

WEST VIRGINIA WATER DEVELOPMENT BOARD MINUTES

The West Virginia Water Development Board met at 11:04 a.m. on Friday, October 8, 2021, at the Water Development Authority's ("WDA") office in Charleston, West Virginia. Notice of the meeting was posted on the Secretary of State's online meeting notice database. Those wanting to attend the meeting could do so in person or by phone. Tina Parker recorded the minutes of the meeting. After the Roll Call, the Chair declared a quorum.

BOARD ATTENDEES:

Ann V. Urling, Chair as designee for Honorable Governor Jim Justice, via conference call
John Miller, Member, via conference call
Gary Sutphin, Member, via conference call
Michael Duplaga, Member, present
Amy Swann, Member, via conference call
Stephanie Hickerson, as designee for the Commissioner of the Bureau of Public Health, via conference call
Katheryn D. Emery, as designee for the Secretary for the Department of Environmental Protection, absent

OTHER ATTENDEES:

Marie Prezioso, WDA, Executive Director
Samme Gee, Esq., Jackson Kelly PLLC, Counsel to the Board
Brock Jarrett, WDA, CFO and Committee Secretary/Treasurer
Wayne Morgan, IJDC
Tina Parker, WDA
Rob Adams, Brown, Edwards & Company, L.L.P.
Anthony Carpenter, Brown, Edwards & Company, L.L.P.
John Stump, Steptoe & Johnson PLLC., via conference call
George Capel, WV State Building & Construction Trades, visitor

APPROVAL OF MINUTES

The minutes for the meeting held on Friday, July 9, 2021, were presented for approval.

MOTION: Moved by Mr. John Miller; Seconded by Mr. Michael Duplaga; Passed unanimously.

**RESOLVED, THAT THE MINUTES OF THE BOARD MEETING HELD ON
JULY 9, 2021, ARE APPROVED.**

AUDIT COMMITTEE REPORT

Mr. Miller gave the report of the Audit Committee held prior to the Board meeting.

Mr. Rob Adams and Mr. Anthony Carpenter were available for questions.

MOTION: Moved by Mr. Miller; Seconded by Mr. Gary Sutphin; Passed unanimously.

**RESOLVED, THAT THE FISCAL YEAR 2021 WEST VIRGINIA WATER
DEVELOPMENT AUTHORITY AUDIT BE ACCEPTED AND APPROVED.**

MOTION: Moved by Mr. Sutphin; Seconded by Mr. Miller; Passed unanimously.

RESOLVED, THAT THE FISCAL YEAR 2021 WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL AUDIT BE ACCEPTED AND APPROVED.

MOTION: Moved by Mr. Duplaga; Seconded by Mr. Miller; Passed unanimously.

RESOLVED, THAT THE FISCAL YEAR 2021 WEST VIRGINIA DRINKING WATER TREATMENT REVOLVING FUND AUDIT BE ACCEPTED AND APPROVED.

FINANCIAL REPORT

Ms. Marie Prezioso gave a summary of the loans and grants closed for the first three months of the Fiscal Year 2022. She also reported on the current deficiencies.

LOAN PROGRAMS

Request from Putnam Public Service District for Approval of Sale of Property

Mr. John Stump gave a summary of the request.

MOTION: Moved by Mr. Miller; Seconded by Ms. Amy Swann; Passed unanimously.

RESOLVED, THAT THE BOARD AUTHORIZE THE PUTNAM PUBLIC SERVICE DISTRICT CONSENT AS REQUESTED IN LETTER DATED OCTOBER 5, 2021, TO (I) THE SALE OF THE SALE ASSETS; (II) THE EQUAL ALLOCATION OF THE PROCEEDS FROM THE SALE OF THE SALE ASSETS TO THE WATER SYSTEM AND THE SEWER SYSTEM; AND (III) THE USE OF SUCH PROCEEDS TO PURCHASE ADDITIONS, BETTERMENTS AND IMPROVEMENTS FOR THE WATER SYSTEM AND SEWER SYSTEM, BE APPROVED.

