service District
Will be purchased by HC 63; Box 122, Frank, WV 24920
(New Owner Name and Mailing Address)

The above property is to be operated as Silver Creek
(Facility Name or Number)

and there will be full compliance with the terms and conditions of such permit, with the plans and specifications submitted with the application for such permit and with the plan of maintenance and method of operation of the activity submitted on or with such application.

It is requested that WV/NPDES Water Pollution Control Permit No. WV0082937 issued on 7th day of April, 20 08, be transferred to the undersigned.

(SELLER)	(BUYER)
William C. Rock	William E Rexrode
(Signature)	(Signature)
William C. Rock	William Rexrode
(Print or Type Name)	(Print or Type Name)
Authorized Corporate Representative	Chairman
(Title)	(Title)
Snowshoe Water and Sewer Inc.	Pocahontas County Public Service Distri
(Company Name)	(Company Name)
(304) 572-5601	(304) 456-3127
(Telephone)	(Telephone)
10 Snowshoe Drive	HC 63, Box 122
(Mailing Address)	(Mailing Address)
Snowshoe, WV 26209	Frank, WV 24920
brock@snowshoemtn.com	
(Email Address)	(Email Address)

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 12/29/2008

PRODUCER
Mountaineer Insurance Services, Inc
PO Box 242
Valley Bend WV 26293
(304) 338-2902

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Philadelphia Insurance Co	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
Pocahontas County PSD Sewer Utility
HC 63 Box 122
Frank WV 24920-

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	JBK1923Q081217-001	12/31/2008	12/31/2009	EACH OCCURRENCE	$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurence)	$ 100,000
						MED EXP (Any one person)	$ 5,000
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$ 2,000,000
						PRODUCTS - COMP/OP AGG	$
		AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	$
						BODILY INJURY (Per person)	$
						BODILY INJURY (Per accident)	$
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT	$
						OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY OCCUR CLAIMS MADE DEDUCTIBLE RETENTION $				EACH OCCURRENCE	$
						AGGREGATE	$
							$
							$
							$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS / OTH-ER	
						E.L. EACH ACCIDENT	$
						E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
A		OTHER PROPERTY-BLANKET COVERAGE	JBK1923Q081217-001	12/31/2008	12/31/2009	BLANKET PROPERTY	4,170,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
BLANKET COVERAGE FOR BUILDING AND EQUIPMENT COVERAGE

CERTIFICATE HOLDER No holders

WV WATER DEVELOPMENT AUTHORITY
BARBARA MEADOWS CPA
180 ASSOCIATION DRIVE
CHARLESTON WV

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE Robert Gibson

© ACORD CORPORATION 1988

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

CLOSING MEMORANDUM

To: **Financing Team**

From: **John C. Stump, Esquire**

Date: **December 30, 2008**

Re: **Pocahontas County Public Service District, Sewer Revenue Bonds, Series 2008 A (West Virginia Infrastructure Fund)**

---

1. DISBURSEMENTS TO POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2008 A Bonds Proceeds
Amount:	$1,320,302.88
Form:	Wire
Payee:	Pocahontas County Public Service District
ABA No:	051504254
Account No:	320595
Bank:	Pendleton County Bank
Contact:	Selina King, 304.799.6700
Account:	Series 2008 A Bonds Project Fund

2. DISBURSEMENTS TO MUNICIPAL BOND COMMISSION

A.

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2008 A Bonds Proceeds
Amount:	$64,104
Form:	Wire
Payee:	Pocahontas County Public Service District
ABA No:	051503394
Account No:	5270517317
Bank:	BB&T for the benefit of Municipal Bond Commission
Contact:	Sara Boardman
Account:	Series 2008 A Bonds Reserve Account

B.

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2008 A Bonds Proceeds
Amount:	$149,727.91
Form:	Wire
Payee:	Pocahontas County Public Service District
ABA No:	051503394
Account No:	5270517317
Bank:	BB&T for the benefit of Municipal Bond Commission
Contact:	Sara Boardman
Purpose:	Payment in full for Sewer Design Notes, Series 2004 A

3. DISBURSEMENTS TO PENDLETON COUNTY BANK

Payor:	West Virginia Infrastructure and Jobs Development Council
Source:	Series 2008 A Bonds Proceeds
Amount:	$205,941.21
Form:	Wire
Payee:	Pocahontas County Public Service District
ABA No:	061003415
Receiving Inst.:	Silverton Bank
Beneficiary Inst.	Pendleton County Bank
Account No.	1005150425
	For Further Credit to Loan Payoff #801689
	Upper Greenbrier Public Service District
Contact:	Selina King, 304.799.6700
Purpose:	Payment in full for Sewer Design Notes, Series 2004 B

TOTAL Disbursements: $1,740,076

12.08.08
710090.00005

CH5036158.1

SWEEP RESOLUTION

Pocahontas County Public Service District

WHEREAS, the Pocahontas County Public Service District (the "Issuer") is a governmental body and political subdivision of West Virginia;

WHEREAS, the Issuer has issued bonds, as more specifically set forth on Exhibit A, attached hereto and incorporated herein by reference (the "Bonds");

WHEREAS, the Issuer makes or will make monthly debt service payments on and transfers reserve funds for 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 finds 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 funds transfer with the State Treasurer sweeping the Issuer's account.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1) The monthly debt service payments on and reserve funds for the Bonds, as set forth in Exhibit A, shall be made to the MBC by an 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 Chairman, Secretary and Treasurer are hereby authorized to sign and execute all such documents as are necessary to facilitate the electronic transfer of the Bond debt service and reserve fund payments.

3) This resolution shall be effective immediately upon adoption.

Adopted this 16th day of December, 2008.

William C Rexrode

Chairman

EXHIBIT A

List each bond issue account and the Bank account number from which the electronic transfer will be made.

Sewer Revenue Bonds, Series 2008 A Sinking Fund	$ TBD
Sewer Revenue Bonds, Series 2008 A Reserve Account	$fully funded @ closing

Required:

Email for main contact:

TRANSFER AGREEMENT

This AGREEMENT, dated the 3rd day of November, 2008, by and between Snowshoe Mountain, Inc., a West Virginia corporation, and Snowshoe Water & Sewer, Inc., a public utility, (hereinafter referred to collectively as "Snowshoe W&S"), and the Pocahontas County Public Service District, a public utility (hereinafter "Pocahontas").

WHEREAS, Snowshoe W&S currently provides wastewater services to approximately 1,800 sewer customers located at the Snowshoe Mountain Resort ("Resort") and, in connection therewith, operates sewer collection and waste treatment facilities within the Resort in Pocahontas County, West Virginia; and

WHEREAS, Pocahontas has proposed constructing a new regional sewer system (the "Regional System") to treat the sewage now being treated by Snowshoe W&S and to serve additional new sewer customers in Pocahontas County but in any event wishes and intends to operate as a wastewater utility that serves current and future wastewater customers at or near the Resort; and

WHEREAS, Snowshoe W&S has offered to contribute to Pocahontas all of Snowshoe W&S' wastewater customers and associated revenues and all of its operating sewer collection and waste treatment facilities, as is where is, which facilities had a book value in excess of $2.7 million, as of December, 2006; and

WHEREAS, Pocahontas wishes to accept Snowshoe W&S' customers and sewer collection facilities and its waste treatment facilities; and

WHEREAS, the parties have accordingly agreed that Snowshoe will contribute all of its wastewater customers and the associated revenues, its sewer collection facilities and its

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W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

waste treatment facilities to Pocahontas, as is where is, all upon the terms and conditions and for the consideration set forth in this Agreement.

NOW, THEREFORE, WITNESS the following Agreement between Snowshoe W&S and Pocahontas:

1. This Agreement is neither binding nor effective until approved by an order of the Public Service Commission of West Virginia ("Commission"). The effective date of this Agreement shall be a date mutually agreed to by the parties not less than one month nor more than four months following the date on which such Commission order is filed.

2. As of the effective date of this Agreement, Snowshoe W&S will transfer ownership of its sewer collection facilities and its wastewater treatment facilities (as described in Appendix A and Appendix B hereof, and referred to herein as the "System"), as is where is. Such transfer of the System shall include the transfer of rights-of-way for access for maintenance and repair, the transfer of Snowshoe W&S' NPDES permits, all customers served by the System and all revenues associated therewith and (subject to paragraph 11 below) of all obligations associated with the System that relate to the provision of utility wastewater services to the public.

3. This Agreement (including the agreements provided for herein and contemplated hereby) constitutes the entire agreement between the parties with respect to the matters addressed and may be amended only in a subsequent writing executed by both parties and approved by the Commission.

4. This Agreement may be assigned by either party, provided prior written notice is given to the other party, and such assignment shall be binding upon all purchasers, successors or assigns, subject to the prior approval of the Commission.

5. Snowshoe W&S has provided or will provide to Pocahontas historical data regarding billing and payment, operation and maintenance costs, and estimated customer water usage of the previous three years.

6. Snowshoe W&S has provided or will provide copies and recording information for any and all easements for the System.

7. Snowshoe W&S will not be required to provide information, including wages, about current employees of Snowshoe W&S who may be available for hire by Pocahontas.

8. Snowshoe W&S has provided or will provide Pocahontas with copies of all sewer main extensions reimbursement agreements applicable to the System, a list of which agreements is set forth in Appendix C hereto, entitled "List of Sewer Main Extension Agreements."

9. Snowshoe W&S has provided or will provide Pocahontas with the results of any smoke tests of the System conducted by or on behalf of Snowshoe W&S prior to the date of this Agreement.

10. Snowshoe W&S paid Pocahontas' engineers to perform a survey depicting and describing the location of the existing mainline collection System and laterals.

11. The section of sewer line located beneath the Shavers Center at the Resort shall be transferred to Pocahontas as part of Snowshoe W&S' collection System. After transfer of the System to Pocahontas, Snowshoe shall nevertheless remain responsible for the cost of repairing and maintaining that section of sewer line until such time as Snowshoe W&S shall have, as its sole cost and expense, relocated the same, at which time Snowshoe W&S shall simultaneously transfer to Pocahontas a right-of-way for access for repair and maintenance thereof. Thereafter, Snowshoe W&S shall have no further obligation or responsibility respecting said section of sewer line. Snowshoe W&S will save and hold harmless Pocahontas from any and all costs and liabilities resulting from the location of the sewer line under the Shavers Center.

12. Pocahontas will seek and secure an Order from the Commission approving this Agreement and the transactions contemplated hereby; and ordering that, from and after the effective date of this agreement, Snowshoe W&S shall cease to be a wastewater public utility under provisions of W. Va. Code Section 24-1-1 et seq.

13. Upon the effective date hereof, Snowshoe W&S will:

    a. Convey to Pocahontas in fee, with general warranty of title, as is where is, all land, buildings, fixtures and other interests in real estate constituting the System, including all booster pump sites, temporary construction easements, permanent easements and rights of way for the existing System. Such conveyance shall be accomplished with respect to the sewer collection facilities as described in Appendix A by a Deed substantially in

the form of Appendix E-1 hereof, a Deed of Easement substantially in the form of Appendix E-2 hereof, and an Assignment of Easement Right substantially in the form of Appendix E-3 hereof.

b. Convey to Pocahontas the wastewater treatment facilities as described in Appendix B, together with temporary construction easements, permanent easements, rights of way, and associated NPDES permits, such conveyance to be accomplished by a general warranty Deed substantially in the form of Appendix E-4 hereof.

c. To the extent not conveyed pursuant to the preceding subparagraphs 13.a and 13.b, convey to Pocahontas, as is where is, by bill of sale, all pipelines, pumps, tanks, equipment and other physical facilities, including fixtures and personal property, included within or constituting a part of the System, together with any transferable manufacturer's warranties associated therewith, and all records, contracts, permits and accounts associated with operation of the System. Such conveyance shall be accomplished by a Bill of Sale substantially in the form of Appendix F hereof.

14. Upon the effective date hereof, all former sewer customers, assets and operational responsibilities and utility obligations of Snowshoe W&S shall become those of Pocahontas for all purposes; and the sewer customers of Pocahontas shall be billed in accordance with Pocahontas' approved tariff.

15. Pocahontas will assume the payment of outstanding obligations under the mainline extension agreements listed in Appendix C hereof.

16. In order to assist Pocahontas in the collection of sewer charges overdue and payable to Pocahontas, Snowshoe W&S will execute a water service termination agreement substantially in the form of Appendix G hereto providing that Snowshoe W&S will terminate water service at the request of Pocahontas to any individual sewer customer whose water service may be reasonably terminated without shutting off service to customers who are not in arrears in the payment for their water services.

17. Snowshoe W&S and Pocahontas understand and agree that after the System is transferred to Pocahontas, it will be the responsibility of Pocahontas to respond to proposals to extend the sewer mains to serve new customers. In this regard, Pocahontas will be governed by the provisions of 150 CSR §5-5.5, as amended.

18. Snowshoe W&S, to the extent it is or may in the future become a customer of Pocahontas, will agree to comply with the requirements of a standard sewer use ordinance adopted by Pocahontas pursuant to resolution, and to enter into a "Sewer Users Agreement" substantially in the form of Appendix H.

19. The parties agree to work cooperatively and in good faith to facilitate the efficient transfer of the assets of the sewer utility.

20. Snowshoe W&S shall indemnify, defend and hold Pocahontas harmless from and against the following types of claims but not otherwise: (i) claims relating to the condition of the System filed prior to the effective date hereof; and (ii) claims not

relating to the condition of the System, regardless of when filed and regardless of the kind or nature of the claim (tort, contract or otherwise), arising or resulting from negligent, grossly negligent or fraudulent conduct by or on behalf of Snowshoe W&S occurring prior to the effective date hereof.

21. This Agreement is binding upon the parties hereto and their successors and assigns.

22. The parties hereto covenant to cooperate with each other and to execute and deliver such further documents of transfer and assignment and take such further action as may be reasonable and necessary in order to accomplish and formalize the transactions provided for in the Agreement. The parties hereto agree that any amendment(s) to this Transfer Agreement, as well as any assignment thereof, in whole or in part, shall not be valid unless and until approved by the Commission.

WITNESS the following signatures;

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By: William C. Rexrode
William Rexrode, Chairman

SNOWSHOE WATER & SEWER, INC.

By: William C. Rose
_____, President

SNOWSHOE MOUNTAIN, INC.

By: William C. Rose
Title: President

SCHEDULE OF EXHIBITS

Appendix A	Description of Collection System
Appendix B	Description of Wastewater Treatment Facilities
Appendix C	Sewer Main Extension Reimbursement Agreements
Appendix D	Intentionally Left Blank
Appendix E-1	Deed of Assignment Respecting Lands Constituting Part of the Collection System
Appendix E-2	Deed of Easement With Respect to Collection System (Easements Through Lands of Grantor)
Appendix E-3	Assignment of Easement Rights With Respect to Collection System (Through Lands of Third Parties)
Appendix E-4	Deed and Bill of Sale Conveying Wastewater Treatment Facilities (Land and Easements)
Appendix F	Bill of Sale to Personal Property, Records, Contracts, Permits and Accounts Associated with the System
Appendix G	Water Service Termination Agreement
Appendix H	Sewer Users Agreement

APPENDIX A
TO TRANSFER AGREEMENT

Description of Collection System

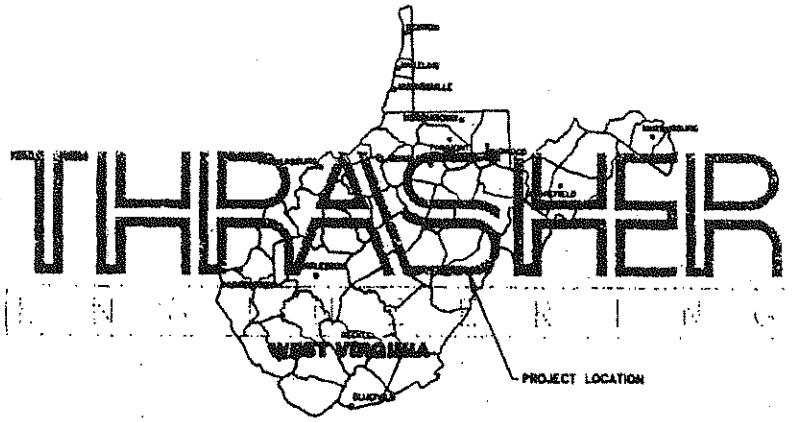
As used in this Agreement, the "Collection Systems" means those facilities owned and used by Snowshoe W&S for the collection of waste water, as distinguished from and not including facilities associated with the treatment of sewage, including all such collection facilities located within the shaded areas as shown on that certain map attached hereto containing sheets numbered 1-20, 20A and 20B, 21-30 and 39 entitled "Pocahontas Public Service District Sanitary Sewer Easement Transfer from Snowshoe Mountain, Inc., formerly known as Snowshoe Resort Management, Inc., Pocahontas County, West Virginia, September, 2004, Revised July 2007" as prepared by Thrasher Engineering (the "Map").

The shaded areas on the Map reflect the approximate location of known main sewer lines (not service lines) as determined by Thrasher Engineering, and may not encompass all of the Collection System.

POCAHONTAS PUBLIC SERVICE DISTR

SANITARY SEWER EASEMENT TRANSFER
FROM
SNOWSHOE MOUNTAIN, INC.
FORMERLY KNOWN AS
SNOWSHOE RESORT MANAGEMENT, I

POCAHONTAS COUNTY WEST VIRGINIA
SEPTEMBER 2004, (REVISED JULY 2007)



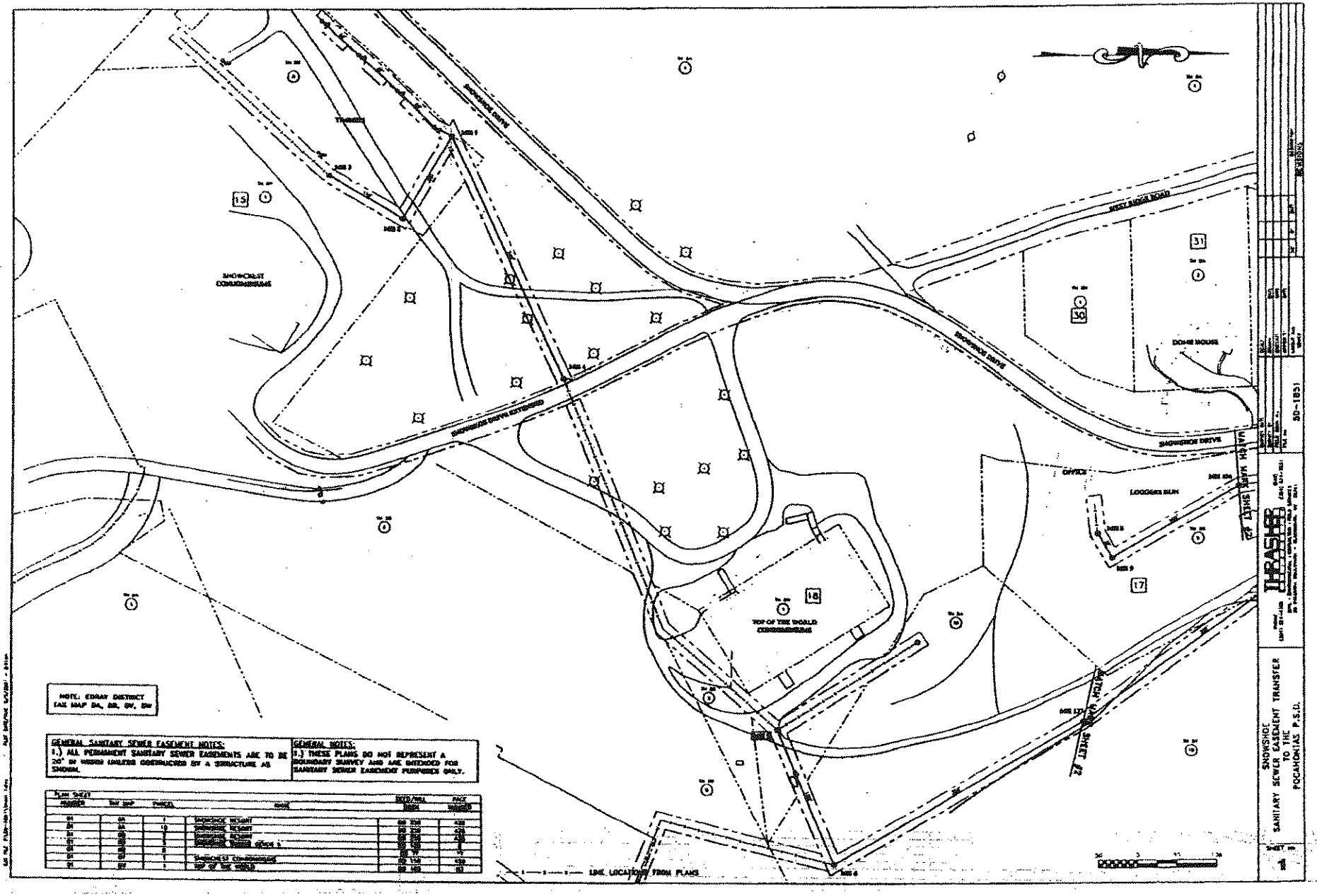
PHONE
(304) 824-4168
THRA
CIVIL ENVIRONMEN
30 COLUMBIA BOULEVAR

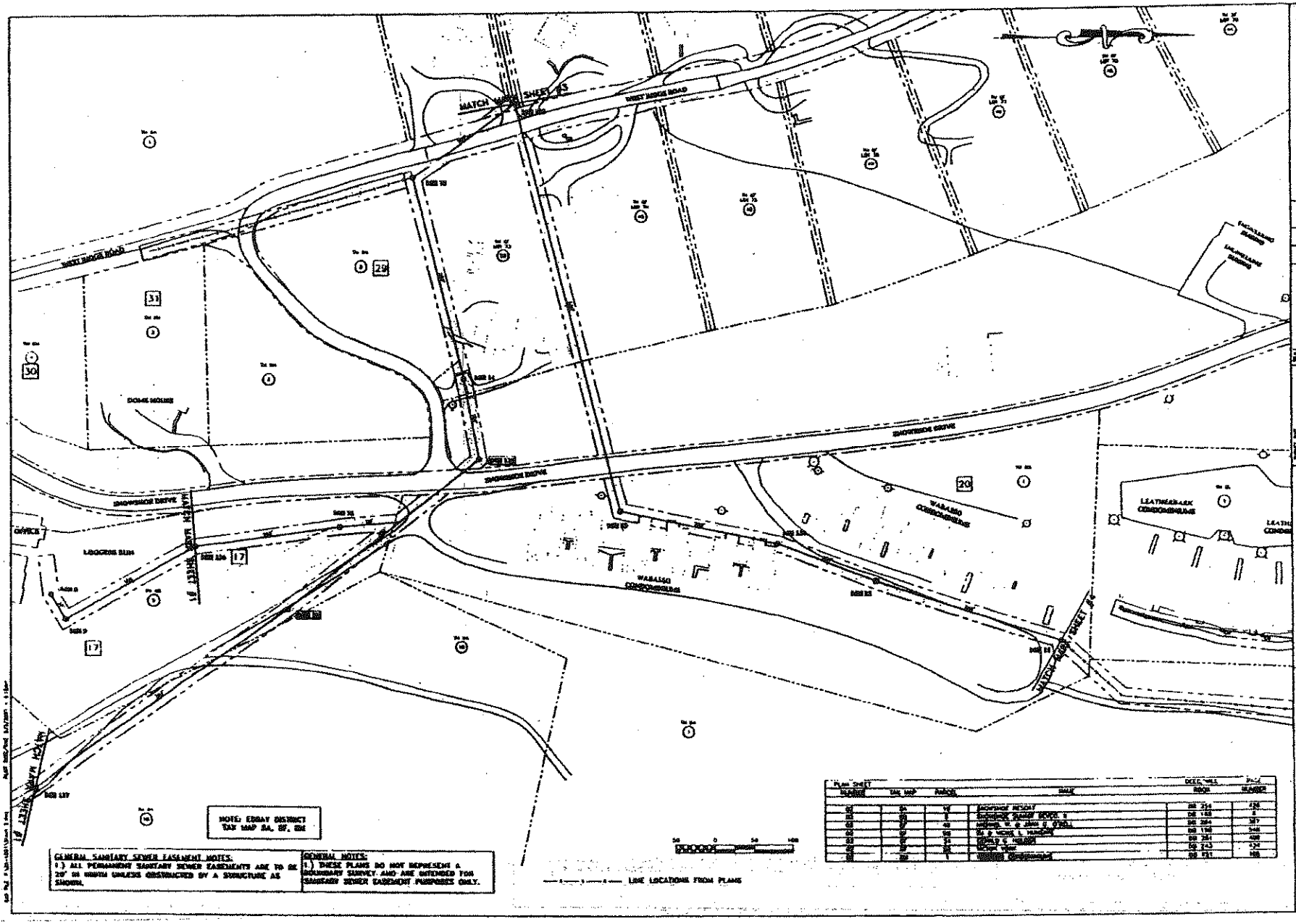
SNOWSHOE
SANITARY SEWER EASEMENT TRANSFER
TO THE
POCAHONTAS P.S.D.

THRASHER

50-1851

REVISION


SNOWCREST CONDOMINIUMS
TRAINING
SNOWSHOE DRIVE
SNOWSHOE DRIVE EXTENDED
WEST RIDGE ROAD
DOME HOUSE
OFFICE
LOGGERS RUN
TOP OF THE WORLD CONDOMINIUMS
MATCH MARK SHEET #2
MATCH MARK SHEET #2
15
18
17
30
31
LINE LOCATIONS FROM PLANS
NOTE: EDRAY DISTRICT
TAX MAP DA, DB, DV, DW
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET NUMBER
TAX MAP
PARCEL
NAME
DEED/WILL BOOK
PAGE NUMBER
SNOWSHOE RESORT
SNOWSHOE RESORT
SNOWSHOE RESORT
SNOWSHOE RESORT
SNOWSHOE RESORT
SNOWCREST CONDOMINIUMS
TOP OF THE WORLD
SNOWSHOE
SANITARY SEWER EASEMENT TRANSFER
TO THE
POCAHONTAS P.S.D.
THRASHER
50-1851



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[illegible]	[illegible]	[illegible]	[illegible]	DB 264	387
[illegible]	[illegible]	[illegible]	[illegible]	DB 198	548
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GENERAL SANITARY SEWER EASEMENT NOTES:
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SNOWSHOE
SEWER EASEMENT TRANSFER
TO THE
POCAHONTAS P.S.D.

TRASHER

50-1851

SHEET No.
2

NOTE: CORAY DISTRICT
TAX MAP 09

GENERAL SANITARY SEWER EASEMENT NOTES:
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PLAN SHEET NUMBER	TAX MAP	PARCEL	NAME	BOOK/VOL. PAGE	PLAT NUMBER
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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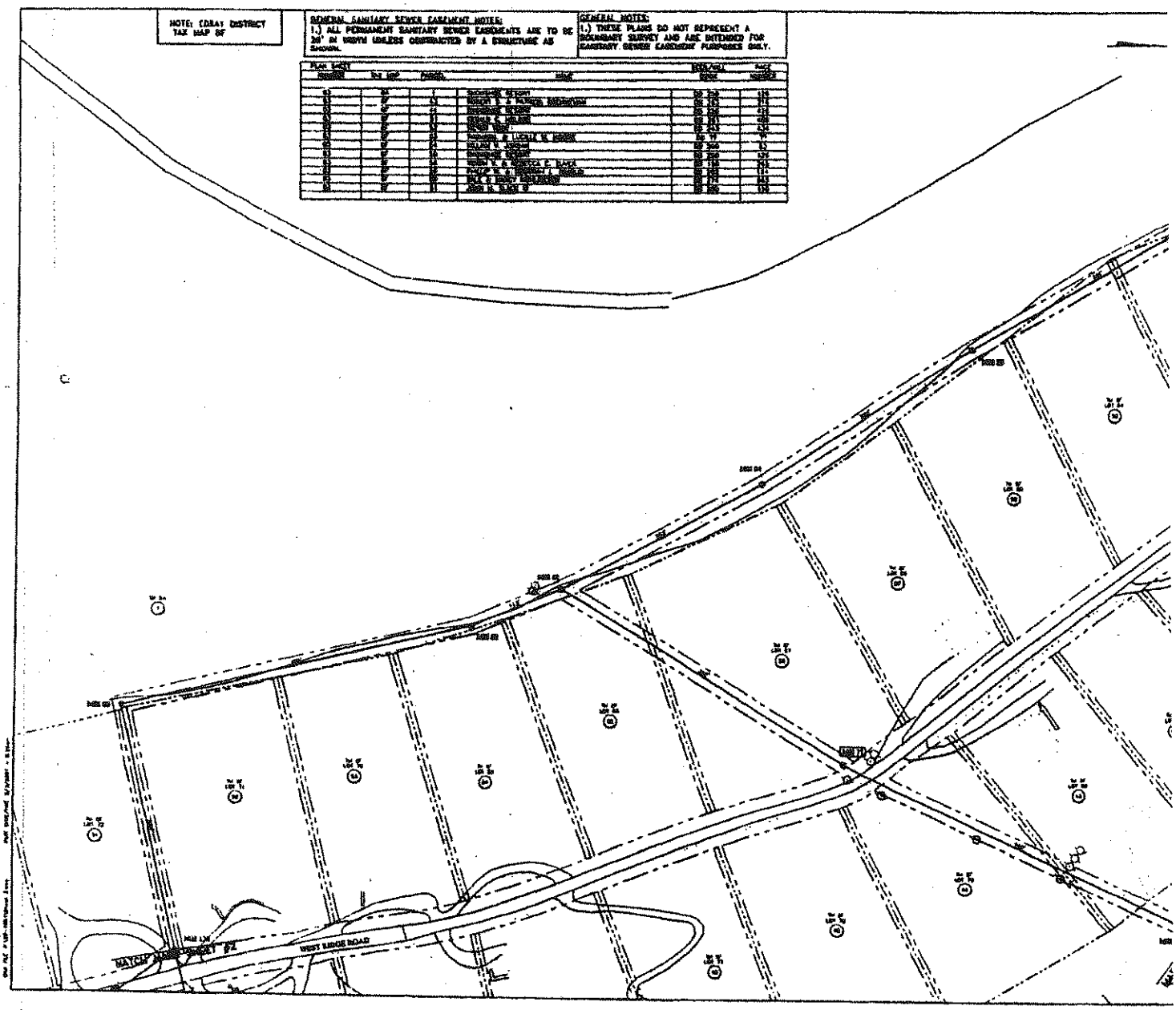

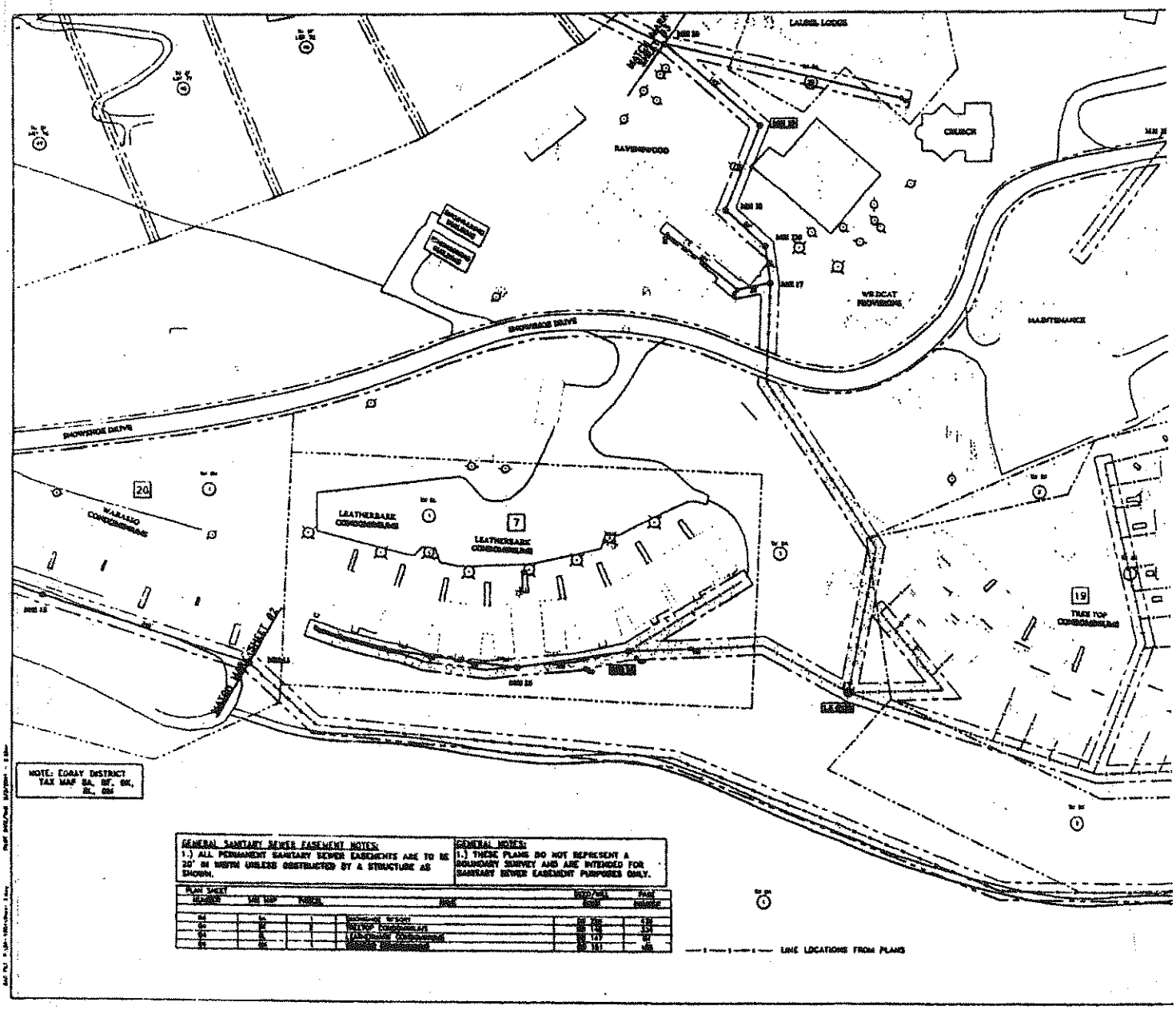

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PLAN SHEET NUMBER	TAX MAP	PARCEL		NAME	DEED/WELL BOOK	PAGE NUMBER
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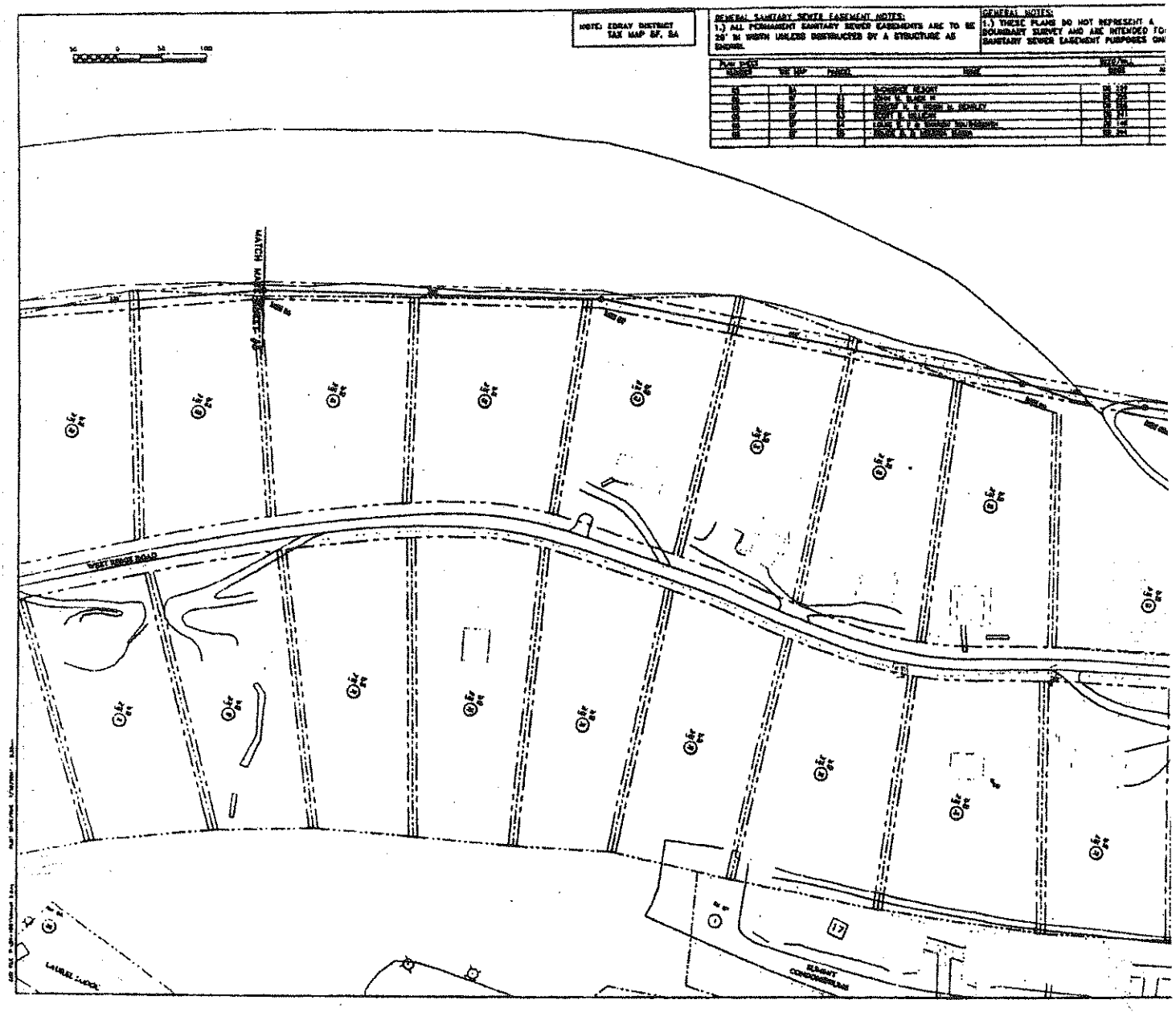
[illegible]	[illegible]			LEATHERBARK CONDOMINIUMS	[illegible]	[illegible]
[illegible]	[illegible]			WARASIO CONDOMINIUMS	[illegible]	[illegible]


NOTE: EDRAY DISTRICT
TAX MAP 8F, 8A
GENERAL SANITARY SEWER EASEMENT NOTES:
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SANITARY SEWER EASEMENT PURPOSES ON
MATCH MAP SHEET 8A
WEST RIDGE ROAD
17
SUMMIT CONDOMINIUMS

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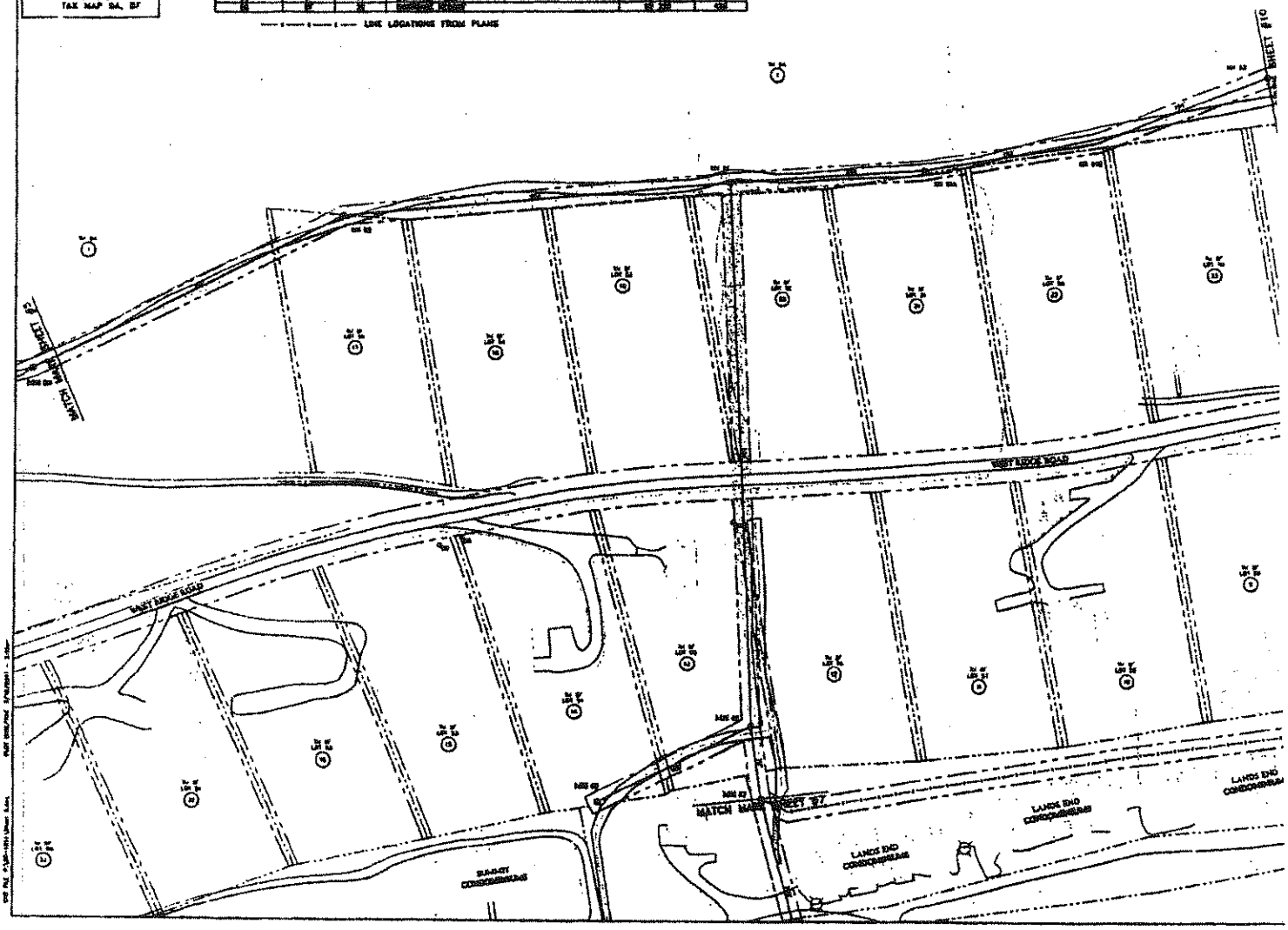
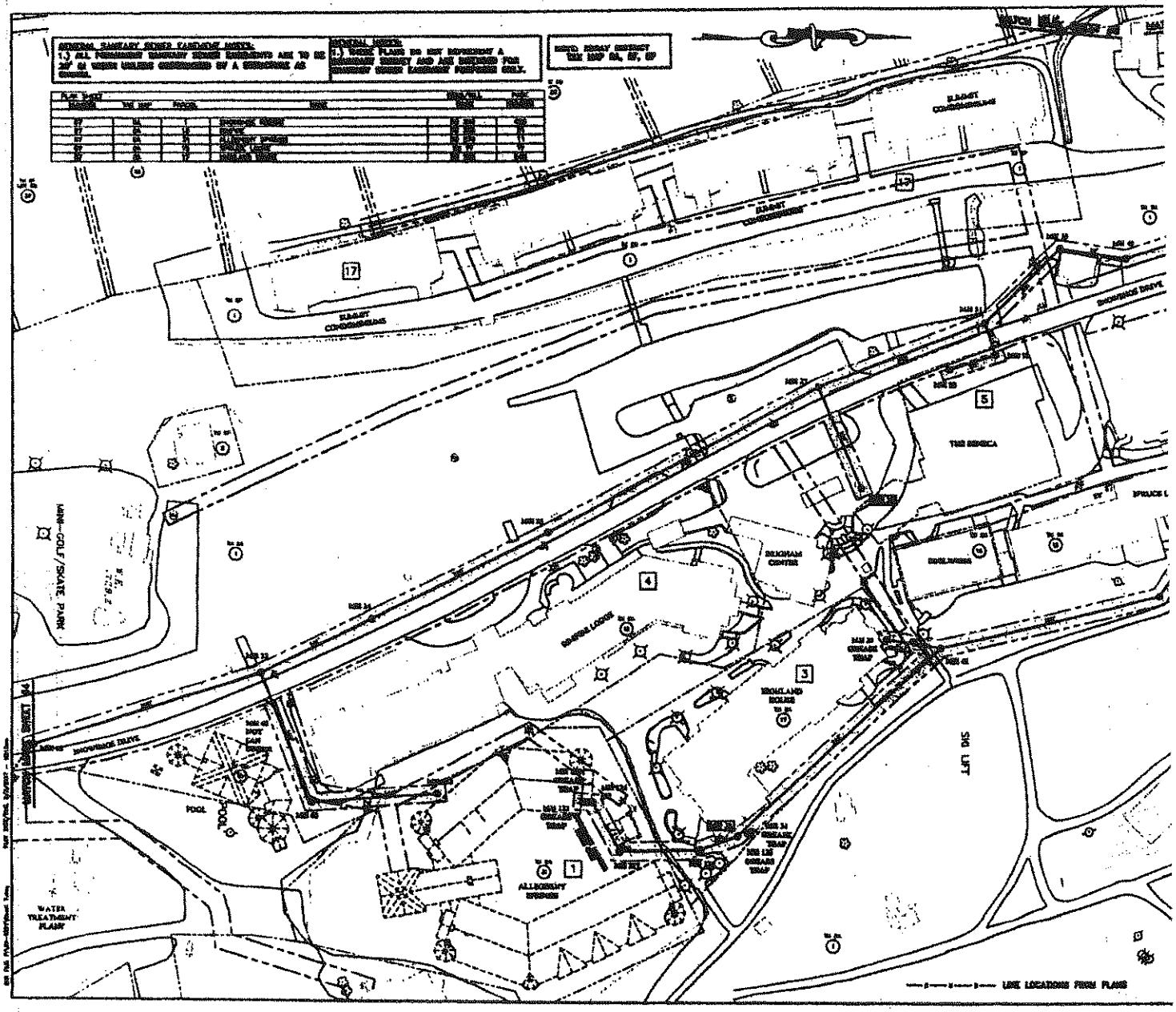
[illegible]	[illegible]	19	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	20	[illegible]	[illegible]	[illegible]

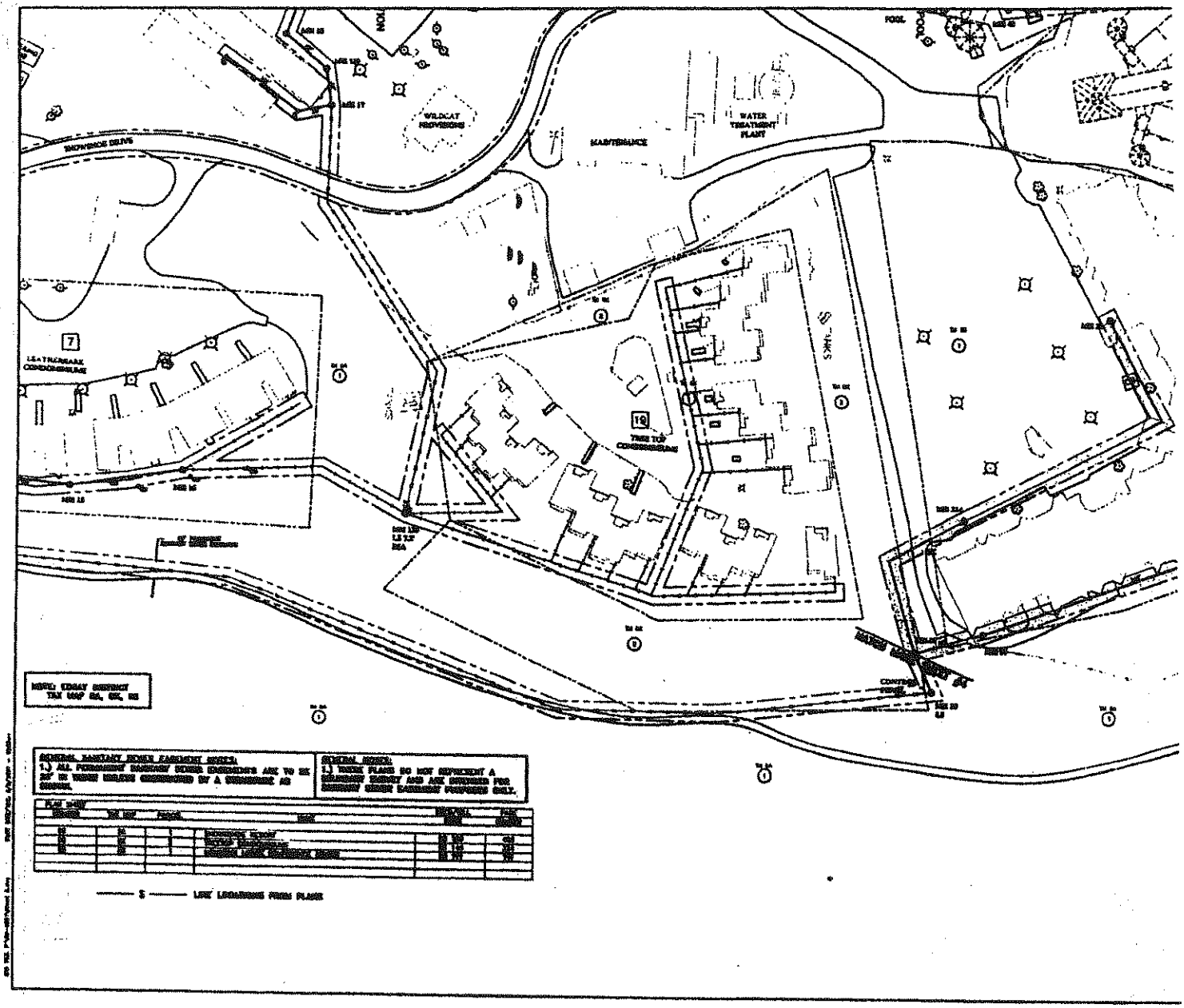
NOTE: FORAY DISTRICT
TAX MAP 9A, 8F

—·—·—·— LINE LOCATIONS FROM PLANS

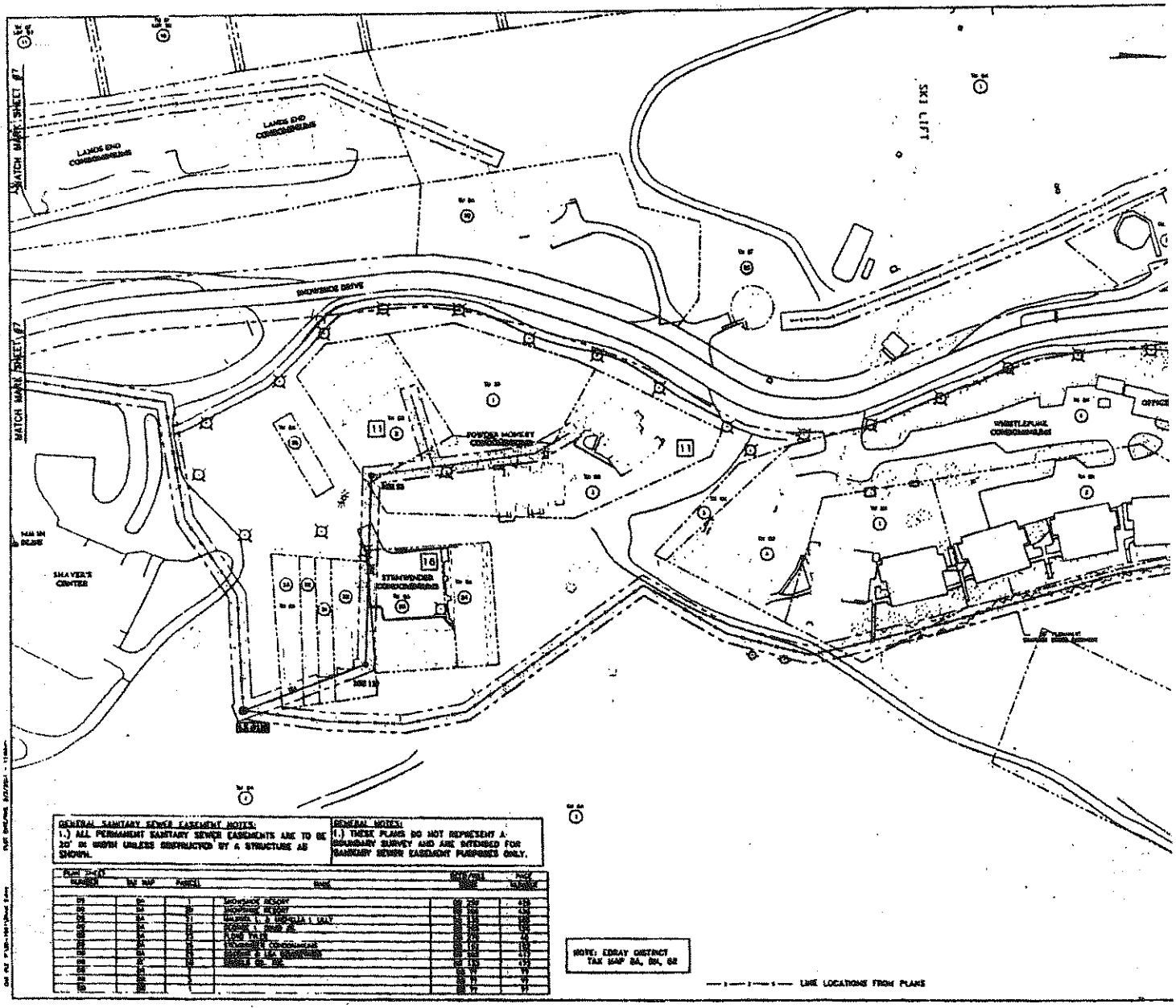




SUMMIT CONDOMINIUMS
SUMMIT CONDOMINIUMS
SNOWRIDGE DRIVE
THE SENECA
BRIGHAM CENTER
SNOWRIDGE LODGE
HIGHLAND HOUSE
ALLEGHENY SPRINGS
SKI LIFT
MINI-GOLF/SKATE PARK
POOL
WATER TREATMENT PLANT
LINE LOCATIONS FROM PLANS