Refunding Update: Ms. Prezioso reported that staff is monitoring any refunding opportunities and recently received an update from Piper Sandler. The first series of bond eligible for a current refunding would be callable July 1, 2022.

BUILDING AND FACILITIES

Ms. Prezioso reported that American Geotech is working on the proposal to bid the construction of the repair to the Elk River Slope issue.

EXECUTIVE DIRECTOR'S REPORT

Ms. Prezioso reported that the interest rate on investments is still very low, but that Sterling Capital did recently reduce their investment advisory fee.

She recently spoke to the Legislative Select Committee on Infrastructure and the Joint Legislature Oversight Commission on State Water Resources. She participated in a panel discussion for the American Waterworks Association. She also reported that the West Virginia Rural Water Association received an ARC grant to do a survey. They asked Water Development Authority to draft questions for the survey to send to local utilities.

UNFINISHED BUSINESS

There was none.

NEW BUSINESS

Next meeting date. To be determined.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

MOTION: Moved by Mr. Miller; Seconded by Mr. Duplaga; Passed unanimously.

RESOLVED, THAT THE BOARD MEETING BE ADJOURNED AT 11:24A.M.



Brock Jarrett, Secretary

Minutes approved:

3/15/22 (Date)

Attachments:

- FY 2021 WV Water Development Authority Audit
- FY 2021 WV Infrastructure and Jobs Development Council Audit
- FY 2021 WV Drinking Water Treatment Revolving Fund Audit
- Request from Putnam Public Service District Sale of Property



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P.O. Box 1588
Charleston, WV 25326-1588
(304) 353-8000 (304) 353-8180 Fax
www.steptoeh-johnson.com

Writer's Contact Information
304.353.8196 - Telephone
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john.stump@steptoeh-johnson.com

October 5, 2021

VIA ELECTRONIC MAIL

Members of the Board of the
West Virginia Water Development Authority
c/o Ms. Marie Prezioso, Executive Director
1009 Bullitt Street
Charleston, West Virginia 25301

Re: Putnam Public Service District – Request for Authorization to Sell Certain Assets
of the District

Dear Members of the Board and Ms. Prezioso:

Steptoe & Johnson PLLC is bond counsel to Putnam Public Service District (the “District”). The purpose of this correspondence is to request the consent of the West Virginia Water Development Authority (the “WDA”) to the District’s proposed sale of the District’s former office building and a garage/storage building located on a parcel of real property (the “Real Property”) located at 74 Scott Depot Rd., Scott Depot, West Virginia (collectively, the Real Property, and the former office building and garage/storage building located thereon, are referred to herein as the “Sale Assets”). The Real Property is more fully described in the Deed and Plat attached hereto as “Exhibit A – Real Property.”

The former office building and garage/storage building were utilized by the District for decades as the District grew from “Teays Valley Public Service District” in 1969 to “Putnam Public Service District” today. Due to the dramatic expansion of the District over that time period, the office building and garage/storage building located on the Real Property simply became insufficient for District operations. The District constructed an operations/maintenance facility to house operational staff, rolling stock and equipment in September 2008, named the “Calvin Hatfield Maintenance Facility.” The District completed the acquisition, construction and equipping of a new office building located at 136 Carls Lane, Scott Depot, in July 2021.

The acquisition, construction and equipping of the Sale Assets, including all additions, betterments, and improvements thereto, were financed with revenues of (i) the District’s potable water treatment, storage, and distribution system (collectively, the “Water System”); and (ii) the District’s sanitary sewerage collection and treatment system (collectively, the “Sewer System”). The exact allocation of the monies from the Water System and the Sewer System to the Sales Assets is indeterminable, however, the District believes that the allocation was essentially equal.

Members of the Board of the
West Virginia Water Development Authority
October 5, 2021
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The Calvin Hatfield Maintenance Facility and the new office building have rendered the Sale Assets unnecessary. The District has obtained a certificate from E. L. Robinson Engineering Company, the District's independent professional engineer, attached hereto as "Exhibit B – Certificate of Engineer for Sale of Real Property and Certain Improvements," stating that the Sale Assets are not "necessary, useful or profitable" for the operation of the Water System or the Sewer System.

The various resolutions of the District authorizing the bonds held by the WDA secured, respectively, by the Water System and the Sewer System (collectively, the "Bonds") contain specific requirements for the sale of assets of the respective Systems. The most restrictive of such requirements is the consent of the WDA as holder of the Bonds must be obtained prior to the sale of assets of the System which are no longer "necessary, useful or profitable" the value of which exceeds, in any fiscal year, an aggregate of \$50,000. While the value of the Sale Assets will ultimately be determined through competitive bid, an appraisal of the Sale Assets obtained by the District places the total value in excess of the limits in the aforementioned resolutions.

The District respectfully requests the consent of the WDA to (i) the sale of the Sale Assets; (ii) the equal allocation of the proceeds from the sale of the Sale Assets to the Water System and the Sewer System; and (iii) the use of such proceeds to purchase additions, betterments and improvements for the Water System and Sewer System.

Thank you for your attention to this letter and consideration of this request. Please do not hesitate to call or email me if I can provide any additional information on behalf of the District.

My best regards,

Very truly yours,



John C. Stump

Attachment

CC: Samme L. Gee, Esquire
Putnam Public Service District
Eric J. Coberly, P.E.

Members of the Board of the
West Virginia Water Development Authority
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Exhibit A – Real Property