WILDCAT PROVISIONS
MAINTENANCE
WATER TREATMENT PLANT
POOL
7
LEATHERBARK CONDOMINIUMS
19
TREE TOP CONDOMINIUMS
CONTROL POINT



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Plan Sheet Number	Tax Map	Parcel	Name	Date (Rev) Date	Page Number
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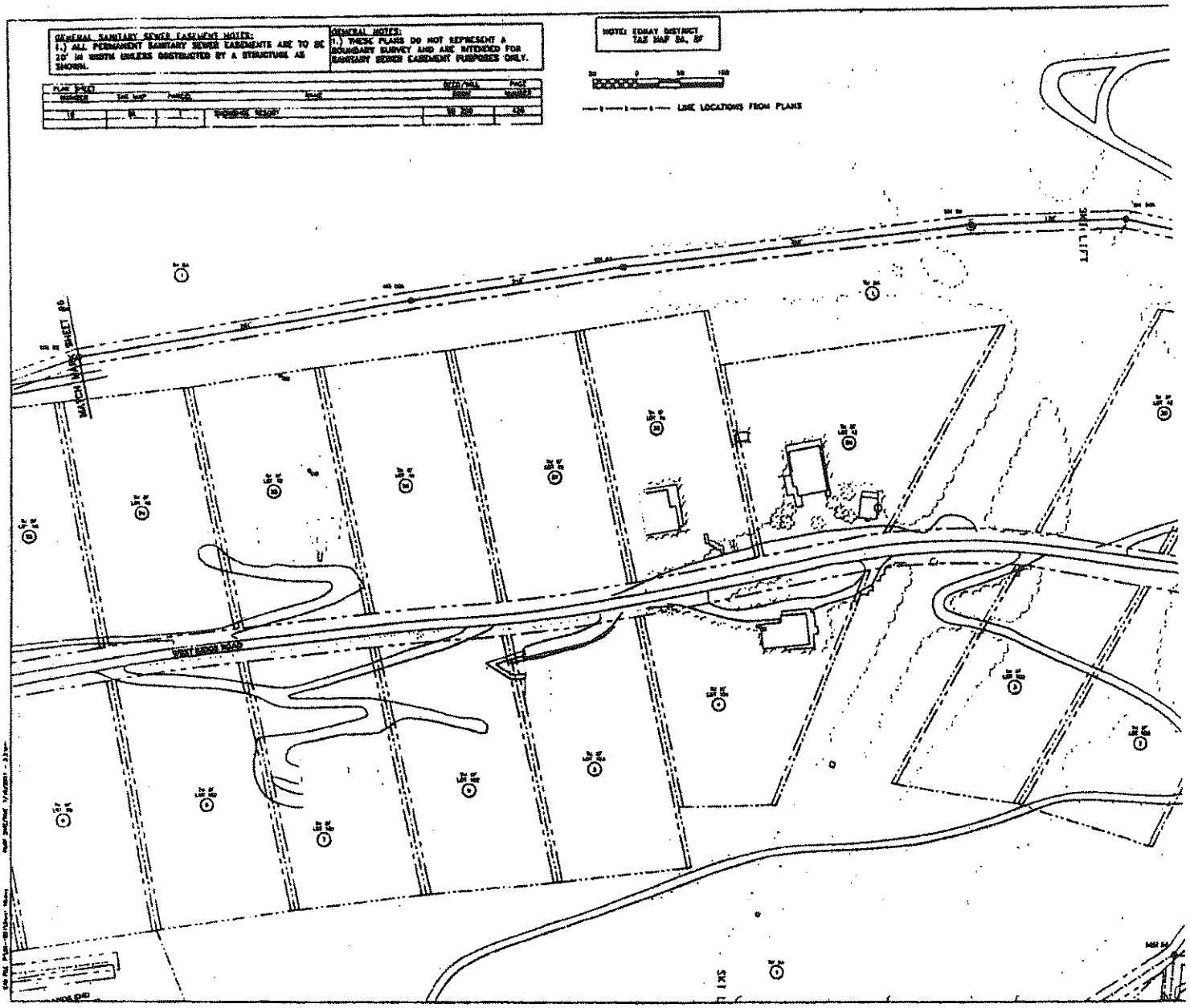
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOTE: EDRAY DISTRICT
TAX MAP 8A, 8H, 8Z

— · — · — · — LINE LOCATIONS FROM PLANS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NOTE: EDMAY DISTRICT
TAX MAP 8A, 8F
LINE LOCATIONS FROM PLANS
MATCH MARK SHEET 86
WEST RIDGE ROAD
SKI LIFT

NOTE: EDRAY DISTRICT
TAX MAP 8A, 8E

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PLAN SHEET NUMBER	TAX MAP	PARCEL	NAME	REFERENCE BOOK	PAGE NUMBER
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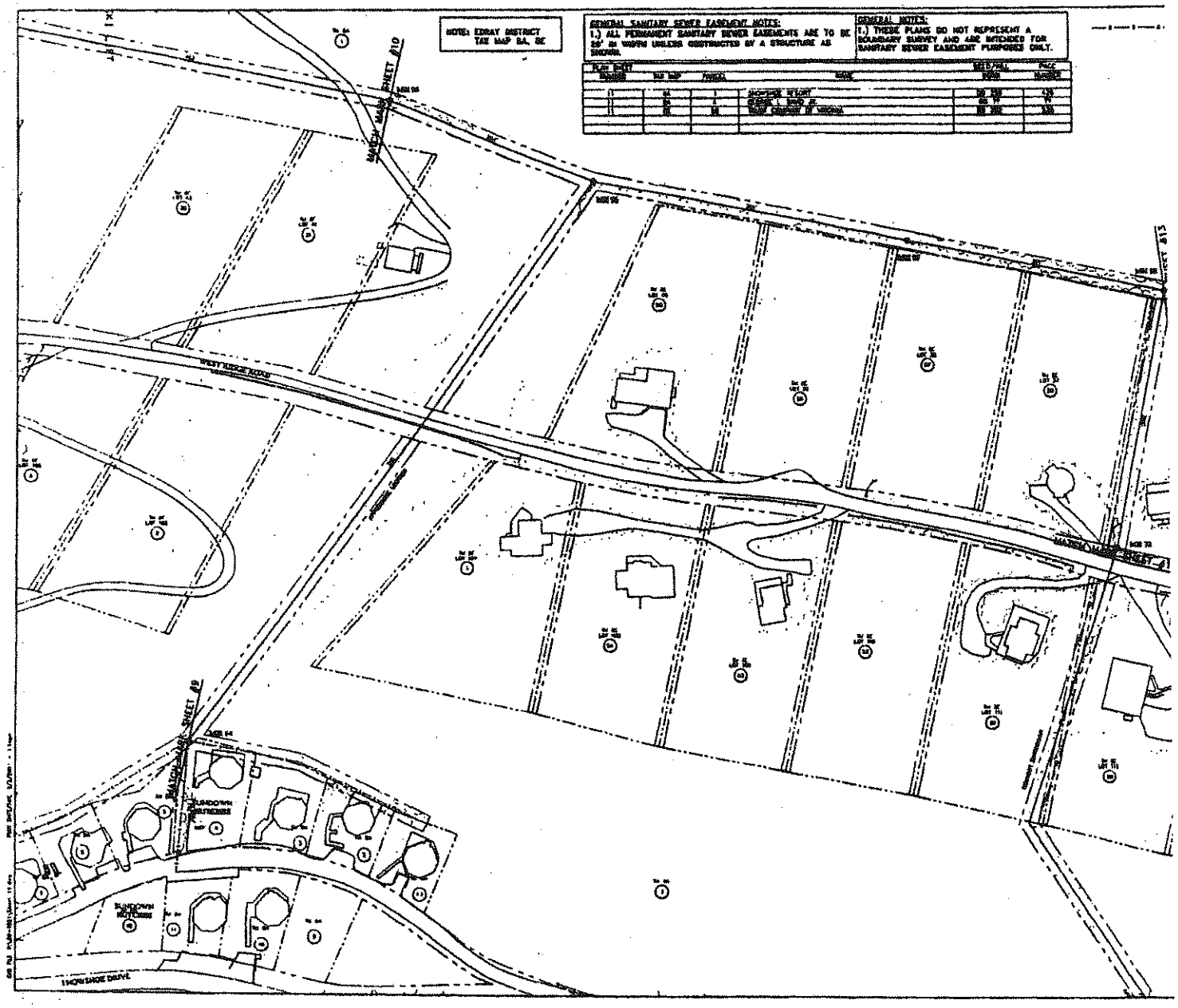

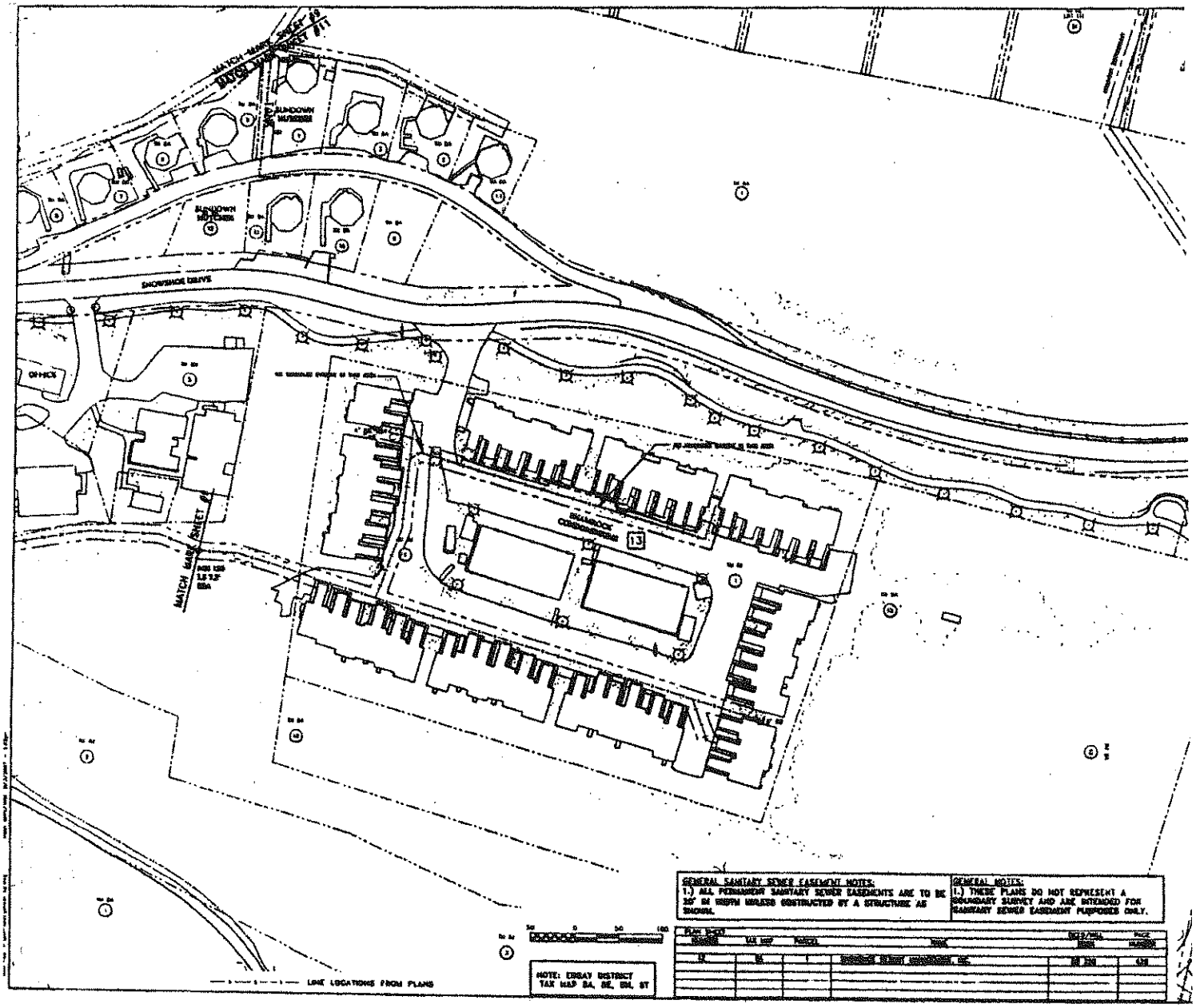
MATCH MARK SHEET #9
MATCH MARK SHEET #11
SUNDOWN NUTCHES
SUNDOWN NUTCHES
SNOWSHOE DRIVE
OFFICE
MATCH MARK SHEET #8
SHAMROCK CONDOMINIUM
13
LINE LOCATIONS FROM PLANS
50 0 50 100
NOTE: EDGAY DISTRICT
TAX MAP 8A, 8E, 8H, 8T
GENERAL SANITARY SEWER EASEMENT NOTES:
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PLAN SHEET
NUMBER
TAX MAP
PARCEL
NAME
DEED/WILL
BOOK
PAGE
NUMBER
12
8A
1
SHAMROCK RESORT MANAGEMENT, INC.
DB 200
420

NOTE: EDRAY DISTRICT
TAX MAP 8A, 8K

GENERAL SANITARY SEWER EASEMENT NOTES:
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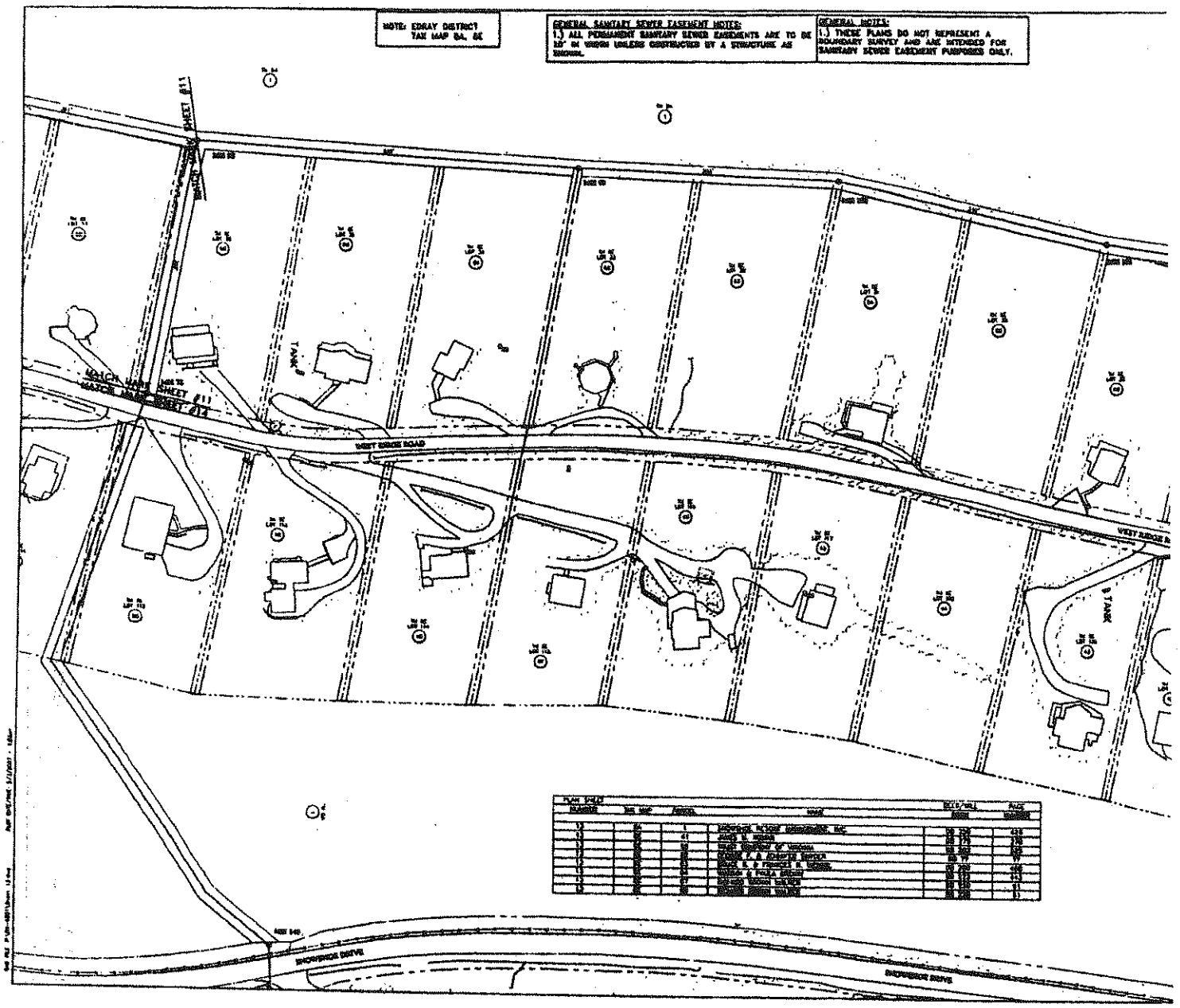

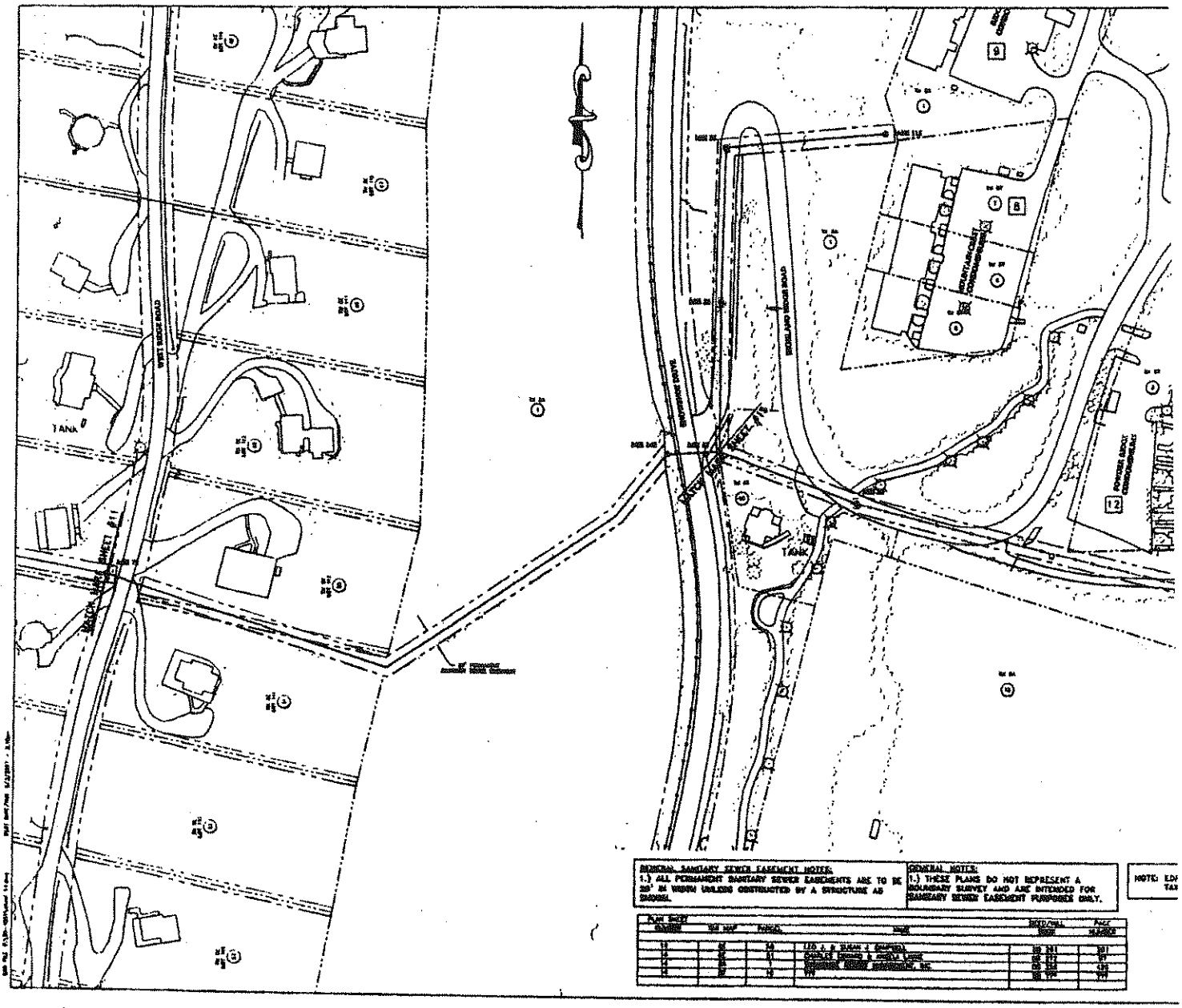

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NOTE: EX
TA

PLAN SHEET NUMBER	TAX MAP	PARCEL	PAGE	REVISIONAL DATE	PAGE NUMBER

TANK

NOTE: EDGAY DISTRICT
TAX MAP 8E

GENERAL SANITARY SEWER EASEMENT NOTES:
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PLAN SHEET NUMBER	TAX MAP	PARCEL	NAME	DEED/WILL BOOK	PAGE NUMBER
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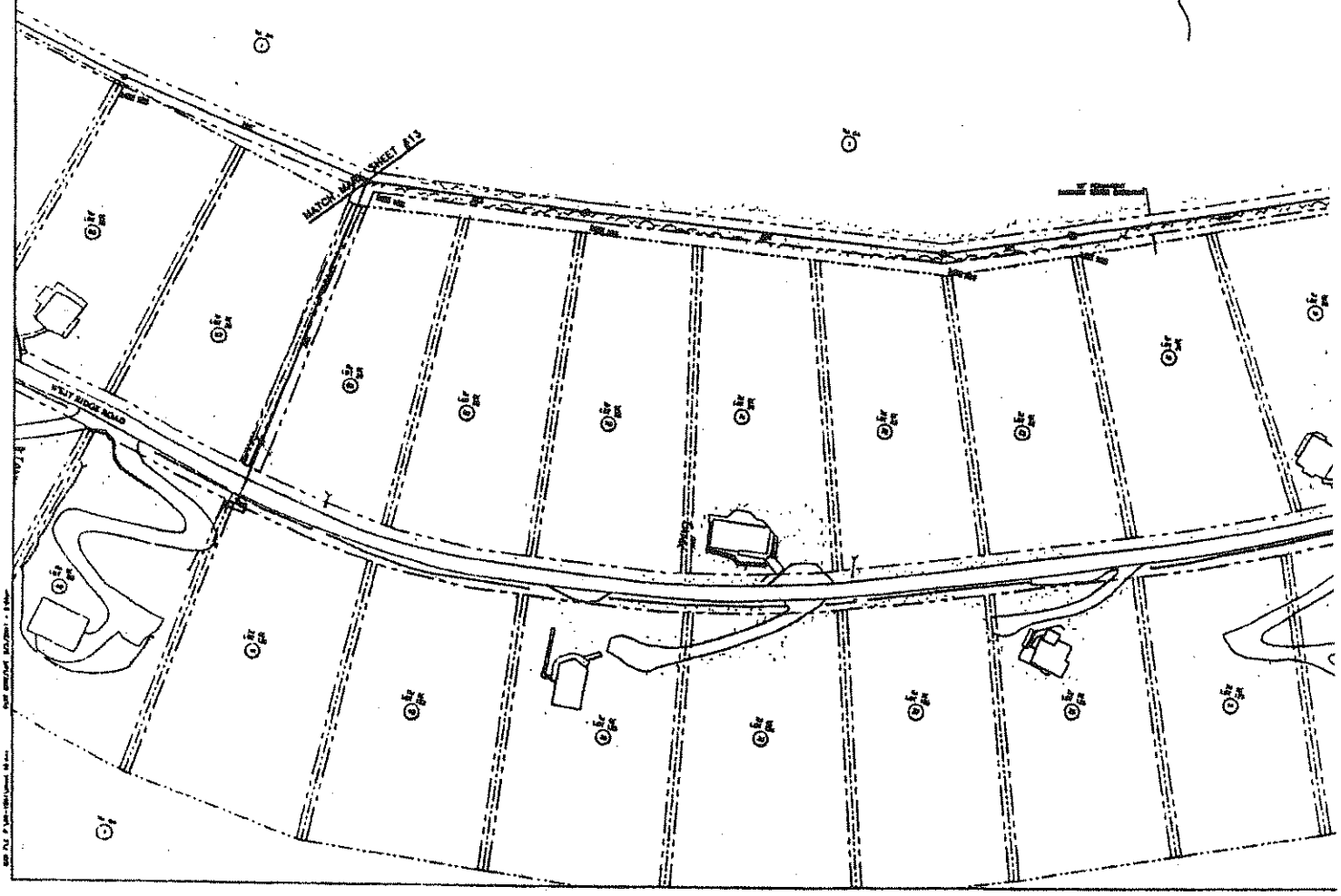
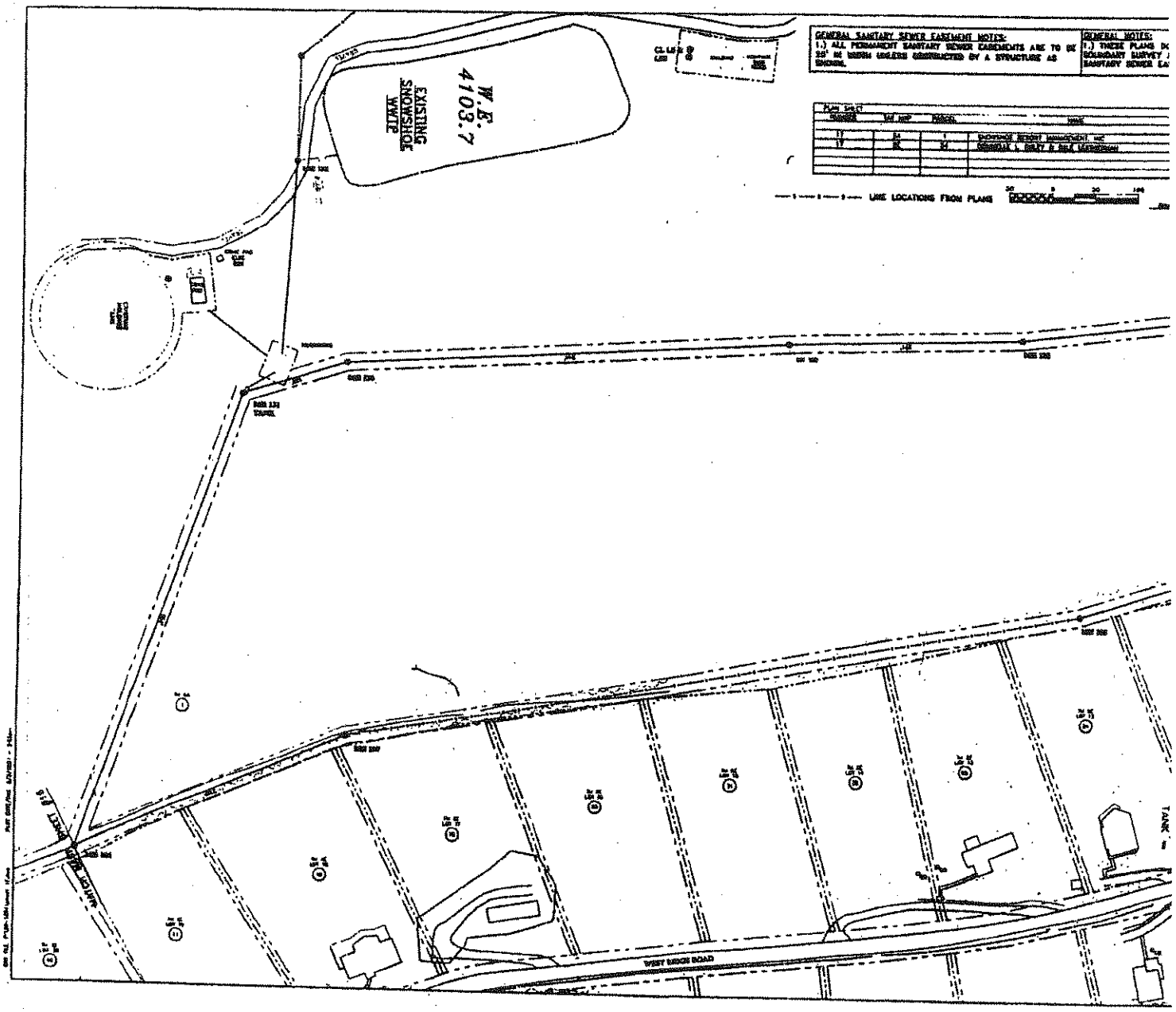
LINE LOCATIONS FROM PLANS

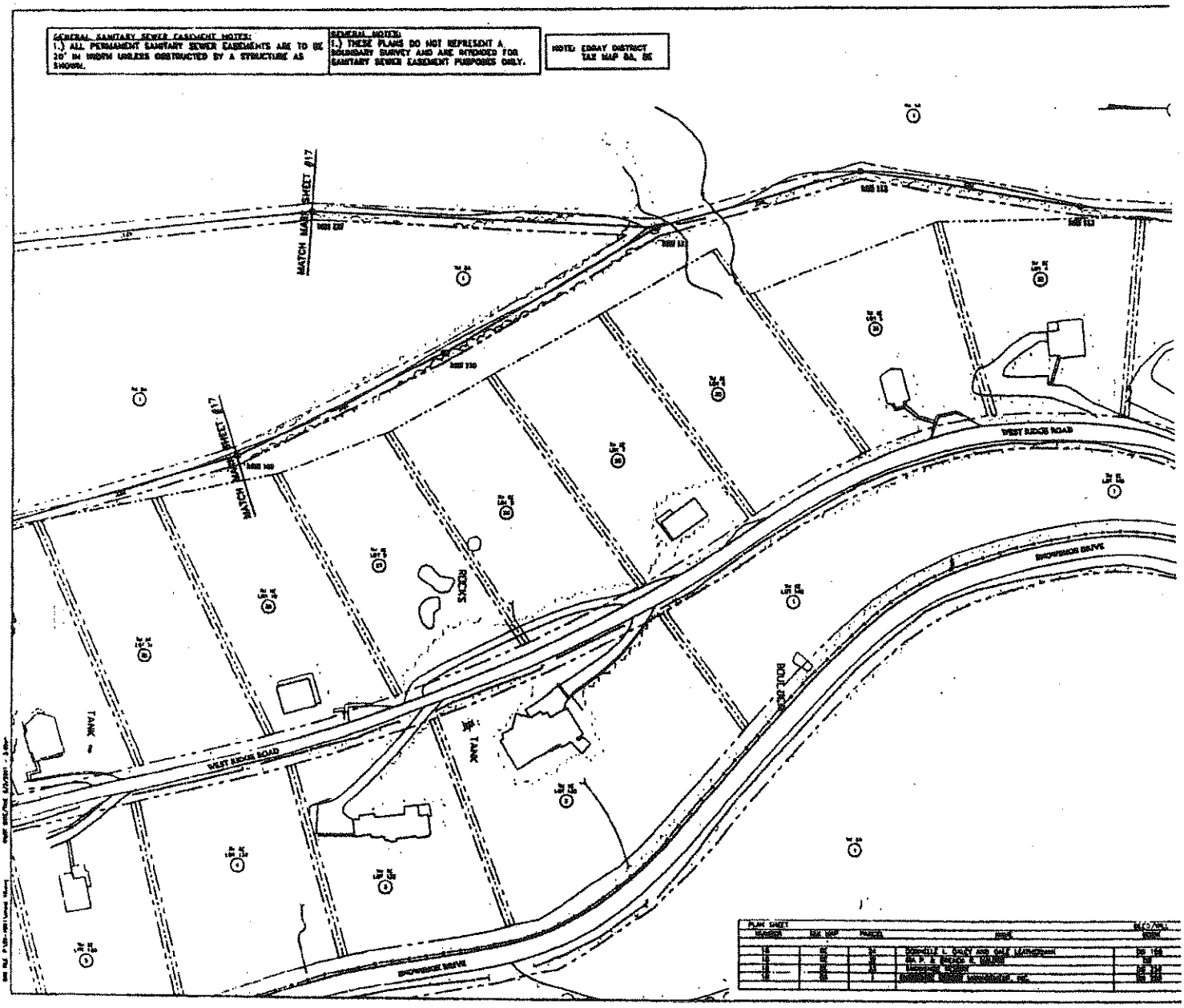



GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE
GENERAL NOTES:
1.) THESE PLANS
SOUNDARY SURVEY
SANITARY SEWER EA
PLAN SHEET
LINE LOCATIONS FROM PLANS
W.E. 4103.7
EXISTING SNOWSHOE WWTP
WEST BRIDGE ROAD
TANK

GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.

GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.

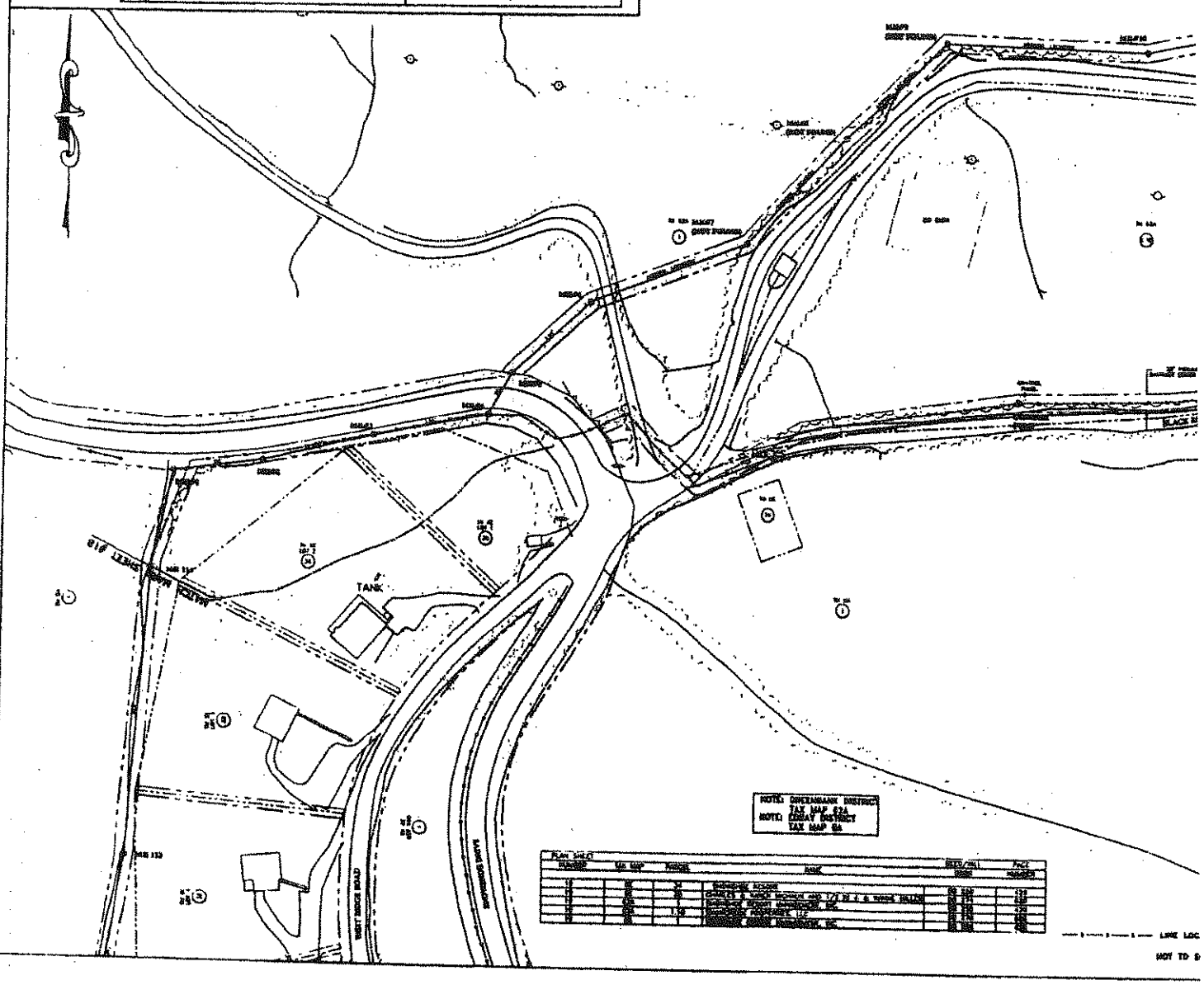
NOTE: EDRAY DISTRICT
TAX MAP 8A, 8E

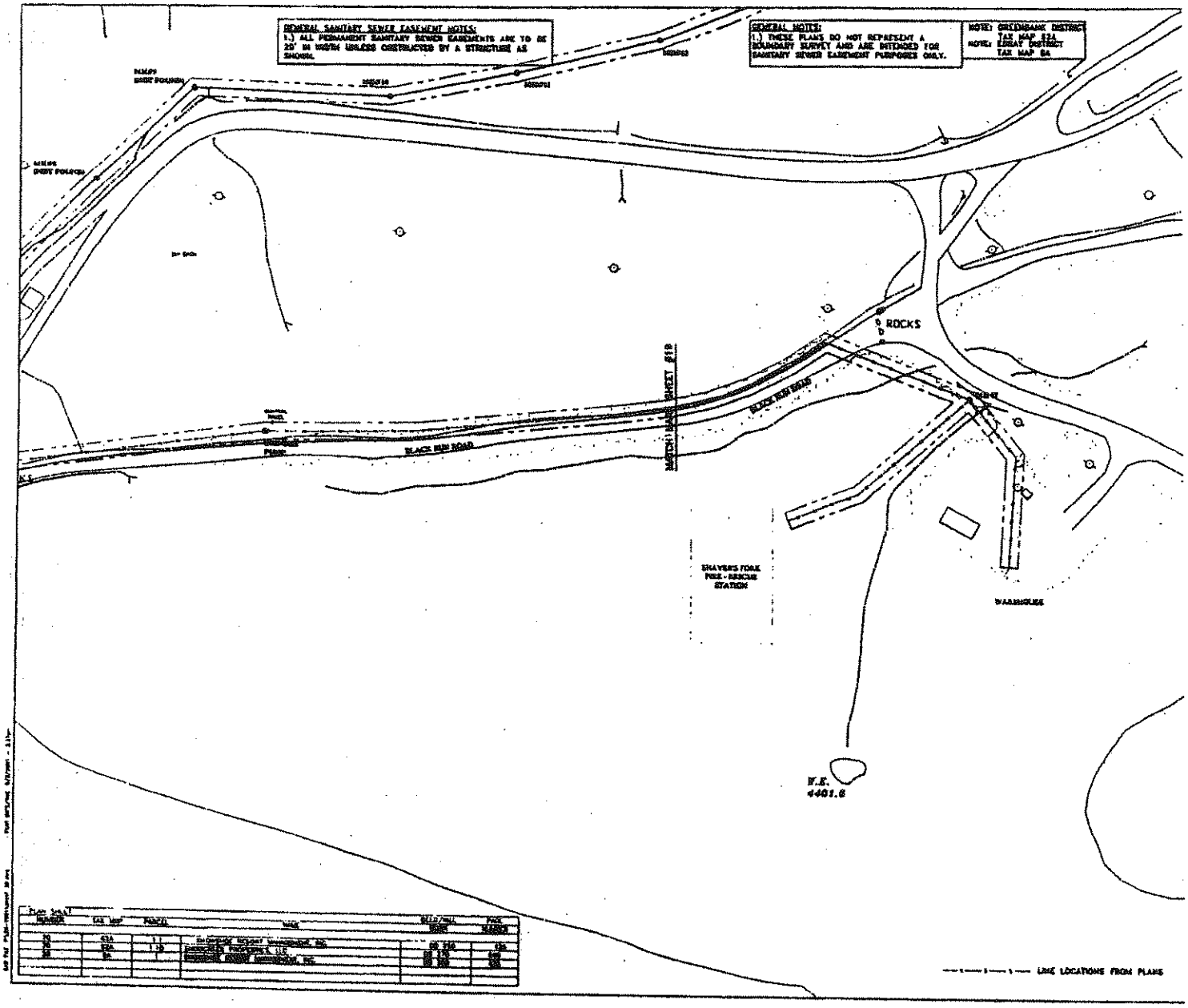


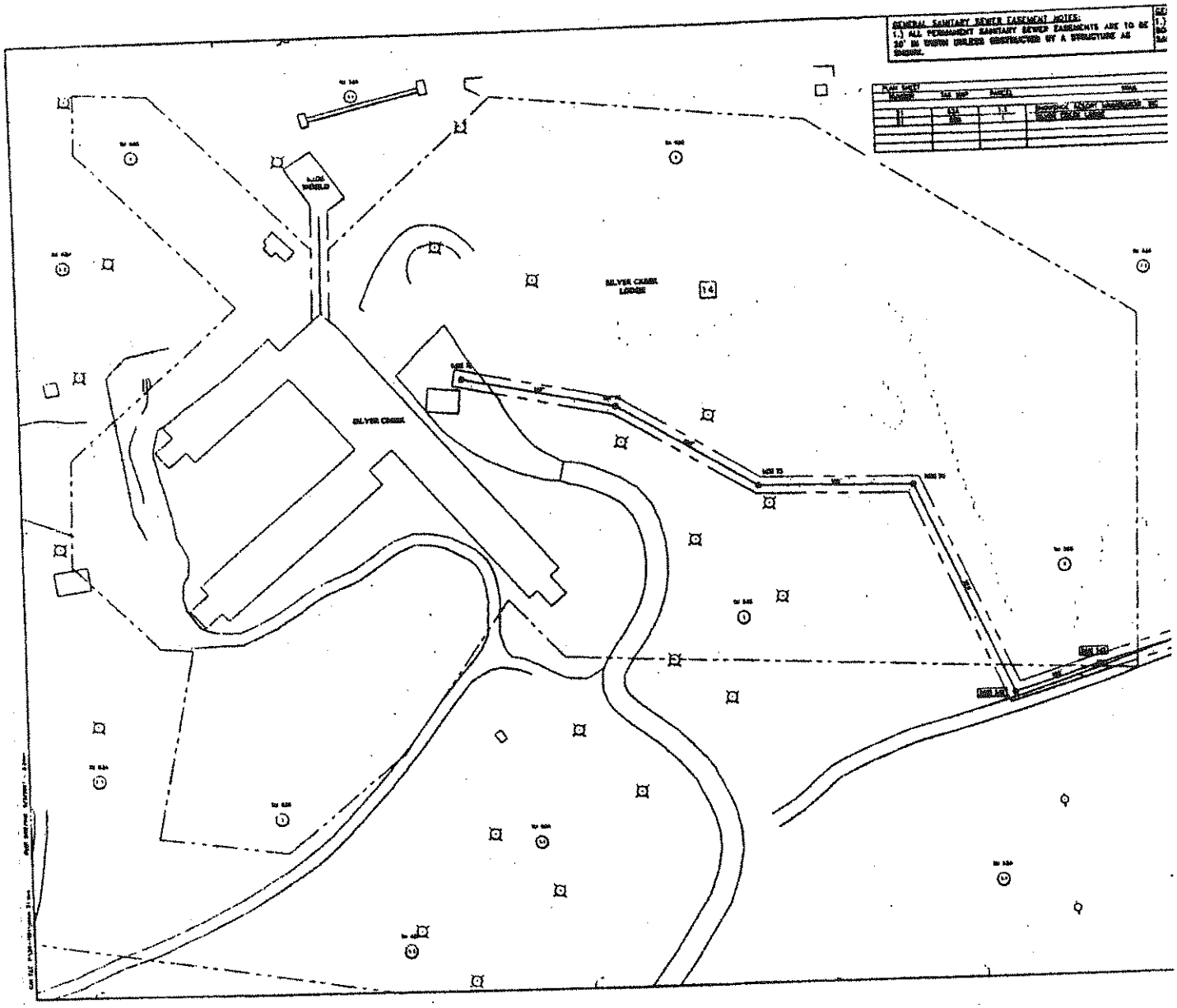
PLAN SHEET NUMBER	TAX MAP	PARCEL	NAME	BOOK/PAGE
[illegible]	[illegible]	[illegible]	DONNELLE L. OXLEY AND GALE LEATHERMAN	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

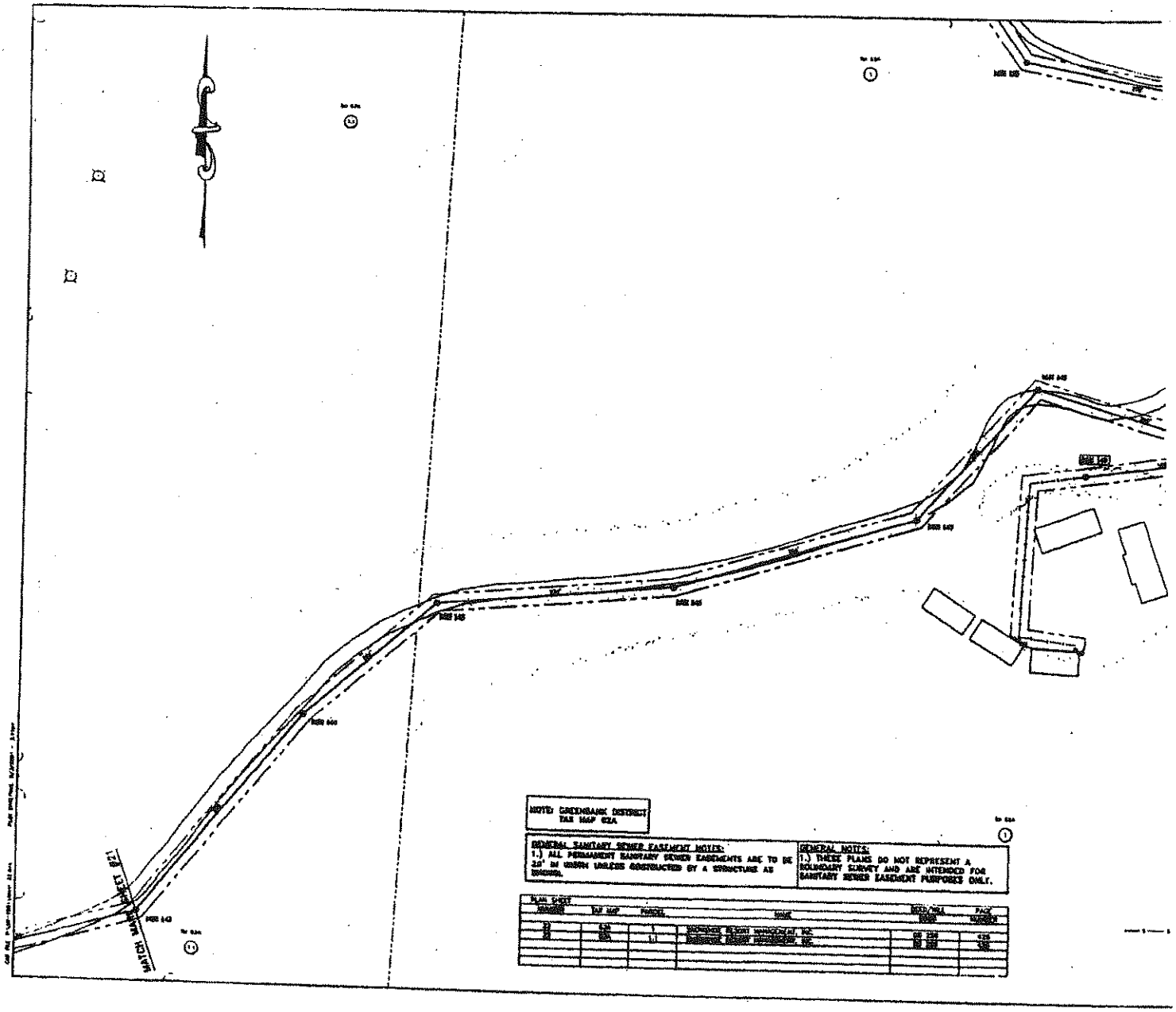
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.

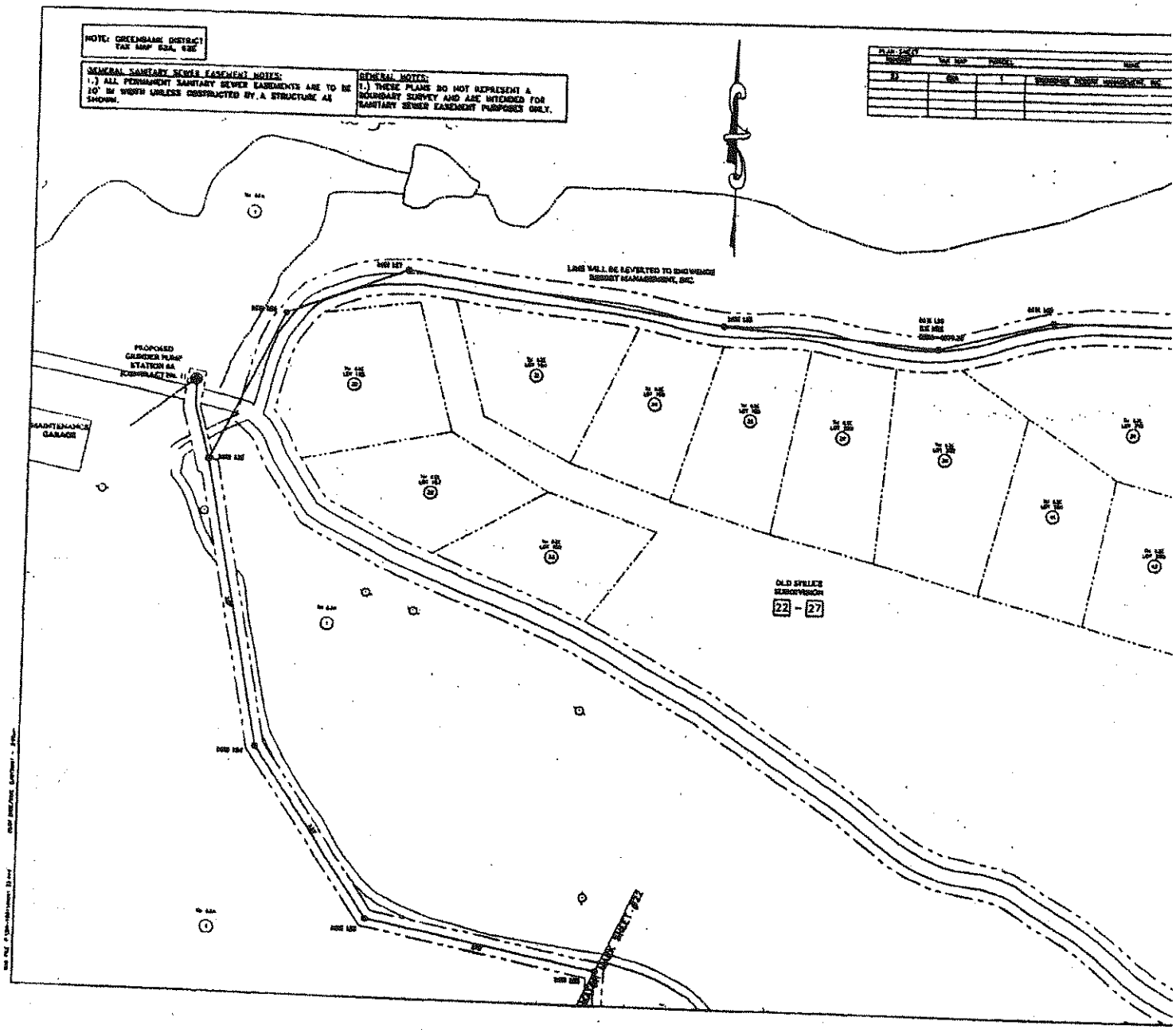
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.

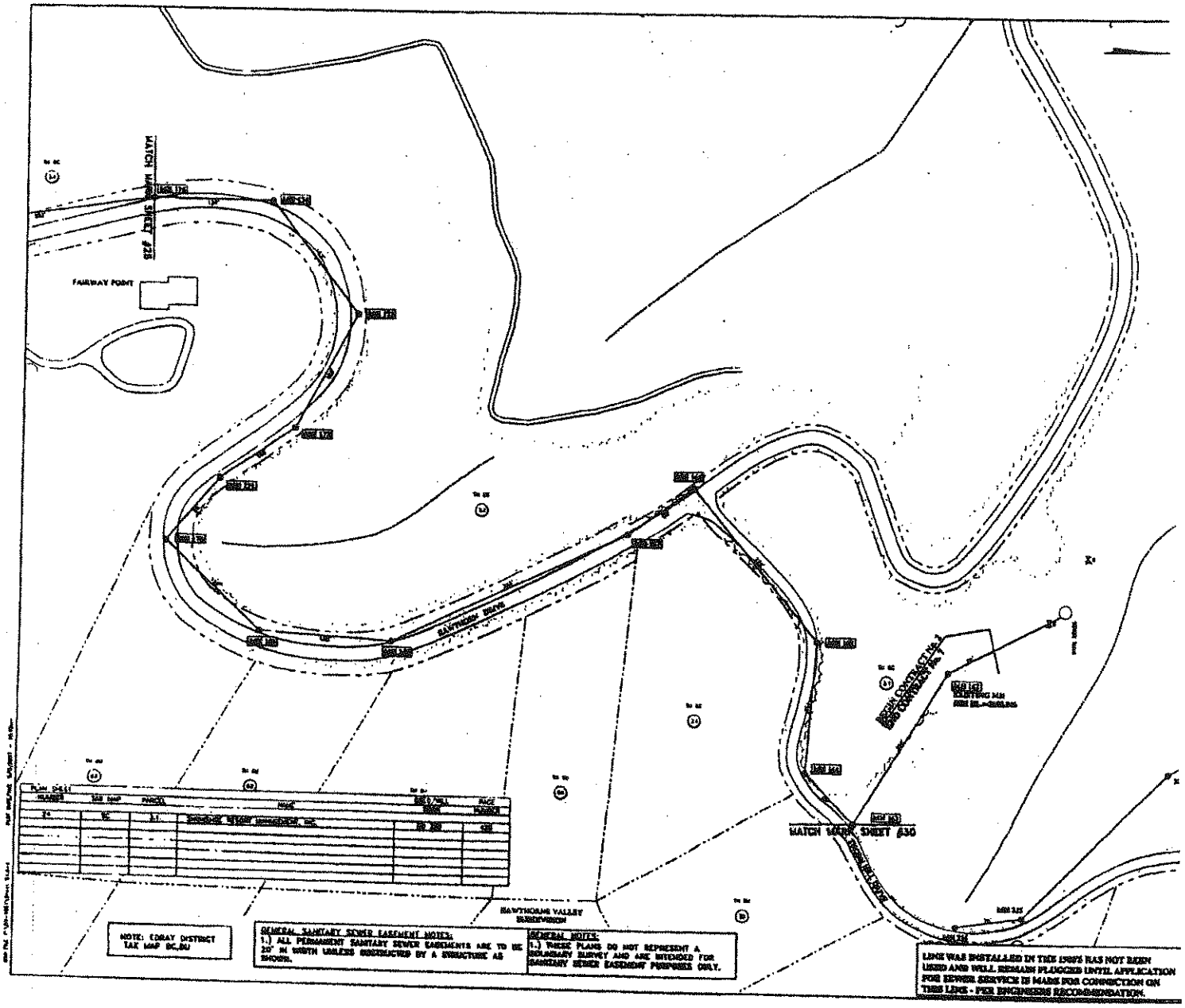


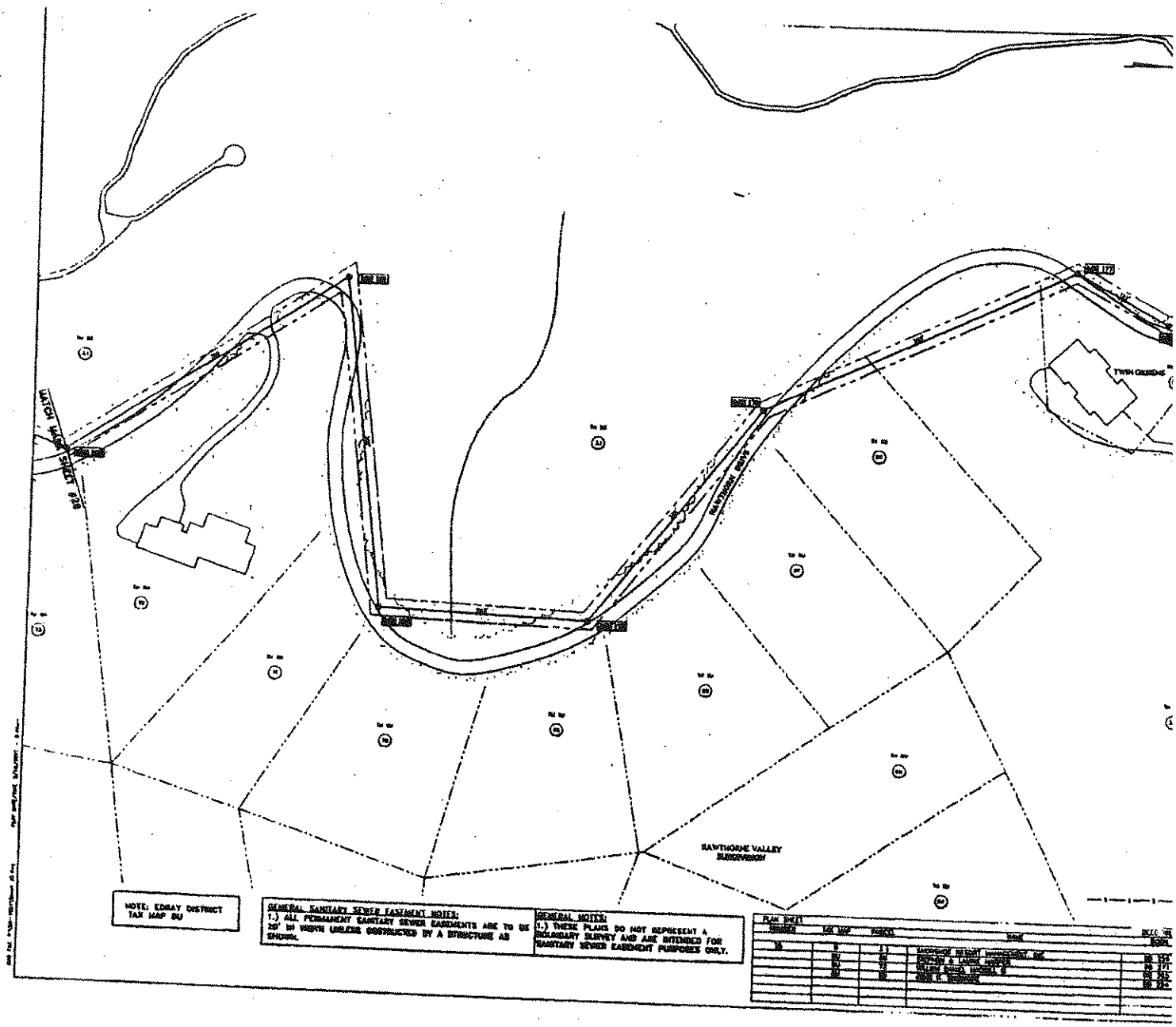

GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
NOTE: GREENBANK DISTRICT TAX MAP 82A
NOTE: EDRAY DISTRICT TAX MAP 8A
ROCKS
BLACK RUN ROAD
MATCH LINE SHEET #1B
SHAVERS FORK FIRE - RESCUE STATION
WAREHOUSE
W.E. 4401.6
LINE LOCATIONS FROM PLANS


GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
SILVER CREEK LODGE
14
SILVER CREEK


MATCH MAP SHEET 821
NOTE: GREENBANK DISTRICT
TAX MAP 82A
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS CONSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET
TAX MAP
PARCEL
NAME
DEED/WILL
PAGE


NOTE: GREENBANK DISTRICT
TAX MAP 62A, 62E
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET
PROPOSED GRINDER PUMP STATION #4
MAINTENANCE GARAGE
OLD STILLES SUBDIVISION
22 - 27

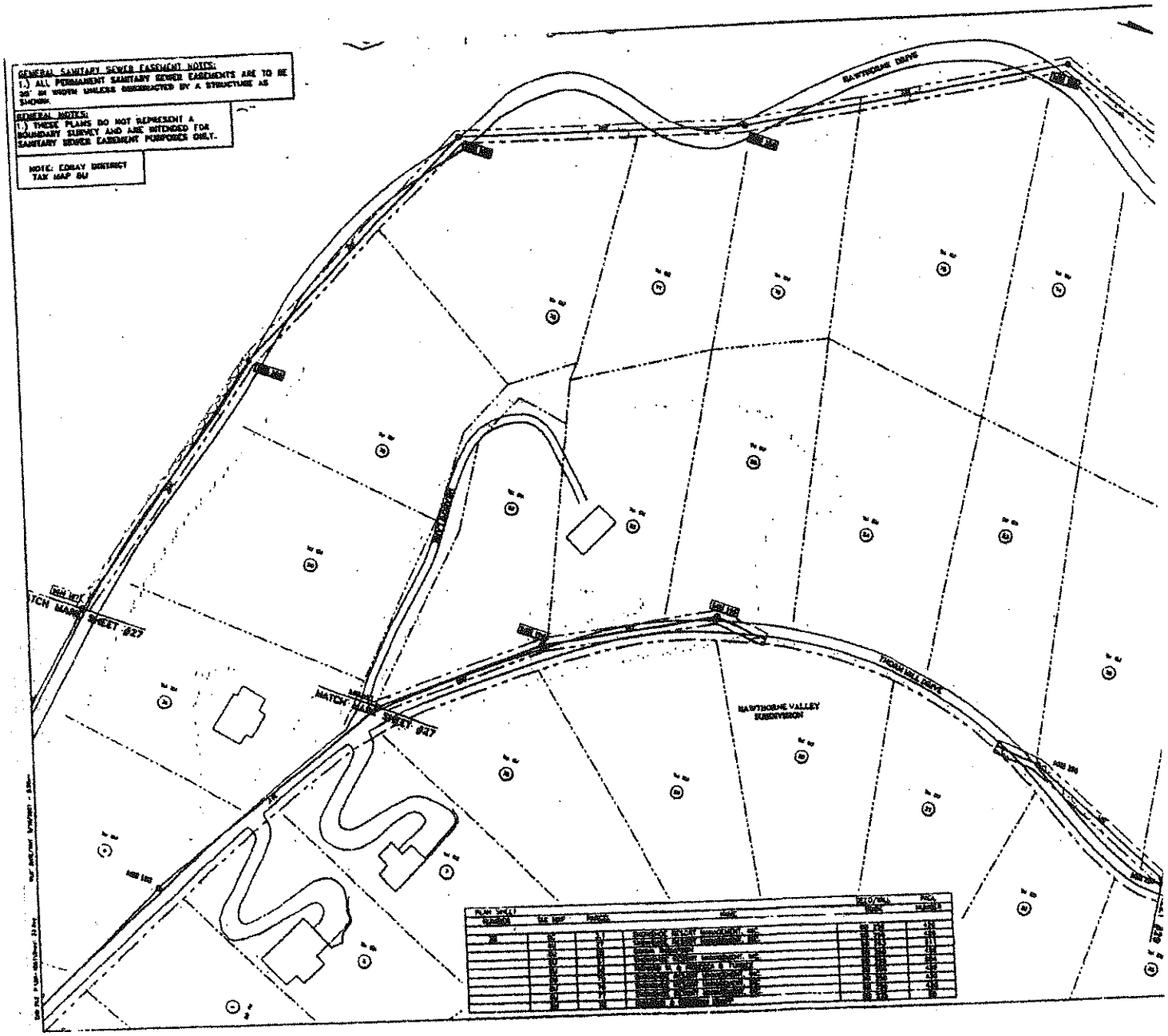

MATCH MARK SHEET #25
FAIRWAY POINT
HAWTHORNE DRIVE
MATCH MARK SHEET #30
HAWTHORNE VALLEY SUBDIVISION
NOTE: EDRAY DISTRICT TAX MAP BC,BU
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
LINE WAS INSTALLED IN THE 1980'S HAS NOT BEEN USED AND WILL REMAIN PLUGGED UNTIL APPLICATION FOR SEWER SERVICE IS MADE FOR CONNECTION ON THIS LINE - PER ENGINEERS RECOMMENDATION.

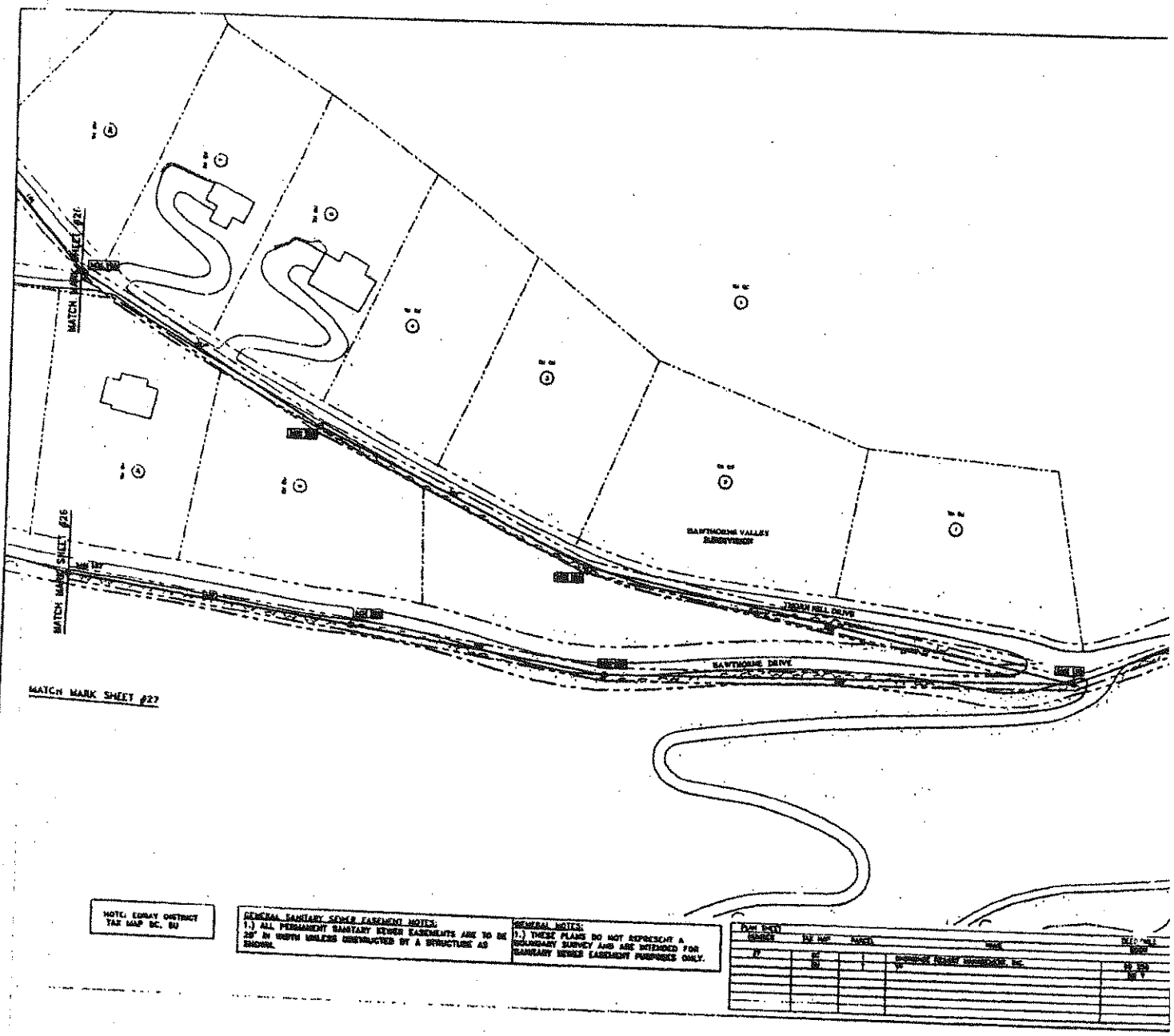

MATCH MARK SHEET #28
TWIN GREENS
RAWTHORNE VALLEY
SUBDIVISION
NOTE: EDRAY DISTRICT
TAX MAP BU
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET
NUMBER
TAX MAP
PARCEL
NAME
DEED
BOOK

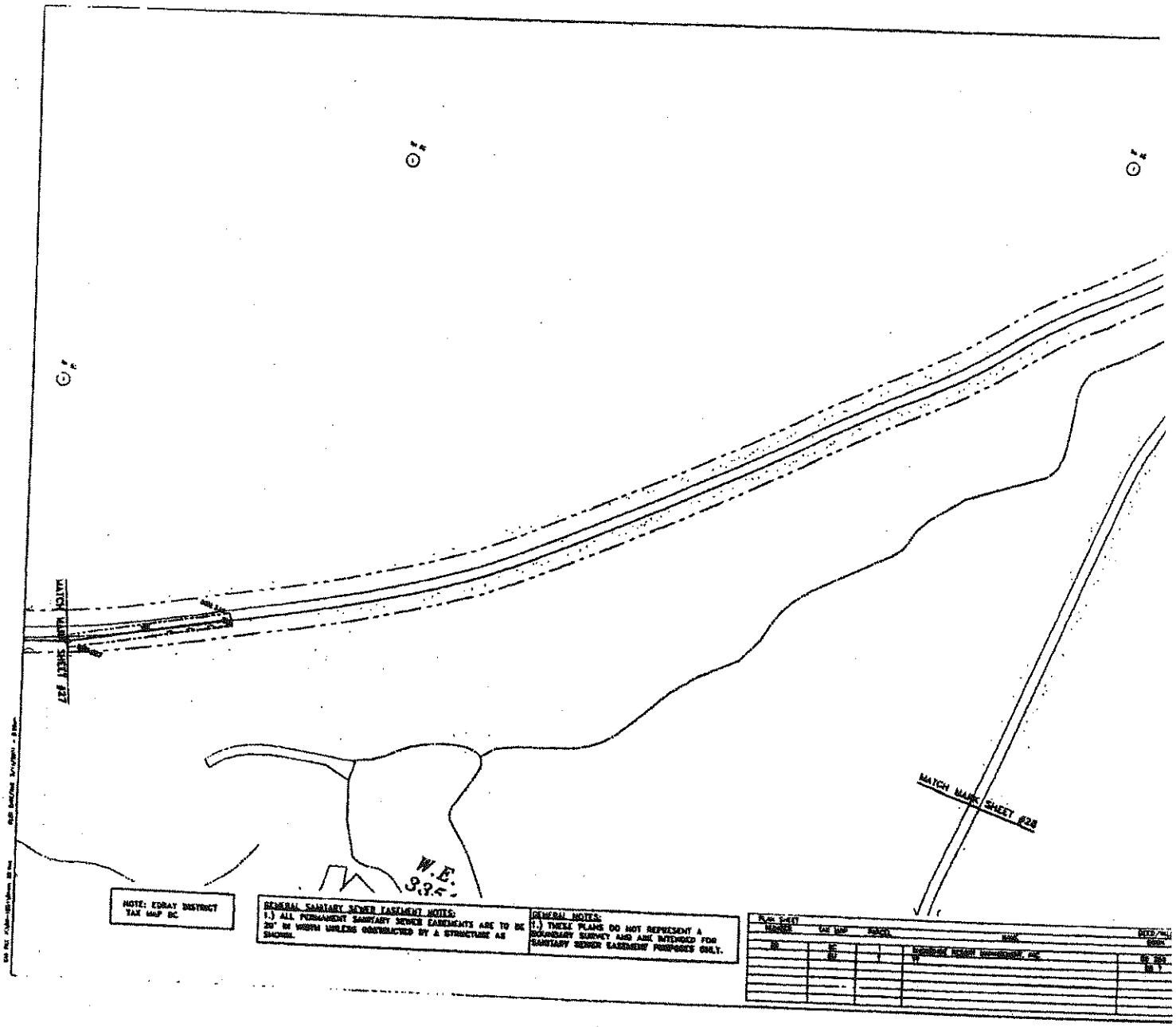
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.

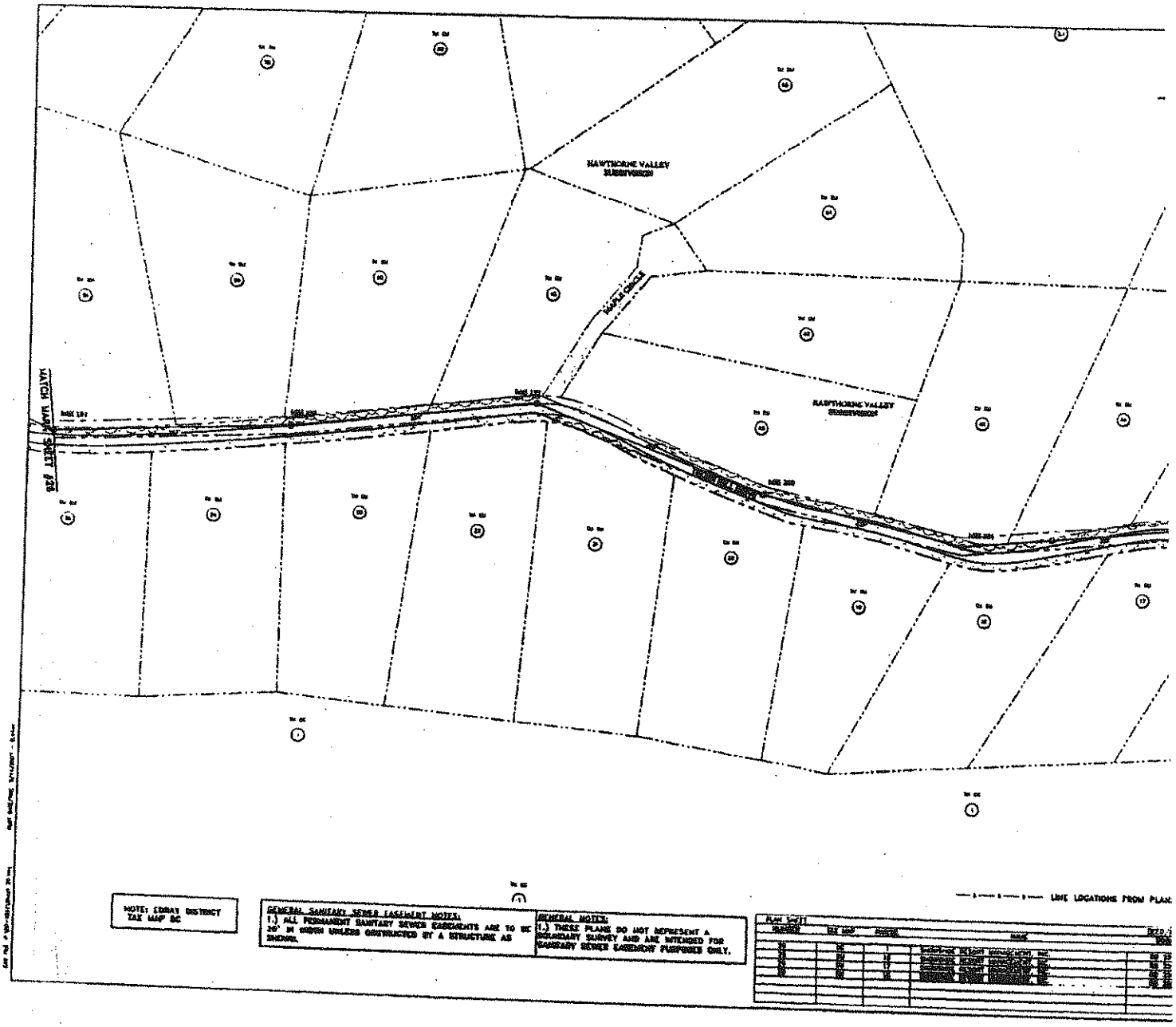
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.

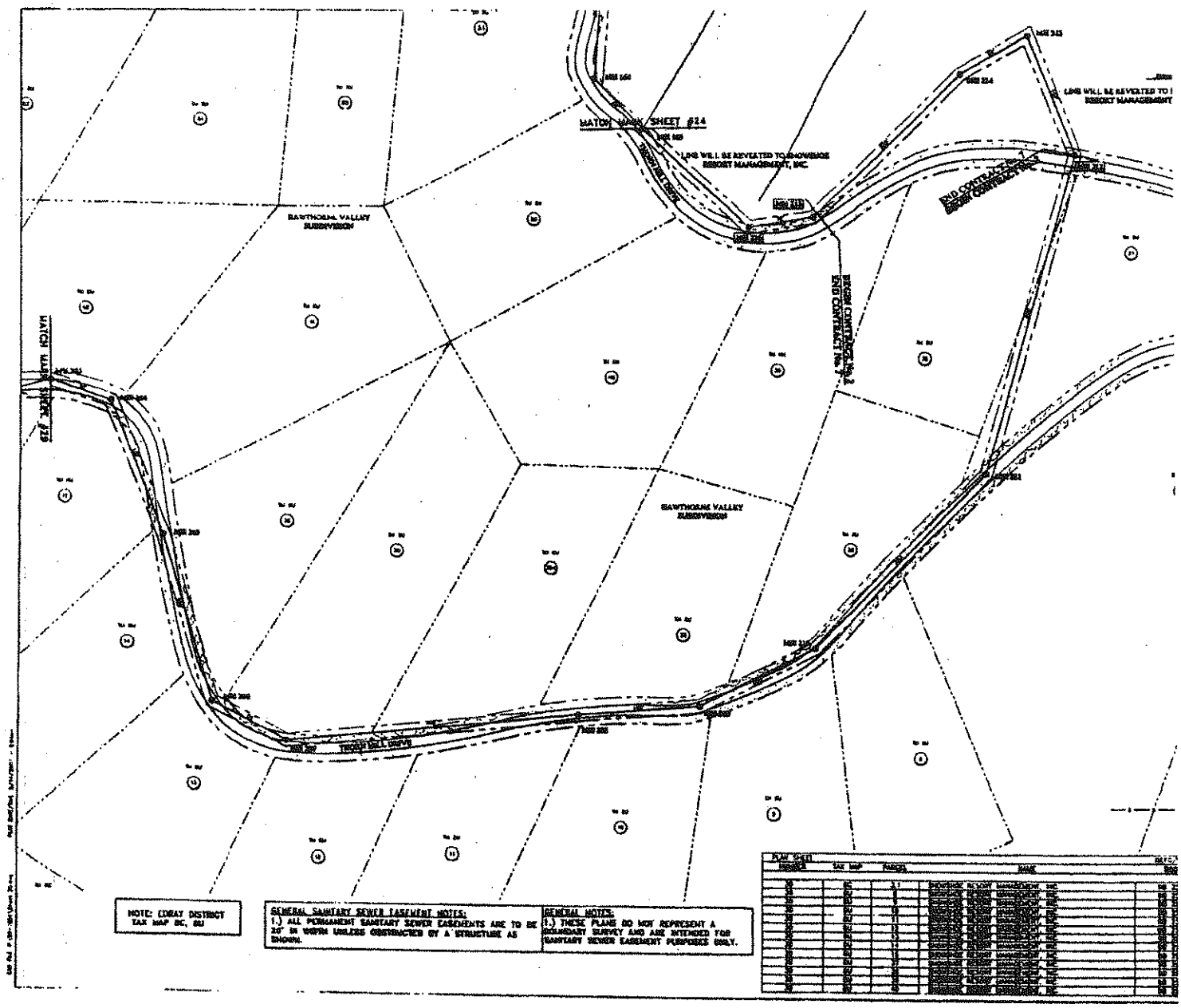
NOTE: EDRAY DISTRICT
TAX MAP 8U

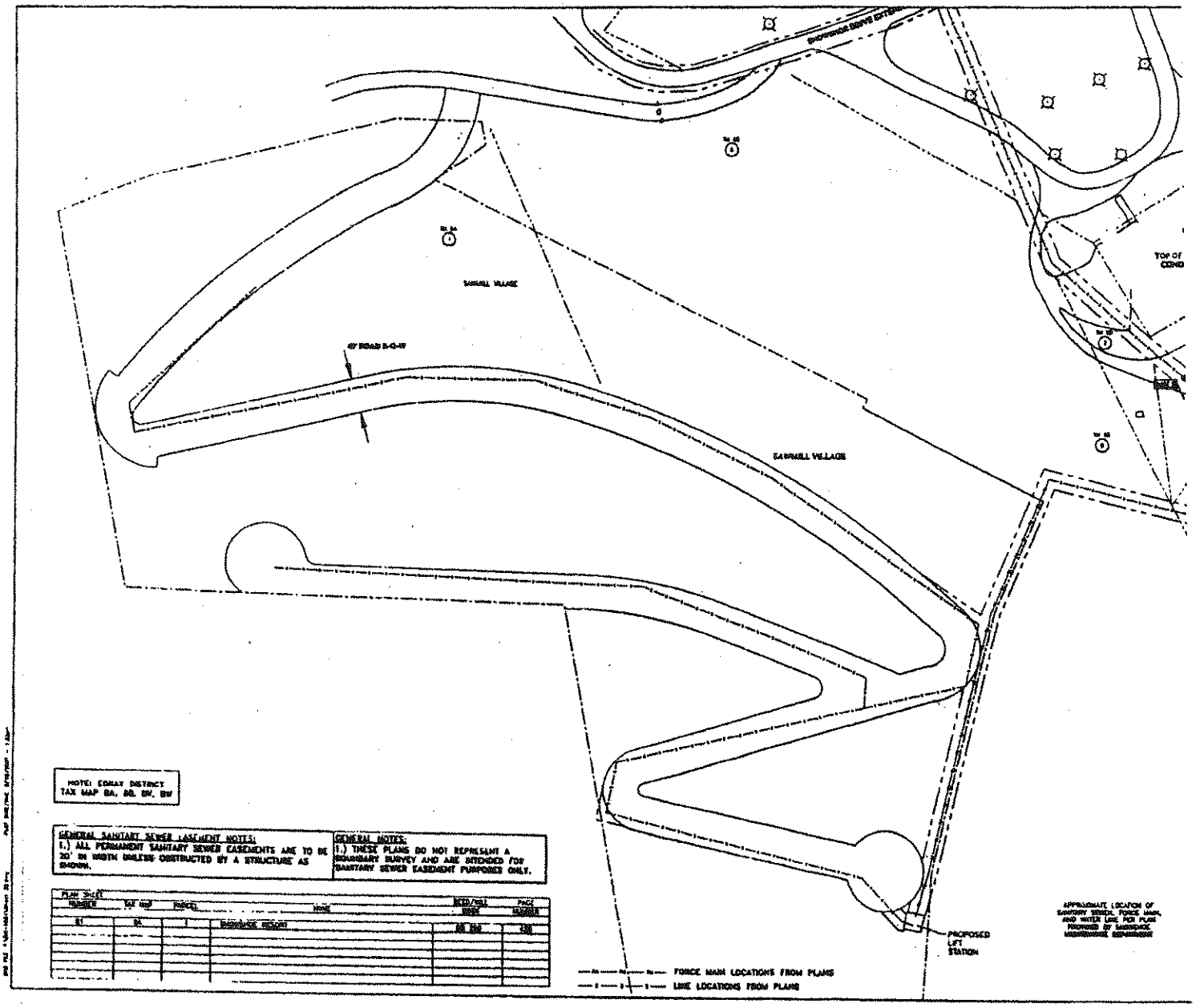



MATCH MARK SHEET #26
MATCH MARK SHEET #26
MATCH MARK SHEET #27
HAWTHORNE VALLEY
SUBDIVISION
THORN HILL DRIVE
HAWTHORNE DRIVE
NOTE: EDWAY DISTRICT
TAX MAP BC, BU
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET
NUMBER
TAX MAP
PARCEL
NAME
DEED TABLE
BOOK


MATCH MARK SHEET #27
MATCH MARK SHEET #28
W.E.
NOTE: EDRAY DISTRICT TAX MAP BC
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS CONTRACTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET
NUMBER
TAX MAP
PARCEL
NAME
DATE/WL
DESIGN
BC
BJ
1
SHORELINE RESORT MANAGEMENT, INC.
DS 200
DS 1


HAWTHORNE VALLEY SUBDIVISION
HAWTHORNE VALLEY SUBDIVISION
MATCH MARK SHEET #26
LINE LOCATIONS FROM PLAN
NOTE: EDRAY DISTRICT TAX MAP BC
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET
NUMBER
TAX MAP
NAME


MATCH MARK SHEET #24
LINE WILL BE REVERTED TO SNOWSHOE RESORT MANAGEMENT, INC.
HAWTHORNE VALLEY SUBDIVISION
HAWTHORNE VALLEY SUBDIVISION
MATCH MARK SHEET #29
END CONTRACT No. 2
BEGIN CONTRACT No. 3
END CONTRACT No. 3
BEGIN CONTRACT No. 4
TROUGH HILL DRIVE
NOTE: EDRAY DISTRICT TAX MAP BC, BU
GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.
GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.
PLAN SHEET NUMBER
TAX MAP
PARCEL
NAME



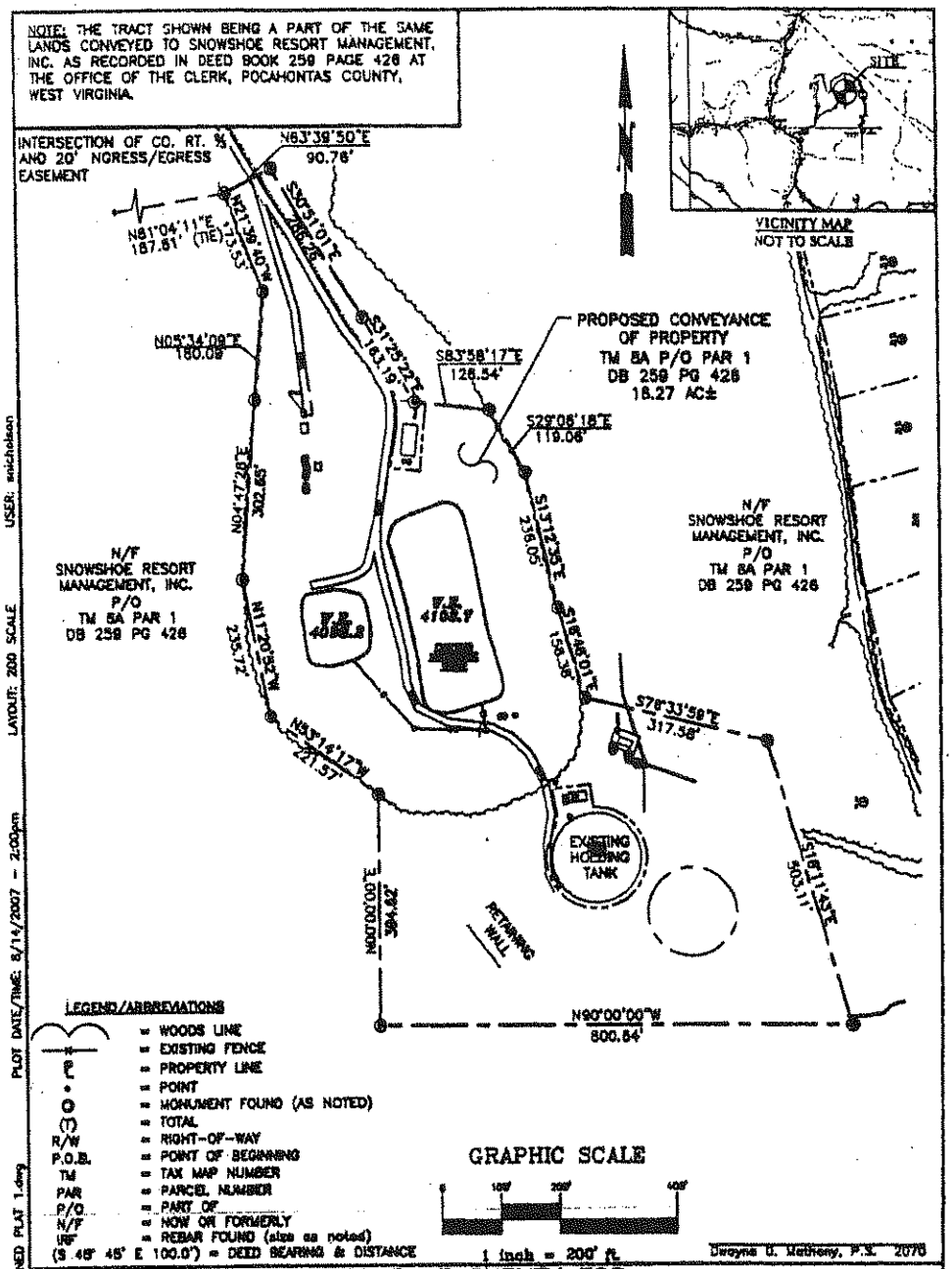
NOTE: CONAY DISTRICT
TAX MAP 8A, 8B, 8W, 8W

GENERAL SANITARY SEWER EASEMENT NOTES:
1.) ALL PERMANENT SANITARY SEWER EASEMENTS ARE TO BE 20' IN WIDTH UNLESS OBSTRUCTED BY A STRUCTURE AS SHOWN.

GENERAL NOTES:
1.) THESE PLANS DO NOT REPRESENT A BOUNDARY SURVEY AND ARE INTENDED FOR SANITARY SEWER EASEMENT PURPOSES ONLY.

PLAN SHEET NUMBER	TAX MAP	PARCEL	NAME	DEED/MBL BOOK	PAGE NUMBER
01	02	1	[illegible]	[illegible]	[illegible]

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

- = WOODS LINE
- = EXISTING FENCE
- ℄ = PROPERTY LINE
- • = POINT
- ⊙ = MONUMENT FOUND (AS NOTED)
- (T) = TOTAL
- R/W = RIGHT-OF-WAY
- P.O.B. = POINT OF BEGINNING
- TM = TAX MAP NUMBER
- PAR = PARCEL NUMBER
- P/O = PART OF
- N/F = NOW OR FORMERLY
- IRF = REBAR FOUND (size as noted)
- (S 45° 45' E 100.0') = DEED BEARING & DISTANCE

GRAPHIC SCALE

0 100' 200' 400'

1 inch = 200' ft.

Dwayne G. Mathony, P.S. 2076

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" ϕ 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP	8A
PARCEL No.	P/O 1
JOB. No.	50-1851

SHOWING
CONVEYANCE OF THE VILLAGE TREATMENT PLANT of SNOWSHOE MOUNTAIN, INC.

EDRAY DISTRICT — SITUATE — POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 200' — JULY 2007

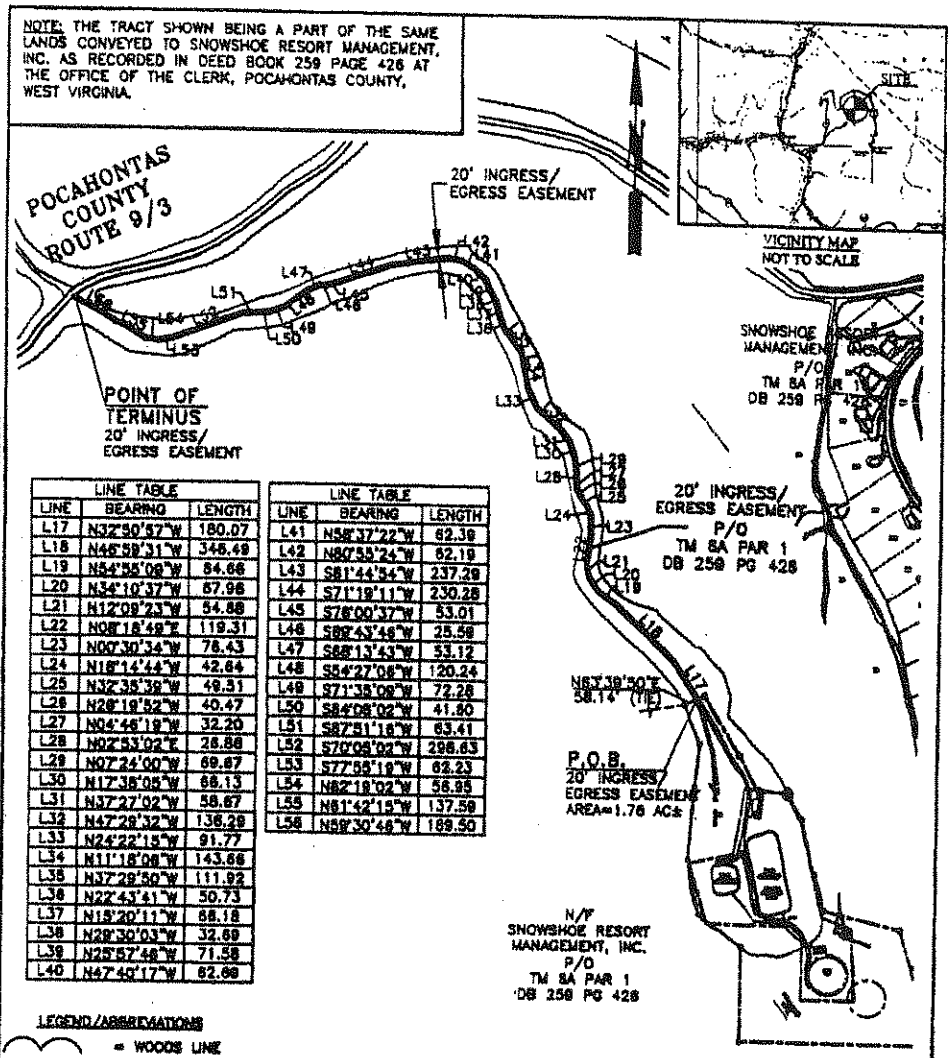
OWNER: SNOWSHOE RESORT MANAGEMENT, INC.

LAYOUT TAB: 200 SCALE
CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg

REFERENCE: DB 259 PG 426 — DRAWN: AS — SURVEY: — BK:

CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg — PLOT DATE/TIME: 8/14/2007 - 2:00pm — LAYOUT: 200 SCALE — USER: snicholson

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LINE TABLE		
LINE	BEARING	LENGTH
L17	N32°50'57"W	180.07
L18	N46°59'31"W	346.49
L19	N54°55'08"W	84.66
L20	N34°10'37"W	67.96
L21	N12°09'23"W	54.88
L22	N08°18'49"E	119.31
L23	N00°30'34"W	76.43
L24	N18°14'44"W	42.64
L25	N32°35'39"W	49.31
L26	N28°19'52"W	40.47
L27	N04°46'19"W	32.20
L28	N02°53'02"E	26.86
L29	N07°24'00"W	69.67
L30	N17°36'05"W	68.13
L31	N37°27'02"W	58.67
L32	N47°29'32"W	136.29
L33	N24°22'15"W	91.77
L34	N11°18'08"W	143.86
L35	N37°29'50"W	111.92
L36	N22°43'41"W	50.73
L37	N15°20'11"W	68.18
L38	N29°30'03"W	32.69
L39	N25°57'46"W	71.58
L40	N47°40'17"W	62.69

LINE TABLE		
LINE	BEARING	LENGTH
L41	N58°37'22"W	62.39
L42	N80°55'24"W	62.19
L43	S81°44'54"W	237.29
L44	S71°19'11"W	230.28
L45	S78°00'37"W	53.01
L46	S89°43'46"W	25.59
L47	S68°13'43"W	53.12
L48	S54°27'08"W	120.24
L49	S71°35'09"W	72.28
L50	S84°08'02"W	41.80
L51	S87°51'18"W	63.41
L52	S70°09'02"W	298.63
L53	S77°55'19"W	62.23
L54	N82°19'02"W	56.85
L55	N61°42'15"W	137.59
L56	N59°30'46"W	189.50

LEGEND/ABBREVIATIONS

- = WOODS LINE
- = EXISTING FENCE
- P = PROPERTY LINE
- • = POINT
- O = MONUMENT FOUND (AS NOTED)
- (T) = TOTAL
- R/W = RIGHT-OF-WAY
- P.O.B. = POINT OF BEGINNING
- TM = TAX MAP NUMBER
- PAR = PARCEL NUMBER
- P/O = PART OF
- N/F = NOW OR FORMERLY
- IRF = REBAR FOUND (size as noted)
- (S 45° 45' E 100.0') = DEED BEARING & DISTANCE

GRAPHIC SCALE

0 250' 500' 1000'

1 inch = 500' ft.

Dwayne D. Mathany, P.S. 2076

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" x 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP: 8A
PARCEL No.: P/O 1
JOB. No.: 50-1851

SHOWING
NON-EXCLUSIVE ACCESS EASEMENT TO THE VILLAGE TREATMENT PLANT of SNOWSHOE MOUNTAIN, INC.

EDRAY DISTRICT SITUATE POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 500' JULY 2007

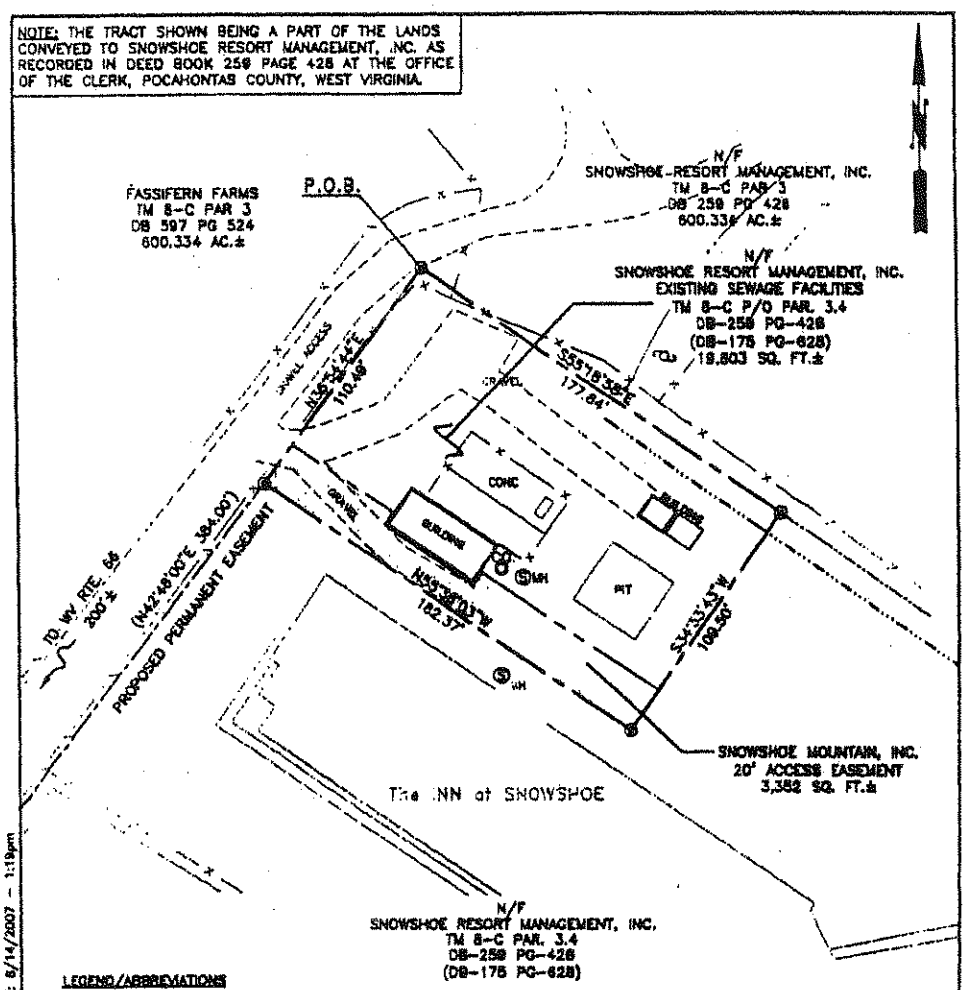
OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
REFERENCE: DB 259 PG 426

LAYOUT TAB: 500 SCALE
CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg

DRAWN: AS | SURVEY: | BK:

CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg PLOT DATE/TIME: 8/14/2007 - 2:15pm LAYOUT: 500 SCALE USER: srichelson

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 428 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

	= WOODS LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
⊗	= POINT
○	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (also as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE
	= CLEAN OUT
Ⓢ	= SEWER MANHOLE

GRAPHIC SCALE

0 25 50 100

1 inch = 50 ft.

Dwayne D. Matheny, P.S. 2070

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON GPS OBSERVATIONS / SNOWSHOE SEWER PROJECT.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊗ = 3/4" ø 30" REBAR SET

TAX MAP 8C

PARCEL No. P/O 3.4

JOB. No. 20-771

SHOWING
CONVEYANCE OF THE INN AT SNOWSHOE PACKAGE PLANT
OF
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 50' JULY 2007

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

OWNER: SNOWSHOE RESORT

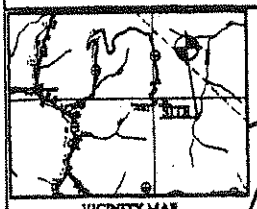
LAYOUT TAB: Model
CAD FILE: P:\20-771\SURVEY\INN SNOWSHOE-R-3.dwg

REFERENCE: DB 259 PG 428 (DB 175 PG 628)

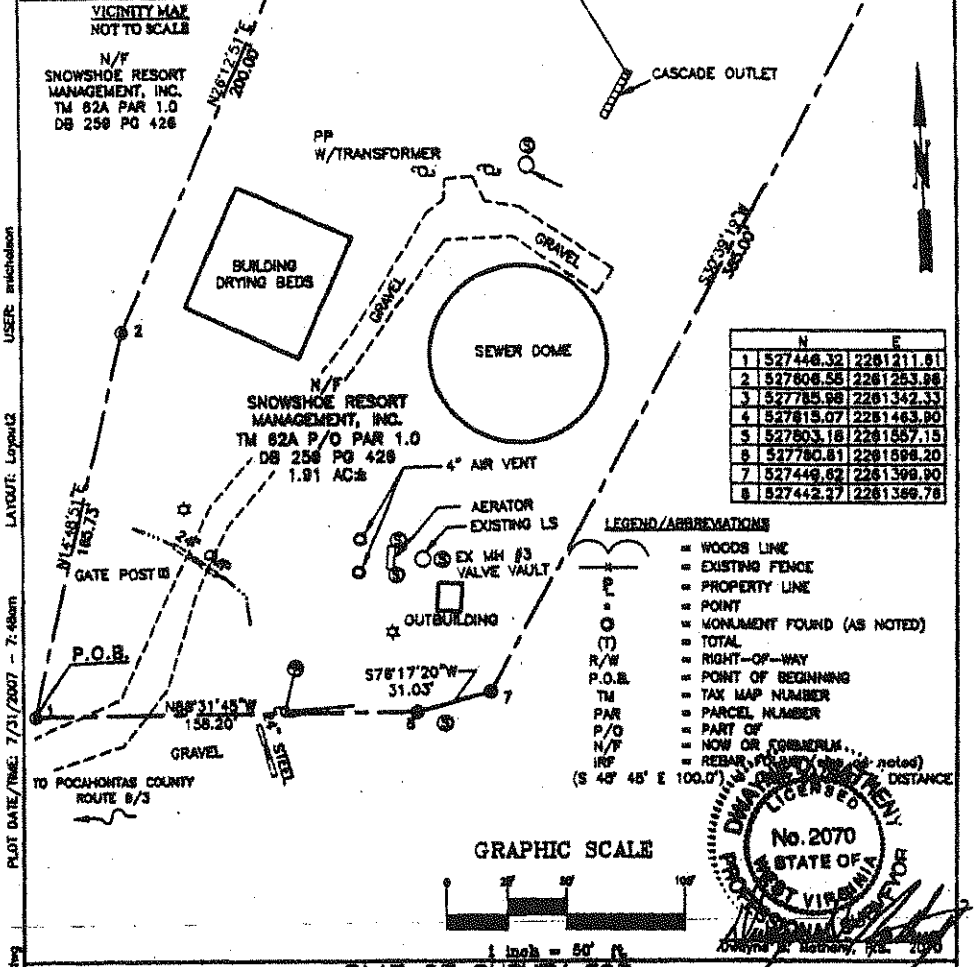
DRAWN: DP SURVEY: DP BK:

CAD FILE: P:\20-771\SURVEY\INN SNOWSHOE-R-3.dwg PLOT DATE/TIME: 8/14/2007 - 1:19pm

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



VICINITY MAP
NOT TO SCALE



	N	E
1	527446.32	2261211.61
2	527606.55	2261253.86
3	527785.98	2261342.33
4	527815.07	2261463.90
5	527803.16	2261557.15
6	527780.81	2261598.20
7	527446.62	2261399.90
8	527442.37	2261369.76

LEGEND/ABBREVIATIONS

	= WOODS LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
•	= POINT
○	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DISTANCE

GRAPHIC SCALE

0 25' 50' 100'

1 inch = 50' ft.

DWAYNE P. MATHENY
LICENSED
No. 2070
STATE OF WEST VIRGINIA
PROFESSIONAL SURVEYOR

Dwayne P. Matheny, P.E. 2070

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. NFO: BEARINGS BASED ON GPS OBSERVATIONS / SNOWSHOE SEWER PROJECT
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
@ = 3/4" x 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP 62A
PARCEL No. P/O 1.0
JOB. No. 20-771

SHOWING
CONVEYANCE OF SILVER CREEK WASTE WATER TREATMENT PLANT FACILITY
from
SNOWSHOE MOUNTAIN, INC.
EDRAY DISTRICT SITUATE POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 50' JULY 2007

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: Layout2
CAD FILE: P:\20-771\SURVEY\PROP.dwg
REFERENCE: DB 259 PG 426
DRAWN: DP SURVEY: DP BK:

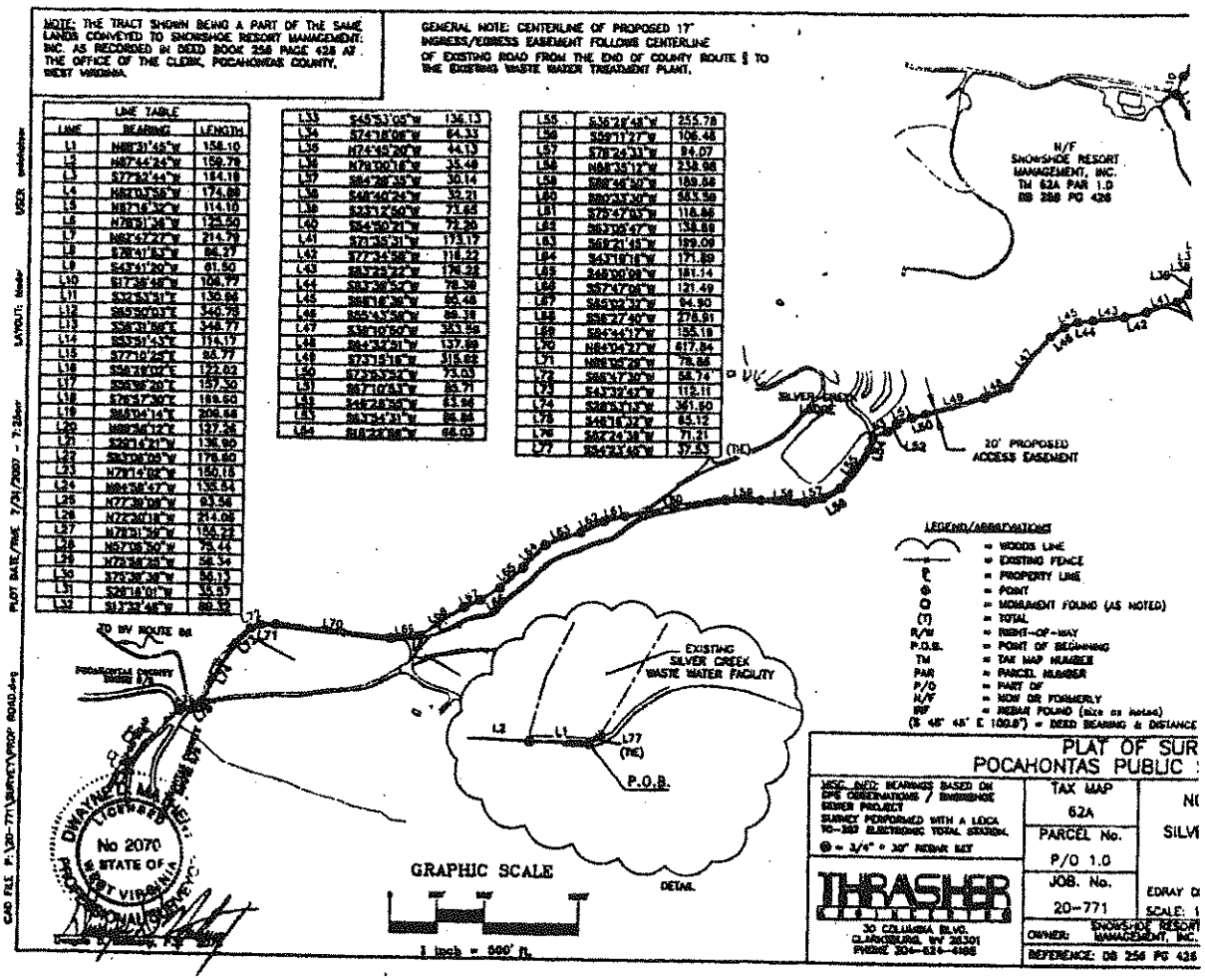
CAD FILE: P:\20-771\SURVEY\PROP.dwg PLOT DATE/TIME: 7/31/2007 - 7:48am LAYOUT: Layout2 USER: snichelson

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 256 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.

GENERAL NOTE: CENTERLINE OF PROPOSED 17' INGRESS/EGRESS EASEMENT FOLLOWS CENTERLINE OF EXISTING ROAD FROM THE END OF COUNTY ROUTE 5 TO THE EXISTING WASTE WATER TREATMENT PLANT.

LINE TABLE

LINE	BEARING	LENGTH
L1	N88°31'45"W	158.10
L2	N87°44'24"W	159.78
L3	S77°52'44"W	184.18
L4	N87°03'58"W	174.88
L5	N87°16'32"W	114.10
L6	N78°51'38"W	125.50
L7	N82°47'27"W	214.79
L8	S78°41'53"W	86.37
L9	S43°41'20"W	61.50
L10	S17°38'48"W	108.77
L11	S32°53'31"E	130.86
L12	S85°50'03"E	340.78
L13	S38°31'56"E	348.77
L14	S53°31'45"E	114.17
L15	S77°10'25"E	84.77
L16	S58°18'00"E	172.62
L17	S38°36'20"E	157.30
L18	S76°47'30"E	189.60
L19	S68°04'14"E	208.66
L20	N88°56'12"E	137.26
L21	S28°14'21"W	136.90
L22	S83°08'05"W	176.60
L23	N79°14'08"W	150.15
L24	N84°58'47"W	135.54
L25	N77°39'08"W	83.56
L26	N72°30'18"W	214.06
L27	N78°31'36"W	164.22
L28	N57°18'50"W	78.44
L29	N73°38'35"W	58.34
L30	S75°36'36"W	56.13
L31	S28°16'01"W	35.57
L32	S17°32'46"W	88.52
L33	S45°53'05"W	136.13
L34	S74°18'08"W	84.33
L35	N74°45'20"W	44.13
L36	N79°30'18"W	35.48
L37	S86°28'35"W	30.14
L38	S48°46'24"W	33.21
L39	S23°12'50"W	73.65
L40	S84°50'21"W	72.20
L41	S71°35'31"W	173.17
L42	S77°34'58"W	118.22
L43	S83°33'27"W	176.28
L44	S83°36'53"W	78.38
L45	S88°18'36"W	85.48
L46	S85°43'50"W	88.18
L47	S38°10'50"W	383.59
L48	S84°33'51"W	137.88
L49	S73°15'16"W	318.62
L50	S73°53'52"W	73.03
L51	S87°10'43"W	85.71
L52	S46°28'55"W	63.96
L53	S63°54'31"W	86.86
L54	S18°23'56"W	68.03
L55	S36°28'48"W	255.78
L56	S29°11'27"W	106.46
L57	S78°24'33"W	94.07
L58	N88°35'12"W	238.98
L59	S88°45'50"W	189.56
L60	S80°33'30"W	583.58
L61	S75°47'53"W	116.86
L62	S63°06'47"W	138.88
L63	S68°21'45"W	189.09
L64	S43°18'18"W	171.89
L65	S48°00'08"W	181.14
L66	S57°47'06"W	121.49
L67	S45°02'32"W	84.90
L68	S38°27'40"W	278.91
L69	S84°44'17"W	155.19
L70	N84°04'27"W	617.84
L71	N88°56'28"W	78.86
L72	S66°47'30"W	68.74
L73	S43°32'43"W	112.11
L74	S38°57'13"W	361.50
L75	S48°18'22"W	63.12
L76	S87°24'38"W	71.21
L77	S36°23'45"W	37.53



APPENDIX B
TO TRANSFER AGREEMENT

Description of Wastewater Treatment Facilities

As used in this Agreement, the "Treatment Facilities" means those facilities owned and used by Snowshoe W&S for the treatment of wastewater, as distinguished from and not including the "Collection Facilities" as described in Appendix A to this Transfer Agreement. The Treatment Facilities are shown on the attached maps prepared by Thrasher Engineering entitled (i) Conveyance of the Village Treatment Plant; (ii) Non-exclusive Access Easement to the Village Treatment Plant; (iii) Conveyance of the Inn at Snowshoe Package Plant; (iv) Conveyance of Silver Creek Wastewater Treatment Facility; and (v) Non-exclusive Access Easement to the Silver Creek Wastewater Treatment Facility.

Snowshoe Water & Sewer, Inc.
Main Line Extension Agreements

Development	Cost	Utility's Contribution	Cost Subject to Refunds	2003 Refunds	2004 Refunds	2005 Refunds	2006 Refunds
Sewer							
Timbers	$ 8,170.00	$ (2,153.76)	$ 6,016.24	$ (3,312.12)	$ (607.32)	$ -	$ -
Logger's Run	$ 25,400.00	$ (2,187.78)	$ 23,212.22	$ -	$ (5,179.02)	$ (8,398.74)	$ -
Mace Knob	$ 194,080.00	$ -	$ 194,080.00	$ -	$ -	$ (17,213.13)	$ (7,883.03)
Sawmill Village	$ 181,308.48	$ -	$ 181,308.48	$ -	$ -	$ -	
Sunrise at Silver Creek	$ 42,560.00		$ 42,560.00				
Black Bear Crossing	$ 122,260.00		$ 122,260.00				
Totals	$ 573,778.48	$ (4,341.54)	$ 569,436.94	$ (3,312.12)	$ (5,786.34)	$ (25,611.87)	$ (7,883.03)

Footnotes:
Mace Knob preliminary engineering report estimates.
Logger's Run 2004 refund includes an adjustment for an incorrect calculation on extension agreement.
Meadows at Hawthorne, Mace Knob and Sawmill Village will payout under the new regulations.

MAIN EXTENSION AGREEMENT

THIS AGREEMENT, made this 8th day of September 2003 by and between Snowshoe Summit Development, party of the first part, hereinafter sometimes referred to as "CUSTOMER", and SNOWSHOE WATER & SEWER, a corporation, party of the second part, hereinafter sometimes referred to as "SEWER COMPANY."

WITNESSETH

THAT, WHEREAS, the Customer desires and hereby requests the Sewer Company to extend its present sewer facilities by the installation of pipeline in the public highways or private rights-of-ways from the end of its present sewer main, a distance of 580 feet. The facilities and their location of which are more particularly described as follows: The pipeline will be constructed of eight-inch PVC and extend from a manholes south of Wabasso Condominiums through the Loggers Run development.
and,

WHEREAS, the Sewer Company finds that the following conditions exist:

(A) Total estimated cost of extension:	$ 25,400.00
(B) Estimated cost to be paid by customer:	$ 24,426.86
(C) Estimated cost subject to refunds in accordance with Attachment A:	$ 24,426.86

THERFORE, upon completion of work by the Sewer Company, and in the event that the actual cost of this extension is less than the estimated cost of the extension, the Sewer Company will refund the difference between the estimated cost of the extension and the actual cost of the extension to the Customer without interest, provided however, the total amount of refund to be paid by the Sewer Company shall not exceed the total amount subject to refunds as calculated on Attachment A without interest. However, in the event that the actual cost of this extension is greater than estimated cost of the extension, the Customer will pay the difference between the estimated cost of this extension and the actual cost of extension to the Sewer Company without interest. If additional money is due the Sewer Company by the Customer, no refunds shall be made until such time as the additional amount is paid.

WHEREAS, the Sewer Company is willing to make such extension upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth to be performed by the parties, each to the other, as well as the mutual advantages to be derived by the parties hereto, such advantages being agreed to constitute and be a valuable consideration supporting this agreement, the sufficiency of which consideration is hereby acknowledged, the parties hereto agree to and with each other as follows:

1) Said installation shall be made under and subject to the "Rules and Regulations for the Government of Sewer Utilities" as set forth by the Public Service Commission of West Virginia.

2) The Customer agrees as follows:

   a) To deliver to the Sewer Company with this agreement the sum of $24,426.86 which is the customer's contribution towards the estimated cost of extension.

   b) This agreement is contingent upon all necessary rights-of-way agreements or rights of entry being obtained and furnished to the Sewer Company. The Customer agrees to convey to the Sewer Company all necessary rights-of-way within property it owns and controls.

3) The Sewer Company agrees that upon the execution and delivery of this agreement and upon the performance by the Customer of the requirements of the Public Service Commission of West Virginia "Rules and Regulations for the Government of Sewer Utilities," to proceed with due diligence to install said extension.

4) It is mutually understood and agreed between the parties hereto:

   a) When and as additional bona fide customers are secured whose service lines are directly connected to said mains, the Sewer Company shall refund an amount equal to three and one-half (3-1/2) times the annual revenue for each such additional customer as provided in the West Virginia Public Service Commission "Rules and Regulations for the Government of Sewer Utilities."

   b) That the total amount of refund to be paid by the Sewer Company to the customer shall not exceed the total amount as calculated on Attachment A without interest.

   c) That on and after ten years from the date said extension is placed in service, all rights of the Customer to reimbursement shall cease and be at end and any amount

not heretofore refunded or due shall become the absolute property of the Sewer Company free of all claims of the Customer.

d) That the right to receive any reimbursement hereunder shall be personal to the Customer and be unassignable either as collateral, security, or otherwise.

e) That the Sewer Company retains the right and shall have the right to extend any main installed by it pursuant to the terms of this agreement in, on or to other lands, avenues, streets, alleys or placed and to connect other mains and services thereto. The Customer shall not by reason thereof be entitled to any payments or compensation or by reason thereof to any reimbursement except as set forth in said Rules and Regulations.

f) That this installation shall be and remain the entire and sole property of the Sewer Company.

g) That each of the Customers shall sign individual contracts for sewer service and shall be billed under the applicable schedule of rates plus the surcharges, where required, with the understanding, however, that it may also be necessary to render the first bill to cover a period longer than the normal billing period.

h) That once a year as near December 31 as practical, refunds will be made when due.

i) That this contract is absolutely contingent and conditional upon the ability of the Sewer Company to secure the approval of any governmental authority, if that be necessary, to the making of said extension and also to acquire the necessary labor, materials and equipment. If such approval, materials, labor and equipment cannot be secured within a reasonable time, then the Customer, at its option, upon five days written notice served upon the Sewer Company, may cancel this contract and require repayment of any sum paid hereunder to the Sewer Company, with the understanding, however, that if this agreement is canceled by the Customer and any costs or expenses have been incurred by the Sewer Company in connection with said extension, the Customer will reimburse the Sewer Company in full for such costs and expenses.

j) That the Sewer Company shall not be liable to the Customer for any damages whatsoever by reason of any delay or delays caused by any common carrier, or by the order, decree or judgment of any court or judge thereof, or by a contractor, or by fire or other casualty, or by reasons of strikes, lockouts, acts of God, or by any other cause or causes beyond the control of the Sewer Company.

5) That the terms of this agreement shall constitute the full agreement and understanding of the parties hereto.

IN WITNESS WHEREOF, Snowshoe Water & Sewer has caused its name to be signed hereto by James Haas, thereunto duly authorized and as to the party of the first part, witness the following signatures and seals:

SNOWSHOE WATER & SEWER

By James Haas Sr.

Its Member Manager -

By [signature]
James Haas

Its V.P.

9/9/03 - Agreed to 50% payment. [initials]
[initials]

MAIN EXTENSION AGREEMENT

THIS AGREEMENT, made this 4th day of October 2002 by and between Summit Development II, party of the first part, hereinafter sometimes referred to as **"CUSTOMER"**, and **SNOWSHOE WATER & SEWER**, a corporation, party of the second part, hereinafter sometimes referred to as **"SEWER COMPANY."**

WITNESSETH

THAT, WHEREAS, the Customer desires and hereby requests the Sewer Company to extend its present sewer facilities by the installation of pipeline in the public highways or private rights-of-ways from the end of its present sewer main, a distance of 505 feet. The facilities and their location of which are more particularly described as follows: The pipeline will be constructed of six-inch PVC and extend from manholes west of Snowcrest Condominiums to the Timbers development.
and,

WHEREAS, the Sewer Company finds that the following conditions exist:

(A) Total estimated cost of extension:	$ 8,170.00
(B) Estimated cost to be paid by customer:	$ 6,016.24
(C) Estimated cost subject to refunds in accordance with Attachment A:	$ 6,016.24

THERFORE, upon completion of work by the Sewer Company, and in the event that the actual cost of this extension is less than the estimated cost of the extension, the Sewer Company will refund the difference between the estimated cost of the extension and the actual cost of the extension to the Customer without interest, provided however, the total amount of refund to be paid by the Sewer Company shall not exceed the total amount subject to refunds as calculated on Attachment A without interest. However, in the event that the actual cost of this extension is greater than estimated cost of the extension, the Customer will pay the difference between the estimated cost of this extension and the actual cost of extension to the Sewer Company without interest. If additional money is due the Sewer Company by the Customer, no refunds shall be made until such time as the additional amount is paid.

WHEREAS, the Sewer Company is willing to make such extension upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth to be performed by the parties, each to the other, as well as the mutual advantages to be derived by the parties hereto, such advantages being agreed to constitute and be a valuable consideration supporting this agreement, the sufficiency of which consideration is hereby acknowledged, the parties hereto agree to and with each other as follows:

1) Said installation shall be made under and subject to the "Rules and Regulations for the Government of Sewer Utilities" as set forth by the Public Service Commission of West Virginia.

2) The Customer agrees as follows:

   a) To deliver to the Sewer Company with this agreement the sum of $6,016.24, which is the customer's contribution towards the estimated cost of extension.

   b) This agreement is contingent upon all necessary rights-of-way agreements or rights of entry being obtained and furnished to the Sewer Company. The Customer agrees to convey to the Sewer Company all necessary rights-of-way within property it owns and controls.

3) The Sewer Company agrees that upon the execution and delivery of this agreement and upon the performance by the Customer of the requirements of the Public Service Commission of West Virginia "Rules and Regulations for the Government of Sewer Utilities," to proceed with due diligence to install said extension.

4) It is mutually understood and agreed between the parties hereto:

   a) When and as additional bona fide customers are secured whose service lines are directly connected to said mains, the Sewer Company shall refund an amount equal to three and one-half (3-1/2) times the annual revenue for each such additional customer as provided in the West Virginia Public Service Commission "Rules and Regulations for the Government of Sewer Utilities."

   b) That the total amount of refund to be paid by the Sewer Company to the customer shall not exceed the total amount as calculated on Attachment A without interest.

   c) That on and after ten years from the date said extension is placed in service, all rights of the Customer to reimbursement shall cease and be at end and any amount

not heretofore refunded or due shall become the absolute property of the Sewer Company free of all claims of the Customer.

d) That the right to receive any reimbursement hereunder shall be personal to the Customer and be unassignable either as collateral, security, or otherwise.

e) That the Sewer Company retains the right and shall have the right to extend any main installed by it pursuant to the terms of this agreement in, on or to other lands, avenues, streets, alleys or placed and to connect other mains and services thereto. The Customer shall not by reason thereof be entitled to any payments or compensation or by reason thereof to any reimbursement except as set forth in said Rules and Regulations.

f) That this installation shall be and remain the entire and sole property of the Sewer Company.

g) That each of the Customers shall sign individual contracts for sewer service and shall be billed under the applicable schedule of rates plus the surcharges, where required, with the understanding, however, that it may also be necessary to render the first bill to cover a period longer than the normal billing period.

h) That once a year as near December 31 as practical, refunds will be made when due.

i) That this contract is absolutely contingent and conditional upon the ability of the Sewer Company to secure the approval of any governmental authority, if that be necessary, to the making of said extension and also to acquire the necessary labor, materials and equipment. If such approval, materials, labor and equipment cannot be secured within a reasonable time, then the Customer, at its option, upon five days written notice served upon the Sewer Company, may cancel this contract and require repayment of any sum paid hereunder to the Sewer Company, with the understanding, however, that if this agreement is canceled by the Customer and any costs or expenses have been incurred by the Sewer Company in connection with said extension, the Customer will reimburse the Sewer Company in full for such costs and expenses.

j) That the Sewer Company shall not be liable to the Customer for any damages whatsoever by reason of any delay or delays caused by any common carrier, or by the order, decree or judgment of any court or judge thereof, or by a contractor, or by fire or other casualty, or by reasons of strikes, lockouts, acts of God, or by any other cause or causes beyond the control of the Sewer Company.

5) That the terms of this agreement shall constitute the full agreement and understanding of the parties hereto.

IN WITNESS WHEREOF, Snowshoe Water & Sewer has caused its name to be signed hereto by James Haas, thereunto duly authorized and as to the party of the first part, witness the following signatures and seals:

SNOWSHOE WATER & SEWER

By James Haas Sr.

Its MANAGING MEMBER.

By James Haas

Its Division Manager

Attachment A

Customer Refund Calculation
(Main Extension at Company Expense)

Customer Name: Summit Development II

Agreement Date: _____

Calculation

(A) Total Estimated Cost of Extension	* $ 8,170.00
(B) Less 4 credit(s) for initial service connection(s)	** ($ 2,153.76)
(C) Less company contribution upgrading facilities	($ N/A)
(E) Total amount to be submitted by the Customer with the signed Main Extension Agreement.	**$ 6,016.24**

*Included in the estimated cost of the extension is company inspection labor and engineering overhead.

** Credits are provided for bona fide new customers who contract for service and whose service lines will be directly connected to said mains. Credits shall equal three and one-half (3-1/2) times the estimated annual revenue for each such customer as provided in the West Virginia Public Service Commission "Rules and Regulations for the Government of Water Utilities"

MAIN EXTENSION AND ACQUISITION AGREEMENT

THIS AGREEMENT made this 20th day of July, 2004, by and between Snowshoe Water & Sewer ("Sewer Company") and Mace Knob Land Company ("Developer"), and joined by John Pernell ("Contractor") for purposes of any specific agreements or undertakings relating to Contractor as hereinafter specified;

WITNESSETH:

THAT WHEREAS, Developer has undertaken to improve and develop certain real property situate in Pocahontas County, West Virginia (the "Development"); and

WHEREAS, in furtherance of the development of the aforesaid property, Developer has inquired of and been advised by Sewer Company that in order for sewer service to be made available to the Development, an extension of a Sewer Company collection main(s) will be required; and

WHEREAS, Developer, has contracted with, or intends to contract with Contractor to construct the main(s) and appurtenances necessary to make sewer service available to the Development; and

WHEREAS, upon completion, Developer desires for Sewer Company to assume ownership of, and the responsibility to maintain and operate, the sewer main(s) and appurtenances to be constructed by contractor on behalf of Developer; and

WHEREAS, Sewer Company is willing to agree to assume ownership of, and the responsibility to maintain and operate, such sewer main(s) and appurtenances, subject to the terms, conditions, limitations and undertakings of this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth to be performed, as well as the mutual advantages to be derived by the parties hereto, such advantages being agreed to constitute and be a valuable consideration supporting this Agreement, the sufficiency of which consideration is hereby acknowledged, Sewer Company, Developer and Contractor agree to and with each other as follows:

I. Construction of Facilities

A. Developer shall construct and install or cause to be constructed and installed, solely at Developer's cost and expense, the extended sewer main(s) and appurtenant facilities more fully described on Addendum A hereto, which extended sewer main(s) and facilities shall hereinafter be referred to collectively as the "Facilities". The Facilities shall be constructed and installed pursuant to plans, specifications and standards approved by (I) Sewer Company and (II) any and all governmental agencies or authorities the approval of which is required by law or regulation. Execution and delivery of this Agreement by Developer is an acknowledgment of possession of, familiarity with, and acceptance of (I) the specifications and standards of Sewer Company and (II) the pertinent laws and regulations of all applicable governmental agencies and authorities. Any modifications to the Facilities described on Addendum A after the date hereof may only be made with the consent of Sewer Company.

B. Sewer Company shall have the right, but not the obligation, to inspect the Facilities during construction and prior to the acquisition thereof by Sewer Company to insure that the Facilities conform to the approved plans and meet all applicable specifications and standards. To the extent Sewer Company elects to exercise its right to inspect the Facilities, Developer agrees to reimburse Sewer Company for the cost of such inspection(s) promptly upon receipt from Sewer Company of an invoice for the cost thereof.

C. Sewer Company shall be under no obligation to acquire or take title to nor possession of any of the Facilities which do not, in the sole judgment and discretion of Sewer Company, meet all of Sewer Company's specifications and standards and all applicable governmental specifications

and standards. In the event Sewer Company refuses to accept the Facilities because of an alleged failure to comply with applicable standards and specifications, Sewer Company will provide Developer with written notice of such refusal and the reasons therefore and Developer shall have a reasonable length of time (not exceeding 90 days from receipt of such notice) to remedy such noncompliance.

II. Transfer Of Title To Facilities

Upon completion of construction of the Facilities in accordance with the terms and conditions described in Section I of this Agreement, Sewer Company agrees to accept title to the Facilities and thereafter to possess, own, operate, maintain, repair and replace such Facilities as a part of Sewer Company's sewer system. Contemporaneously with acceptance of the Facilities by Sewer Company, Developer agrees to convey the same to Sewer Company, together with all necessary and appropriate rights of way and easements, by apt and proper deed and/or bill of sale, free and clear of all liens and encumbrances. Concurrently with the delivery of title to the Facilities, Developer shall also provide to Sewer Company the following:

1. an "as built" drawing(s) of the Facilities; and
2. an "as built" site utility plan; and
3. a release of liens duly executed by any and all contractors, subcontractors and material suppliers releasing any and all claims and liens which any of them have, or might have, against Developer, the Contractor, the Sewer Company or the Facilities, by reason of the labor, materials and equipment furnished in connection with the installation of the Facilities; and
4. a maintenance bond or bonds executed by Contractor, in a form and with a surety acceptable to counsel for Sewer Company, agreeing to remedy any defects in work done or materials used in the construction of the Facilities for a period of one year from the delivery of title to the Facilities to the Sewer Company.

III. Costs Payable By Developer

It is expressly agreed and understood that Developer shall pay all costs and expenses to install the Facilities, including but not limited to the cost of construction, engineering, inspection and administration and all taxes, permits and licenses. In order to permit Sewer Company to properly estimate its income tax liabilities associated with the acceptance of the Facilities, Developer shall, concurrently with

delivery of title to the Facilities, provide Sewer Company with full and complete records of the actual cost to Developer of the Facilities.

IV. Refunds Payable By Sewer Company To Developer

Developer shall be entitled to receive refunds of up to, but not exceeding, the total cost to Developer of constructing and installing the Facilities, including amounts paid to Sewer Company for the cost of inspections as provided herein, said refunds to be made in the amounts and under the circumstances provided in the then applicable rules of (i) Sewer Company and/or (ii) the Public Service Commission of West Virginia. A copy of the current rule of the Public Service Commission pertaining to refunds (Rule 5.5.2) is attached hereto as Addendum B. For purposes of interpretation of the aforesaid rules, to the extent that such rules speak in terms of "Deposits", the aforesaid total cost to Developer of the Facilities that are to be transferred to Sewer Company shall be deemed to be a "Deposit" or "Deposits" within the meaning of said rules. Additional terms, if any, concerning refunds are set forth in the attached Addendum C.

V. Ownership and Operations Of Facilities
After Acquisition By Sewer Company

Upon acquisition by Sewer Company of title to the Facilities as provided herein, Sewer Company shall have the absolute right to extend any portion of the Facilities in, on or to other lands, avenues, streets, alleys or places and to connect other mains and services thereto, and Developer shall not, by reason thereof, be entitled to any payments or compensation, nor any refund (except as may be required by the terms of Section IV hereof), and the Facilities shall be and remain in all respects the entire and sole property of the Sewer Company.

VI. Persons Served By Facilities To Be Customers Of Sewer Company

In addition to any and all other agreements and undertakings set forth in this Agreement, Sewer Company and Developer mutually agree that all persons receiving sewer service through, or as a result of, the Facilities shall be customers of the Sewer Company, shall sign individual contracts or applications for sewer service with the Sewer Company and shall be billed at the rates and charges of the Sewer Company as approved from time to time by the Public Service Commission of West Virginia.

VII. Insurance

Developer and Contractor hereby covenant and agree that Contractor will, at all times during the construction of the Facilities, maintain in good standing insurance coverage of the following types for not less than the following amounts or greater where required by law or regulation:

A. Worker's Compensation Such Worker's Compensation coverages as may be required under the circumstance by the laws of the State of West Virginia; and

B. Comprehensive General Liability and Property Damage: Comprehensive General Liability and Property Damage insurance with limits of liability of not less than $1,000,000/$3,000,000 for bodily injury, and not less than $500,000/$1,000,000 for property damage; and

C. Comprehensive Automobile Liability and Property Damage: Comprehensive Automobile and Property Damage insurance with limits of liability of not less than $1,000,000/$3,000,000 for bodily injury and not less than $500,000 for property damage; and

D. Umbrella and/or Excess Liability: Umbrella and/or Excess Liability insurance covering all of the risks described in the foregoing subsections of this Section VII for liabilities exceeding the limits therein required to be maintained by up to at least $1,000,000.

VIII. Indemnification

A. Developer and Contractor agree to indemnify and hold harmless the Sewer Company and its affiliated companies, and the agents, officers, directors, and employees of Sewer Company and its affiliates, from and against all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from the performance of the work in connection with the construction of the Facilities, provided that any such claim, damage, loss or expense (a) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom and, (b) is caused in whole or in part by any negligent act or omission of Developer or Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by the negligence of a party indemnified hereunder.

B. In any and all claims against Sewer Company and its affiliated companies or any of the agents, officers, directors or employees thereof, by any employee of Developer or Contractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under Subsection A of this Section VIII shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Developer or Contractor or any subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.

C. Any provisions of this agreement in respect to indemnification which are prohibited or unenforceable by law in the State of West Virginia shall be ineffective and to the extent of such prohibition or unenforceability, shall not invalidate the remaining provisions of this agreement.

D. The indemnification obligations of Developer and Contractor shall survive the transfer of title of the Facilities to Sewer Company.

IX. Condition Precedent To Effectiveness Of Agreement

It is expressly understood and agreed by the parties hereto that a condition precedent to the existance, effectiveness and enforceability of this Agreement is that the Public Service Commission of West Virginia shall not enter any order seeking to delay, prohibit or prevent the consummation and fulfillment of this Agreement in accordance with its terms and conditions.

X. Miscellaneous Provisions

A. Survival and Assignment. This Agreement shall be binding upon the parties hereto and their successors and assigns. However, neither Developer nor Contractor shall assign their interests in this Agreement without the prior written consent of Sewer Company and any attempted assignment (including but not limited to, the assignment or pledge of any right to refunds as collateral security) without such consent shall render this Agreement null and void.

B. Risk of Loss. Until the Facilities have been accepted by Sewer Company and the title thereto has passed, of record, from Developer to Sewer Company, Developer shall bear all risk of loss or damage to said facilities.

C. Notices. Any notice required or permitted to be given by the terms hereof shall be in writing and addressed as follows:

If to Sewer Company: Snowshoe Water & Sewer Company

P.O. Box 10

Snowshoe, WV 26209

Attn: Lloyd Coleman

If to Developer: Mace Knob Land Company

P.O. Box 489

Elkins, WV 26241

D. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of West Virginia.

E. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

F. Captions. The headings preceding the text of the sections or subsections hereof are inserted solely for convenience of reference and shall not constitute a part of this Agreement nor affect its meaning, construction or effect.

IN WITNESS WHEREOF Snowshoe Water & Sewer has caused its name to be signed hereto by Jim Haas, its Vice-President, thereto duly authorized and, Mace Knob Land Company (Developer) has caused its name to be signed hereto by Frank Santmeyer, its Trustee, thereunto duly authorized; and John Pernell (Contractor) has caused its name to be signed hereto by John Pernell, its Owner, thereto duly authorized.

Snowshoe Water & Sewer Company

By Jim Haas

Its Vice-President

Maca Knob Land Company

By Frank Santmeyer

Its ~~Trustee~~ Member Manager

John Pernell

By ~~John Pernell~~ David Waybright (RDW)

Its Owner

R. David Waybright

Sewer Form No. 7
(Sewer Rule 5.5.h.7)
Form of Commission Check-List for Alternate Main Extension Agreements

This form sets forth the minimum amount of information that should be included in a proposed alternate main extension agreement.

- ☐ 1. Name of developer, mobile home park owner or prospective customers(s).
- ☐ 2. General location or description of area to be served.
- ☐ 3. Indication that the developer, owner or prospective customer(s) has/have read Water Rule 5.5, Sewer Rule 5.3, or both in their entirety.
- ☐ 4. Indication that the developer, owner or prospective customer(s) understand(s) the Rules.
- ☐ 5. Having read and understood the Rules, the developer, owner or prospective customer(s) choose(s) to enter into the alternate main line extension agreement.
- ☐ 6. If the developer, owner or prospective customer(s) waive(s) reimbursement, the agreement should contain the waiver.
- ☐ 7. A copy of the applicable Rule(s) must be attached to the agreement.
- ☐ 8. A statement as to who will bear the cost of inspection, if any.
- ☐ 9. If the customer is to bear the cost of inspection, a statement of the maximum amount of the cost of inspection.
- ☐ 10. If the developer, owner or prospective customer(s) wish(es) to waive the right of receiving an estimate of the cost of the extension if constructed by the utility, a statement reflecting the waiver.
- ☐ 11. A statement as to the type of testing to be required.
- ☐ 12. A statement as to who will bear the cost of testing, if any.
- ☐ 13. If the customer is to bear the cost of the testing, a statement of the maximum amount of the cost of the testing.
- ☐ 14. A statement as to who will install the service connections.
- ☐ 15. If the developer, owner or prospective customer(s) is/are to install the service connections, a statement that the utility will not charge a tap fee.
- ☐ 16. A statement that the tap fee, if any to be charged, is the approved tap fee in the utility's tariff.
- ☐ 17. A statement that the utility is to be indemnified and held harmless against any and all claims for injuries and/or damages which may arise from problems associated with the construction of the extension by the developer, owner or prospective customer(s).

- ☐ 18. A statement that the ownership of the extension will be conveyed to the utility prior to its connection to the utility's system.
- ☐ 19. A statement indicating who will be responsible for preparing the plans for the extension.
- ☐ 20. If the developer, owner or prospective customer(s) is/are to be responsible for the preparation of the plan for the extension, a statement that the developer, owner or prospective customer(s) will provide plans to the Staff of the Public Service Commission if required.
- ☐ 21. The number of prospective customers to be served by the extension, the number of lots to be served, or some other general indication of the size of the area to be served by the extension.
- ☐ 22. If the initial cost estimate has not been waived, the estimate must be set forth in the agreement.
- ☐ 23. A warranty indicating that the developer, owner or prospective customers will warrant the system for a period of one year after completion of the construction, or after system is placed into service.
- ☐ 24. The agreement should not be executed before being sent to the Commission for approval.
- ☐ 25. A statement as to who will obtain and pay for necessary permits.
- ☐ 26. A statement as to who is responsible for the cost of the construction.
- ☐ 27. A statement as to who is responsible for the cost of the material.
- ☐ 28. A statement describing the extension, including length, diameter and any major components such as fire hydrants, etc.

NOTE: A paragraph such as "The Developer/Customer waives his rights under paragraph 5.3 or 5.5 of the Commission's Rules" will not be acceptable as a catch-all for the requirements listed above. Each item must be addressed in the agreement.

the Commission has imposed a moratorium. Any utility denying service to a prospective customer or group of customers due to a moratorium shall notify, in writing, all applicants for service of their right to file with the Commission a request for exemption from the moratorium.

4.12.g. Improvements to System -- A utility upon which a moratorium is imposed shall continue to seek improvements to its system necessary to lift the moratorium. The Commission may, at its discretion, require the utility to submit reports outlining all progress made toward system improvements.

§150-5-5. Utility Facilities; Service Pipes; Extension of System.

5.1. Adequacy of facilities.

5.1.a. The collecting system of every sewer utility shall be designed, constructed, maintained and operated to receive and transport the sewage from its customers' outlets to its treatment plant without undue delay.

5.1.b. Where the terrain is such that pumping or lift stations must be provided, such facilities must have the approval of the Bureau for Public Health and the Department of Environmental Protection and be operated under the rules of the Bureau for Public Health and the Department of Environmental Protection.

5.1.c. When a new sewer utility proposes to construct and operate a sewer service business, its entire plant layout shall be approved by the Bureau for Public Health and the Water Resources Division of the Department of Environmental Protection.

5.1.d. Construction and maintenance of plant -- Each utility shall at all times construct and maintain its entire plant and system to furnish safe, adequate and continuous service.

5.1.e. Inspection of plant -- Each utility shall inspect its plant and facilities in such manner and with such frequency as is necessary to insure a reasonably complete knowledge as to their conditions and adequacy at all times. Such inspections must comply with the legally applicable requirements of the Minimum Federal Safety Standards (Federal Occupational Health and Safety Administration) and the Bureau for Public Health and the Department of Environmental Protection.

5.1.f. Records of conditions -- Records necessary for the proper maintenance of the system and in accordance with the Bureau for Public Health and the Department of Environmental

Protection and the Minimum Federal Safety Standards shall be kept of the conditions found. In special cases, a more complete record may be specified by the Commission.

5.1.g. Records of operation -- Each utility shall keep a record of the operation of its plant, which, so far as practical, shall show sufficient details of plant operation as is necessary to substantially reproduce its daily operations. The records shall also be maintained in accordance with the requirements of the Minimum Safety Standards and the Bureau for Public Health and the Department of Environmental Protection.

5.1.h. Report to Commission -- Each utility shall, upon request of the Commission, file with the Commission a statement regarding the condition and adequacy of its plant, equipment, and facilities, and of its operations and service in such form as the Commission may require.

5.2. Utility Service Pipe.

5.2.a. Where the service pipe is required for the immediate and continuous use for general service to premises abutting the public street or right-of-way in which mains are located, the utility will furnish, install, and maintain the utility service pipe and appurtenances between the main in the street up to the customer's point of service at or near 90 degrees to the main. All such service pipes and appurtenances shall be installed only by the utility unless by prior written agreement.

5.2.b. The utility shall determine the location of the utility service pipe.

5.2.c. The utility shall install and maintain, at its own cost and expense, all of the utility service pipe to the point of service, regardless of the side of the road on which the customer is located in reference to the main line. The utility shall designate the point of service on the customer's side of the road.

5.2.d. The utility shall not make any charge for furnishing and installing any permanent service connection, unless the utility has prior approval of the Commission to charge a tap fee and the same is set forth in the utility's tariff on file with the Commission.

5.2.e. The utility service pipe shall remain under the utility's sole control and jurisdiction.

5.2.f. The customer shall not attach any fixtures to, or make any branches in, the utility service pipe between the point of service and the main. Violation of this rule may result in termination of service pursuant to these rules.

5.2.g. Temporary service connections for construction or other temporary purposes shall be installed by the utility at the cost of the applicant.

5.2.h. Each utility shall adopt standard methods of installation where practicable. Such methods shall be set out with written descriptions and drawings to provide a clear understanding of the requirements; all of which shall be submitted to the Commission.

5.2.i. Availability defined -- Sewer service will be deemed available to a customer when a main is installed and maintained by the utility in such location and at such distance from the user's premises as may be provided by city ordinance or by the rules of the utility: Provided, that service shall not be deemed to be available unless the sewage will flow by gravity or be transported by such other methods approved by the Bureau for Public Health including, but not limited to, vacuum and pressure systems, approved under West Virginia Code §16-1-9, from the customer's premises into the utility's facilities.

5.3. Customer Service Pipe.

5.3.a. No customer, plumber, company owner or any agent shall connect to the utility's main or to any utility service pipe, or extend the pipes therefrom to any premises for the purpose of securing sewer service, until application has been made therefor to the utility as provided in these rules and permission for doing so has been granted by the utility in writing.

5.3.b. Once an application for service has been granted, the customer shall install and maintain the customer service pipe.

5.3.c. The utility's authorized employee shall inform the customer of the location of the point of service. The customer shall install the customer service pipe to the point of service after which the utility will install the utility service pipe from the main to the point of service.

5.3.d. Where the utility's service pipe is already installed to the point of service, the customer shall connect with the utility service pipe as installed.

5.3.e. The customer service pipe shall be installed in a workmanlike manner, shall conform to all reasonable rules and regulations of the utility, and shall be maintained by the customer at his own expense.

5.3.f. The utility will specify the size, kind, quality and location of all materials used in the customer's service pipe and the customer shall comply with those specifications.

5.3.g. A customer must maintain his service pipe in good condition and free from all leaks and defects, at the customer's cost and expense. A customer's failure to comply with this rule may result in termination of water or sewer service pursuant to these rules.

5.3.h. The customer's service pipe shall be laid below the frost line at all points and shall be placed on firm and continuous earth so as to give unyielding and permanent support; and be installed in a trench at least two feet in a horizontal direction from any other trench wherein gas pipe, water pipe, or other facilities, public or private, are or are to be installed.

5.3.i. A customer's service pipe shall not pass through or across any premises or property other than that to be served nor across any portion of the property that could practicably be sold separately from the immediate premises served and no pipes or plumbing in any premises shall be extended therefrom to adjacent or other premises.

5.3.j. The customer's service pipe and all connections and fixtures attached thereto shall be subject to the inspection of the utility before use, and all premises, including any and all fixtures within the said premises, shall at all reasonable hours be subject to inspection by a duly authorized employee of the utility.

5.3.k. The utility shall make changes and bear the full costs of changes in the customer's service pipe required due to changes in grade, relocation of mains, and other causes not related to the customer. The customer shall bear the full costs of changes in service pipe or meter location desired by the customer for his or her convenience.

5.3.l. The customer shall not attach any fixtures to, or make any branches in, the customer service pipe between the point of service and the premises served. Violation of this rule may result in termination of service pursuant to these rules.

5.3.m. The connection of surface drains to the sanitary

system is prohibited. As a means to deter prohibited connections where surface or ground water is introduced into the sanitary system, the utility may add a surcharge to the customer's sewer bill where evidence of a violation exists. The surcharge shall be authorized by separate schedule to the utility's sewer tariff filed pursuant to the Rules for the Construction and Filing of Tariffs, 150 CSR 2, but the utility need not file revenue, expense, or other financial data unless otherwise ordered by the Commission. The charge for roof drains, downspouts, storm sewers or similar facilities connected to the sanitary sewer system will be calculated by the formula or rate clearly stated in the tariff, and will not be cumulative to any metered rate for sewer service. The tariff should further provide that the surcharge will not be imposed unless and until the customer is 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, and that the customer has thirty (30) days to divert that water from the sanitary sewer.

5.5. Extension of mains to serve new customers.

5.5.a. A sewer utility, whether publicly or privately owned, is under a public service obligation to extend its mains, and its plant and facilities to serve new customers within its service area who may apply for service.

5.5.b. Extensions shall be made in all cases in which the public convenience and necessity require the service, construction problems are not unusual or burdensome, and the extensions appear to be economically feasible.

5.5.c. For any proposed extension of mains, a reasonable relationship should exist between the per customer investment to serve new customers and the per customer investment to serve old customers.

5.5.d. Every effort shall be made by a utility to install its main line in the public road right-of-way or in a utility right-of-way abutting the public road right-of-way.

5.5.e. Extension for general sewer service.

1. The utility will respond to all inquiries regarding new sewer service, whether oral or written, by explaining all available options for obtaining service under these rules.

2. The utility will, upon written request for

service in the form of Sewer Form No. 4, by a prospective customer or group of prospective customers located in the same neighborhood, determine the necessary size of main required to give service and make an estimate of the cost of providing the requested service, using the form of Sewer Form No. 5, including pipe, valves, manholes, fittings, necessary materials, permits, labor costs incurred by the utility when the utility externally contracts for the construction of the extension, or internal labor costs, provided such internal or external costs are not recovered in existing rates, and other applicable related costs. When a road crossing(s) is(are) necessary to serve the customer(s) requesting service, the cost estimate shall not include costs attributable to extending the main across the first road (closest to the already existing main), but shall include the costs of installing the main across a second and any subsequent road(s). The written estimate calculated using Sewer Form No. 5 shall be provided to the customer in the form of Sewer Form No. 6, no more than forty-five (45) days from the receipt by the utility of the written request for service. The written estimate shall include an estimated construction start date and an estimated time of construction. If the prospective customer believes that any part of the estimate is unreasonable, the customer is free to pursue an informal request for assistance from the Commission staff or to file a formal complaint with the Commission. Further, the utility and the customer shall execute a Main Line Extension Agreement. Commission Staff may be consulted to provide assistance and sample forms. The agreement must include as an attachment a copy of this extension rule. The utility shall keep an executed copy of the agreement for at least six (6) years. The length of the extension required shall be that length required to extend from the new proposed service area to the nearest point of connection to the utility system having sufficient excess capacity to provide service at maximum demand.

3. Whenever the utility is required to extend service from an existing main to property that does not immediately abut the utility's right-of-way or the public road that contains the utility main, the extension shall be considered a main extension and the cost responsibility shall be determined under Rule 5.5.e.

4. Where the cost of the extension does not exceed the estimated total net revenue as calculated below, from prospective customers whose service pipes will immediately be connected directly to the extension and from whom the utility has received applications for service upon forms provided by the utility for this purpose, the utility will install, at its own cost and expense, the necessary extension; provided, that the patronage or demand will be of such permanency as to warrant the capital

expenditure involved.

A. Net revenue shall be gross revenue minus the excess usage leak adjustment rate approved for the utility, and with this difference further reduced for any revenue based taxes.

B. Revenue shall be based on 4,500 gallons per month per residential unit, unless circumstances of the applicant show this would result in significant error. For non-residential units, annual revenue shall be based on typical consumption for comparable units published by the American Water Works Association.

C. Estimated total net revenue for private, for profit, utilities will be calculated as six (6) times estimated net annual revenue. Each such utility shall file for a utility-specific line extension multiplier within twelve (12) months of the effective date of these rules.

D. The utility-specific line extension multiplier for private, for profit, utilities shall be based on one (1) divided by the utility's net fixed charge rate. The net fixed charge rate shall equal the total of the utility's weighted cost of capital, applicable income tax rates, and the Commission approved depreciation accrual rate.

E. Estimated total net revenue for associations, municipal, and public service district utilities will be calculated as five (5) times estimated net annual revenue. If the excess leak adjustment calculated for the utility fails to include all of the incremental costs of serving a new customer that should properly be netted out from the total revenues of the utility, the utility may apply to the Commission for a determination of the proper amount to be deducted from gross revenues to arrive at an appropriate determination of net revenue.

5.5.f. Extensions beyond the limit of utility-financed extensions of general sewer service.

1. If the estimated cost of the proposed extension required in order to furnish general sewer service exceeds the utility's estimate of total net revenue as determined by Rule 5.5.e.4., such extension shall be made if the applicant or the applicant's authorized agent contracts for such extension and deposits in advance with the utility the estimated cost of the extension over and above the limit of the utility-funded portion of the extension. The utility shall not pay nor be liable for any interest on such cash deposits. The utility shall make the extension after receiving the cash deposit. The utility shall, for

each bona fide new customer who, within a period of ten (10) years from the making of such extension, directly connects to the extension between its original beginning and original terminus refund to the original depositor(s), an amount equal to the estimated total net revenue of the new customer as determined by Rule 5.5.e.4., but in no event shall the aggregate refund made to the depositors exceed the original deposit. Provided, however, that associations, public service districts and municipal sewer utilities may elect to refund the estimated amount over a period of five (5) years making payments no less frequently than every six (6) months.

5.5.g. Alternate Depositor-Financed Extension Plan.

1. Qualifying utilities -- The above requirements notwithstanding, the utility may decline to finance the portion of a requested extension that would be utility-funded, if it can demonstrate that it has no prospect of any reasonable internal or external financing through commercial loans, grants, or through an installment arrangement with an entity installing the extension or providing the necessary materials.

A. If the utility declines to finance the portion of a requested extension that would be the financial responsibility of the utility, the utility shall file for a waiver of the extension rule within sixty (60) days of the written request.

B. Before filing for a waiver, the utility must first make an estimate of the extension costs.

C. A request for a waiver by a utility shall be accompanied by supporting documentation justifying its request.

D. If the Commission finds that the utility has reasonably declined to finance the portion of the requested extension that would otherwise be utility-funded, the Commission shall authorize the use of the alternate depositor-financed extension plan as described below.

2. Description of alternate depositor-financed extension plan -- Under the alternate depositor-financed extension plan, the utility shall make the extension after:

A. receiving a cash deposit equal to the full amount of the extension cost; and

B. agreeing to give the depositor(s), who is

a customer, a monthly bill credit totaling one hundred percent (100%) of the actual net bill(s) from the date service is initiated and until the total credits given equal the estimated total net revenue as defined in Rule 5.5.e.4; and

C. agreeing to refund to the original depositor(s) an amount equal to estimated total net revenue as defined in Rule 5.5.e.4. of each bona fide customer, other than the depositor(s), who, within a period of ten (10) years from the construction of the extension, directly connects to the extension between its original beginning and the original terminus. The refund may be spread out over a five (5) year period with the utility making payments no less frequently than every six (6) months. Such refunds shall continue until the total refunds given equal the estimated total net revenue as defined in Rule 5.5.e.4.

3. In no event shall the total refund made to the depositor(s) under Rule 5.5.g.2.C. exceed the original deposit of the depositor(s).

4. The utility shall not pay nor be liable for any interest on the cash deposits associated with line extensions.

5.5.h. General provisions.

1. Should the actual cost of the extension be less than the estimated cost, the utility will refund the difference as soon as the actual cost has been ascertained, but in no event longer than ninety (90) days after completion of construction of the extension. When the actual cost of the extension exceeds the estimate cost, then the utility will bill the depositor for the difference between the estimated and the actual cost. The customer may pay this additional amount in installments. No interest will be paid by the utility on the applicant's payment or on any balance to be refunded.

2. In estimating the cost of an extension, the estimate shall be based on the diameter of the pipe to be used; provided, that the estimated cost to the customer or customers shall not be based on a pipe diameter greater than the diameter of the main from which the extension is to be made, unless actual use estimated for the proposed customer or customers required a larger pipe.

3. Extensions made under this rule shall be and remain the property of the utility.

4. The utility reserves the right to further extend

its sewer mains from and beyond the extension made under this rule, and the depositor or the depositor's agent paying for an extension shall not be entitled to any refund for the attaching of customers to such further extension or branch mains so installed.

5. In determining the length of main extensions or of sewer line to be installed in an urban area when land is subdivided in lots, the main, or sewer line (if installed by an entity other than a utility), shall be extended to fully cover the frontage of the property and if the last lot to be served is a corner lot, the terminal point of the extension made hereunder shall be located so that the sewer line ties in with the intersecting street; and further; provided that if there is no main located in the intersecting street, the terminal point of the extension shall be located at the nearest street line of the intersecting street. In rural areas or open land areas, the extension required will be that length necessary to adequately serve the applicant.

6. Before sewer lines will be laid in any new subdivision, the road surface shall be brought to the established sub-grade as determined by the agency having jurisdiction.

7. This rule shall not be construed as prohibiting the utility from entering into an agreement with a customer that complies with the Commission approved checklist attached hereto as Sewer Form No. 7, in providing an alternate plan for a main extension. Commission Staff may be consulted to provide assistance and sample forms. In providing an alternate plan for main extensions a utility may not discriminate between customers whose service requirements are similar. The agreement shall be filed with and approved by the Commission prior to the implementation or execution of the agreement by any of the parties. The agreement shall include the name, address and phone number of the parties to the agreement. The agreement shall also include a provision explaining why the utility is not funding the extension. The agreement must attach a copy of this Rule 5.5., and a statement signed by the prospective customer that he has reviewed and understands the provisions of Rule 5.5.f. which entitle a customer to refunds and that he knowingly waives such rights, if applicable. Failure to obtain Commission approval will result in the loss of the right to obtain reimbursement from the utility. If an entity other than the utility constructs the extension, upon completion of construction and proper utility inspection of the extension, the utility shall initiate service only after proper transfer of title to all facilities including property, plant and rights-of-way incidental to the furnishing of utility service.

8. Contract for service -- The utility shall not be required to make utility-funded extensions or refunds as described in this rule unless those to be served by such extensions shall guarantee to the utility that they will take the service at their premises within thirty (30) days after service is available or as otherwise mutually agreed in a user's agreement.

9. Construction conditions -- Construction of line extensions, as provided in this rule, will be undertaken promptly after all applications have been completed, necessary right-of-way agreements or rights of entry have been delivered to the utility, and all prospective customers have signed contracts.

10. Right-of-Way.

A. If the construction of an extension involves the acquisition of a private right-of-way, then the prospective customer shall attempt to secure the right-of-way and deliver it to the utility free of cost before construction of the extension is started.

B. If, however, it is not reasonably possible for the prospective customer or customers to secure the right-of-way, and the construction of an extension involves the utility's incurring expense for right-of-way easements, either by purchase or condemnation, such costs shall be added to the total cost of the extension.

C. As a condition to obtaining a main extension, any property owner or developer shall grant the utility the necessary easements which would allow the utility to make future extensions into unserved areas. The granting of the necessary easements shall be made without the utility being required to pay additional consideration for the additional easements to the property owner or developer. If the property owner or developer is unwilling to grant the additional easements, the utility shall not be required to extend its main to serve the property owner or developer.

11. Upon the proper filing of a Tariff Rule 42A, 42T, or 19A rate case by the utility, the utility may seek an impact fee to be assessed against customers.

§150-5-6. Safety requirements

6.1. Accidents.

6.1.a. Records -- Each utility shall keep a record of

MACE KNOB LAND COMPANY
WATER LINE & SEWER LINE PROJECT BUDGET

PROJECT BUDGET

Water Line Construction Cost.....	$ 87,800.00
Sanitary /sewer Construction Costs.....	$175,580.00
Permit Fees.....	$ 2,000.00
Administration Costs.....	$ 5,000.00
Engineering.....	$ 15,000.00
Inspection.....	$ 15,000.00
	$300,380.00

MACE KNOB LAND COMPANY
WATER LINE

Bidder agrees to perform all work described in the Contract Documents for the Following Unit Prices or Lump Sum:

PRELIMINARY ENGINEER'S ESTIMATE

Note: Bids shall include Sales Tax and all other applicable Taxes and Fees.

NO.	ITEM	UNIT	UNIT PRICE	AMOUNT	TOTAL PRICE
1	Tie to Existing Water Line	EACH	1200.00	2	2,400.00
2	6" DR-14 C-900 Water Line	L.F.	12.00	1850	22,200.00
3	8" DR-14 C-900 Water Line	L.F.	14.00	1500	21,000.00
4	6" Valve W/Valve Box	L.F.	800.00	2	1,600.00
5	8" Valve W/Valve Box	L.F.	900.00	2	1,800.00
7	Crushed Aggregate Backfill	TON	12.00	600	7,200.00
8	Fire Hydrant	EACH	1800.00	2	3600.00
9	Gravel Road Repair	L.S.	2000.00	1	2000.00
9	Meter Service	EACH	400.00	65	26,000.00
		TOTAL	BID	PRICE $	87,800.00

Respectfully Submitted:

_____
(Contractor)

_____
(Address)

_____
(Tele. No.)

WV LICENSE NO._____

MACE KNOB LAND COMPANY
SANITARY SEWER LINE

Bidder agrees to perform all work described in the Contract Documents for the Following Unit Prices or Lump Sum:

PRELIMINARY ENGINEER'S ESTIMATE

Note: Bids shall include Sales Tax and all other applicable Taxes and Fees.

NO.	ITEM	UNIT	UNIT PRICE	AMOUNT	TOTAL PRICE
1	Tie to Existing Manhole	EACH	500.00	1	500.00
2	Concrete Manhole	EACH	1,300.00	37	48,100.00
3	4" SDR 35 Sewer Pipe	L.F.	12.00	250	3,000.00
4	6" SDR 35 Sewer Pipe	L.F	14.00	110	1,540.00
5	8" SDR 35 Sewer Pipe	L.F.	16.00	1800	28,800.00
6	10" SDR 35 Sewer Pipe	L.F.	18.00	3630	65,340.00
7	Crushed Aggregate Bedding	TON	12.00	1000	12,000.00
8	Shoulder Repair	L.F.	3.00	1100	3300.00
9	Seed & Mulch	L.F.	3.00	2000	6000.00
10	Bore & Jack 18" Steel Casing	L.F.	175.00	40	7000.00

TOTAL BID PRICE $ 175,580.00

Respectfully Submitted:

_____
(Contractor)

_____
(Address)

_____
(Tele. No.)

WV LICENSE NO._____

SEWER MAIN EXTENSION AGREEMENT

THIS AGREEMENT, made this 11 day of March, 2005 by and between **Sawmill Village, LLC**, party of the first part, hereinafter sometimes referred to as "**CUSTOMER**", and **SNOWSHOE WATER & SEWER, INC.**, a corporation, party of the second party, hereinafter sometimes referred to as "**SEWER COMPANY.**"

WITNESSETH:

THAT, WHEREAS, the Customer desires and hereby requests the Sewer Company to extend its present sewer facilities by the installation of pipeline in the pubic highways or private rights-of-ways from the end of its present sewer main as contemplated by the "Preliminary Engineer's Estimate" attached as Appendix A; and,

WHEREAS, the parties agree that the following conditions exist:

(A)	Total estimated cost of extension:	$162,254
(B)	Estimated cost to be paid by customer:	$162,254
(C)	Estimated cost subject to refunds:	$162,254

THEREFORE, upon completion of work by the Sewer Company, and in the event that the actual cost of this extension is less than the estimated cost of the extension, the Sewer Company will refund the difference between the estimated cost of the extension and the actual cost of the extension to the Customer, without interest, provided however, the total amount of refund to be paid by the Sewer Company shall not exceed the total amount subject to refunds as calculated by Attachment A, without interest. However, in the event that the actual cost of this extension is greater than the estimated cost of this extension, the Customer shall immediately pay the difference between the estimated cost of this extension and the actual cost of extension to the Sewer Company, without interest.

WHEREAS, the Sewer Company is willing to make such extension and the Customer is desirous that the extension be made upon the terms and conditions hereinafter set forth:

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, as well as the mutual advantages to be derived by the parties hereto, the parties hereto agree as follows:

1) Said extension shall be made under and subject to the "Rules and Regulations for the Government of Sewer Utilities" as set forth by the Public Service Commission of West Virginia and as provided herein.

2) The Customer agrees as follows:

a) To deliver to the Sewer Company with this agreement the sum of $162,25 cash as the estimated cost of extension.

b) This agreement is contingent upon all necessary rights-of-way agreement or rights of entry being obtained and furnished to the Sewer Company. The Customer agrees to convey to the Sewer Company all necessary rights-of-way within property it owns and controls.

3) The Sewer Company agrees that, upon the execution and delivery of this agreement and upon the performance by the Customer of the requirements of the Public Service Commission of West Virginia "Rules and Regulations for the Government of Sewer Utilities," to proceed with due diligence to install said extension.

4) It is mutually understood and agreed between the parties hereto:

a) When and as bona fide customers are secured whose service lines are directly connected to the extension, the Sewer Company shall make refunds to the Customer as provided in Rule 5.5(f) of the Commission's "Rules and Regulations for the Government of Sewer Utilities."

b) That the total amount of refund to be paid by the Sewer Company to the Customer shall not exceed the total amount as calculated on Attachment A, without interest.

c) That on and after ten years from the date construction of said extension is complete, all rights of the Customer to reimbursement shall cease and be at end and any amount not heretofore refunded shall become the absolute property of the Sewer Company free of all claims of the Customer or others.

d) That the right to receive any reimbursement hereunder shall be personal to the Customer and shall be unassignable either as collateral, security, or otherwise.

e) That the Sewer Company retains the right and shall have the right to extend any main installed by it pursuant to the terms of this agreement in, on or to other lands, avenues, streets, alleys or places, and to connect other mains and services thereto. The Customer shall not by reason thereof be entitled to any payments or compensation or by reason thereof to any reimbursement except as set forth herein.

f) That this extension shall be and remain the entire and sole property of the Sewer Company.

g) That each of the bona fide sewer customers who connect directly to said extension shall sign individual contracts for sewer service and shall be billed under the applicable schedule of rates plus the surcharges, where required, with the understanding, however, that it may also be necessary to render the first bill to cover a period longer than the normal billing period.

h) That once a year as near December 31 as practical, refunds will be made when due.

i) That this contract is absolutely contingent and conditional upon the ability of the Sewer Company to secure the approval of any governmental authority, if that be necessary, to the making of said extension and also to acquire the necessary labor, materials and equipment. If such approval, materials, labor and equipment cannot be secured within a reasonable time, then the Customer, at its option, upon five days written notice served upon the Sewer Company, may cancel this contract and require repayment of any sums paid hereunder to the Sewer Company, with the understanding, however, that if this agreement is canceled by the Customer and any costs or expenses have been incurred by the Sewer Company in connection with said extension, the Customer will reimburse the Sewer Company in full for such costs and expenses.

j) That the Sewer Company shall not be liable to the Customer for any damages whatsoever by reason of any delay or delays caused by any common carrier, or by the order, decree or judgment of any court or judge thereof, or by a contractor, or by fire or other casualty, or by reasons of strikes, lockouts, acts of God, or by any other cause or causes beyond the control of the Sewer Company.

5) That the terms of this agreement shall constitute the full agreement and understanding of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed heret as of the date first written above, intending to be legally bound:

Sawmill Village, LLC

By _____
Its: Member Manager

SNOWSHOE WATER & SEWER, INC.

By _____
Jim Haas
Its: Vice President

ATTACHMENT A

SNOWSHOE WATER & SEWER COMPANY
SEWER LINE PROJECT BUDGET
SAWMILL VILLAGE

PROJECT BUDGET

Sanitary Sewer Construction Costs	$156,720.00
Permit Fees	$ 200.00
Administration Costs	$ 1,334.00
Engineering	$ 4,000.00
	$162,254.00

MAIN EXTENSION AND ACQUISITION AGREEMENT

THIS AGREEMENT made this 14th day of May 2007, by and between Snowshoe Water & Sewer ("Sewer Company") and Sunrise at Silver Creek Homeowner Association ("Developer"), and joined by John Bell ("Contractor") for purposes of any specific agreements or undertakings relating to Contractor as hereinafter specified;

WITNESSETH:

THAT WHEREAS, Developer has undertaken to improve and develop certain real property situate in Pocahontas County, West Virginia (the "Development"); and

WHEREAS, in furtherance of the development of the aforesaid property, Developer has inquired of and been advised by Sewer Company that in order for sewer service to be made available to the Development, an extension of a Sewer Company collection main(s) will be required; and

WHEREAS, Developer, has contracted with, or intends to contract with Contractor to construct the main(s) and appurtenances necessary to make sewer service available to the Development; and

WHEREAS, upon completion, Developer desires for Sewer Company to assume ownership of, and the responsibility to maintain and operate, the sewer main(s) and appurtenances to be constructed by contractor on behalf of Developer; and

WHEREAS, Sewer Company is willing to agree to assume ownership of, and the responsibility to maintain and operate, such sewer main(s) and appurtenances, subject to the terms, conditions, limitations and undertakings of this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth to be performed, as well as the mutual advantages to be derived by the parties hereto, such advantages being agreed to constitute and be a valuable consideration supporting this Agreement, the sufficiency of which consideration is hereby acknowledged, Sewer Company, Developer and Contractor agree to and with each other as follows:

I. Construction of Facilities

A. Developer shall construct and install or cause to be constructed and installed, solely at Developer's cost and expense, the extended sewer main(s) and appurtenant facilities more fully described on Addendum A hereto, which extended sewer main(s) and facilities shall hereinafter be referred to collectively as the "Facilities". The Facilities shall be constructed and installed pursuant to plans, specifications and standards approved by (i) Sewer Company and (ii) any and all governmental agencies or authorities the approval of which is required by law or regulation. Execution and delivery of this Agreement by Developer is an acknowledgment of possession of, familiarity with, and acceptance of (i) the specifications and standards of Sewer Company and (ii) the pertinent laws and regulations of all applicable governmental agencies and authorities. Any modifications to the Facilities described on Addendum A after the date hereof may only be made with the consent of Sewer Company.

B. Sewer Company shall have the right, but not the obligation, to inspect the Facilities during construction and prior to the acquisition thereof by Sewer Company to insure that the Facilities conform to the approved plans and meet all applicable specifications and standards. To the extent Sewer Company elects to exercise its right to inspect the Facilities, Developer agrees to reimburse Sewer Company for the cost of such inspection(s) promptly upon receipt from Sewer Company of an invoice for the cost thereof.

C. Sewer Company shall be under no obligation to acquire or take title to nor possession of any of the Facilities which do not, in the sole judgment and discretion of Sewer Company, meet all of Sewer Company's specifications and standards and all applicable governmental specifications and standards. In the event Sewer Company refuses to accept the Facilities because of an alleged failure to comply with applicable standards and specifications, Sewer Company will provide Developer with written notice of such refusal and the reasons therefore and Developer shall have a reasonable length of time (not exceeding 90 days from receipt of such notice) to remedy such noncompliance.

II. Transfer Of Title To Facilities

Upon completion of construction of the Facilities in accordance with the terms and conditions described in Section I of this Agreement, Sewer Company agrees to accept title to the Facilities and thereafter to possess, own, operate, maintain, repair and replace such Facilities as a part of Sewer Company's sewer system. Contemporaneously with acceptance of the Facilities by Sewer Company, Developer agrees to convey the same to Sewer Company, together with all necessary and appropriate rights of way and easements, by apt

and proper deed and/or bill of sale, free and clear of all liens and encumbrances. Concurrently with the delivery of title to the Facilities, Developer shall also provide to Sewer Company the following:

1. an "as built" drawing(s) of the Facilities; and

2. an "as built" site utility plan; and

3. a release of liens duly executed by any and all contractors, subcontractors and material suppliers releasing any and all claims and liens which any of them have, or might have, against Developer, the Contractor, the Sewer Company or the Facilities, by reason of the labor, materials and equipment furnished in connection with the installation of the Facilities; and

4. a maintenance bond or bonds executed by Contractor, in a form and with a surety acceptable to counsel for Sewer Company, agreeing to remedy any defects in work done or materials used in the construction of the Facilities for a period of one year from the delivery of title to the Facilities to the Sewer Company.

III. Costs Payable By Developer

It is expressly agreed and understood that Developer shall pay all costs and expenses to install the Facilities, including but not limited to the cost of construction, engineering, inspection and administration and all taxes, permits and licenses. In order to permit Sewer Company to properly estimate its income tax liabilities associated with the acceptance of the Facilities, Developer shall, concurrently with delivery of title to the Facilities, provide Sewer Company with full and complete records of the actual cost to Developer of the Facilities.

IV. Refunds Payable By Sewer Company To Developer

Developer shall be entitled to receive refunds of up to, but not exceeding, the total cost to Developer of constructing and installing the Facilities, including amounts paid to Sewer Company for the cost of inspections as provided herein, said refunds to be made in the amounts and under the circumstances provided in the then applicable rules of (i) Sewer Company and/or (ii) the Public Service Commission of West Virginia. A copy of the current rule of the Public Service Commission pertaining to refunds (Rule 5.5.f.) is attached hereto as Addendum B. For purposes of interpretation of the aforesaid rules, to the extent that such rules speak in terms of "Deposits", the aforesaid total cost to Developer of the Facilities that are to be transferred to Sewer

Company shall be deemed to be a "Deposit" or "Deposits" within the meaning of said rules. Additional terms, if any, concerning refunds are set forth in the attached Addendum C.

V. Ownership and Operations Of Facilities
After Acquisition By Sewer Company

Upon acquisition by Sewer Company of title to the Facilities as provided herein, Sewer Company shall have the absolute right to extend any portion of the Facilities in, on or to other lands, avenues, streets, alleys or places and to connect other mains and services thereto, and Developer shall not, by reason thereof, be entitled to any payments or compensation, nor any refund (except as may be required by the terms of Section IV hereof), and the Facilities shall be and remain in all respects the entire and sole property of the Sewer Company.

VI. Persons Served By Facilities To Be Customers Of Sewer Company

In addition to any and all other agreements and undertakings set forth in this Agreement, Sewer Company and Developer mutually agree that all persons receiving sewer service through, or as a result of, the Facilities shall be customers of the Sewer Company, shall sign individual contracts or applications for sewer service with the Sewer Company and shall be billed at the rates and charges of the Sewer Company as approved from time to time by the Public Service Commission of West Virginia.

VII. Insurance

Developer and Contractor hereby covenant and agree that Contractor will, at all times during the construction of the Facilities, maintain in good standing insurance coverage of the following types for not less than the following amounts or greater where required by law or regulation:

A. Worker's Compensation Such Worker's Compensation coverages as may be required under the circumstance by the laws of the State of West Virginia; and

B. Comprehensive General Liability and Property Damage: Comprehensive General Liability and Property Damage Insurance with limits of liability of not less than $1,000,000/$3,000,000 for bodily injury, and not less than $500,000/$1,000,000 for property damage; and

C. Comprehensive Automobile Liability and Property Damage: Comprehensive Automobile and Property Damage Insurance with limits of liability of not less than $1,000,000/$3,000,000 for bodily injury and not less than $500,000 for property damage; and

D. Umbrella and/or Excess Liability: Umbrella and/or Excess Liability Insurance covering all of the risks described in the foregoing subsections of this Section VII for liabilities exceeding the limits therein required to be maintained by up to at least $1,000,000.

VIII. Indemnification

A. Developer and Contractor agree to indemnify and hold harmless the Sewer Company and its affiliated companies, and the agents, officers, directors, and employees of Sewer Company and its affiliates, from and against all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from the performance of the work in connection with the construction of the Facilities, provided that any such claim, damage, loss or expense (a) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom and, (b) is caused in whole or in part by any negligent act or omission of Developer or Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by the negligence of a party indemnified hereunder.

B. In any and all claims against Sewer Company and its affiliated companies or any of the agents, officers, directors or employees thereof, by any employee of Developer or Contractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under Subsection A of this Section VIII shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Developer or Contractor or any subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.

C. Any provisions of this agreement in respect to indemnification which are prohibited or unenforceable by law in the State of West Virginia shall be ineffective and to the extent of such prohibition or unenforceability, shall not invalidate the remaining provisions of this agreement.

D. The indemnification obligations of Developer and Contractor shall survive the transfer of title of the Facilities to Sewer Company.

IX. Condition Precedent To Effectiveness Of Agreement

It is expressly understood and agreed by the parties hereto that a condition precedent to the existence, effectiveness and enforceability of this Agreement is that the Public Service Commission of West

Virginia shall not enter any order seeking to delay, prohibit or prevent the consummation and fulfillment of this Agreement in accordance with its terms and conditions.

X. Miscellaneous Provisions

A. Survival and Assignment. This Agreement shall be binding upon the parties hereto and their successors and assigns. However, neither Developer nor Contractor shall assign their interests in this Agreement without the prior written consent of Sewer Company and any attempted assignment (including but not limited to, the assignment or pledge of any right to refunds as collateral security) without such consent shall render this Agreement null and void.

B. Risk of Loss. Until the Facilities have been accepted by Sewer Company and the title thereto has passed, of record, from Developer to Sewer Company, Developer shall bear all risk of loss or damage to said facilities.

C. Notices. Any notice required or permitted to be given by the terms hereof shall be in writing and addressed as follows:

If to Sewer Company: Snowshoe Water & Sewer Company
P.O. Box 10
Snowshoe, WV 26209
Attn: Lloyd Coleman

If to Developer: Sunrise at Silver Creek Homeowner Association
14709 Bauer Drive
Rockville, MD 20853

D. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of West Virginia.

E. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

F. Captions. The headings preceding the text of the sections or subsections hereof are inserted solely for convenience of reference and shall not constitute a part of this Agreement nor affect its meaning, construction or effect.

IN WITNESS WHEREOF Snowshoe Water & Sewer has caused its name to be signed hereto by J D Morgan, its Director, Business Developments, thereto duly authorized and, Sunrise at Silver Creek Homeowner Association (Developer) has caused its name to be signed hereto by David Litsey, its Trustee, thereunto duly authorized; and John Bell (Contractor) has caused its name to be signed hereto by John Bell, its Owner, thereto duly authorized.

Snowshoe Water & Sewer Company

By _____

Its: Director, Business Developments

Sunrise at Silver Creek Homeowner Association

By _____

Its: Trustee

John Bell, Contractor

By _____

Its: Owner

MAIN EXTENSION AND ACQUISITION AGREEMENT

THIS AGREEMENT made this 3rd day of January 2008, by and between Snowshoe Water & Sewer ("Sewer Company") and GKS Development ("Developer"), and joined by Tygarts Valley Construction ("Contractor") for purposes of any specific agreements or undertakings relating to Contractor as hereinafter specified;

WITNESSETH:

THAT WHEREAS, Developer has undertaken to improve and develop certain real property situate in Pocahontas County, West Virginia (the "Development"); and

WHEREAS, in furtherance of the development of the aforesaid property, Developer has inquired of and been advised by Sewer Company that in order for sewer service to be made available to the Development, an extension of a Sewer Company collection main(s) will be required; and

WHEREAS, Developer, has contracted with, or intends to contract with Contractor to construct the main(s) and appurtenances necessary to make sewer service available to the Development; and

WHEREAS, upon completion, Developer desires for Sewer Company to assume ownership of, and the responsibility to maintain and operate, the sewer main(s) and appurtenances to be constructed by contractor on behalf of Developer; and

WHEREAS, Sewer Company is willing to agree to assume ownership of, and the responsibility to maintain and operate, such sewer main(s) and appurtenances, subject to the terms, conditions, limitations and undertakings of this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth to be performed, as well as the mutual advantages to be derived by the parties hereto, such advantages being agreed to constitute and be a valuable consideration supporting this Agreement, the sufficiency of which consideration is hereby acknowledged, Sewer Company, Developer and Contractor agree to and with each other as follows:

I. Construction of Facilities

A. Developer shall construct and install or cause to be constructed and installed, solely at Developer's cost and expense, the extended sewer main(s) and appurtenant facilities more fully described on Addendum A hereto, which extended sewer main(s) and facilities shall hereinafter be referred to collectively as the "Facilities". The Facilities shall be constructed and installed pursuant to plans, specifications and standards approved by (i) Sewer Company and (ii) any and all governmental agencies or authorities the approval of which is required by law or regulation. Execution and delivery of this Agreement by Developer is an acknowledgment of possession of, familiarity with, and acceptance of (i) the specifications and standards of Sewer Company and (ii) the pertinent laws and regulations of all applicable governmental agencies and authorities. Any modifications to the Facilities described on Addendum A after the date hereof may only be made with the consent of Sewer Company.

B. Sewer Company shall have the right, but not the obligation, to inspect the Facilities during construction and prior to the acquisition thereof by Sewer Company to insure that the Facilities conform to the approved plans and meet all applicable specifications and standards. To the extent Sewer Company elects to exercise its right to inspect the Facilities, Developer agrees to reimburse Sewer Company for the cost of such inspection(s) promptly upon receipt from Sewer Company of an invoice for the cost thereof.

C. Sewer Company shall be under no obligation to acquire or take title to nor possession of any of the Facilities which do not, in the sole judgment and discretion of Sewer Company, meet all of Sewer Company's specifications and standards and all applicable governmental specifications and standards. In the event Sewer Company refuses to accept the Facilities because of an alleged failure to comply with applicable standards and specifications, Sewer Company will provide Developer with written notice of such refusal and the reasons therefore and Developer shall have a reasonable length of time (not exceeding 90 days from receipt of such notice) to remedy such noncompliance.

II. Transfer Of Title To Facilities

Upon completion of construction of the Facilities in accordance with the terms and conditions described in Section I of this Agreement, Sewer Company agrees to accept title to the Facilities and thereafter to possess, own, operate, maintain, repair and replace such Facilities as a part of Sewer Company's sewer system. Contemporaneously with acceptance of the Facilities by Sewer Company, Developer agrees to convey the same to Sewer Company, together with all necessary and appropriate rights of way and

easements, by apt and proper deed and/or bill of sale, free and clear of all liens and encumbrances. Concurrently with the delivery of title to the Facilities, Developer shall also provide to Sewer Company the following:

1. an "as built" drawing(s) of the Facilities; and

2. an "as built" site utility plan; and

3. a release of liens duly executed by any and all contractors, subcontractors and material suppliers releasing any and all claims and liens which any of them have, or might have, against Developer, the Contractor, the Sewer Company or the Facilities, by reason of the labor, materials and equipment furnished in connection with the installation of the Facilities; and

4. a maintenance bond or bonds executed by Contractor, in a form and with a surety acceptable to counsel for Sewer Company, agreeing to remedy any defects in work done or materials used in the construction of the Facilities for a period of one year from the delivery of title to the Facilities to the Sewer Company.

III. Costs Payable By Developer

It is expressly agreed and understood that Developer shall pay all costs and expenses to install the Facilities, including but not limited to the cost of construction, engineering, inspection and administration and all taxes, permits and licenses. In order to permit Sewer Company to properly estimate its income tax liabilities associated with the acceptance of the Facilities, Developer shall, concurrently with delivery of title to the Facilities, provide Sewer Company with full and complete records of the actual cost to Developer of the Facilities.

IV. Refunds Payable By Sewer Company To Developer

Developer shall be entitled to receive refunds of up to, but not exceeding, the total cost to Developer of constructing and installing the Facilities, including amounts paid to Sewer Company for the cost of inspections as provided herein, said refunds to be made in the amounts and under the circumstances provided in the then applicable rules of (i) Sewer Company and/or (ii) the Public Service Commission of West Virginia. A copy of the current rule of the Public Service Commission pertaining to refunds (Rule 5.5.f.) is attached hereto as Addendum B. For purposes of interpretation of the aforesaid rules, to the extent that such rules speak in terms of "Deposits", the aforesaid total cost to Developer of the Facilities that are to be

transferred to Sewer Company shall be deemed to be a "Deposit" or "Deposits" within the meaning of said rules. Additional terms, if any, concerning refunds are set forth in the attached Addendum C.

V. Ownership and Operations Of Facilities
After Acquisition By Sewer Company

Upon acquisition by Sewer Company of title to the Facilities as provided herein, Sewer Company shall have the absolute right to extend any portion of the Facilities in, on or to other lands, avenues, streets, alleys or places and to connect other mains and services thereto, and Developer shall not, by reason thereof, be entitled to any payments or compensation, nor any refund (except as may be required by the terms of Section IV hereof), and the Facilities shall be and remain in all respects the entire and sole property of the Sewer Company.

VI. Persons Served By Facilities To Be Customers Of Sewer Company

In addition to any and all other agreements and undertakings set forth in this Agreement, Sewer Company and Developer mutually agree that all persons receiving sewer service through, or as a result of, the Facilities shall be customers of the Sewer Company, shall sign individual contracts or applications for sewer service with the Sewer Company and shall be billed at the rates and charges of the Sewer Company as approved from time to time by the Public Service Commission of West Virginia.

VII. Insurance

Developer and Contractor hereby covenant and agree that Contractor will, at all times during the construction of the Facilities, maintain in good standing insurance coverage of the following types for not less than the following amounts or greater where required by law or regulation:

A. Worker's Compensation Such Worker's Compensation coverages as may be required under the circumstance by the laws of the State of West Virginia; and

B. Comprehensive General Liability and Property Damage: Comprehensive General Liability and Property Damage Insurance with limits of liability of not less than $1,000,000/$3,000,000 for bodily injury, and not less than $500,000/$1,000,000 for property damage; and

C. Comprehensive Automobile Liability and Property Damage: Comprehensive Automobile and Property Damage Insurance with limits of liability of not less than $1,000,000/$3,000,000 for bodily injury and not less than $500,000 for property damage; and

D. Umbrella and/or Excess Liability: Umbrella and/or Excess Liability Insurance covering all of the risks described in the foregoing subsections of this Section VII for liabilities exceeding the limits therein required to be maintained by up to at least $1,000,000.

VIII. Indemnification

A. Developer and Contractor agree to indemnify and hold harmless the Sewer Company and its affiliated companies, and the agents, officers, directors, and employees of Sewer Company and its affiliates, from and against all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from the performance of the work in connection with the construction of the Facilities, provided that any such claim, damage, loss or expense (a) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom and, (b) is caused in whole or in part by any negligent act or omission of Developer or Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by the negligence of a party indemnified hereunder.

B. In any and all claims against Sewer Company and its affiliated companies or any of the agents, officers, directors or employees thereof, by any employee of Developer or Contractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under Subsection A of this Section VIII shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Developer or Contractor or any subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.

C. Any provisions of this agreement in respect to indemnification which are prohibited or unenforceable by law in the State of West Virginia shall be ineffective and to the extent of such prohibition or unenforceability, shall not invalidate the remaining provisions of this agreement.

D. The indemnification obligations of Developer and Contractor shall survive the transfer of title of the Facilities to Sewer Company.

IX. Condition Precedent To Effectiveness Of Agreement

It is expressly understood and agreed by the parties hereto that a condition precedent to the existence, effectiveness and enforceability of this Agreement is that the Public Service Commission of West Virginia shall not enter any order seeking to delay, prohibit or prevent the consummation and fulfillment of this Agreement in accordance with its terms and conditions.

X. Miscellaneous Provisions

A. Survival and Assignment. This Agreement shall be binding upon the parties hereto and their successors and assigns. However, neither Developer nor Contractor shall assign their interests in this Agreement without the prior written consent of Sewer Company and any attempted assignment (including but not limited to, the assignment or pledge of any right to refunds as collateral security) without such consent shall render this Agreement null and void.

B. Risk of Loss. Until the Facilities have been accepted by Sewer Company and the title thereto has passed, of record, from Developer to Sewer Company, Developer shall bear all risk of loss or damage to said facilities.

C. Notices. Any notice required or permitted to be given by the terms hereof shall be in writing and addressed as follows:

If to Sewer Company: Snowshoe Water & Sewer Company
P.O. Box 10
Snowshoe, WV 26209
Attn: Lloyd Coleman

If to Developer: GKS Development LLC
PO Box 389
Boonesmill VA 24065
Attn: Tom Selles

D. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of West Virginia.

E. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

F. Captions. The headings preceding the text of the sections or subsections hereof are inserted solely for convenience of reference and shall not constitute a part of this Agreement nor affect its meaning, construction or effect.

IN WITNESS WHEREOF Snowshoe Water & Sewer has caused its name to be signed hereto by JD Morgan, its Director, Business Development, thereto duly authorized and, GKS Development (Developer) has caused its name to be signed hereto by Tom Selles, its Chief Financial Officer, thereunto duly authorized; and Tygarts Valley Construction (Contractor) has caused its name to be signed hereto by Jim Weese, its President, thereto duly authorized.

Snowshoe Water & Sewer Company

By: _____ 1/3/08
JD Morgan
Its: Director, Business Development

GKS Development LLC

By: _____ member 1/3/08
Tom Selles
Its: Chief Financial Officer

Tygarts Valley Construction Inc

By: _____
Jim Wease
Its: President

DEED

THIS DEED dated this __ day of _____, 2008, by and between **SNOWSHOE MOUNTAIN, INC.**, a West Virginia corporation ("Snowshoe Mountain"), and **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation, a public utility and a successor by merger to SC Water & Sewer, Inc. ("SWS") (with Snowshoe Mountain and SWS being collectively referred to as "Grantor"), and **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT** ("Grantee").

W I T N E S S E T H:

That, for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby **GRANT** and **CONVEY** unto Grantee all of the following parcels of real estate, together with the improvements thereon and appurtenances thereunto belonging, situate, lying and being in Pocahontas County, West Virginia, which are more particularly described as follows (the "Property"):

PARCEL 1: Lift Station #117

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #117 which bears South 85° 57' 32" East a distance of 14.14 feet from the center of said Lift Station which has the coordinates of North 518,926.6737 and an Easting of 2,256,805.9591;

Thence with the easterly right of way of said Lift Station, South 40° 57' 32" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 49° 02' 28" West, a distance of 20.00 feet to a ¾" rebar, set;

Thence, North 40° 57' 32" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 49° 02' 28" East, a distance of 20.00 feet to the **Place of Beginning,** containing 400.00 square feet, **More or Less,** as shown on a plat attached hereto and made a part of this description.

Parcel 1 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 2: Lift Station #118

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #118 which bears South 65° 48' 56" East a distance of 14.14 feet from the center of said Lift Station which has the coordinates of North 516,545.4034 and an Easting of 2,256,133.1124;

Thence with the easterly right of way of said Lift Station, South 69° 11' 04" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 20° 48' 56" West, a distance of 20.00 feet to a ¾" rebar, set;

Thence, North 69° 11' 04" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 20° 48' 56" East, a distance of 20.00 feet to the **Place of Beginning,** containing 400.00 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Parcel 2 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 3: Lift Station #39

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #39 which bears South 69° 02' 14" East a distance of 14.14 feet from the center of said Lift Station with the coordinates of North 514,954.1866 and an Easting of 2,257,144.0740;

Thence with said Lift Station for four (4) lines, South 65° 57' 46" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 24° 02' 14" West, a distance of 20.00 feet to a ¾" rebar, set;

Thence, North 65° 57' 46" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 24° 02' 14" East, a distance of 20.00 feet to the **Place of Beginning,** containing 400.00 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Parcel 3 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 4: Lift Station #77

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #77 which bears North 23° 53' 33" East a distance of 14.14 feet from the center of said Lift Station which has the coordinates of North 524,231.0723 and an Easting of 2,255,902.5950;

Thence with the easterly right of way of said Lift Station, South 21° 06' 58" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 68° 53' 02" West, a distance of 20.00 feet to a ¾" rebar, set;

Thence, North 21° 06' 58" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 68° 53' 02" East, a distance of 20.00 feet to the **Place of Beginning**, containing 400.00 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Parcel 4 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 5: Lift Station #120

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #120 which bears South 52° 05' 42" East a distance of 14.14 feet from the center of said Lift Station with coordinates of North 517,775.6268 and an Easting of 2,255,979.9904;

Thence with said Lift Station for four (4) lines, South 82° 54' 18" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 07° 05' 42" West, a distance of 20.00 feet to a ¾" rebar, set;

Thence, North 82° 54' 18" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 07° 05' 42" East, a distance of 20.00 feet to the **Place of Beginning,** containing 400.00 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Parcel 5 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 6: Lift Station #133

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #133 which bears South 34° 26' 29" East a distance of 14.14 feet from the center of said Lift Station which has the

coordinates of North 514,348.6510 and an Easting of 2,256,943.3953;

Thence with the easterly right of way of said Lift Station, North 79° 26' 29" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 10° 33' 31" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence, South 79° 26' 29" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 10° 33' 31" West, a distance of 20.00 feet to the **Place of Beginning,** containing 400.00 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Parcel 6 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 7: Lift Station #124

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set) on the easterly line of Lift Station #124 which bears South 18 degrees 24 minutes 32 seconds West a distance of 13.39 feet from the center of said Lift Station which has the coordinates of North 515,359.9145 and an Easting of 2,256,359.2903;

Thence North 04 degrees 33 minutes 16 seconds East, a distance of 11.16 feet to a point;

Thence North 85 degrees 26 minutes 44 seconds West, a distance of 0.58 feet to a point;

Thence North 04 degrees 33 minutes 16 seconds West, a distance of 10.37 feet to a point;

Thence North 60 degrees 48 minutes 59 seconds East, a distance of 9.85 feet to a ¾" rebar set;

Thence South 29 degrees 11 minutes 01 seconds East, a distance of 16.96 feet to a point;

Thence, with a curve to the left having a radius of 56.51 an arc length of 4.47 feet a chord bearing of South 17 degrees 58 minutes 40 seconds West, a distance of 4.47 feet to a point;

Thence, South 60 degrees 48 minutes 59 seconds West, a distance of 15.16 feet to a point;

Thence North 85 degrees 25 minutes 47 seconds West, a distance of 1.75 feet to the **Place of Beginning**, containing 287 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

Parcel 7 being part of the same lands conveyed to Snowshoe Resort Management, Inc, as recorded in Deed Book 259 at Page 426 in the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 8: Lift Station at Sawmill Village

A certain tract or parcel of land, situate in Edray District, Pocahontas County, West Virginia, more particularly bounded and described as follows:

Beginning at a ¾" iron rebar set on the lands of Snowshoe Resort Management, Inc. (Tax Map 8A Parcel 1.0, Deed Book 259 Page 426);

Thence, through the lands of said Snowshoe Resort Management, Inc. for four (4) lines, North 78 degrees 19 minutes 41 seconds East, a distance of 20.00 feet to a ¾" iron rebar set;

Thence, North 11 degrees 40 minutes 19 seconds East, a distance of 20.00 feet to a ¾" iron rebar set;

Thence, South 78 degrees 19 minutes 41 seconds East, a distance of 20.00 feet to a ¾" iron rebar set;

Thence, South 11 degrees 40 minutes 19 seconds East, a distance of 20.00 feet to the **Place of Beginning,** containing 400 Square Feet., MORE OR LESS, as shown on a plat attached hereto and made a part of this description.

The parcel of land and herein described being a part of the same lands conveyed to Snowshoe Resort Management Inc. recorded in Deed Book 259 Page 426 at the Office of the Clerk of Pocahontas County, West Virginia.

PARCEL 9: Lift Station at the Ski Barn

A certain tract or parcel of land, on the waters of Shavers Fork, in Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" rebar (set on the easterly line of the Lift Station at Ski Barn which bears South 68° 07' 10" East a distance of 19.72 feet from the center of said Lift Station which has the coordinates of North 524,183.8916 and an Easting of 2,255,094.2084;

Thence with the easterly right of way of said Lift Station, South 81° 34' 31" West, a distance of 20.00 feet to a ¾" rebar (set);

Thence, North 08° 25' 29" West, a distance of 20.00 feet to a ¾" rebar, set;

Thence, North 81° 34' 31" East, a distance of 20.00 feet to a ¾" rebar, set;

Thence South 08° 25' 29" East, a distance of 20.00 feet to the **Place of Beginning**, containing 400.00 square feet, **More or Less**, as shown on a plat attached hereto and made a part of this description.

The tract or parcel of land and herein described being part of the same lands conveyed to Snowshoe Resort Management, Inc., as recorded in Deed Book 259, at Page 426, in the Office of the Clerk of Pocahontas County, West Virginia.

A. APPURTENANT EASEMENTS AND RIGHTS

The conveyance of the above parcels includes as appurtenances thereto the following easements which are hereby **GRANTED** and **CONVEYED** by the Grantor to the Grantee:

(a) Except to the extent of property shown as not owned by Grantor (or by Snowshoe Resort Management, Inc., the predecessor by merger of Snowshoe Mountain) on the attached plats, Parcels 1 through 8, a temporary construction easement in the areas designated as "20' Temporary Construction Easement" on such plats, for the purposes of performing maintenance, service, and repair work on the properties hereby conveyed; and

(b) A right of way across the lands of Grantee for the purpose of accessing the Property; provided, however, that these easements are subject to the requirements that Grantee shall use its best efforts to access the Property and perform such maintenance, service and repair work without (i) disturbing Grantor and its guests and invitees or (ii) Grantor's current or planned use of Grantor's property, (iii) blocking or intruding upon or impeding access to Grantor's ski slopes, or (iv) creating any unsafe or hazardous conditions for skiers or other

parties, Grantee acknowledging that certain of the properties being conveyed herein are adjacent to ski slopes. In addition, Grantee agrees that it shall repair and replace any damage caused by it or its contractors to Grantor's property and shall indemnify and hold harmless Grantor for any damage or liabilities suffered by Grantor arising from Grantee's use of the easement granted herein.

B. RESERVATIONS, RESTRICTIONS AND AGREEMENTS

The Property is made subject to the following reservations, restrictions and agreements which are reserved for the benefit of the Grantor and its successors and assigns as owners of the Snowshoe Mountain Resort and to such of their grantees, successors and assigns as they designate in writing:

1. Easements.

(a) Grantor hereby reserves for itself, its successors and assigns, the right to establish from time to time access, drainage and other easements, permits or licenses over, across, through and under the Property to serve any property owned by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates or any other property within the Resort.

(b) Grantor hereby reserves a general easement over, across, through and under the Property for ingress to, egress from, and installation, replacement, repair and maintenance of, all utility and service lines and systems, including, without limitation, water, sewer, gas, telephone, electricity and cable communication, that service any adjacent properties owned by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates.

(c) Pursuant to these easements, a utility or service company may install and maintain facilities and equipment on the Property and affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of any improvements on the Property to provide service to any adjacent properties owned by Grantor, Intrawest Resorts, Inc. or Intrawest Snowshoe Development, Inc. or any of their affiliates. Notwithstanding anything to the contrary contained herein, no sewers, electrical lines, water lines or other utilities or service lines may be installed or relocated on any portion of the Property, except in accordance with the provisions of B.2 below. Any utility or service company using this general easement shall use its best efforts to install, repair, replace and maintain its lines and systems without disturbing the uses of Grantee and other utility and service companies. In addition, such utility or service company shall keep all utility and service lines owned by it on the Property in good order and condition and shall repair and replace any damage done by it or its contractor to the Property.

(d) If any utility or service company furnishing utilities or services to the Property, any portion thereof or any adjacent property owned by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates requests a specific easement by separate recordable document, the Grantee shall grant such easement over, across, through and under any portion of the Property if requested to do so by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates.

(e) Grantor hereby reserves the easements across the Property to provide a means of bringing utility lines of every kind and nature, including but not limited to, water, sewer, electric, gas, telephone, internet and cable TV through the Property to serve other lands at the Resort.

2. Design Review Board. Grantor shall have a Design Review Board so constituted as from time to time as it deems appropriate, which shall have the powers as hereinafter provided:

(a) Design Review Board Approval and Control.

(i) Neither the Grantee or any other person or entity may:

(A) perform any earth movement, vegetation removal, paving or drainage modification;

(B) construct any building, structure or other improvement;

(C) make any physical or cosmetic alteration or modification to existing buildings, structures or improvements;

(D) install or alter on any building, structure or other improvement any exterior signage or any interior signage that is visible from outside the building, structure or improvement;

(E) install or alter any landscaping or exterior furniture, fixtures, equipment or art; or

(F) change the exterior appearance of any existing building, structures or improvements, within the Property, without the prior written consent of the Design Review Board; provided, however, that the Design Review Board shall not prevent either the construction or alteration of structures or improvements on the Property, which structures or improvements or alterations thereto are not discretionary to the Grantee but are required by any State or

federal law or agency, but rather may only require prior written consent in such instances with respect to matters of aesthetics, such as exterior design, type and color of materials and other matters relating to exterior appearance.

(ii) If the Design Review Board fails to respond to a request for its consent within 60 days after its receipt of such request, the Design Review Board shall be deemed to have granted its consent to the actions described in such request. The decisions of the Design Review Board shall be conclusive and binding on all interested parties.

(iii) Notwithstanding anything to the contrary contained herein, improvements, alterations, modifications, installations, furniture and fixtures that:

(A) are completely within a building, structure or improvement; and

(B) do not change the exterior appearance of a building, structure or improvement and are not visible from the outside of a building, structure or improvement.

(iv) The Design Review Board or its designated representative may monitor any approved project to the extent required to ensure that the construction or work on such project complies with any and all approved plans and construction procedures. The Design Review Board or its designated representatives may enter upon the Property at any reasonable time or times to inspect the progress, work status or completion of any project. The Design Review Board may withdraw approval of any project and require all activity at such project to be stopped, if deviations from the

approved plan or approved construction practices are not corrected or reconciled within twenty-four hours after written notification to the owner of the Property or other person or entity performing the project specifying such deviations.

(b) Enforcement of Restrictions.

(i) If any person or entity violates any term or condition set forth in this section B.2 or in the rules and regulations of the Design Review Board, the Grantor shall have the following rights and remedies:

(A) The Grantor may, by written notice, revoke any approval previously granted to the owner by the Design Review Board, in which event the owner shall, upon receipt of such notice, immediately cease any construction, alteration or landscaping covered by the approval so revoked.

(B) The Grantor may, but is not obligated to, enter upon the Property and cure such violation at the owner's sole cost and expense. If the Grantor cures any such violation, the owner shall pay the Grantor the amount of all costs and expenses incurred by the Grantor in connection therewith within thirty days after the owner receives an invoice therefor from the Grantor. The Grantor shall have a lien against the Property for the amount of any costs and expenses incurred by the Grantor hereunder. This lien may be perfected by recording a notice in the Pocahontas County Records.

(C) The Grantor may sue the owner or other person or entity to enjoin such violation.

(D) The Grantor shall have all other rights and remedies available at law or in equity. All rights and remedies of the Grantor shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

(ii) The Grantor may delegate any of its rights hereunder to the Design Review Board.

(c) Fees. The Design Review Board may establish reasonable processing and review fees for considering any requests for approvals submitted to it, which fees shall be paid at the time the request for approval is submitted. The Design Review Board may also establish a requirement for the escrowing of funds in an amount sufficient to guarantee completion of proposed alterations or improvements, landscaping or other finish work included as a part of construction plans which have been presented to or approved by the Design Review Board, if such requirement is not imposed by a governmental or quasi-governmental authority for that purpose.

(d) Lapse of Approval. Any approval issued by the Design Review Board shall lapse and become void in accordance with the terms and conditions of the rules and regulations adopted by the Design Review Board and the terms and conditions of any consents, approvals or permits issued by the Design Review Board. In addition, an approval issued by the Design Review Board for a project will lapse and become void if any building permit or approval issued by a governmental or quasi-governmental entity for the same project lapses or is revoked or suspended.

(e) Liability. Neither the Grantor, the Design Review Board nor any of their respective officers, directors, employees or agents shall be responsible or liable for any defects, errors or omissions in any plans or specifications submitted, reviewed or approved under this Section B.2, nor for any defects, errors or omissions in construction pursuant to such plans and specifications. A consent or approval issued by the Design Review Board means only that the Design Review Board believes that the construction, alteration, installation or other work for which the consent or approval was requested complies with the rules and regulations adopted by the Design Review Board and the Grantor. No such consent or approval shall be interpreted to mean that the construction, alteration, installation or other work covered thereby (a) complies with laws, rules, regulations, ordinances or other requirements of any governmental or quasi-governmental authority, (b) is free from defects, errors or omissions or (c) lies within the boundaries of the Property. No consent, approval or permit issued by the Design Review Board shall relieve owners or others of their obligations to comply with laws, rules, regulations, ordinances and other requirements of governmental or quasi-governmental authorities.

3. Other Restrictions and Agreements.

(a) All telephone, electric power and other transmission or utility lines shall be installed on the Property below ground.

(b) Grantor shall have right to operate, use and maintain adjacent to and within the vicinity of and across and over easements relating to the Property, ski lifts, snow making equipment and snow grooming equipment, without liability for noise or for damage or injury to the Property or anything constructed or located thereon caused or alleged to have been caused by the deposit or buildup of ice and/or snow, whether naturally occurring or generated by

the operation of said equipment. Grantor shall, however, be liable for any and all such damage caused by the operation of such equipment, other than by the buildup of ice and/or snow.

(c) Grantee may not erect any permanent or temporary fences or barrier on the Property or in any easement area without the written consent of Grantor, other than such fences or barriers the installation and location of which are not discretionary to the Grantee but are required by any State or federal law or agency.

C. OTHER RESERVATIONS AND ENCUMBRANCES

The Property is further subject to the following reservations and encumbrances:

1. Mineral Reservation. Title to all minerals within and underlying the herein conveyed Property, together with all mining and drilling rights, privileges and amenities relating thereto, are hereby reserved to the Grantor.

2. Matters of Record. The conveyance of the Property hereinbefore described is further subject to all other matters affecting title thereto found of record in the Office of the Clerk of the County Commission of Pocahontas County, West Virginia.

D. WARRANTY

Subject to all of the foregoing and the lien of real estate taxes for 2007 and 2008, the Grantor does hereby covenant that it will Warrant Generally the Property herein conveyed and that the same is free and clear of all liens and encumbrances, except that with respect to Parcel 9 described above, Grantor only quitclaims and warrants its title specially.

E. DECLARATION OF CONSIDERATION OR VALUE

In accordance with and pursuant to the provisions of Article 22 of Chapter 11 of the West Virginia Code, the undersigned hereby declares that the transaction is exempt from the

WITNESS the following signatures and seals by the duly authorized agent for said entity:

SNOWSHOE MOUNTAIN, INC. a West Virginia corporation

By_____
Its_____

SNOWSHOE WATER & SEWER, INC,
a West Virginia corporation and a public utility

By_____
Its_____

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By_____
Its_____

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **SNOWSHOE MOUNTAIN, INC.,** a West Virginia corporation, on behalf of said West Virginia corporation.

My commission expires _____.

_____
Notary Public

[SEAL]

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation and a public utility, on behalf of said West Virginia corporation.

My commission expires _____.

_____
Notary Public

[SEAL]

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT**, a public utility on behalf of said public utility.

My commission expires _____.

_____
Notary Public

[SEAL]

This instrument was prepared by Ellen S. Cappellanti, Esq., Jackson Kelly PLLC, 1600 Laidley Tower, P. O. Box 553, Charleston, West Virginia 25322.

THIS DEED OF EASEMENT dated this ___ day of _____, 2008, by and between **SNOWSHOE MOUNTAIN, INC.**, a West Virginia corporation ("Snowshoe Mountain"), **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation, a public utility and a successor by merger to SC Water & Sewer, Inc. ("SWS") (with Snowshoe Mountain and SWS being collectively referred to as "Grantor") and **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT** ("Grantee")

WITNESSETH:

That for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby GRANT and CONVEY unto Grantee a right of way and easement twenty (20) feet in width, being ten (10) feet on either side of center line of the below-described sewer lines or sewer facilities as they presently exist, in, on, over, under, through and across the lands of Grantor situate in Pocahontas County, West Virginia, within and upon which are located sewer lines and facilities owned and used by Grantor for collection [and treatment] of wastewater, the location of which sewer lines and facilities owned and used by Grantor for collection and wastewater treatment are approximately located on the shaded areas on that certain maps numbered 1-20, 20A and 20B, 21-30 and 39 prepared by Thrasher Engineering entitled "Pocahontas Public Service District Sanitary Sewer Easement Transfer from Snowshoe Mountain, Inc. formerly known as Snowshoe Resort Management, Inc., Pocahontas County, West Virginia, September 2004", revised July 2007 as prepared by Thrasher Engineering, Inc. of record or to be recorded contemporaneously herewith in the Office of the Clerk of the County Commission of Pocahontas County, West Virginia, for the purposes of maintaining, operating, repairing, installing, reconstructing, replacing and removing the sewer lines and the sewer

facilities used for collection or treatment of waste water which are being conveyed by separate instrument to Grantee contemporaneously herewith.

For the same consideration recited above, Grantor does hereby GRANT and CONVEY unto Grantee a non-exclusive right of way across its lands locate in Pocahontas County, West Virginia, for the purpose of accessing the above-described right of way and easement; provided, however, that these easements are subject to the requirements that Grantee shall use its best efforts to access the Property and perform such maintenance, service and repair work without (i) disturbing Grantor and its guests and invitees or (ii) Grantor's current or planned use of Grantor's property, (iii) blocking or intruding upon or impeding access to Grantor's ski slopes, or (iv) creating any unsafe or hazardous conditions for skiers or other parties, Grantee acknowledging that certain of the properties being conveyed herein are adjacent to ski slopes. In addition, Grantee agrees that it shall repair and replace any damage caused by it or its contractors to Grantor's property and shall indemnify and hold harmless Grantor for any damage or liabilities suffered by Grantor arising from Grantee's use of the easement granted herein.

In addition, for and in consideration of the sum of Ten Dollars ($10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, any right-of-way and easement rights with respect to sewer lines and sewer facilities which were (a) acquired by SWS pursuant to the Deed, Assignment of Easement and Bill of Sale to SWS of record in the aforesaid Clerk's office in Deed Book 237, at Page 331, and the Deed, Assignment and Bill of Sale to SC Water & Sewer, Inc. (prior to its merger with SWS) of record in the aforesaid Clerk's office in Deed Book 237, at Page 335; and (b) which are not specifically described herein are hereby relinquished and surrendered by SWS and declared

of no further force and effect, and SWS does hereby RELEASE, ASSIGN, RE-CONVEY and CONVEY unto Snowshoe Mountain all such sewer lines and sewer facilities so acquired by SWS.

Notwithstanding anything contained herein, Grantor reserves the right to relocate the right of ways and easements granted herein and any structure or system located thereon at Grantor's expense.

The undersigned party of the first part hereby declares that this conveyance is not subject to the West Virginia excise tax on the privilege of transferring real property for the reason that this transfer is to a political subdivision of the State of West Virginia.

WITNESS the following signatures and seals:

SNOWSHOE MOUNTAIN, INC.,
a West Virginia corporation

By_____
Its_____

SNOWSHOE WATER & SEWER, INC.,
a West Virginia corporation and a public utility

By_____
Its_____

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By_____
Its_____

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **SNOWSHOE MOUNTAIN, INC.**, a West Virginia corporation, on behalf of said West Virginia corporation.

My commission expires _____.

_____
Notary Public

[SEAL]

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation and public utility, on behalf of said West Virginia corporation.

My commission expires _____.

_____
Notary Public

[SEAL]

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT**, a public utility on behalf of said public utility.

My commission expires _____.

_____
Notary Public

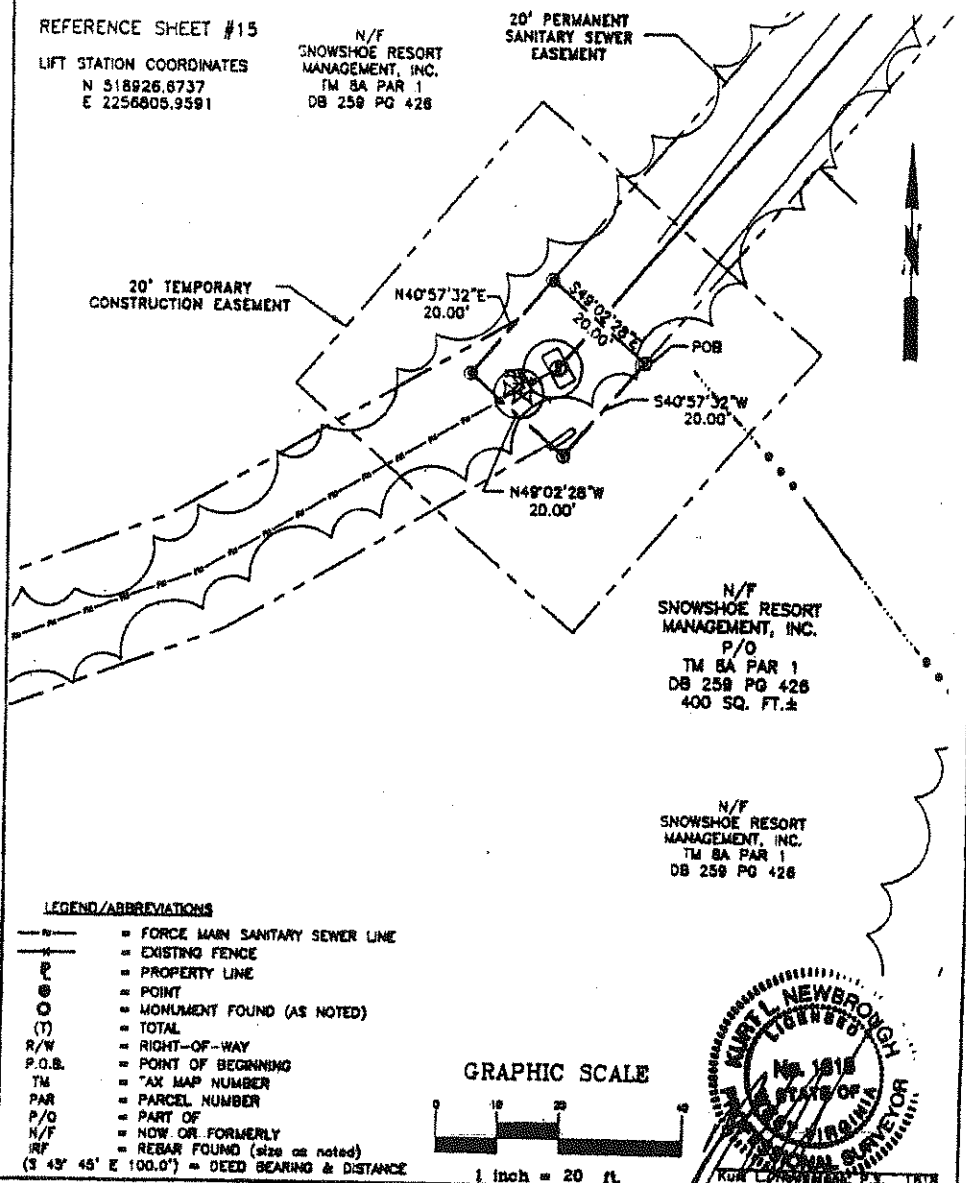
[SEAL]

This instrument was prepared by Ellen S. Cappellanti, Esq., Jackson Kelly PLLC 1600 Laidley Tower, P. O. Box 553, Charleston, West Virginia 25322.

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.

REFERENCE SHEET #15

LIFT STATION COORDINATES
N 518926.8737
E 2256805.9591



LEGEND/ABBREVIATIONS

—M—	= FORCE MAIN SANITARY SEWER LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
●	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 49° 45' E 100.0')	= DEED BEARING & DISTANCE

GRAPHIC SCALE

0 10 20 40

1 inch = 20 ft.

KURT L. NEWBROUGH LICENSED No. 1818 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

KURT L. NEWBROUGH, P.S. 1818

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT-PARCEL 1

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" x 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP: 8A
PARCEL No.: P/O 1
JOB. No.: 50-1851

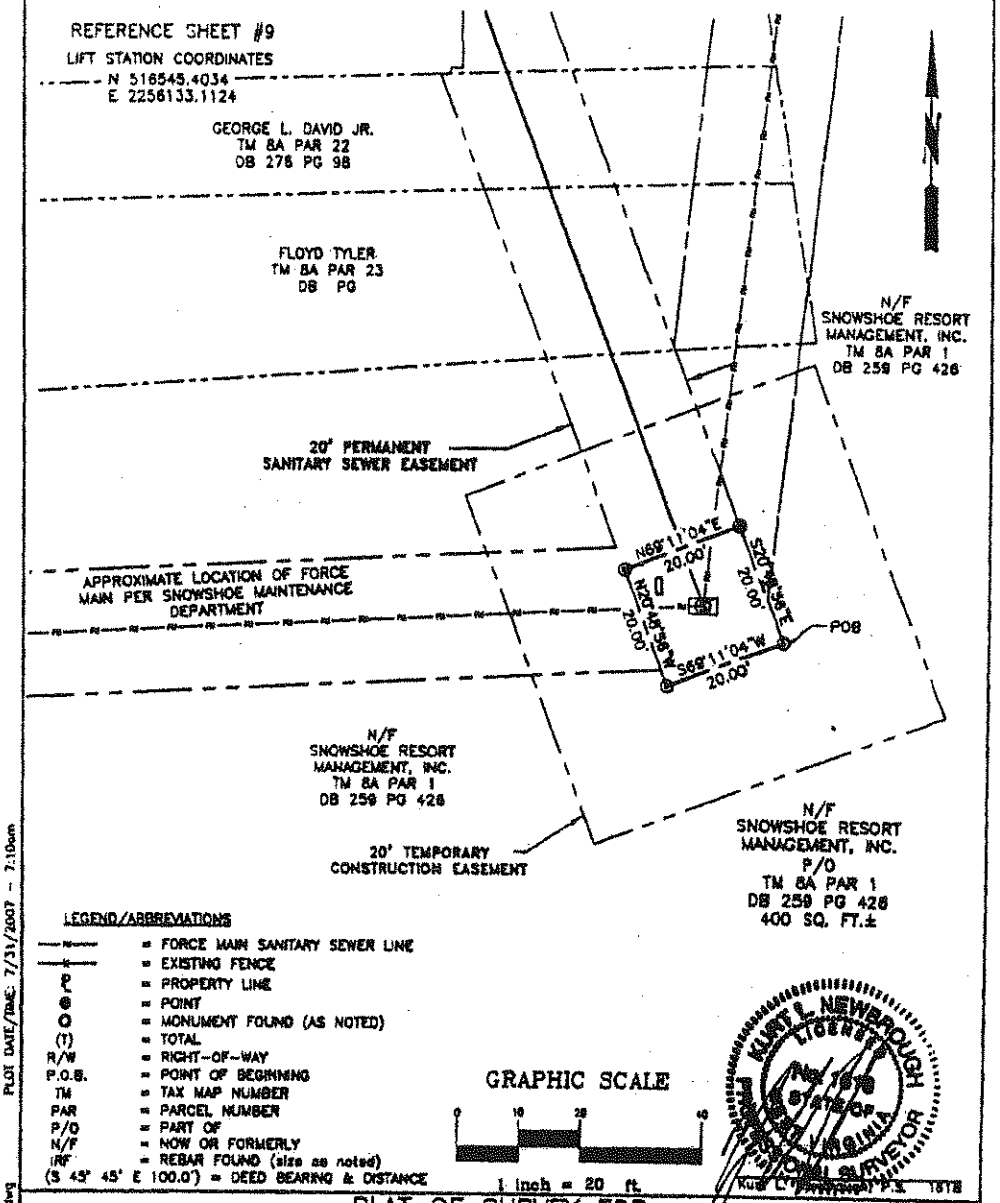
SHOWING
EXISTING LIFT STATION No. 117
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 20'
OCTOBER 2004

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: LS 117
CAD FILE: P:\50-1851\LS PLATS\LS.dwg
REFERENCE: DB 259 PG. 426
DRAWN: CI SURVEY: BK:

PLOT DATE/TIME: 7/31/2007 - 7:12am
CAD FILE: P:\50-1851\LS PLATS\LS.dwg

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

—w—	= FORCE MAIN SANITARY SEWER LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
●	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE

GRAPHIC SCALE

0 10 20 40

1 inch = 20 ft.

KURT L. NEWBROUGH LICENSE No. 1818 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

KURT L. NEWBROUGH P.S. 1818

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT-PARCEL 2

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" x 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

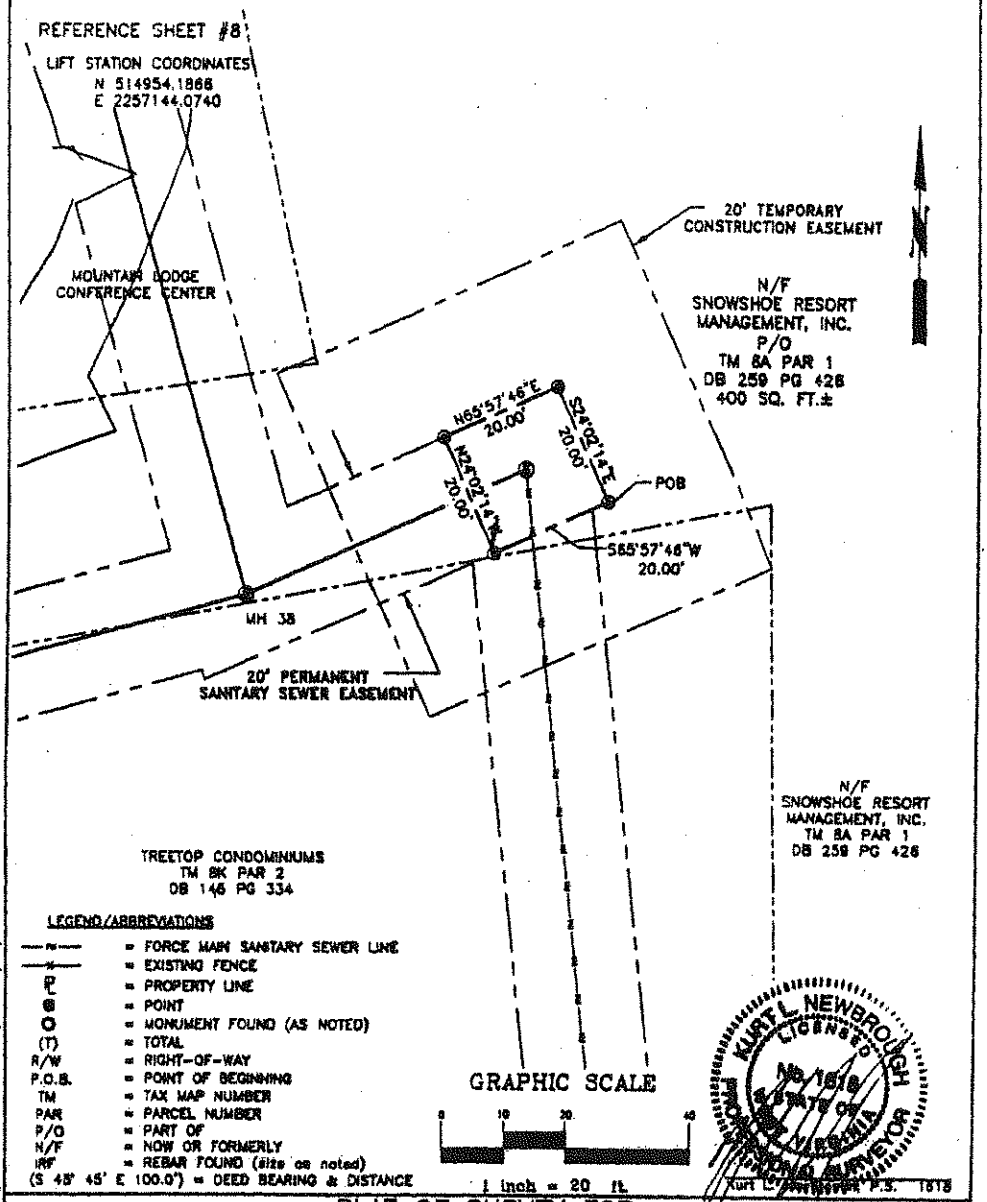
TAX MAP	8A
PARCEL No.	P/O 1
JOB. No.	50-1851

SHOWING
EXISTING LIFT STATION No. 118
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 20'
OCTOBER 2004

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: L3 118
CAD FILE: P:\50-1851\LS PLATS\LS.dwg
REFERENCE: DB 259 PG 426
DRAWN: CI SURVEY: BK:

CAD FILE: P:\50-1851\LS PLATS\LS.dwg PLOT DATE/TIME: 7/31/2007 - 7:10am

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



PLAT OF SURVEY FOR
POCAHONTAS PUBLIC SERVICE DISTRICT—PARCEL 3

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
● = 3/4" • 30" REBAR SET

THRASHER ENGINEERING
10 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

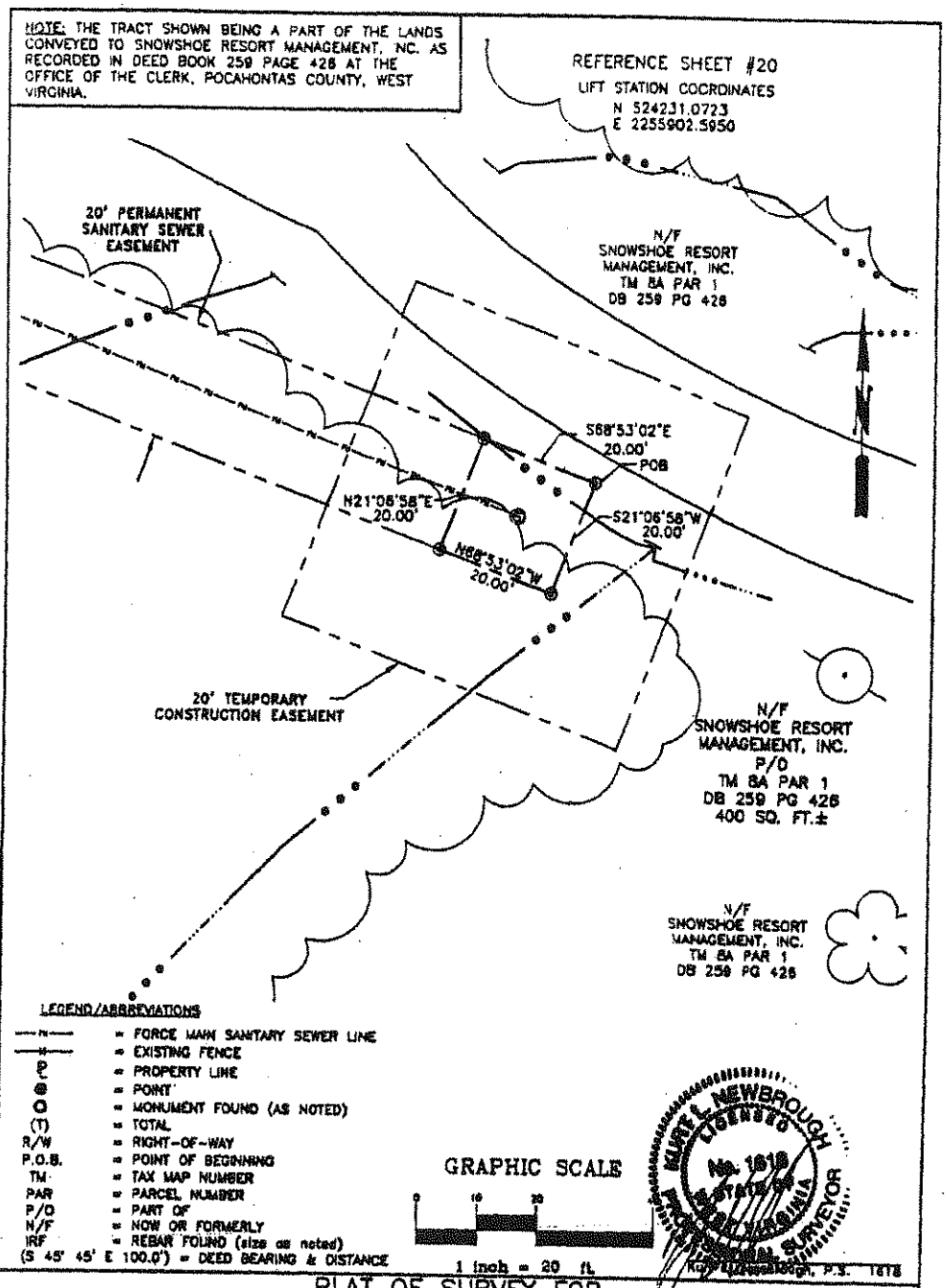
TAX MAP	8A
PARCEL No.	P/O 1
JOB. No.	50-1851

SHOWING
EXISTING LIFT STATION No. 39
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT — POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 20' — OCTOBER 2004

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: LS 39
CAD FILE: P:\50-1851\LS PLATS\LS.dwg
REFERENCE: DB 259 PG 426
DRAWN: CI | SURVEY: | BK:

PLOT DATE/TIME: 7/31/2007 - 7:08am
CAD FILE: P:\50-1851\LS PLATS\LS.dwg

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

—N—	= FORCE MAIN SANITARY SEWER LINE
—H—	= EXISTING FENCE
℄	= PROPERTY LINE
⊕	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE

GRAPHIC SCALE

0 10 20

1 inch = 20 ft.

MARTIN L. NEWBROUGH LICENSED No. 1618 PROFESSIONAL SURVEYOR WEST VIRGINIA

Kurt L. Newbrough, P.S. 1618

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT—PARCEL 4

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" x 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

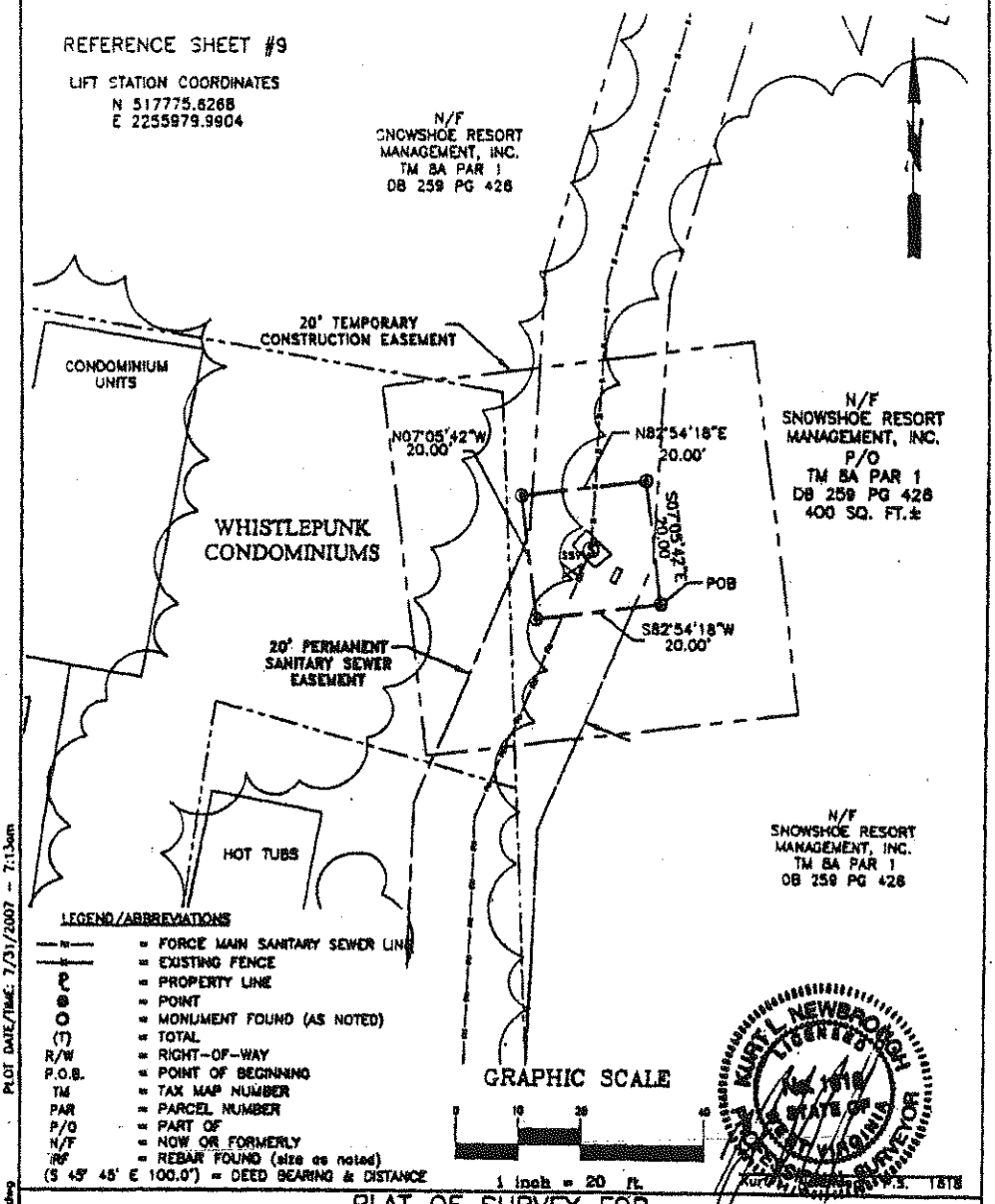
TAX MAP	8A
PARCEL No.	P/O 1
JOB. No.	50-1851

SHOWING
EXISTING LIFT STATION No. 77
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 20'
OCTOBER 2004

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: LS 77
CAD FILE: P:\50-1851\LS PLATS\LS.dwg
REFERENCE: DB 259 PG 426
DRAWN: CI SURVEY: BK.

CAD FILE: P:\50-1851\LS PLATS\LS.dwg
PLOT DATE/TIME: 7/31/2007 - 7:14am

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

—N—	= FORCE MAIN SANITARY SEWER LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
⊕	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE

KURT L. NEWBROUGH LICENSED No. 1818 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

Kurt L. Newbrough, P.S. 1818

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT—PARCEL 5

MISC. NFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" * 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

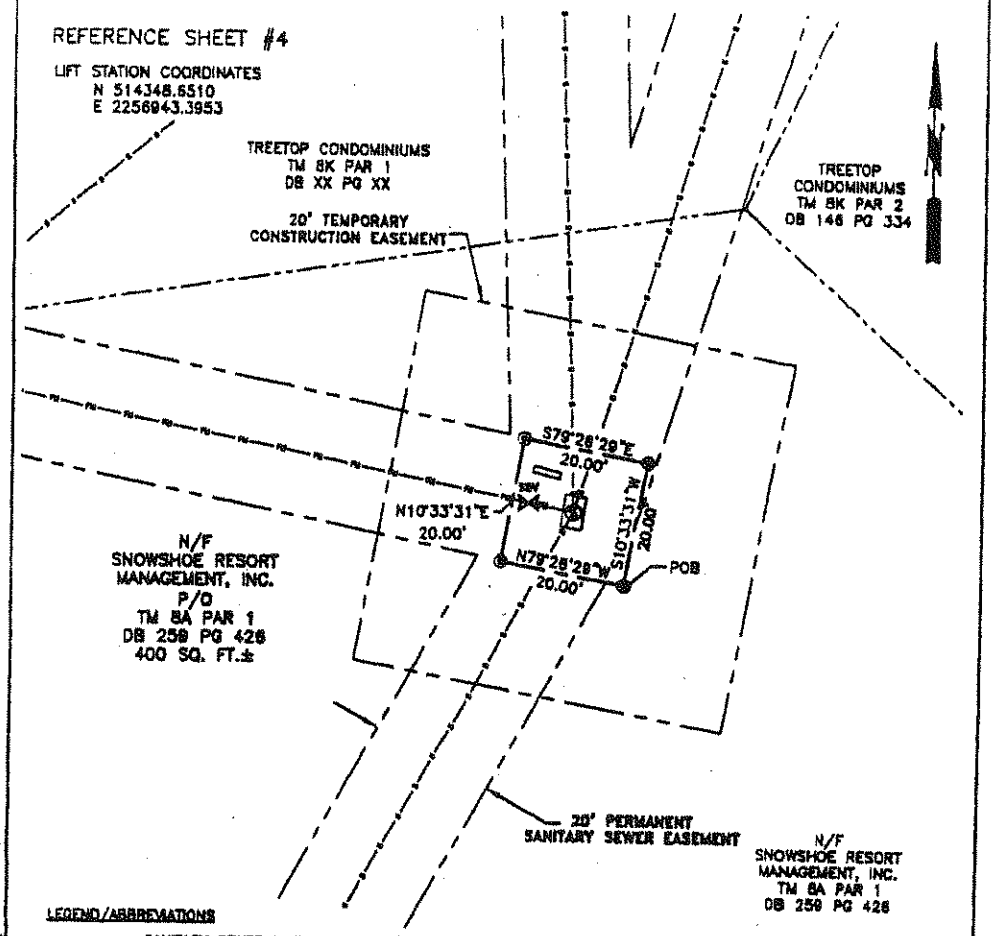
TAX MAP	8A
PARCEL No.	P/O 1
JOB. No.	50-1851

SHOWING
EXISTING LIFT STATION No. 120
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 20' OCTOBER 2004

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.	LAYOUT TAB: LS 120 CAD FILE: P:\50-1851\LS PLATS\LS.dwg		
REFERENCE: DB 259 PG 426	DRAWN: CI	SURVEY:	BK:

CAD FILE: P:\50-1851\LS PLATS\LS.dwg PLOT DATE/TIME: 7/31/2007 - 7:13am

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

—S—	= SANITARY SEWER LINE FROM PLANS
—W—	= FORCE MAIN SANITARY SEWER LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
⊕	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)

GRAPHIC SCALE

0 10 20 40

1 inch = 20 ft.

KURT L. NEWBROUGH LICENSED No. 1618 STATE OF WEST VIRGINIA PROFESSIONAL SURVEYOR

Kurt L. Newbrough, P.S. 1618

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT-PARCEL 6

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" x 30" REBAR SET

TAX MAP 8A

PARCEL No. P/O 1

JOB. No. 50-1851

SHOWING
EXISTING LIFT STATION No. 133
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 20'

OCTOBER 2004

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.

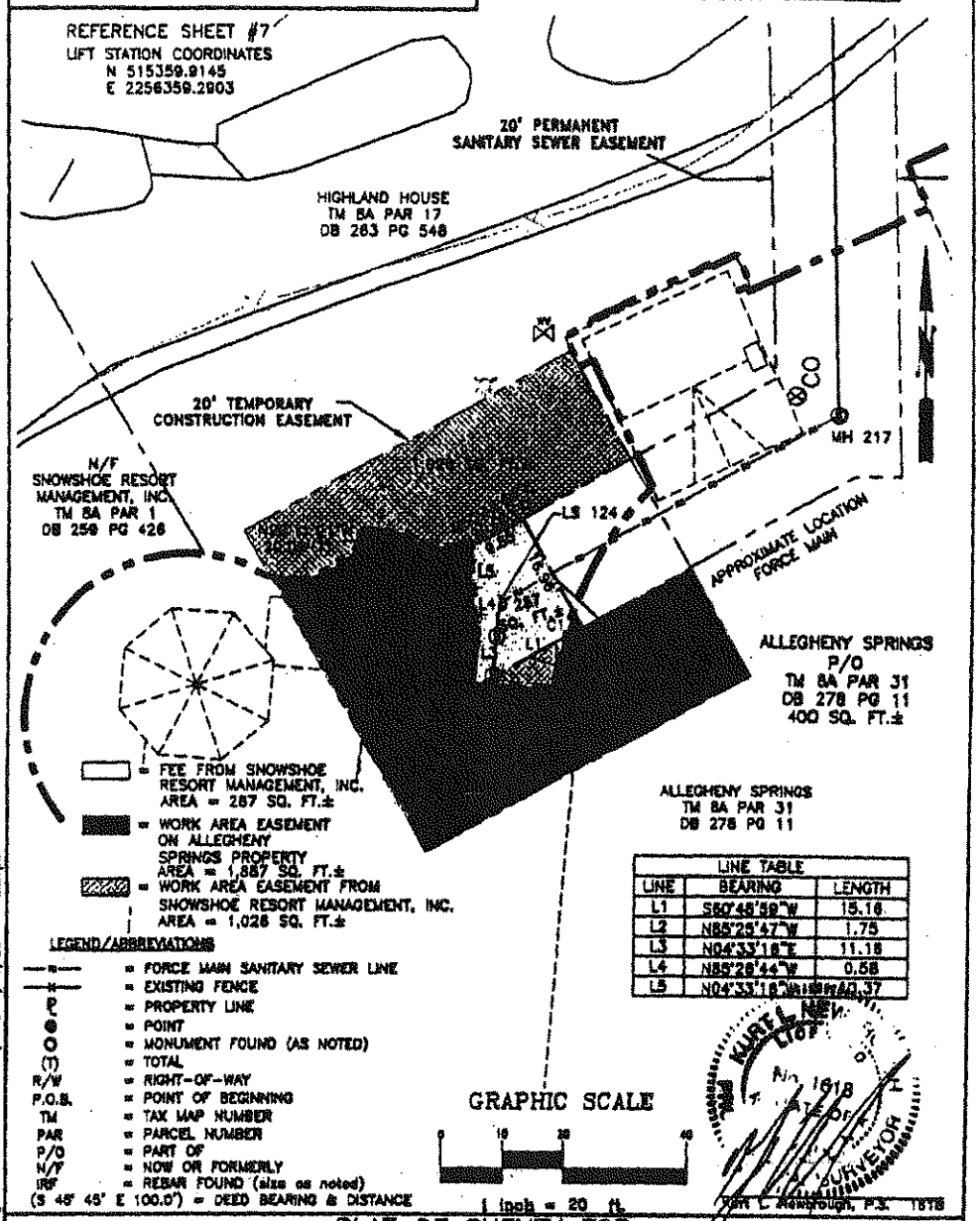
LAYOUT TAB: LS 133
CAD FILE: P:\50-1851\LS PLATS\LS.dwg

REFERENCE: DB 259 PG 426

DRAWN: CI | SURVEY: | BK:

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.

CURVE TABLE				
CURVE	RADIUS	LENGTH	CHORD BRG	Ch
C1	56.51	4.47	S17°58'40"W	4.47



LINE TABLE		
LINE	BEARING	LENGTH
L1	S60°48'59"W	15.16
L2	N85°25'47"W	1.75
L3	N04°33'18"E	11.18
L4	N85°28'44"W	0.58
L5	N04°33'18"W	40.37

Kurt L. Newbrough, P.S. 1618

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT — PARCEL 7

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" × 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

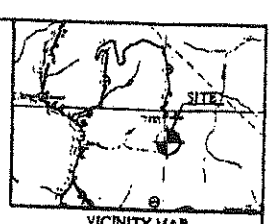
TAX MAP 8A
PARCEL No. P/O 31
JOB. No. 50-1851

SHOWING
LIFT STATION No. 124
on the property of
ALLEGHENY SPRINGS
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 20' OCTOBER 2004

OWNER: ALLEGHENY SPRINGS
LAYOUT TAB: LS 124
CAD FILE: P:\50-1851\LS PLATS\LS.dwg
REFERENCE: DB 278 PG 11
DRAWN: CI SURVEY: BK:

PLOT DATE/TIME: 8/15/2007 - 2:21pm
CAD FILE: P:\50-1851\LS PLATS\LS.dwg

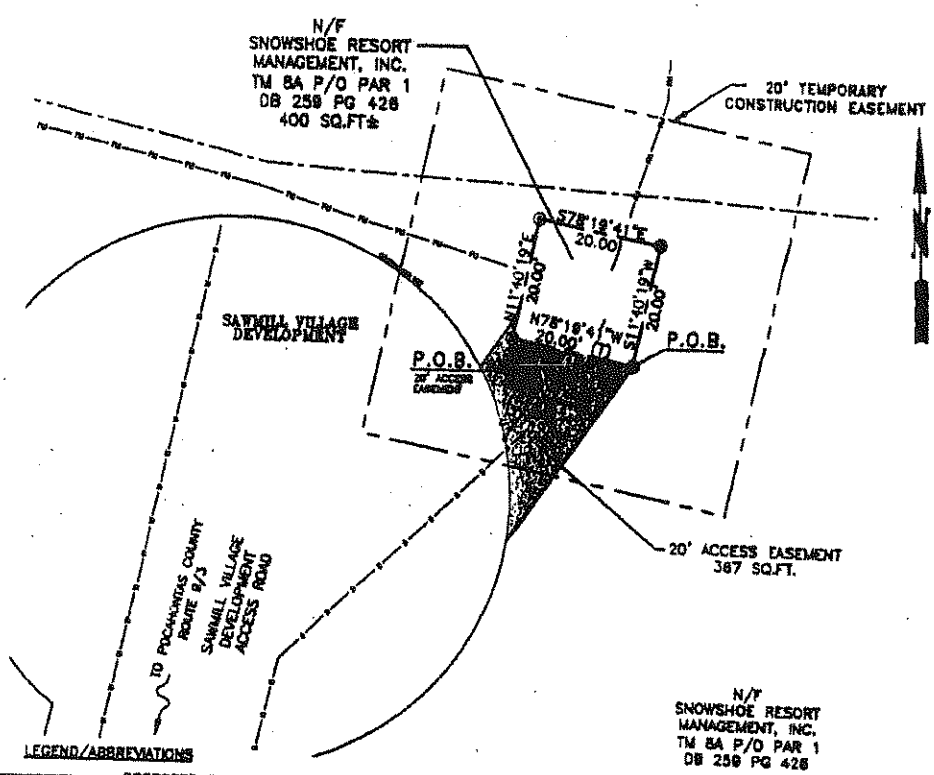
NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 428 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



VICINITY MAP
NOT TO SCALE

REFERENCE SHEET #39

LIFT STATION COORDINATES
N 511683
E 2257734



LEGEND/ABBREVIATIONS

———	= PROPOSED SANITARY SEWER
———	= PROPOSED SANITARY SEWER FORCE MAIN
℄	= PROPERTY LINE
•	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE

GRAPHIC SCALE
0 10' 20' 40'
1 inch = 20' ft.

DWAYNE D. MATHENY
LICENSED
No. 2070
STATE OF
WEST VIRGINIA
PROFESSIONAL SURVEYOR

Dwayne D. Matheny, P.S. 2070

PLAT OF SURVEY FOR
POCAHONTAS PUBLIC SERVICE DISTRICT–PARCEL 8

MISC. INFO: BEARINGS BASED ON GPS OBSERVATIONS / SNOWSHOE SEWER PROJECT
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION
⊕ = 3/4" x 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP: 8A
PARCEL No.: P/O 1.0
JOB. No.: 20-771

SHOWING
CONVEYANCE OF SAWMILL VILLAGE LIFTSTATION
of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA

SCALE: 1" = 20'
JULY 2007

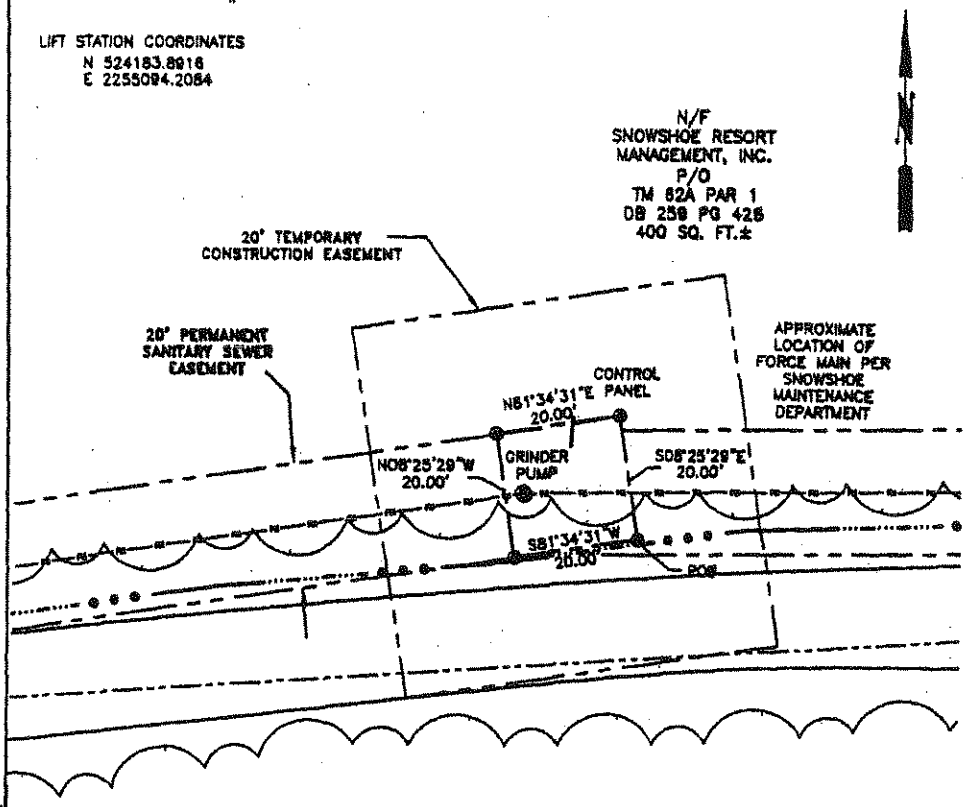
OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: PLAT
CAD FILE: P:\00-1851\LS PLATS\Sawmill Village LS Plat.dwg
REFERENCE: DB 259 PG 428
DRAWN: DP | SURVEY: DP | BK:

CAD FILE: P:\00-1851\LS PLATS\Sawmill Village LS Plat.dwg LAYOUT: PLAT USER: dwyne
PLOT DATE/TIME: 8/14/2007 – 11:50am

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.

REFERENCE SHEET #19

LIFT STATION COORDINATES
N 524183.8916
E 2255094.2084



LEGEND/ABBREVIATIONS

—■—	= FORCE MAIN SANITARY SEWER LINE
—x—	= EXISTING FENCE
℄	= PROPERTY LINE
●	= POINT
○	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE

GRAPHIC SCALE

0 10 20 40

1 inch = 20 ft.

KURT L. NEWBROUGH LICENSED No. 1618 PROFESSIONAL SURVEYOR

Kurt L. Newbrough, P.S. 1618

PLOT DATE/TIME: 8/15/2007 - 2:18pm

CAD FILE: P:\50-1851\LS PLATS\LS.dwg

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT– PARCEL 9

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
● = 3/4" * 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP 62A

PARCEL No. P/O 1

JOB. No. 50-1851

SHOWING
EXISTING LIFT STATION (SKI BARN)
on the property of
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 20'
OCTOBER 2004

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.

LAYOUT TAB: LS SKI BARN
CAD FILE: P:\50-1851\LS PLATS\LS.dwg

REFERENCE: DB 259 PG 426

DRAWN: CI | SURVEY: | BK:

ASSIGNMENT OF EASEMENT RIGHTS

THIS ASSIGNMENT dated this ___ day of _____, 2008 by and among **SNOWSHOE MOUNTAIN, INC.**, a West Virginia corporation, formerly known as Snowshoe Resort Management, Inc. ("Snowshoe Mountain"), **SNOWSHOE WATER & SEWER, INC.**, a public utility ("SWS") and the **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT** ("Pocahontas").

WHEREAS, Snowshoe Mountain owns and operates the Snowshoe Mountain Resort (the "Resort") located in Pocahontas County, West Virginia and is a successor in title to Snowshoe Company which originally developed a portion of the Resort; and

WHEREAS, SWS is a wholly-owned subsidiary of Snowshoe Mountain and is a successor by merger to SC Water & Sewer, Inc.; and

WHEREAS, SWS currently provides wastewater services to approximately 1800 sewer customers located at the Resort and, in connection therewith, operates sewer collection and waste treatment facilities within the Resort; and

WHEREAS, Pocahontas will construct a new regional sewer system to treat the sewage now being treated by SWS and to serve additional new customers in Pocahontas County; and

WHEREAS, as part of the formation of the new regional sewer system, SWS is to contribute to Pocahontas (i) all of SWS' wastewater customers and associated revenues and (ii) all of SWS' sewer collection and waste treatment facilities (collectively "the Sewer Facilities"); and

WHEREAS, Snowshoe Mountain and its predecessors in title including, without limitation, Snowshoe Company and TDC (USA) Inc., reserved in various deeds to third

parties easements over the land conveyed for purposes of inter alia, installing, constructing, operating, maintaining and removing utility lines and systems, including without limitation sewer lines and systems; and

WHEREAS, Snowshoe Company also created various condominium and single-family subdivision regimes at the Resort and reserved in the declarations creating such regimes easements over the land subject to such declarations for purposes of, inter alia, installing, constructing, operating, maintaining and removing utility lines and systems, including without limitation sewer lines and systems; and

WHEREAS, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc., Seneca Development Company, LLC and Expedition Station Development LLC (affiliates of Snowshoe Mountain), as well as Silver Creek Properties, Inc. (another predecessor in title to Snowshoe Mountain), also created condominium regimes and reserved in the declarations creating such regimes easements over the land subject to such declarations for purposes of, inter alia, installing, constructing, operating, maintaining and removing utility lines and systems, including without limitation, sewer lines and systems; and

WHEREAS, Snowshoe and Snowshoe S&W (collectively, "Grantors") wish to enter into this agreement assigning to Pocahontas various easement rights as they pertain to the Sewer Facilities located on the property of other parties.

NOW, THEREFORE, for good and valuable consideration, the parties hereby agree as follows:

A. Transfer

Grantors hereby **TRANSFER** and **ASSIGN** to Pocahontas any and all easements or other rights to enter upon the land of third parties to construct, operate, repair, maintain, install, replace and remove the Sewer Facilities being transferred to Pocahontas (and only with respect to such Sewer Facilities), including without limitation, the rights set forth below as they apply only to such Sewer Facilities:

1. Rights reserved in Section 12.02 of Article XII of the Declaration Establishing Allegheny Springs Condominium at Snowshoe Mountain Resort, Pocahontas County, West Virginia, by Intrawest Resorts, Inc. of record in the aforesaid Clerk's office at Deed Book 278 at Page 11, as amended from time to time;
2. Rights reserved in Section 12.02 of Article XII of the Declaration Establishing Camp Four Condominium at Snowshoe Mountain Resort, Pocahontas County, West Virginia, by Intrawest Snowshoe Development, Inc., of record in the aforesaid Clerk's office in Deed Book 251 at Page 46, as amended from time to time;
3. Rights reserved in Section 12.02 of Article XII of the Declaration Establishing Highland House Condominium at Snowshoe Mountain Resort, Pocahontas County, West Virginia, by Intrawest Resorts, Inc., of record in the aforesaid Clerk's office in Deed Book 267 at Page 120, as amended from time to time;
4. Rights reserved in Section 12.02 of Article XII of the Declaration Establishing Rimfire Lodge Condominium at Snowshoe Mountain Resort, Pocahontas County, West Virginia, by Intrawest Resorts, Inc., of record in

the aforesaid Clerk's office in Deed Book 260 at Page 62, as amended from time to time;

5. Rights reserved in Section B.4. of the Second Corrective Deed dated March 7, 2003, from Snowshoe Mountain, Inc. to Seneca Development Company, LLC, of record in the aforesaid Clerk's office in Deed Book 293 at Page 480;

6. Rights reserved in Section 12.02 of Article XII of the Declaration Establishing The Seneca Condominium at Snowshoe Mountain Resort, Pocahontas County, West Virginia by Seneca Development Company, LLC, of record in the aforesaid Clerk's office in Deed Book 295 at Page 18;

7. Rights reserved in Section B.4 of the Deed from Snowshoe Mountain, Inc. to Expedition Station Development Company LLC, of record in the aforesaid Clerk's office in Deed Book 295 at Page 539;

8. Rights reserved in the first full paragraph on page 2 of the deed dated October 8, 2004, from Snowshoe Mountain to Snowshoe Summit Development, LLC, of record in the aforesaid Clerk's office in Deed Book 291 at page 635;

9. Rights reserved in the first full paragraph on page 2 of the deed dated October 8, 2004 from Snowshoe Mountain to Loggers Run, LLC, of record in the aforesaid Clerk's office in Deed Book 291 at page 625;

10. Rights reserved in Article II.C. on page 2 of the Deed dated May 20, 2004, from Snowshoe Mountain to the Most Reverend Bernard W. Schmitt, of record in the aforesaid Clerk's office in Deed Book 290, at Page 174;

11. Rights reserved in paragraph 3 on page 3 of the Deed dated August 4, 2004 from Snowshoe Mountain to Jason L. Brown and Jennifer A. Brown, of record in the aforesaid Clerk's office in Deed Book 290, at page 482;

12. Rights reserved in Article V.A., Section 2 of the Declaration of Lands End Townhouses, A Planned Community, of record in the aforesaid Clerk's office in Deed Book 234 at Page 419;

13. Rights reserved in Article V, Section 2 of the Declaration Establishing a Plan for Condominium Ownership of a Multi-Unit Area Known as Leatherbark Condominium, A Condominium in the Snowshoe Resort, Edray District, Pocahontas County, West Virginia, pursuant to Chapter 36A of the Code of West Virginia of 1931, as amended, of record in the aforesaid Clerk's office in Deed Book 147 at Page 84;

14. Rights reserved in the second paragraph on page 3 of the deed dated July 1, 1982 from Snowshoe Company to Richmond Construction, of record in the aforesaid Clerk's office in Deed Book 165 at Page 672;

15. Rights reserved in the first full paragraph on page 3 of the deed dated April 11, 1983, from Snowshoe Company to Richmond at Snowshoe, Inc., of record in the aforesaid Clerk's office at Deed Book 173 at Page 452;

16. Rights reserved in the first full paragraph on page 4 of the deed dated April 12, 1982, from Snowshoe Company to the The Commonwealth

Group, of record in the aforesaid Clerk's office in Deed Book 164 at Page 628, as amended by a corrective deed of record in the aforesaid Clerk's office at Deed Book 168 at Page 669;

17. Rights reserved in the paragraph beginning as the last paragraph on page 2 of the deed dated September 22, 1981 from Snowshoe Company to Linwood Builders, Inc., of record in the aforesaid Clerk's office in Deed Book 161 at Page 185;

18. Rights reserved in the first paragraph of page 10 of the deed dated October 14, 1981, from Snowshoe Company to Highland Properties, Ltd., of record in the aforesaid Clerk's office in Deed Book 161 at Page 286;

19. Rights reserved in the paragraph beginning as the last paragraph on page 3 of the deed dated September 29, 1980 from Snowshoe Company to Frederick W. Smith, et al., of record in the aforesaid Clerk's office in Deed Book 156 at Page 227;

20. Rights reserved in Article V, Section 2 of the Declaration Establishing a Plan for Condominium Ownership of a Multi-Unit Area Consisting of 5.31 Acres More or Less Known as Shamrock, a Condominium in Edray District Within The Snowshoe Resort, Pocahontas County, West Virginia, Pursuant to Chapter 36A of the Code of West Virginia of 1931, as amended, of record in the aforesaid Clerk's office in Deed Book 142 at Page 165, as supplemented from time to time;

21. Rights reserved in Article XV, Section C.3. of the Declaration Establishing Plan for Condominium Ownership Of a Tract of

Approximately 16.86 acres and Certain Improvements Thereon and Appurtences Thereunto Belonging Situate at Silver Creek Resort, Green Bank Tax District, Pocahontas County, West Virginia, Pursuant to The West Virginia Uniform Common Ownership Act, Chapter 36B of the Code of West Virginia of 1931, as amended, of record in the aforesaid Clerk's office in Deed Book 201 at Page 50, as amended from time to time;

22. Rights reserved in the paragraph beginning as the last paragraph on page 7 of the deed dated April 27, 1981, from Snowshoe Company to Snowshoe Summit Development, of record in the aforesaid Clerk' office in Deed Book 158 at Page 459;

23. Rights reserved in the paragraph beginning as the last paragraph on page 3 of the deed dated July 1, 1981, from Snowshoe Company to Kumyer Incorporated, of record in the aforesaid Clerk's office in Deed Book 160 at Page 58;

24. Rights reserved in that paragraph beginning as the last paragraph on page 3 of the deed dated April 1, 1982, from Snowshoe Company to Snowshoe Summit Development Company II, of record in the aforesaid Clerk's office in Deed Book 165 at Page 83;

25. Rights reserved in Article V, Section 2 of the Declaration Establishing Tree Top Condominium, of record in the aforesaid Clerk's office in Deed Book 146 at page 334;

26. Rights reserved in that paragraph beginning as the last paragraph on page 2 of the deed dated June 1, 1982, from Snowshoe Company to Michael J. Seymour, et al., of record in the aforesaid Clerk's office at Deed Book 165 at page 600;

27. Rights reserved in Article V, Section 2 of the Declaration Establishing a Plan for Condominium Ownership of a Multi-Unit Area Known as Wabasso Condominium, a Condominium in the Snowshoe Resort, Edray District, Pocahontas County, West Virginia, Pursuant to Chapter 36A of the Code of West Virginia of 1931, as amended, the "Unit Property Act", of record in the aforesaid Clerk's office in Deed Book 152 at Page 155, as supplemented from time to time;

28. Rights reserved in the first full paragraph on page 4 of the deed dated June 28, 1979, from Snowshoe Company to ABAS, of record in the aforesaid Clerk's office in Deed Book 150 at Page 231;

29. Rights reserved in Article X of the Declaration of Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges dated August 7, 1974, of record in the aforesaid Clerk's office in Deed Book 132 at Page 442, as amended by amendment of record in Deed Book 141 at Page 367;

30. Rights reserved in Article X of the Declaration of Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges dated December 15, 1977 of record in the aforesaid Clerk's office in Deed Book 143 at Page 107;

31. Rights reserved in the paragraph beginning as the last paragraph on page 2 of the deed from TDC (USA) Inc., to Daniel J. Seme, Jr. and Carol Seme dated July 19, 1990, of record in the aforesaid Clerk's office in Deed Book 209 at Page 527;

32. Rights reserved in that first full paragraph of page 3 of the deed from Snowshoe Company to KK&S, Inc. dated September 8, 1982, of record in the aforesaid Clerk's office in Deed Book 166 at Page 453;

33. Rights reserved, whether explicitly or by implication, under and in connection with documents in the chain of title to the 7.63 acres of land located in Green Bank District, Pocahontas County, West Virginia, as described in the deed attached hereto as Exhibit A, John E. Bosch, Charles E. Bryant, Jr. and Stephen G. Jory, as Trustees for Mace Knob Land Company, to Snowcreek Properties, LLC dated June 24, 2002, of record in the aforesaid Clerk's office in Deed Book 278, at Page 698;

34. Rights reserved in Section A.2 and A.37 of the Deed from Snowshoe Mountain, Inc. to Mountaintop Development, L.L.C. dated April 5, 2007 of record in the aforesaid Clerk's office in Deed Book 309, at page 281.

B. Rights Reserved.

Grantors reserve and retain any and all easements and other rights relating to all other utility line and systems and other items which are not Sewer Facilities being transferred to Pocahontas.

C. Assumption.

Pocahontas hereby accepts the rights set forth above and agrees to perform any and all obligations attendant to such rights.

D. Indemnification.

Pocahontas shall indemnify, defend and hold harmless Grantors against all losses, damages, suits, claims, demands and liability which may be suffered by or asserted against Grantors by reason of Pocahontas' use of the rights assigned to it hereunder.

E. Miscellaneous.

(1) Governing Law. This Agreement shall be construed under and governed by the laws of the State of West Virginia.

(2) Binding Effect. This agreement shall inure to the benefit and be binding upon the successors and assigns of the parties.

(3) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

F. Declaration of Consideration or Value.

In accordance with and pursuant to the provisions of Article 22 of Chapter 11 of the West Virginia Code, the undersigned hereby declares that the transaction is exempt from the payment of excise taxes on the transfer of real estate as it is a transfer to a political subdivision of the State of West Virginia.

This Assignment is executed to be effective as of the date first set forth above.

SNOWSHOE MOUNTAIN, INC.,
a West Virginia corporation

By: _____
Its: _____

SNOWSHOE WATER & SEWER, INC., a West Virginia corporation and a public utility

By: _____
Its: _____

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By: _____
Its: _____

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **SNOWSHOE MOUNTAIN, INC.,** a West Virginia corporation, on behalf of said West Virginia corporation.

My commission expires _____.

_____
Notary Public

[SEAL]

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation and a public utility, on behalf of said West Virginia corporation.

My commission expires _____.

_____
Notary Public

[SEAL]

STATE OF _____,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2008, by _____, the _____ of **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT**, a public utility on behalf of said public utility.

My commission expires _____.

_____
Notary Public

[SEAL]

This instrument was prepared by Ellen S. Cappellanti, Esq., Jackson Kelly PLLC 1600 Laidley Tower, P. O. Box 553, Charleston, West Virginia, 25322

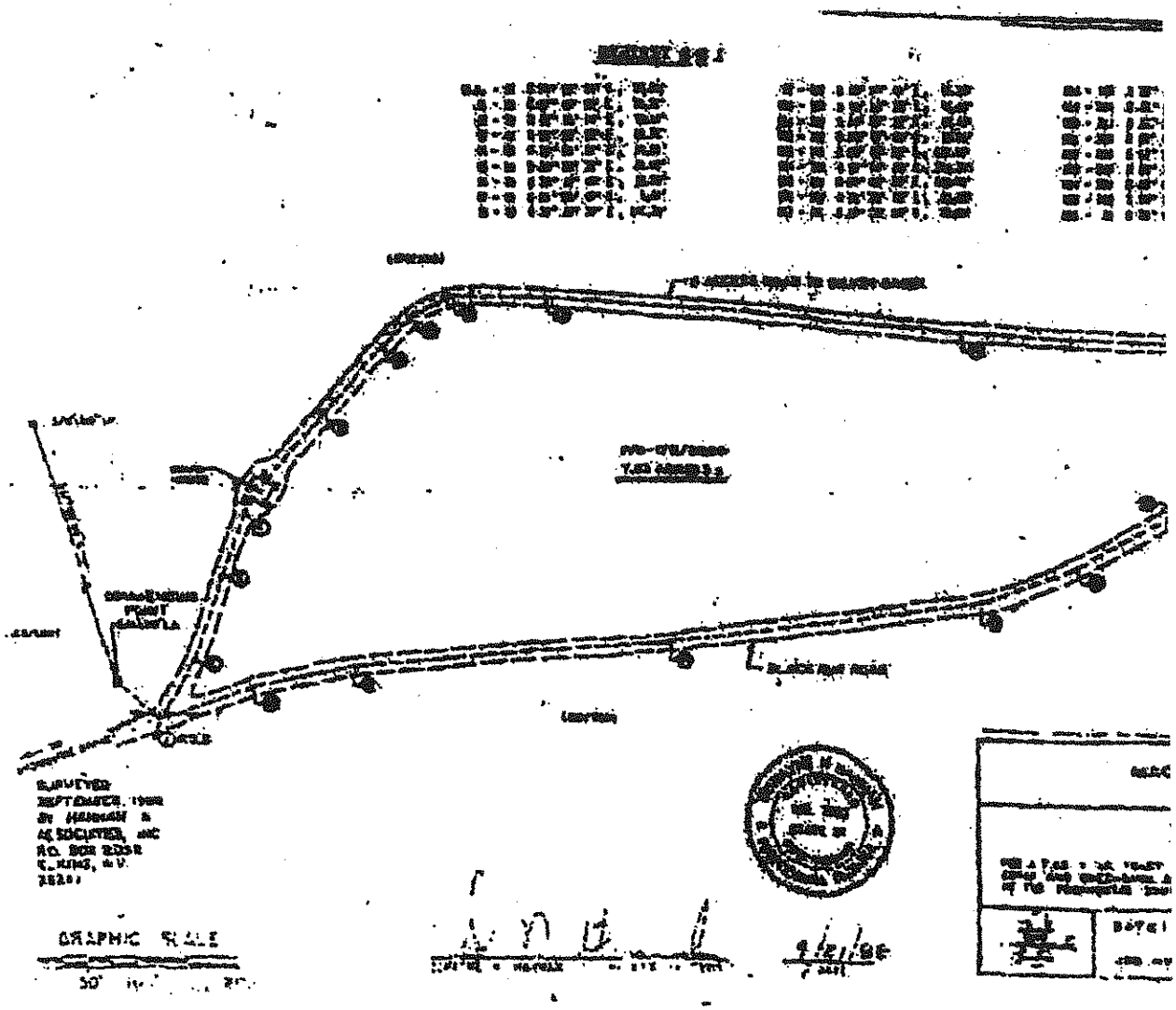

GRAPHIC SCALE
50'

EXHIBIT A

THIS DEED, Made and entered into this 24 day of June, 1982, by and between JOHN E. BUSCH, CHARLES E. BRYANT, JR., and STEPHEN G. JORY as Trustees, for MACE KNOB LAND COMPANY, a West Virginia general partnership, Grantors and Sellers, to SNOWCREEK PROPERTIES, LLC, a West Virginia limited partnership, Grantee and Buyer.

WITNESSETH: That for and in consideration of the sum of TEN DOLLARS ($10.00), cash in hand paid, and other good and valuable considerations, the receipt of which is hereby acknowledged, the Grantors do hereby grant, sell and convey, unto the Grantee, with covenants of SPECIAL WARRANTY of title, 7.63 acres of land located in Greenbank District, Pocahontas County, West Virginia, which is described in Exhibit A attached hereto and made a part hereof, being a portion of land originally containing 2,848.70 acres conveyed by The Mower Lumber Company to John E. Busch, John F. Brown, Jr., and Stephen G. Jory, Trustees for Mace Knob Land Company, by a deed dated [illegible], and of record in the Office of the Clerk of the County Commission of Pocahontas County, West Virginia, in Deed Book 178, at Page 288, less and except approximately 600 acres of land conveyed from Mace Knob Land Company to American Resort Services, Inc., by two certain deeds, the first dated August 2, 1983, and of record in the aforesaid Clerk's Office in Deed Book 175, at Page 443, and the other dated October 27, 1983, of record in said Clerk's office in deed Book 177, at Page 326, and less and except certain reservations of land, easements, rights, and privileges, as more specifically hereafter set forth, and further loss and except

property conveyed by said Grantor to Silver Creek Properties, Inc., by deed dated October 12, 1989, of record in the Office of the Clerk of the County Commission of Pocahontas County in Deed Book 205 at Page 154. The tract here conveyed is the surface of a 7.43 acre tract reserved from said deed of conveyance to Silver Creek Properties, Inc., the property here conveyed being the surface of that tract or parcel of land containing 7.63 acres, as surveyed in September 1989, by Hannah & Associates, Inc., that survey plat attached hereto as Exhibit A. A meets and bounds description of said parcel of land is attached hereto as Exhibit

The conveyance of said property is subject to the reservations and conditions relating to the 7.63 acre tract set forth in the deed of October 12, 1989, above mentioned. Sellers reserved the right to construct, as noted in said deed, a building or guarantee for security purposes on the reserved tract therein described. Said reservation shall not apply to the property here conveyed, and is hereby released as to the tract now conveyed, but such reservation is reserved as stated in said deed as to other properties owned by the Grantor.

Pursuant to a Declaration of Trust dated October 22, 1982, John E. Busch, John D. Brown, Jr., and Stephen G. Josy were named as Trustees for Maca Knob Land Company, a partnership, with "full power to make, execute and deliver instruments of conveyance or lease in regard to said real estate and to continue as said Trustees until replaced by an instrument of record in every

county in which said partnership shall own real estate." By a substitution of Trustees dated February 29, 1988, and of record in said Clerk's Office in Trust Deed Book 91, at Page 643, Charles E. Bryant, Jr. was substituted as Trustee for John P. Brown, Jr., and the Trustees herein named are fully authorized by Mace Kuob Land Company, a partnership, to make and execute this deed, and such other documents and assignments as are necessary to transfer title from Grantors to Grantee.

This conveyance is made subject to any and all reservations, restrictions, exceptions, covenants, easements, rights of way and encumbrances as may be set forth in prior instruments of record in the chain of title to said real estate.

Declaration of Consideration or Value. - The Grantors hereby declare that the total consideration paid for the real estate here conveyed is $700,000.00.

WITNESS the following signatures,

John E. Kuob, as Trustee

Charles E. Bryant, Jr, as Trustee

Stephen G. Mory, as Trustee

DEED AND BILL OF SALE

THIS DEED AND BILL OF SALE dated this ___ day of _____, 2008, by and between **SNOWSHOE MOUNTAIN, INC.**, a West Virginia corporation ("Snowshoe Mountain"), **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation, a public utility and a successor by merger to SC Water & Sewer, Inc. ("SWS") (with Snowshoe Mountain and SWS being collectively referred to as "Grantor") and **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT** (the "Grantee").

WITNESSETH:

That for and in consideration of Ten Dollars ($10.00) cash in hand paid and other good and valuable consideration received from Grantee, Grantor does hereby grant, sell, assign, transfer, convey, deliver and confirm to Grantee, its successors and assigns, as is, where is, the parcels of land, together with the appurtenances thereunto belonging, and the personal property located thereon and attached thereto constituting SWS' waste treatment facilities, together with the following associated easements (collectively the "Property"), which are described as follows:

Village Treatment Plant

A certain tract or parcel of land situate, on the waters of Cup Run, Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a ¾" iron rebar set at a corner common to Snowshoe Resort Management, Inc. (Tax Map 8a Parcel 1, Deed Book 259 Page 426), which bears, North 81 degrees 04 minutes 11 seconds East, a distance of 187.87 feet from the intersection of County Route 9/3 and 20' Ingress/Egress Easement;

Thence, through said Snowshoe Resort Management, Inc. for sixteen (16) lines, North 63 degrees 39 minutes 50 seconds East, a distance of 90.76 feet to a ¾" iron rebar set;

Thence, South 30 degrees 51 minutes 01 seconds East, a distance of 286.26 feet to a ¾" iron rebar set;

Thence, South 31 degrees 25 minutes 22 seconds East, a distance of 163.19 feet to a ¾" iron rebar set;

Thence, South 83 degrees 58 minutes 17 seconds East, a distance of 126.54 feet to a ¾" iron rebar set;

Thence, South 29 degrees 06 minutes 18 seconds East, a distance of 119.06 feet to a ¾" iron rebar set;

Thence, South 13 degrees 12 minutes 35 seconds East, a distance of 236.05 feet to a ¾" iron rebar set;

Thence, South 16 degrees 46 minutes 01 seconds East, a distance of 158.38 feet to a ¾" iron rebar set;

Thence, South 76 degrees 33 minutes 59 seconds East, a distance of 317.58 feet to a ¾" iron rebar set;

Thence, South 16 degrees 11 minutes 43 seconds East, a distance of 503.11 feet to a ¾" iron rebar set;

Thence, North 90 degrees 00 minutes 00 seconds West, a distance of 800.64 feet to a ¾" iron rebar set;

Thence, North 00 degrees 00 minutes 00 seconds East, a distance of 394.62 feet to a ¾" iron rebar set;

Thence, North 53 degrees 14 minutes 17 seconds West, a distance of 221.57 feet to a ¾" iron rebar set;

Thence, North 11 degrees 20 minutes 52 seconds West, a distance of 235.72 feet to a ¾" iron rebar set;

Thence, North 04 degrees 47 minutes 28 seconds East, a distance of 302.65 feet to a ¾" iron rebar set;

Thence, North 05 degrees 34 minutes 09 seconds East, a distance of 180.09 feet to a ¾" iron rebar set;

Thence, North 21 degrees 39 minutes 40 seconds West, a distance of 173.53 feet to the **PLACE OF BEGINNING**, containing an area of 16.27 acres, MORE OR LESS, as shown on a plat attached hereto and made a part of this description.

The tract shown being a part of the same lands conveyed to Snowshoe Resort Management, Inc. as recorded in Deed Book 259 Page 426 at the office of the clerk, Pocahontas County, West Virginia.

Non-Exclusive Access Easement to the Village Treatment Plant

A certain tract or parcel of land, on the waters of Cup Run, Edray District, Pocahontas County, West Virginia, being more particularly bounded and described as follows:

Beginning at a point, which bears, North 63 degrees 39 minutes 50 seconds East, a distance of 58.14 feet from a ¾" iron rebar set at a common corner to Snowshoe Resort Management, Inc. (Tax Map 8a P/O Parcel 1, Deed Book 259, Page 426;

Thence, North 32 degrees 50 minutes 57 seconds West, a distance of 180.07 feet to a point;

Thence, North 46 degrees 59 minutes 31 seconds West, a distance of 346.49 feet to a point;

Thence, North 54 degrees 55 minutes 09 seconds West, a distance of 84.66 feet to a point;

Thence, North 34 degrees 10 minutes 37 seconds West, a distance of 67.96 feet to a point;

Thence, North 12 degrees 09 minutes 23 seconds West, a distance of 54.68 feet to a point;

Thence, North 08 degrees 18 minutes 49 seconds East, a distance of 119.31 feet to a point;

Thence, North 00 degrees 30 minutes 34 seconds West, a distance of 76.43 feet to a point;

Thence, North 18 degrees 14 minutes 44 seconds West, a distance of 42.64 feet to a point;

Thence, North 32 degrees 35 minutes 39 seconds West, a distance of 49.51 feet to a point;

Thence, North 26 degrees 19 minutes 52 seconds West, a distance of 40.47 feet to a point;

Thence, North 04 degrees 46 minutes 19 seconds West, a distance of 32.20 feet to a point;

Thence, North 02 degrees 53 minutes 02 seconds East, a distance of 26.86 feet to a point;

Thence, North 07 degrees 24 minutes 00 seconds West, a distance of 69.67 feet to a point;

Thence, North 17 degrees 38 minutes 05 seconds West, a distance of 66.13 feet to a point;

Thence, North 37 degrees 27 minutes 02 seconds West, a distance of 58.67 feet to a point;

Thence, North 47 degrees 29 minutes 32 seconds West, a distance of 136.29 feet to a point;

Thence, North 24 degrees 22 minutes 15 seconds West, a distance of 91.77 feet to a point;

Thence, North 11 degrees 18 minutes 06 seconds West, a distance of 143.66 feet to a point;

Thence, North 37 degrees 29 minutes 50 seconds West, a distance of 111.92 feet to a point;

Thence, North 22 degrees 43 minutes 41 seconds West, a distance of 50.73 feet to a point:

Thence, North 15 degrees 20 minutes 11 seconds West, a distance of 66.18 feet to a point;

Thence, North 29 degrees 30 minutes 03 seconds West, a distance of 32.69 feet to a point;

Thence, North 25 degrees 57 minutes 46 seconds West, a distance of 71.58 feet to a point;

Thence, North 47 degrees 40 minutes 17 seconds West, a distance of 62.69 feet to a point;

Thence, North 58 degrees 37 minutes 22 seconds West, a distance of 62.39 feet to a point;

Thence, North 80 degrees 55 minutes 24 seconds West, a distance of 62.19 feet to a point;

Thence, South 81 degrees 44 minutes 54 seconds West, a distance of 237.29 feet to a point;

Thence, South 71 degrees 19 minutes 11 seconds West, a distance of 230.28 feet to a point;

Thence, South 76 degrees 00 minutes 37 seconds West, a distance of 53.01 feet to a point;

Thence, South 89 degrees 43 minutes 46 seconds West, a distance of 25.59 feet to a point;

Thence, South 68 degrees 13 minutes 43 seconds West, a distance of 53.12 feet to a point;

Thence, South 54 degrees 27 minutes 06 seconds West, a distance of 120.24 feet to a point;

Thence, South 71 degrees 35 minutes 09 seconds West, a distance of 72.28 feet to a point;

Thence, South 84 degrees 08 minutes 02 seconds West, a distance of 41.60 feet to a point;

Thence, South 87 degrees 51 minutes 16 seconds West, a distance of 63.41 feet to a point;

Thence, South 70 degrees 05 minutes 02 seconds West, a distance of 298.63 feet to a point;

Thence, South 77 degrees 55 minutes 19 seconds West, a distance of 62.23 feet to a point;

Thence, North 82 degrees 19 minutes 02 seconds West, a distance of 56.95 feet to a point;

Thence, North 61 degrees 42 minutes 15 seconds West, a distance of 137.59 feet to a point;

Thence, North 59 degrees 30 minutes 46 seconds West, a distance of 189.50 feet to the POINT OF TERMINUS, containing 1.76 acres, more or less, on the southerly right-of-way line of Pocahontas County Route 9/3.

Inn at Snowshoe Package Plant

A certain tract or parcel of land, situate along West Virginia Route 66, approximately 0.5 miles southeast of Linwood, at the Inn at Snowshoe, in Edray District, Pocahontas County, West Virginia, more particularly bounded and described as follows:

Beginning at a ¾" iron rebar set at the northwesterly corner of Snowshoe Resort Management Inc. (Tax Map 8-C Par 3.4, Deed Book 259 Page 426);

Thence, South 55 degrees 18 minutes 58 seconds East, a distance of 177.84 feet to a ¾" iron rebar set;

Thence, South 34 degrees 33 minutes 43 seconds West, a distance of 109.50 feet to a ¾" iron rebar set;

Thence, North 55 degrees 36 minutes 02 seconds West, a distance of 182.37 feet to a ¾" iron rebar set;

Thence, North 36 degrees 54 minutes 44 seconds East, a distance of 110.49 feet to the **Place of Beginning**, containing 19,803 square feet or 0.45 acres, MORE OR LESS, as shown on a plat attached hereto and made a part of this description.

The tract or parcel of land herein described being a part of the property known as The Inn at Snowshoe, conveyed to Snowshoe Resort Management, Inc. by deed, recorded in the Office of the Clerk of Pocahontas County, West Virginia, in Deed Book 259 at Page 426 and shown on a plat recorded in said Clerk's Office in Deed Book 175 at page 628.

Silver Creek Wastewater Treatment Facility

A certain tract or parcel of land, situate, in Edray District, Pocahontas County, West Virginia, more particularly bounded and described as follows:

Beginning at a ¾" iron rebar set on the lands of Snowshoe Resort Management Inc. (Tax Map 62A Parcel 1.0, Deed Book 259 Page 426), with a WV NAD 83 South Zone Coordinate of N: 527446.32 E: 2261211.61;

Thence, through the lands of said Snowshoe Resort Management, Inc. for six (6) lines, North 14 degrees 48 minutes 51 seconds East, a distance of 165.73 feet to a ¾" iron rebar set, with a WV NAD 83 South Zone Coordinate of N: 527606.55 E: 2261253.98;

Thence, North 26 degrees 12 minutes 51 seconds East, a distance of 200 feet to a ¾" iron rebar set in the stream, with a WV NAD 83 South Zone Coordinate of N: 527785.98 E: 2261342.33;

Thence, with said stream for three (3) lines, North 76 degrees 32 minutes 25 seconds East, a distance of 125.00 feet to a ¾" iron rebar set, with a WV NAD 83 South Zone Coordinate of N: 527815.07 E: 2261463.90;

Thence, North 82 degrees 43 minutes 44 seconds East, a distance of 94.00 feet to a ¾" iron rebar set, with a WV NAD 83 South Zone Coordinate of N: 527803.18 E: 2261557.15;

Thence, North 60 degrees 12 minutes 25 seconds East, a distance of 45.00 feet to ¾" iron rebar set, with a WV NAD 83 South Zone Coordinate of N: 527780.81 E: 2261596.20;

Thence, leaving said stream and through said Snowshoe Resort Management, Inc., South 30 degrees 39 minutes 19 seconds West, a distance of 385.00 feet to a ¾" iron rebar set, with a WV NAD 83 South Zone Coordinate of N: 527449.62 E: 2261399.90;

Thence, South 76 degrees 17 minutes 20 seconds West, a distance of 31.03 feet to a ¾" iron rebar set, with a WV NAD 83 South Zone Coordinate of N: 527442.27 E: 2261369.76;

Thence, North 88 degrees 31 minutes 45 seconds West, a distance of 158.20 feet to the **Place of Beginning**, containing 1.91 acres, MORE OR LESS, as shown on a plat attached hereto and made a part of this description.

The parcel of land and herein described being a part of the property conveyed to Snowshoe Resort Management Inc. recorded in Deed Book 259 Page 426 at the Office of the Clerk of Pocahontas County, West Virginia.

Non-Exclusive Access Easement to the Silver Creek Wastewater Treatment Facility

A certain tract or parcel of land, situate, in Edray District, Pocahontas County, West Virginia, more particularly bounded and described as follows;

Beginning at a point in an existing gravel road on the lands of Snowshoe Resort Management Inc. (Tax Map 62A Parcel 1.0, Deed Book 259 Page 426), which bears South 54 degrees 23 minutes 45 seconds West, a distance of 37.53 feet from a ¾" iron rebar set a southerly easterly corner of a proposed sewer plant;

Thence, with the centerline of said existing gravel road and through the lands of said Snowshoe Resort Management, Inc. for seventy-six (76) lines, South 88 degrees 31 minutes 45 seconds West, a distance of 158.10 feet to a point;

Thence, North 87 degrees 44 minutes 24 seconds West, a distance of 159.79 feet to a point;

Thence, South 77 degrees 52 minutes 44 seconds West, a distance of 164.19 feet to a point;

Thence, North 82 degrees 03 minutes 55 seconds West, a distance of 174.89 feet to a point;

Thence, North 87 degrees 16 minutes 32 seconds West, a distance of 114.10 feet to a point;

Thence, North 78 degrees 51 minutes 36 seconds West, a distance of 125.50 feet to a point;

Thence, North 87 degrees 47 minutes 27 seconds West, a distance of 214.79 feet to a point;

Thence, South 78 degrees 41 minutes 53 seconds West, a distance of 96.27 feet to a point;

Thence, South 43 degrees 41 minutes 20 seconds West, a distance of 61.50 feet to a point;

Thence, South 17 degrees 38 minutes 48 seconds West, a distance of 106.77 feet to a point;

Thence, South 32 degrees 53 minutes 51 seconds East, a distance of 130.96 feet to a point;

Thence, South 65 degrees 50 minutes 03 seconds East, a distance of 340.75 feet to a point;

Thence, South 58 degrees 31 minutes 58 seconds East, a distance of 348.77 feet to a point;

Thence, South 53 degrees 51 minutes 43 seconds East, a distance of 114.17 feet to a point;

Thence, South 77 degrees 10 minutes 25 seconds East, a distance of 95.77 feet to a point;

Thence, South 58 degrees 29 minutes 02 seconds East, a distance of 122.02 feet to a point;

Thence, South 55 degrees 16 minutes 20 seconds East, a distance of 157.30 feet to a point;

Thence, South 76 degrees 57 minutes 30 seconds East, a distance of 169.60 feet to a point;

Thence, South 65 degrees 04 minutes 14 seconds East, a distance of 209.66 feet to a point;

Thence, North 89 degrees 58 minutes 12 seconds East, a distance of 127.26 feet to a point;

Thence, South 29 degrees 14 minutes 21 seconds West, a distance of 136.90 feet to a point;

Thence, South 83 degrees 06 minutes 05 seconds West, a distance of 178.80 feet to a point;

Thence, North 79 degrees 14 minutes 02 seconds West, a distance of 150.15 feet to a point;

Thence, North 84 degrees 58 minutes 47 seconds West, a distance of 135.54 feet to a point;

Thence, North 77 degrees 39 minutes 08 seconds West, a distance of 93.56 feet to a point;

Thence, North 72 degrees 30 minutes 18 seconds West, a distance of 214.06 feet to a point;

Thence, North 79 degrees 51 minutes 59 seconds West, a distance of 155.22 feet to a point;

Thence, North 57 degrees 06 minutes 50 seconds West, a distance of 75.44 feet to a point;

Thence, North 75 degrees 58 minutes 25 seconds West, a distance of 56.34 feet to a point;

Thence, South 75 degrees 39 minutes 39 seconds West, a distance of 55.13 feet to a point;

Thence, South 29 degrees 16 minutes 01 seconds West, a distance of 35.57 feet to a point;

Thence, South 13 degrees 32 minutes 46 seconds West, a distance of 89.32 feet to a point;

Thence, South 45 degrees 53 minutes 05 seconds West, a distance of 136.13 feet to a point;

Thence, South 74 degrees 18 minutes 09 seconds West, a distance of 64.33 feet to a point;

Thence, North 74 degrees 45 minutes 20 seconds West, a distance of 44.13 feet of point;

Thence, North 79 degrees 00 minutes 16 seconds West, a distance of 35.49 feet to a point;

Thence, South 84 degrees 28 minutes 35 seconds West, a distance of 30.14 feet to a point;

Thence, South 48 degrees 40 minutes 24 seconds West, a distance of 32.21 feet to a point;

Thence, South 23 degrees 12 minutes 50 seconds West, a distance of 73.65 feet to a point;

Thence, South 54 degrees 50 minutes 21 seconds West, a distance of 72.20 feet to a point;

Thence, South 71 degrees 35 minutes 31 seconds West, a distance of 173.17 feet to a point;

Thence, South 77 degrees 34 minutes 58 seconds West, a distance of 116.22 feet to a point;

Thence, South 83 degrees 25 minutes 22 seconds West, a distance of 176.22 feet to a point;

Thence, South 83 degrees 39 minutes 52 seconds West, a distance of 78.39 feet to a point;

Thence, South 68 degrees 16 minutes 39 seconds West, a distance of 80.48 feet to a point;

Thence, South 55 degrees 43 minutes 58 seconds West, a distance of 89.39 feet to a point;

Thence, South 39 degrees 10 minutes 50 seconds West, a distance of 353.59 feet to a point;

Thence, South 64 degrees 32 minutes 51 seconds West, a distance of 137.89 feet to a point;

Thence, South 73 degrees 15 minutes 16 seconds West, a distance of 315.82 feet to a point;

Thence, South 73 degrees 53 minutes 52 seconds West, a distance of 73.03 feet to a point;

Thence, South 67 degrees 10 minutes 53 seconds West, a distance of 85.71 feet to a point;

Thence, South 49 degrees 28 minutes 55 seconds West, a distance of 63.96 feet to a point;

Thence, South 63 degrees 54 minutes 31 seconds West, a distance of 86.86 feet to a point;

Thence, South 15 degrees 22 minutes 56 seconds West, a distance of 68.03 feet to a point;

Thence, South 36 degrees 29 minutes 48 seconds West, a distance of 255.78 feet to a point;

Thence, South 59 degrees 11 minutes 27 seconds West, a distance of 106.46 feet to a point;

Thence, South 76 degrees 24 minutes 33 seconds West, a distance of 94.07 feet to a point;

Thence, North 88 degrees 35 minutes 12 seconds West, a distance of 238.98 feet to a point;

Thence, South 89 degrees 46 minutes 50 seconds West, a distance of 189.68 feet to a point;

Thence, South 80 degrees 33 minutes 30 seconds West, a distance of 553.59 feet to a point;

Thence, South 75 degrees 47 minutes 03 seconds West, a distance of 118.86 feet to a point;

Thence, South 63 degrees 05 minutes 47 seconds West, a distance of 138.69 feet to a point;

Thence, South 69 degrees 21 minutes 45 seconds West, a distance of 199.09 feet to a point;

Thence, South 43 degrees 19 minutes 16 seconds West, a distance of 171.89 feet to a point;

Thence, South 48 degrees 00 minutest 09 seconds West, a distance of 161.14 feet to a point;

Thence, South 57 degrees 47 minutes 06 seconds West, a distance of 121.49 feet to a point;

Thence, South 65 degrees 02 minutes 32 seconds West, a distance of 94.90 feet to a point;

Thence, South 56 degrees 27 minutes 40 seconds West, a distance of 278.91 feet to a point;

Thence, South 84 degrees 44 minutes 17 seconds West, a distance of 155.19 feet to a point;

Thence, North 84 degrees 04 minutes 27 seconds West, a distance of 617.84 feet to a point;

Thence, North 89 degrees 05 minutes 29 seconds West, a distance of 78.86 feet to a point;

Thence, South 66 degrees 47 minutes 30 seconds West, a distance of 58.74 feet to a point;

Thence, South 43 degrees 32 minutes 42 seconds West, a distance of 112.11 feet to a point;

Thence, South 28 degrees 53 minutes 13 seconds West, a distance of 361.60 feet to a point;

Thence, South 46 degrees 16 minutes 32 seconds West, a distance of 65.12 feet to a point;

Thence, South 82 degrees 24 minutes 39 seconds West, a distance of 71.21 feet to a point in the centerline of Pocahontas County Route 9/3, as shown on a plat attached hereto and made a part of this description.

The strip of land herein described being a part of the property conveyed to Snowshoe Resort Management Inc. recorded in Deed Book 259 Page 426 at the Office of the Clerk of Pocahontas County, West Virginia

A. APPURTENANT EASEMENTS AND RIGHTS

The conveyance of the above parcels includes as appurtenances thereto the following easements which are hereby GRANTED and CONVEYED by the Grantor to the Grantee:

(a) Except to the extent of property shown as not owned by Grantor (or by Snowshoe Resort Management, Inc., the predecessor by merger of Snowshoe Mountain) on the attached plats, Village Treatment Plant, Inn at Snowshoe Package Plant and Silver Creek

Wastewater Treatment Facilities described above and in the attached plats, a temporary construction easement in the areas designated as "20' Temporary Construction Easement" on such plats, for the purposes of performing maintenance, service, and repair work on the properties hereby conveyed; and

(b) A right of way across the lands of Grantee for the purpose of accessing the Property; provided, however, that these easements are subject to the requirements that Grantee shall use its best efforts to access the Property and perform such maintenance, service and repair work without (i) disturbing Grantor and its guests and invitees or (ii) Grantor's current or planned use of Grantor's property, (iii) blocking or intruding upon or impeding access to Grantor's ski slopes, or (iv) creating any unsafe or hazardous conditions for skiers or other parties, Grantee acknowledging that certain of the properties being conveyed herein are adjacent to ski slopes. In addition, Grantee agrees that it shall repair and replace any damage caused by it or its contractors to Grantor's property and shall indemnify and hold harmless Grantor for any damage or liabilities suffered by Grantor arising from Grantee's use of the easement granted herein.

B. RESERVATIONS, RESTRICTIONS AND AGREEMENTS

The Property is made subject to the following reservations, restrictions and agreements which are reserved for the benefit of the Grantor and its successors and assigns as owners of the Snowshoe Mountain Resort and to such of their grantees, successors and assigns as they designate in writing:

1. Easements.

(a) Grantor hereby reserves for itself, its successors and assigns, the right to establish from time to time access, drainage and other easements, permits or licenses over, across, through and under the Property to serve any property owned by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates or any other property within the Resort.

(b) Grantor hereby reserves a general easement over, across, through and under the Property for ingress to and egress from any adjacent properties owned by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates.

(c) Pursuant to these easements, a utility or service company may install and maintain facilities and equipment on the Property and affix and maintain wires, circuits and conduits on, in and under the roofs and exterior walls of any improvements on the Property to provide service to any adjacent properties owned by Grantor, Intrawest Resorts, Inc. or Intrawest Snowshoe Development, Inc. or any of their affiliates. Notwithstanding anything to the contrary contained herein, no sewers, electrical lines, water lines or other utilities or service lines may be installed or relocated on any portion of the Property, except in accordance with the provisions of B.2 below. Any utility or service company using this general easement shall use its best efforts to install, repair, replace and maintain its lines and systems without disturbing the uses of Grantee and other utility and service companies. In addition, such utility or service company shall keep all utility and service lines owned by it on the Property in good order and condition and shall repair and replace any damage done by it or its contractor to the Property.

(d) If any utility or service company furnishing utilities or services to the Property, any portion thereof or any adjacent property owned by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates requests a specific easement

by separate recordable document, the Grantee shall grant such easement over, across, through and under any portion of the Property if requested to do so by Grantor, Intrawest Resorts, Inc., Intrawest Snowshoe Development, Inc. or any of their affiliates.

(e) Grantor hereby reserves the easements across the Property to provide a means of bringing utility lines of every kind and nature, including but not limited to, water, sewer, electric, gas, telephone, internet and cable TV through the Property to serve other lands at the Resort.

2. Design Review Board. Grantor shall have a Design Review Board so constituted as from time to time as it deems appropriate, which shall have the powers as hereinafter provided:

(a) Design Review Board Approval and Control.

(i) Neither the Grantee or any other person or entity may:

(A) perform any earth movement, vegetation removal, paving or drainage modification;

(B) construct any building, structure or other improvement;

(C) make any physical or cosmetic alteration or modification to existing buildings, structures or improvements;

(D) install or alter on any building, structure or other improvement any exterior signage or any interior

signage that is visible from outside the building, structure or improvement;

(E) install or alter any landscaping or exterior furniture, fixtures, equipment or art; or

(F) change the exterior appearance of any existing building, structures or improvements, within the Property, without the prior written consent of the Design Review Board ; provided, however, that the Design Review Board shall not prevent either the construction or alteration of structures or improvements on the Property, which structures or improvements or alterations thereto are not discretionary to the Grantee but are required by any State or federal law or agency, but rather may only require prior written consent in such instances with respect to matters of aesthetics, such as exterior design, type and color of materials and other matters relating to exterior appearance.

(ii) If the Design Review Board fails to respond to a request for its consent within 60 days after its receipt of such request, the Design Review Board shall be deemed to have granted its consent to the actions described in such request. The decisions of the Design Review Board shall be conclusive and binding on all interested parties.

(iii) Notwithstanding anything to the contrary contained herein, improvements, alterations, modifications, installations, furniture and fixtures that:

(A) are completely within a building, structure or improvement; and

(B) do not change the exterior appearance of a building, structure or improvement and are not visible from the outside of a building, structure or improvement;.

(iv) The Design Review Board or its designated representative may monitor any approved project to the extent required to ensure that the construction or work on such project complies with any and all approved plans and construction procedures. The Design Review Board or its designated representatives may enter upon the Property at any reasonable time or times to inspect the progress, work status or completion of any project. The Design Review Board may withdraw approval of any project and require all activity at such project to be stopped, if deviations from the approved plan or approved construction practices are not corrected or reconciled within twenty-four hours after written notification to the owner of the Property or other person or entity performing the project specifying such deviations.

(b) Enforcement of Restrictions.

(i) If any person or entity violates any term or condition set forth in this section B.2 or in the rules and regulations of the Design Review Board, the Grantor shall have the following rights and remedies:

(A) The Grantor may, by written notice, revoke any approval previously granted to the owner by the Design Review Board, in which event the owner shall, upon receipt of such notice, immediately cease any construction, alteration or landscaping covered by the approval so revoked.

(B) The Grantor may, but is not obligated to, enter upon the Property and cure such violation at the owner's sole cost and expense. If the Grantor cures any such violation, the owner shall pay the Grantor the amount of all costs and expenses incurred by the Grantor in connection therewith within thirty days after the owner receives an invoice therefor from the Grantor. The Grantor shall have a lien against the Property for the amount of any costs and expenses incurred by the Grantor hereunder. This lien may be perfected by recording a notice in the Pocahontas County Records.

(C) The Grantor may sue the owner or other person or entity to enjoin such violation.

(D) The Grantor shall have all other rights and remedies available at law or in equity. All rights and

remedies of the Grantor shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

(ii) The Grantor may delegate any of its rights hereunder to the Design Review Board.

(c) Fees. The Design Review Board may establish reasonable processing and review fees for considering any requests for approvals submitted to it, which fees shall be paid at the time the request for approval is submitted. The Design Review Board may also establish a requirement for the escrowing of funds in an amount sufficient to guarantee completion of proposed alterations or improvements, landscaping or other finish work included as a part of construction plans which have been presented to or approved by the Design Review Board, if such requirement is not imposed by a governmental or quasi-governmental authority for that purpose.

(d) Lapse of Approval. Any approval issued by the Design Review Board shall lapse and become void in accordance with the terms and conditions of the rules and regulations adopted by the Design Review Board and the terms and conditions of any consents, approvals or permits issued by the Design Review Board. In addition, an approval issued by the Design Review Board for a project will lapse and become void if any building permit or approval issued by a governmental or quasi-governmental entity for the same project lapses or is revoked or suspended.

(e) Liability. Neither the Grantor, the Design Review Board nor any of their respective officers, directors, employees or agents shall be responsible or liable for any

defects, errors or omissions in any plans or specifications submitted, reviewed or approved under this Section B.2, nor for any defects, errors or omissions in construction pursuant to such plans and specifications. A consent or approval issued by the Design Review Board means only that the Design Review Board believes that the construction, alteration, installation or other work for which the consent or approval was requested complies with the rules and regulations adopted by the Design Review Board and the Grantor. No such consent or approval shall be interpreted to mean that the construction, alteration, installation or other work covered thereby (a) complies with laws, rules, regulations, ordinances or other requirements of any governmental or quasi-governmental authority, (b) is free from defects, errors or omissions or (c) lies within the boundaries of the Property. No consent, approval or permit issued by the Design Review Board shall relieve owners or others of their obligations to comply with laws, rules, regulations, ordinances and other requirements of governmental or quasi-governmental authorities.

3. Other Restrictions and Agreements.

(a) All telephone, electric power and other transmission or utility lines shall be installed on the Property below ground.

(b) Grantor shall have right to operate, use and maintain adjacent to and within the vicinity of and across and over easements relating to the Property, ski lifts, snow making equipment and snow grooming equipment, without liability for noise or for damage or injury to the Property or anything constructed or located thereon caused or alleged to have been caused by the deposit or buildup of ice and/or snow, whether naturally occurring or generated by the operation of said equipment.

(c) Grantee may not erect any permanent or temporary fences or barrier on the Property or in any easement area without the written consent of Grantor, other than such fences or barriers the installation and location of which are not discretionary to the Grantee but are required by any State or federal law or agency.

B. OTHER RESERVATIONS AND ENCUMBRANCES

The Property is further subject to the following reservations and encumbrances:

1. Mineral Reservation. Title to all minerals within and underlying the herein conveyed Property, together with all mining and drilling rights, privileges and amenities relating thereto, are hereby reserved to the Grantor.

2. Matters of Record. The conveyance of the Property hereinbefore described is further subject to all other matters affecting title thereto found of record in the Office of the Clerk of the County Commission of Pocahontas County, West Virginia.

Notwithstanding anything herein, Grantor reserves the right to relocate the above-described easements and any structure or system located thereon at Grantor's expense.

C. WARRANTY

Subject to all of the foregoing and the lien of real estate taxes for 2007 and 2008, the Grantor does hereby covenant that it will **Warrant Generally** the Property herein conveyed and that the same is free and clear of all liens and encumbrances.

D. DECLARATION OF CONSIDERATION OR VALUE

In accordance with and pursuant to the provisions of Article 22 of Chapter 11 of the West Virginia Code, the undersigned hereby declares that the transaction is exempt from the

payment of excise taxes on the transfer of real estate as it is a transfer to a political subdivision of the State of West Virginia.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed by its duly authorized officers effective as of the ____ day of _____, 2008.

SNOWSHOE MOUNTAIN, INC.

By _____
Name:
Title:

SNOWSHOE WATER & SEWER, INC.

By _____
Name:
Title:

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By _____
Name:
Title:

STATE OF WEST VIRGINIA,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by _____, _____, of **Snowshoe Mountain, Inc.**, a West Virginia corporation, on behalf of said corporation.

My commission expires _____.

_____
Notary Public

STATE OF WEST VIRGINIA,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by _____, _____, of **Snowshoe Water & Sewer, Inc.**, a West Virginia corporation and a public utility, on behalf of said corporation.

My commission expires _____.

_____
Notary Public

STATE OF WEST VIRGINIA,

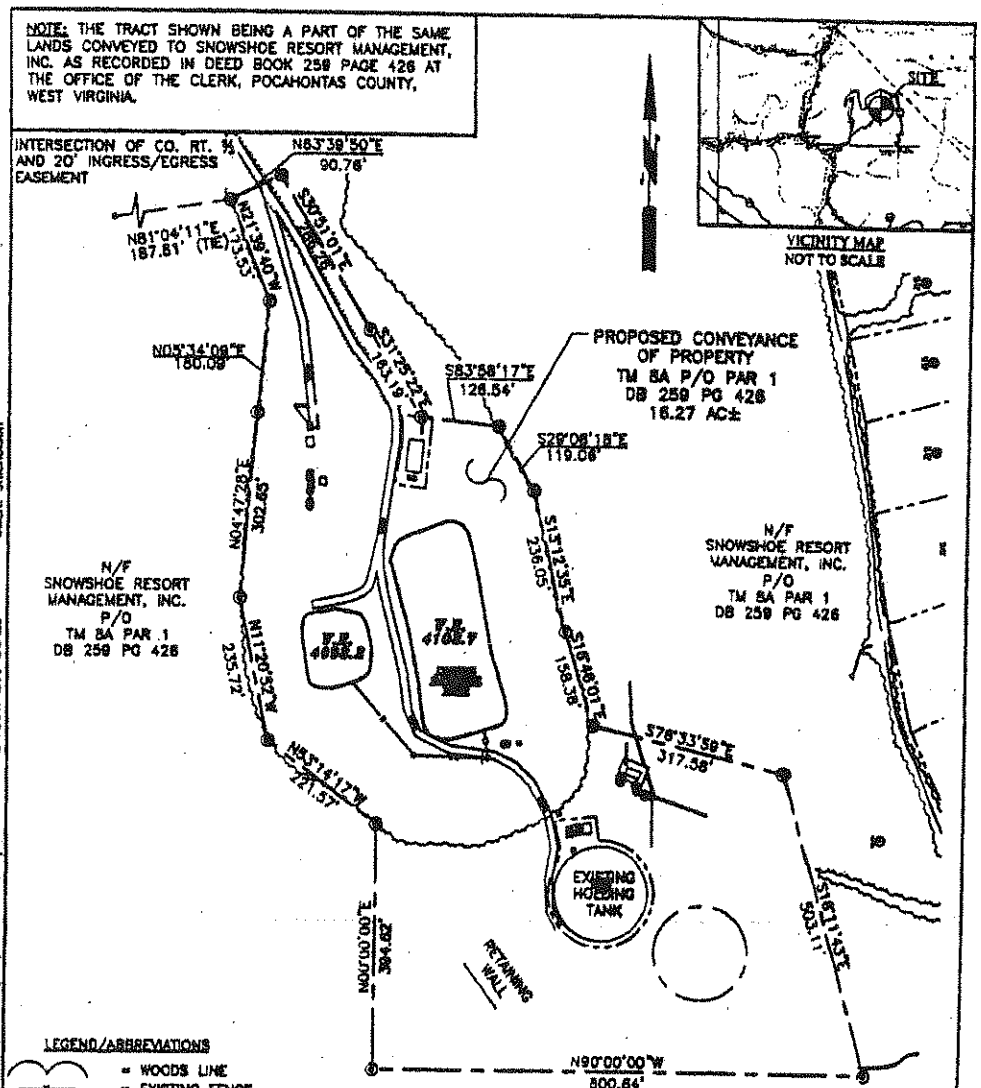
COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by _____, _____ of **Pocahontas County Public Service District**, a public utility, on behalf of said public utility.

My commission expires _____.

_____
Notary Public

This instrument prepared by Ellen S. Cappellanti, Esquire, Jackson Kelly PLLC, 1600 Laidley Tower, P. O. Box 553, Charleston, West Virginia 25322.



PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
Ⓑ = 3/4" ⌀ 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

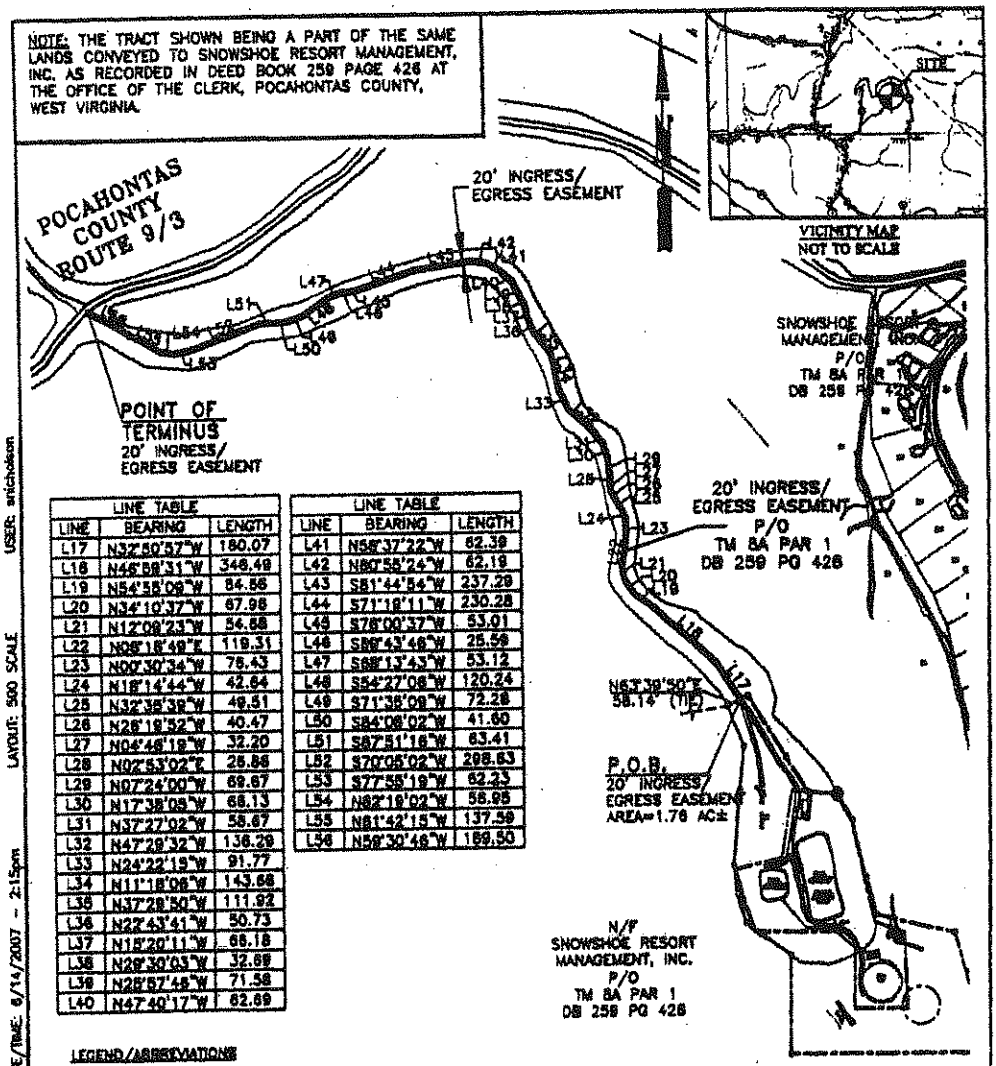
TAX MAP	8A
PARCEL No.	P/O 1
JOB. No.	50-1851

SHOWING
CONVEYANCE OF THE VILLAGE TREATMENT PLANT of SNOWSHOE MOUNTAIN, INC.
EDRAY DISTRICT SITUATE POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 200' JULY 2007

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: 200 SCALE
CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg
REFERENCE: DB 259 PG 426
DRAWN: AS | SURVEY: | BK:

CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg PLOT DATE/TIME: 8/14/2007 - 2:00pm LAYOUT: 200 SCALE USER: snicholson

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LINE TABLE		
LINE	BEARING	LENGTH
L17	N32°50'57"W	180.07
L18	N46°58'31"W	348.49
L19	N54°55'09"W	84.56
L20	N34°10'37"W	67.98
L21	N12°09'23"W	54.58
L22	N08°18'49"E	119.31
L23	N00°30'34"W	75.43
L24	N18°14'44"W	42.64
L25	N32°35'39"W	49.51
L26	N28°18'52"W	40.47
L27	N04°46'19"W	32.20
L28	N02°53'02"E	26.86
L29	N07°24'00"W	69.67
L30	N17°38'08"W	68.13
L31	N37°27'02"W	58.67
L32	N47°29'32"W	136.29
L33	N24°22'19"W	91.77
L34	N11°18'06"W	143.66
L35	N37°28'50"W	111.92
L36	N22°43'41"W	50.73
L37	N15°20'11"W	66.18
L38	N28°30'03"W	32.69
L39	N28°57'48"W	71.58
L40	N47°40'17"W	62.69

LINE TABLE		
LINE	BEARING	LENGTH
L41	N58°37'22"W	62.39
L42	N80°55'24"W	62.19
L43	S81°44'54"W	237.29
L44	S71°18'11"W	230.28
L45	S78°00'37"W	53.01
L46	S86°43'48"W	25.59
L47	S68°13'43"W	53.12
L48	S54°27'06"W	120.24
L49	S71°36'09"W	72.28
L50	S84°06'02"W	41.60
L51	S87°51'18"W	63.41
L52	S70°05'02"W	298.63
L53	S77°55'19"W	62.23
L54	N82°19'02"W	56.95
L55	N81°42'15"W	137.59
L56	N58°30'48"W	189.50

LEGEND/ABBREVIATIONS

- = WOODS LINE
- = EXISTING FENCE
- P. = PROPERTY LINE
- • = POINT
- O = MONUMENT FOUND (AS NOTED)
- (T) = TOTAL
- R/W = RIGHT-OF-WAY
- P.O.B. = POINT OF BEGINNING
- TM = TAX MAP NUMBER
- PAR = PARCEL NUMBER
- P/O = PART OF
- N/F = NOW OR FORMERLY
- IRF = REBAR FOUND (size as noted)
- (S 45° 45' E 100.0') = DEED BEARING & DISTANCE

GRAPHIC SCALE

0 250' 500' 1000'

1 inch = 500' ft.

Dwayne D. Matheny, P.S. 2070

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON SNOWSHOE SANITARY PROJECT CONTROL.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊗ = 3/4" ø 30" REBAR SET

TAX MAP 8A

PARCEL No. P/O 1

JOB. No. 50-1851

SHOWING

NON-EXCLUSIVE ACCESS EASEMENT TO THE VILLAGE TREATMENT PLANT of SNOWSHOE MOUNTAIN, INC.

SITUATE EDRAY DISTRICT POCAHONTAS COUNTY WEST VIRGINIA

SCALE: 1" = 500' JULY 2007

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.

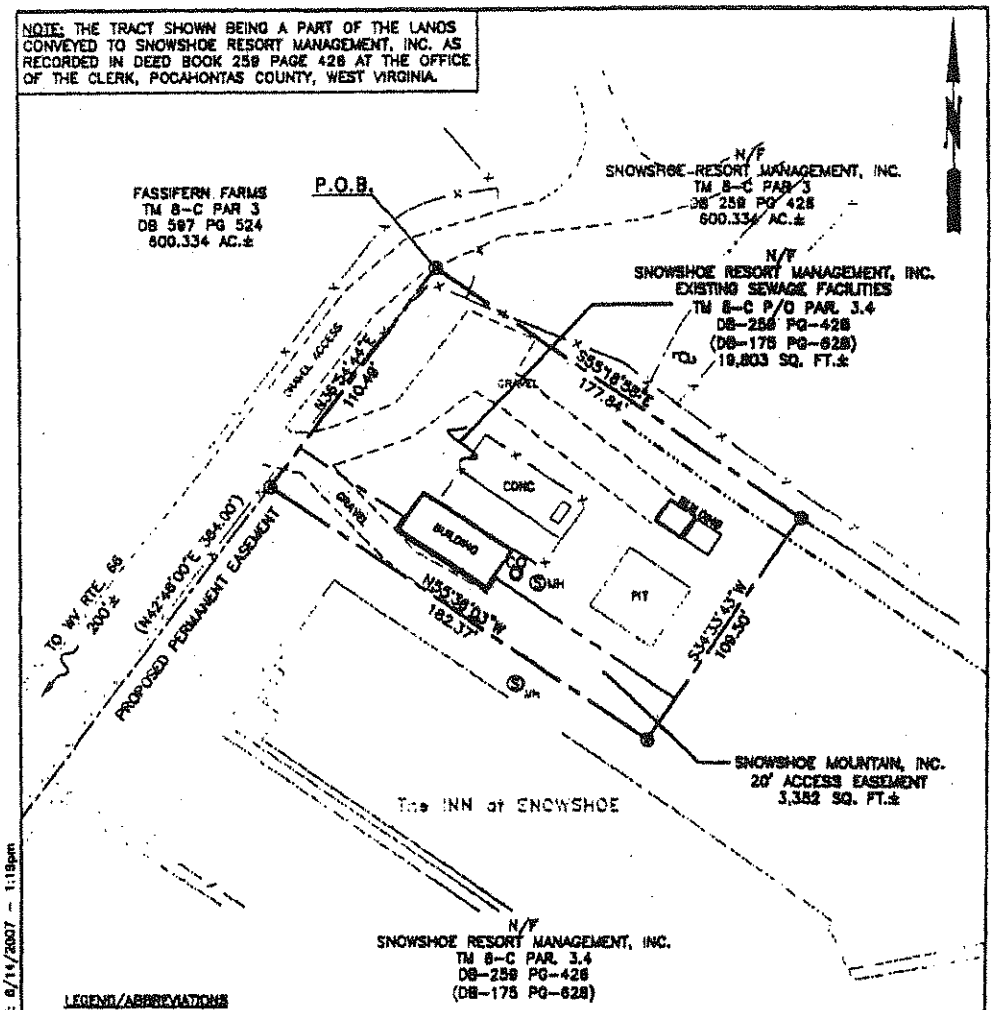
LAYOUT TAB: 500 SCALE
CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg

REFERENCE: DB 259 PG 426

DRAWN: AS | SURVEY: | BK:

CAD FILE: P:\50-1851\SURVEY\COMBINED PLAT 1.dwg PLOT DATE/TIME: 6/14/2007 - 2:15pm LAYOUT: 500 SCALE USER: srichelson

NOTE: THE TRACT SHOWN BEING A PART OF THE LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



LEGEND/ABBREVIATIONS

⌒	= WOODS LINE
—x—	= EXISTING FENCE
P.L.	= PROPERTY LINE
⊗	= POINT
O	= MONUMENT FOUND (AS NOTED)
(T)	= TOTAL
R/W	= RIGHT-OF-WAY
P.O.B.	= POINT OF BEGINNING
TM	= TAX MAP NUMBER
PAR	= PARCEL NUMBER
P/O	= PART OF
N/F	= NOW OR FORMERLY
IRF	= REBAR FOUND (size as noted)
(S 45° 45' E 100.0')	= DEED BEARING & DISTANCE
CO	= CLEAN OUT
Ⓢ	= SEWER MANHOLE

GRAPHIC SCALE

0 25 50 100

1 inch = 50 ft.

Dwayne D. Matheny, P.S. 2076

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. INFO: BEARINGS BASED ON GPS OBSERVATIONS / SNOWSHOE SEWER PROJECT.
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊗ = 3/4" ⌀ 30" REBAR SET

THRASHER ENGINEERING
10 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

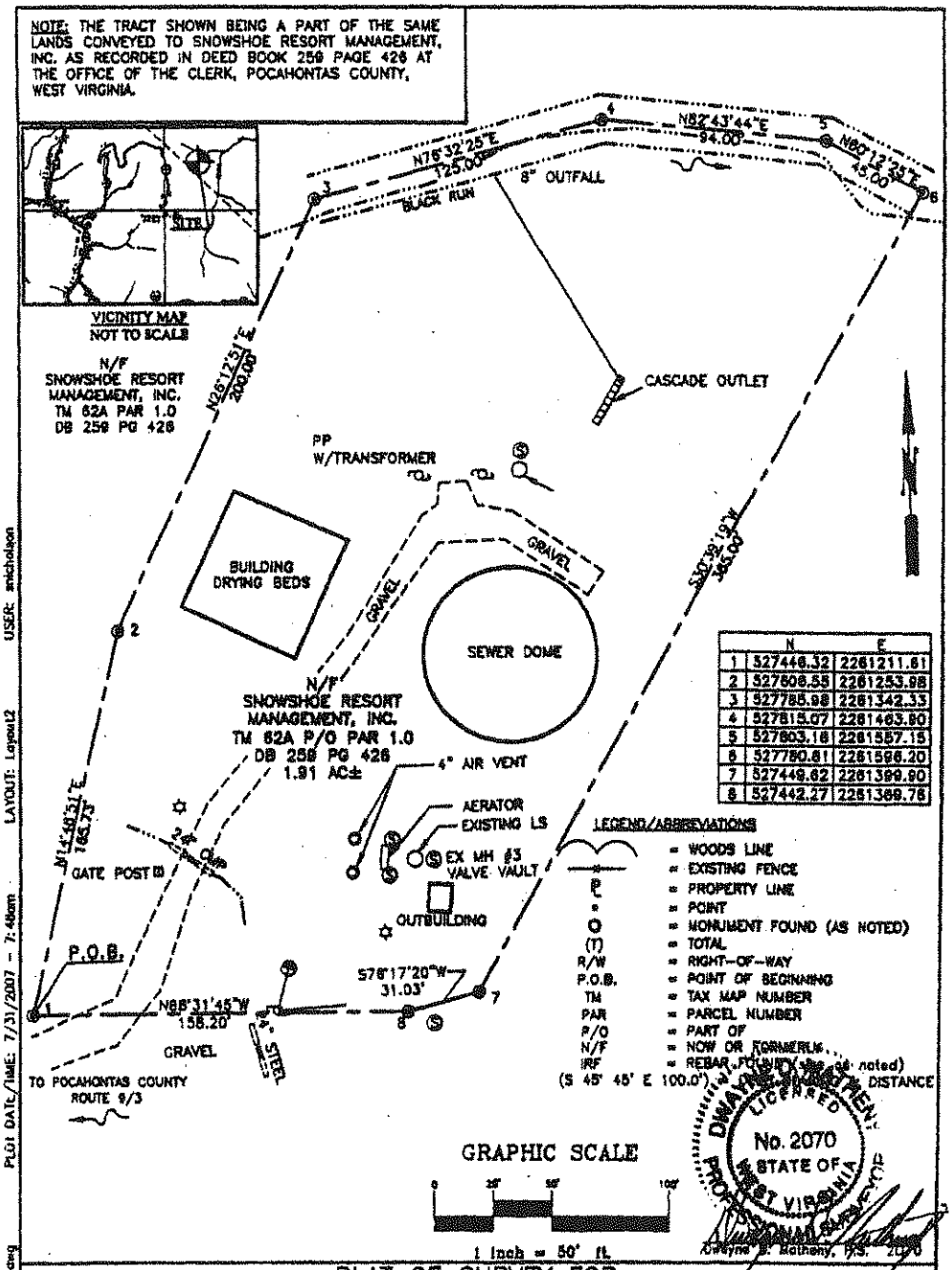
TAX MAP	8C
PARCEL No.	P/O 3.4
JOB. No.	20-771

SHOWING
CONVEYANCE OF THE INN AT SNOWSHOE PACKAGE PLANT
OF
SNOWSHOE MOUNTAIN, INC.
SITUATE
EDRAY DISTRICT POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 50' JULY 2007

OWNER: SNOWSHOE RESORT
LAYOUT TAB: Model
CAD FILE: P:\20-771\SURVEY\INN SNOWSHOE-R-3.dwg
REFERENCE: DB 259 PG 426 (DB 175 PG 628)
DRAWN: DP SURVEY: DP BK:

CAD FILE: P:\20-771\SURVEY\INN SNOWSHOE-R-3.dwg PLOT DATE/TIME: 8/14/2007 - 1:19pm

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 259 PAGE 426 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.



	N	E
1	527446.32	2261211.61
2	527606.55	2261253.98
3	527785.98	2261342.33
4	527815.07	2261463.90
5	527803.16	2261557.15
6	527780.81	2261596.20
7	527449.62	2261399.90
8	527442.27	2261369.76

PLAT OF SURVEY FOR POCAHONTAS PUBLIC SERVICE DISTRICT

MISC. NFO: BEARINGS BASED ON GPS OBSERVATIONS / SNOWSHOE SEWER PROJECT
SURVEY PERFORMED WITH A LEICA TC-307 ELECTRONIC TOTAL STATION.
⊕ = 3/4" ⊕ 30" REBAR SET

THRASHER ENGINEERING
30 COLUMBIA BLVD.
CLARKSBURG, WV 26301
PHONE 304-624-4108

TAX MAP 62A
PARCEL No. P/O 1.0
JOB. No. 20-771

SHOWING
CONVEYANCE OF SILVER CREEK WASTE WATER TREATMENT PLANT FACILITY
from
SNOWSHOE MOUNTAIN, INC.
EDRAY DISTRICT SITUATE POCAHONTAS COUNTY
WEST VIRGINIA
SCALE: 1" = 50' JULY 2007

OWNER: SNOWSHOE RESORT MANAGEMENT, INC.
LAYOUT TAB: Layout2
CAD FILE: P:\20-771\SURVEY\PROP.dwg
REFERENCE: DB 259 PG 426
DRAWN: DP SURVEY: DP BK:

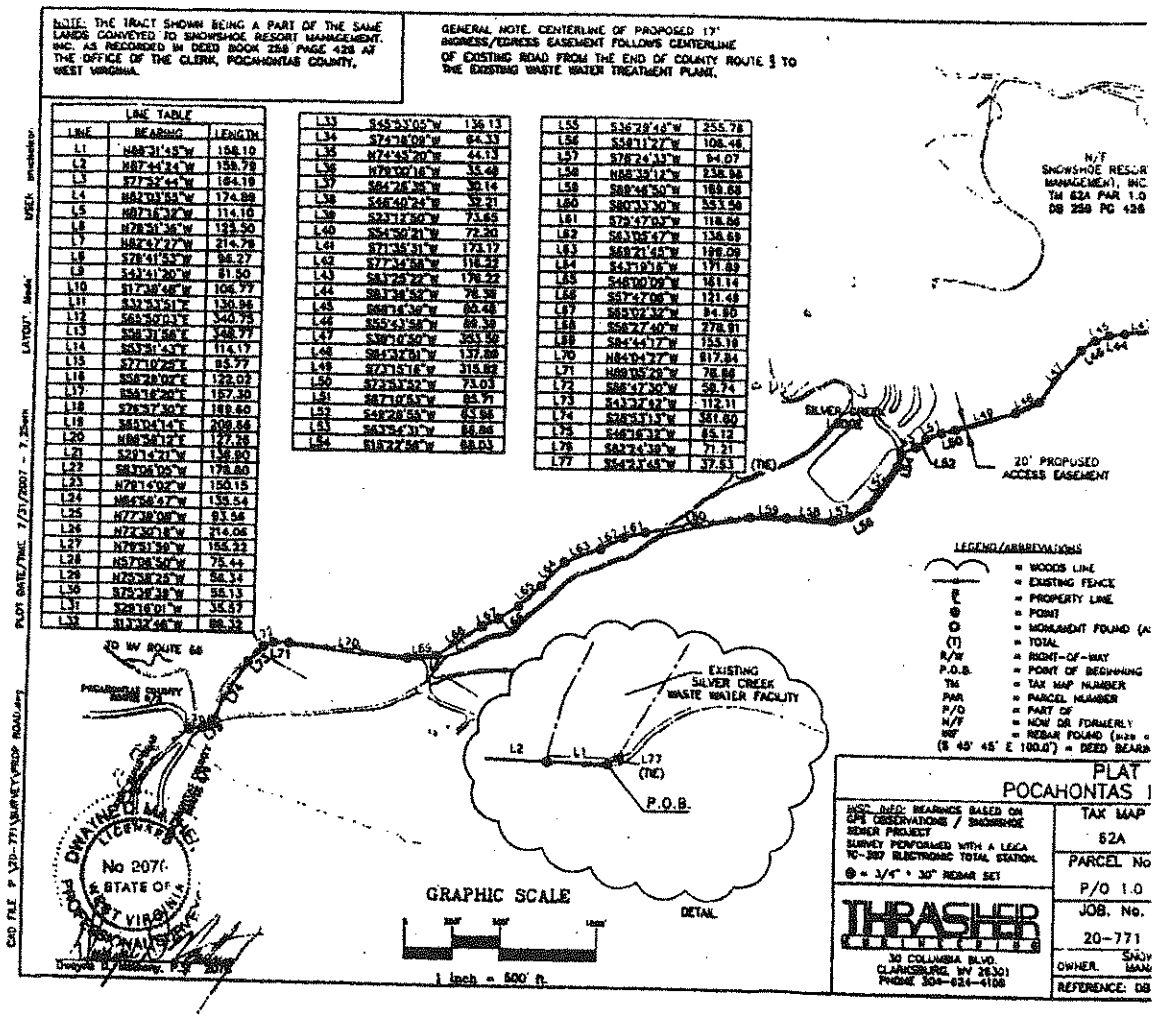
CAD FILE: P:\20-771\SURVEY\PROP.dwg PLOT DATE/TIME: 7/31/2007 - 7:48am LAYOUT: Layout2 USER: snicholson

NOTE: THE TRACT SHOWN BEING A PART OF THE SAME LANDS CONVEYED TO SNOWSHOE RESORT MANAGEMENT, INC. AS RECORDED IN DEED BOOK 258 PAGE 428 AT THE OFFICE OF THE CLERK, POCAHONTAS COUNTY, WEST VIRGINIA.

GENERAL NOTE. CENTERLINE OF PROPOSED 17' INGRESS/EGRESS EASEMENT FOLLOWS CENTERLINE OF EXISTING ROAD FROM THE END OF COUNTY ROUTE 5 TO THE EXISTING WASTE WATER TREATMENT PLANT.

LINE TABLE

LINE	BEARING	LENGTH
L1	N88°31'45"W	158.10
L2	N87°44'24"W	159.78
L3	S77°32'44"W	184.19
L4	N82°03'55"W	174.88
L5	N07°16'32"W	114.10
L6	N78°31'36"W	133.50
L7	N82°47'27"W	214.79
L8	S78°41'53"W	98.27
L9	S43°41'20"W	81.50
L10	S17°38'48"W	104.77
L11	S32°53'51"E	130.96
L12	S63°50'03"E	340.75
L13	S58°31'56"E	348.77
L14	S53°31'43"E	114.17
L15	S77°10'25"E	85.77
L16	S56°28'02"E	122.02
L17	S54°16'20"E	157.30
L18	S26°37'30"E	188.60
L19	S45°04'14"E	208.66
L20	N86°58'12"E	127.28
L21	S29°14'21"W	136.80
L22	S83°06'05"W	178.80
L23	N78°14'02"W	150.15
L24	N84°58'47"W	139.54
L25	N77°38'08"W	93.56
L26	N72°30'18"W	214.06
L27	N70°51'30"W	155.33
L28	N57°06'50"W	75.44
L29	N75°58'25"W	56.34
L30	S75°39'38"W	56.13
L31	S28°16'01"W	35.57
L32	S13°32'46"W	88.32
L33	S45°53'05"W	136.13
L34	S74°18'08"W	64.33
L35	N74°45'20"W	44.13
L36	N78°00'18"W	35.48
L37	S84°26'36"W	30.14
L38	S46°40'24"W	32.21
L39	S23°13'30"W	73.65
L40	S54°50'21"W	72.30
L41	S71°35'31"W	173.17
L42	S77°34'58"W	118.22
L43	S83°25'22"W	176.22
L44	S83°38'52"W	76.38
L45	S66°14'36"W	80.48
L46	S55°43'58"W	68.38
L47	S38°10'50"W	365.50
L48	S84°37'01"W	157.80
L49	S73°15'16"W	315.83
L50	S73°51'52"W	73.03
L51	S87°10'53"W	85.71
L52	S45°28'55"W	63.98
L53	S63°34'31"W	88.86
L54	S15°27'58"W	88.03
L55	S36°28'46"W	255.78
L56	S58°11'27"W	106.46
L57	S78°24'33"W	94.07
L58	N88°39'12"W	238.96
L59	S69°48'50"W	189.68
L60	S80°33'30"W	53.50
L61	S72°17'03"W	118.86
L62	S63°05'47"W	136.69
L63	S68°21'45"W	198.08
L64	S43°19'16"W	171.89
L65	S48°00'09"W	161.14
L66	S57°47'08"W	121.48
L67	S85°02'32"W	94.80
L68	S58°27'40"W	278.91
L69	S84°44'17"W	155.10
L70	N84°04'27"W	617.84
L71	N69°05'29"W	78.88
L72	S88°37'30"W	58.74
L73	S43°37'42"W	112.11
L74	S28°53'13"W	361.60
L75	S46°16'32"W	65.12
L76	S82°24'38"W	71.21
L77	S64°31'45"W	37.63



BILL OF SALE

THIS BILL OF SALE dated the ___ day of _____, 2008, by and between **SNOWSHOE MOUNTAIN, INC.**, a West Virginia corporation, and **SNOWSHOE WATER & SEWER, INC.**, a West Virginia corporation and a public utility (collectively referred to as "Seller") and **POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT** (the "Purchaser").

W I T N E S S E T H:

That for and in consideration of Ten Dollars ($10.00) cash in hand paid and other good and valuable consideration received from Purchaser, Seller does hereby in accordance with the terms and conditions of the Transfer Agreement dated the _____ day of _____, 2008 between the parties, grant, sell, assign, transfer, convey, deliver and confirm to Purchaser, its successors and assigns, the following assets (the "Acquired Assets"):

(a) as is where is, all pipelines, pumps, equipment and other physical assets included within or constituting a part of either of the Collection System as described in Appendix A to the Transfer Agreement (the "Collection System") or the Treatment Facilities described in Appendix B to the Transfer Agreement (the "Treatment Facilities"), and all such other items of personal property necessary to operation of either the Collection System or the Treatment Facilities (such other items of personal property to be identified and inventoried by joint agreement of the parties at the date of closing), together with any transferable manufacturer's warranties associated therewith, but excluding any other personal property owned by Seller;

(b) all books and records (including, without limitation, correspondence, customer lists, and financial records), contracts and permits relating specifically to the operation of either the Collection System or the Treatment Facilities;

(c) all deposits and accounts receivable of Seller from customers of Seller for sewer services.

TO HAVE AND TO HOLD to the Purchaser, its successors and assignees forever, together with all obligations associated therewith, Seller hereby represents, warrants and covenants that it has good and marketable title to all personal property constituting part of the Acquired Assets, and that the Acquired Assets are not subject to any liens, claims, charges or encumbrances of any nature whatsoever except as provided in the Transfer Agreement.

Seller hereby covenants that it will, from time to time, at the request of Purchaser, execute and deliver such further documents of transfer and assignment and take such other action as Purchaser may request and as may be reasonable and necessary in order to vest in Purchaser title to all of the Acquired Assets.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed by its duly authorized officer effective as of the ____ day of _____, 2008.

SNOWSHOE WATER & SEWER, INC.

By _____
Name:
Title:

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By _____
Name:
Title:

STATE OF WEST VIRGINIA,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by _____, _____, on behalf of Snowshoe Water & Sewer, Inc., a West Virginia corporation and a public utility, on behalf of said corporation.

My commission expires _____.

_____
Notary Public

STATE OF WEST VIRGINIA,

COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2008, by _____, _____ of Pocahontas County Public Service District, a public utility, on behalf of said public utility.

My commission expires _____.

_____
Notary Public

This instrument prepared by Ellen S. Cappellanti, Esquire, Jackson Kelly PLLC, 1600 Laidley Tower, P. O. Box 553, Charleston, West Virginia 25322.

WATER SERVICE TERMINATION AGREEMENT

THIS AGREEMENT, dated the ____ day of _____, 2008, by and between SNOWSNOE WATER & SEWER, INC., a public utility (hereinafter "Snowshoe W&S"), and POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT (hereinafter "Pocahontas").

WHEREAS, Snowshoe W&S and Pocahontas entered into a Transfer Agreement providing for the transfer from Snowshoe W&S to Pocahontas of all of Snowshoe W&S' sewer customers and associated revenues as well as all of its sewer collection facilities and portions of its waste treatment facilities, all as provided in the Transfer Agreement between the parties approved by the Public Service Commission of West Virginia ("Transfer Agreement"); and

WHEREAS, pursuant to the Transfer Agreement, Snowshoe W&S agreed that, in order to assist Pocahontas in the collection of sewer charges overdue and payable to Pocahontas, Snowshoe W&S would enter into a water service termination agreement.

NOW, THEREFORE, witness the following agreement between Snowshoe W&S and Pocahontas:

1. At the request of Pocahontas, in order to assist Pocahontas in the collection of sewer charges overdue and payable to Pocahontas from its sewer customers who at the time in question are also water customers of Snowshoe W&S, Snowshoe W&S agrees, upon the written request of Pocahontas, to cooperate in any manner reasonable and lawful to assist Pocahontas in the collection of such overdue sewer charges and will terminate water service to any such individual sewer customer whose

water service may lawfully be terminated without shutting off water service to other customers of Snowshoe W&S who are not in arrears in the payment for their water and sewer charges. Pocahontas understands that Snowshoe W&S cannot terminate water service to a customers unless (i) doing so is lawful, (ii) the customer is in arrears for sewer charges, and (iii) the customers water service may be cut off without shutting off water service to other customers of Snowshoe W&S who are not in arrears in the payment of water services.

This Agreement shall be binding upon the parties, their heirs successors and assigns.

WITNESS the following signatures:

SNOWSHOE WATER & SEWER, INC.

By: _____

Its: _____

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

By: _____

Its: _____

SEWER USERS AGREEMENT

THIS AGREEMENT entered into between the POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT, a public body, hereinafter called the "District" and

[insert name of user]

hereinafter called "User."

WHEREAS, the User has been informed by the District that anyone whose premises are within 300 feet of the District's sewer line is required to connect to the sewer and to become a sewer customer of the District, as required by West Virginia Code § 16-13A-9 and by the Sewer Use Ordinance of the District; and

WHEREAS, the User desires to purchase sewer service from the District and to enter into sewer users agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, it is hereby understood and agreed by the parties hereto as follows:

The District shall furnish, subject to the limitations set out in its Sewer Ordinance now in force or as hereafter amended, such sewer collection system as necessary in connection with Users occupancy of the following described property:

[insert address of user]

The User agrees to pay the tap as shall be approved by the West Virginia Public Service Commission.

The User shall install and maintain at his or her own expense a service line which shall begin at the sewer tap (connection) on the District's line and extend to the dwelling or place of use.

The User agrees to pay for sewer service at such rates as shall be approved by the West Virginia Public Service Commission. The User may choose to install a water usage meter at the User's expense and in such case, the User will pay the rates approved for metered water usage.

The District shall purchase and install a service connection at each service point. The District shall have the exclusive right to use such service connection. The District shall have final authority in any question of location of any service line

connection to its collection system; shall determine the adequacy of capacity to serve the User; and will not allow any connection or extension to be made of the User's service line for the purpose of supplying sewer service to another user.

The User shall be ready for his service line to be connected to the District's collection system and shall commence to use the service from the system on the date the service is made available to the User by the District. Sewer service charges to the User shall commence on the date service is made available, regardless of whether the User's service line is complete and ready to be connected to the collection system.

It is hereby understood that the District's sewer system is pending final approval. In the event it is determined that service to the User's property is not feasible, this agreement will be canceled and the District will not be under obligation pursuant to this agreement to provide service to the User's property.

The District proposes to finance at least a part of the costs of the sewer project by the issuance and sale of a Sewer Revenue Bond or Bonds, which will be retired solely from revenues received from sewage collection, treatment and disposal services, and will not become tax obligations against the premises served or become a lien against the property of the User.

IN WITNESS WHEREOF, I (we) have executed this agreement this _____ day of _____, 200__.

_____
USER

_____
USER

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

RECEIPT AND RELEASE OF SERIES 2004 A NOTES

West Virginia Water Development Authority, as the holder of the Upper Greenbrier Public Service District's Sewer Design Notes, Series 2004 A, dated June 15, 2004, issued in the original aggregate principal amount of $145,000 (the "Series 2004 A Notes"), hereby certifies that it has this day received the sum of $149,727.91 from the Pocahontas County Public Service District's and that such sum is sufficient to pay the entire principal amount of and interest accrued on the Series 2004 A Notes to the date hereof and discharge the liens, pledges and encumbrances securing the Series 2004 A Notes.

Dated this 30th day of December, 2008.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY.

By: Barbara B Meadows
Its: Authorized Officer

12.11.08
710090.00005

CH5036164.1

CANCELLED
PAID IN FULL
DATE: 12.30.2008
BY: Barbara B Meadows

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
UPPER GREENBRIER PUBLIC SERVICE DISTRICT
SEWERAGE SYSTEM DESIGN NOTE,
SERIES 2004 A
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. AR-1 $145,000

KNOW ALL MEN BY THESE PRESENTS: That UPPER GREENBRIER PUBLIC SERVICE DISTRICT, a public service district, public corporation and political subdivision of the State of West Virginia in Pocahontas County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the sources and in the manner provided therefor, as hereinafter set forth, to the WEST VIRGINIA WATER DEVELOPMENT AUTHORITY (the "Authority") or registered assigns, on the1st day of July, 2009, the principal sum of ONE HUNDRED FORTY FIVE THOUSAND DOLLARS ($145,000), 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 hereto and incorporated herein by reference as a part hereof. The Administrative Fee (as defined in the hereinafter described Notes Legislation) in the amount of $4,350 as set forth in the Loan Agreement (as hereinafter defined) shall also be payable on the 1st day of July, 2009. This Note shall bear no interest.

The principal of this Note and the Administrative Fee are payable in any coin or currency which on the date of payment thereof 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 Note may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement dated June 15, 2004, by and between the Issuer and the Authority, on behalf of the Council.

This Note is issued (i) to temporarily finance a portion of the costs of design of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"), and (ii) to pay the costs of issuance hereof and related costs. The existing public sewerage facilities of the Issuer, the Project and any further improvements or extensions thereto are herein called the "System". This Note is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia,

CANCELLED
PAID IN FULL
DATE: 12.30.08
BY : BBM

of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (collectively, the "Act"), and a Notes Resolution duly adopted by the Issuer on June 9, 2004, and a Supplemental Resolution duly adopted by the Issuer on June 9, 2004 (collectively, the "Notes Legislation"), and is subject to all the terms and conditions thereof.

The principal of this Note is payable only from and secured by a first lien on (1) the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) received by the Issuer for the System; (2) the proceeds of any revenue bonds or other obligations of the Issuer issued subsequent to the issuance of this Note to permanently finance the costs of the acquisition and construction of the Project; and (3) the Surplus Revenues, if any, of the System. The monies from these sources shall be deposited into the Series 2004 A Notes Payment Fund established under the Notes Legislation for the prompt payment of the principal of this Note. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received by the Issuer for the System or no revenue bonds or other obligations of the Issuer secured by or payable from the revenues of the System are issued by the maturity date of the Notes over a 20-year period, the payment of the Notes shall be deferred until the earlier of (i) the date any grants (other than grants from the West Virginia Infrastructure Fund) are received for the System, (ii) the date any revenue bonds or other obligations of the Issuer secured by or payable from the revenues of the System are issued, or (iii) 20 years from the date of issuance of the Notes. In the event any grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or any revenue bonds or other obligations of the Issuer secured by or payable from revenues of the System are issued, the Issuer shall pay the entire outstanding principal of, accrued interest, if any, and the Administrative Fee on the Notes from the proceeds thereof. In the event the Issuer receives a grant (other than a grant from the West Virginia Infrastructure Fund) or other non-loan funding assistance for the acquisition and construction of a project to serve the area described in the application to the Council, which grant or other non-loan funding assistance may not be used to pay the Notes, then the Notes shall be repaid from the Net Revenues generated from the project constructed from such grant or other non-loan funding assistance (or from bond proceeds secured by such Net Revenues) and such repayment shall be amortized for a period not to exceed 20 years. In the event no grants (other than grants from the West Virginia Infrastructure Fund) are received for the System or no revenue bonds or other obligations of the Issuer secured by or payable from revenues of the System are issued or no project has been acquired or constructed by the Issuer within 20 years from the date of issuance of the Notes, the Council shall authorize the Authority to convert the Notes to a grant and cancel the Notes.

This Note 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 the sources set forth above. Under the Notes Legislation, the Issuer has entered into certain covenants with the Authority, for the terms of

PAID IN FULL
DATE: 12.30.08
BY : BBM

which reference is made to the Notes Legislation. Remedies provided the Authority are exclusively as provided in the Notes Legislation, to which reference is here made for a detailed description thereof.

Subject to the requirements for transfer set forth herein, this Note is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia. This Note is transferable, as provided in the Notes Legislation, only by transfer of registration upon the books of Pendleton County Bank, Marlinton, West Virginia, as registrar (the "Registrar"), to be made at the request of the registered owner hereof in person or by his attorney duly authorized in writing, and upon surrender hereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

All monies received from the sale of this Note shall be applied solely to the payment of the costs of design of the Project and the costs of issuance and related costs described in the Notes 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 Note.

Under the Act, this Note is exempt from taxation by the State of West Virginia and the other taxing bodies of the State.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the Notes, together with all other obligations of the Issuer, do not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia.

All provisions of the Notes Legislation and the statutes under which this Note is issued shall be deemed to be part of the contract evidenced by this Note to the same extent as if written fully herein.

This Note shall not be valid or obligatory unless authenticated and registered by the Registrar by the execution of the Registrar's Certificate of Authentication and Registration attached hereto and incorporated herein.

CANCELLED
PAID IN FULL
DATE: 12.30.08
BY : [illegible]

IN WITNESS WHEREOF, UPPER GREENBRIER PUBLIC SERVICE DISTRICT has caused this Note to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Note to be dated June 15, 2004.

[SEAL]

G. Calvin Hill
Chairman

Attest:

William C Rennade
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is to certify that this Note is one of the Notes described in and issued under the provisions of the within-mentioned Notes Legislation and has been duly registered in the name of the registered owner set forth above.

Date: June 15, 2004.

PENDLETON COUNTY BANK,
as Registrar

By _____
Authorized Officer

CANCELLED
PAID IN FULL
DATE: 12.30.08
BY : BBM

CH683221.1

CANCELLED
PAID IN FULL
DATE: 12.30.08
BY : BJM

RECORD OF ADVANCES

	AMOUNT	DATE		AMOUNT	DATE
(1)	$145,000	6/15/04	(7)	$	
(2)	$		(8)	$	
(3)	$		(9)	$	
(4)	$		(10)	$	
(5)	$		(11)	$	
(6)	$		(12)	$	

TOTAL $145,000

CANCELLED
PAID IN FULL
DATE: 12.30.08
BY : BBM

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within-mentioned Note and does hereby irrevocably constitute and appoint _____, attorney, to transfer said Note on the books of the Registrar on behalf of said Issuer with full power of substitution in the premises.

Dated: _____

_____

IN THE PRESENCE OF:

_____

06/09/04
710090.00001

CH683221.1

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

Sewer Revenue Bonds, Series 2008 A
(West Virginia Infrastructure Fund)

RECEIPT AND RELEASE OF SERIES 2004 B NOTES

PENDLETON COUNTY BANK, as the holder of the Upper Greenbrier Public Service District's Sewer Bond Anticipation Notes, Series 2004 B, dated June 15, 2004, issued in the original aggregate principal amount of $300,000 (the "Series 2004 B Notes"), hereby certifies that it has this day received the sum of $205,941.21 from the Pocahontas County Public Service District's and that such sum is sufficient to pay the entire principal amount of and interest accrued on the Series 2004 B Notes to the date hereof and discharge the liens, pledges and encumbrances securing the Series 2004 B Notes.

Dated this 30th day of December, 2008.

PENDLETON COUNTY BANK

By: _____
Its: Authorized Officer

12.11.08
710090.00005

CH5036167.1

POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT

RESOLUTION

WHEREAS, the Public Service Board (the "Board") of Pocahontas County Public Service District (the "Issuer") has previously received commitments for financing from the West Virginia Infrastructure and Jobs Development Council (the "WVIJDC") and the West Virginia Clean Water State Revolving Fund (the "CWSRF");

WHEREAS, such commitments remain in place and effective as of the date hereof;

WHEREAS, the Public Service Commission has approved the "phasing" of the sewage treatment plant project;

WHEREAS, the Board desires to affirm the District's desire to retain the entire commitments for the financing from WVIJDC and CWSRF;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF POCAHONTAS COUNTY PUBLIC SERVICE DISTRICT:

Section 1. The Board hereby affirms the District's desire to retain the entire financing commitments from the WVIJDC and the CWSRF.

Section 2. Counsel for the District is directed to provide a copy of this executed resolution to the West Virginia Water Development Authority, the WVIJDC and the CWSRF.

Section 3. This Resolution shall be effective immediately following adoption hereof.

[Remainder of Page Intentionally Blank]

Adopted this ~~25th~~ 2d day of ~~November~~ December, 2008.

POCAHONTAS COUNTY
PUBLIC SERVICE DISTRICT

By: William C Pulaski
Its: Chairman