SHOCKING

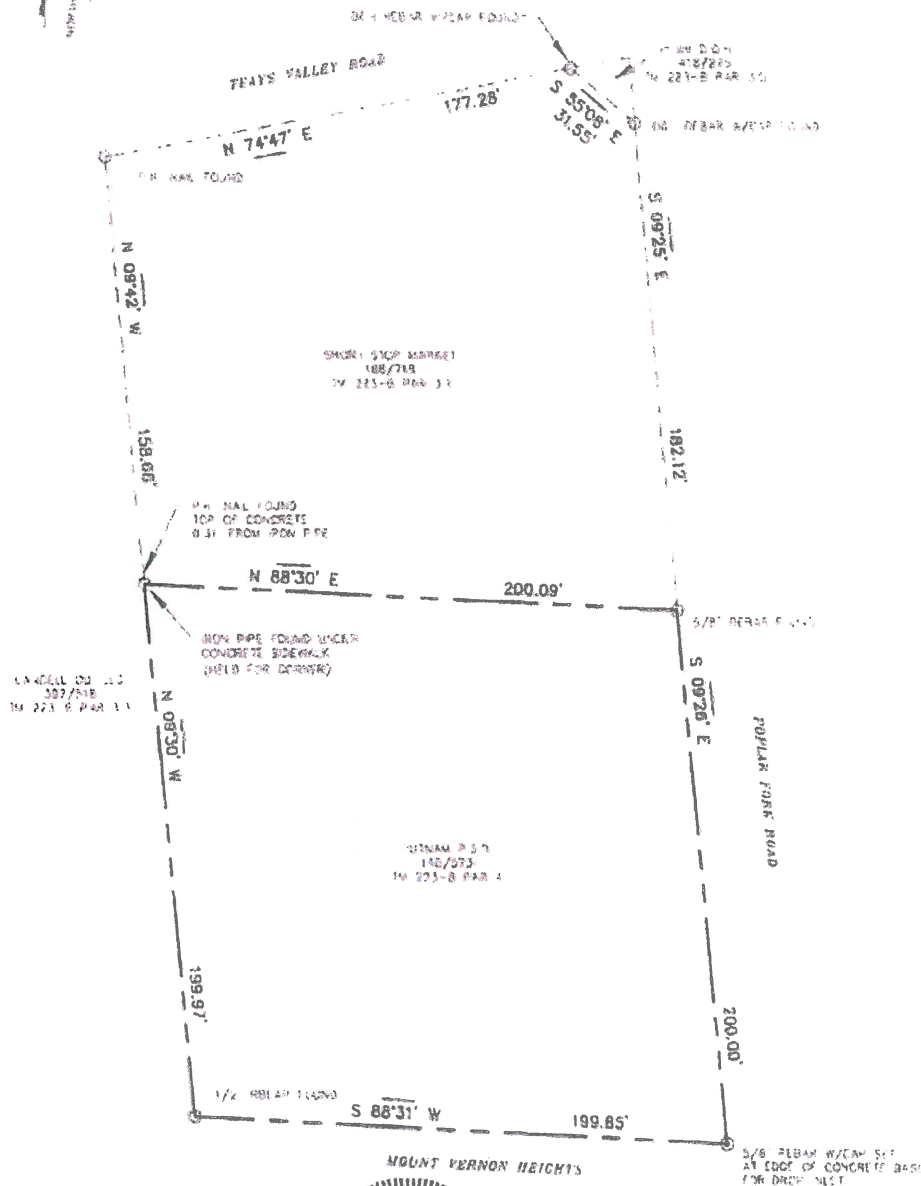
RECORDED IN DEED BOOK 146 PAGE 573

LOCATED ON

SCOTT DISTRICT, PUTNAM COUNTY, WEST VIRGINIA

SCALE: 1" = 50 FEET DATE: DECEMBER 8, 2010

125 3000 9-1 4026 0110 01 0204263436 40140344



KEVIN D. SCHAFFER
REGISTERED
STATE OF TEXAS
DATE: 05/25/2011
PROFESSIONAL SURVEYOR &
VIRACH

dT design TECH, INC

199 HADLEY DRIVE CHARLSTON WV 25312
(304) 746-4734 FAX (304) 746-4735

$$M(\mathbb{C}, \mathbb{C}) \cong \mathbb{C}^{n \times n}$$

SURVEY NOTE:

NO UNDERGROUND UTILITIES WERE LOCATED CONTACT MISS UTILITY
BEFORE ANY EXCAVATION OF LAND AND REFER TO CHAIN
OF TITLE FOR RESTRICTIONS FOR LAND USE, SETBACKS
AND ANY EASEMENTS NOT SHOWN HEREON

Mail; Charles F. Gore
73-A Main Street
St. Albans,
Transfer Tax. \$ 7.70

146-573

This deed made this the 19th day of December, 1962, by and between Robert F. Miller and Laurelna L. Miller, his wife, parties of the first part and Teays Valley Public Service District, a public corporation, organized pursuant to the general statutes of the State of West Virginia, party of the second part.

WITNESSETH: That for the total sum of \$3,500.00 cash in hand paid by the party of the second part to the parties of the first part, the receipt of all of which is hereby acknowledged, the parties of the first part, do hereby grant and convey to the party of the second part all that certain lot, piece of parcel of land with the privileges and appurtenances thereunto appertaining situate in Scott District, Putnam County, West Virginia, near the intersection of West Virginia State Route Number 32 (known as the Poplar Fork Road) and West Virginia State Number 33 (known as the Valley Road, or Teays Valley Road) and which said land fronts and binds upon the westerly side of said Poplar Fork Road for a distance of Two Hundred Feet and extends back therefrom between parallel side lines a distance of Two Hundred Feet and binds on the land of T. S. Eggleton on the southerly side line and is a part of a certain parcel of Four (4) acres of land conveyed to the parties of the first part by T. G. Tinscher by deed bearing date the 21st day of October, 1953, and of record in the office of the Clerk of the County Court of Putnam County, West Virginia, in Deed Book 110 at page 478, herein referred to for convenience as the "parent" tract, a map of which said property hereby conveyed, entitled: "Teays Valley Public Service District, Service Building Property, Scott District, Putnam County, W. Va.", dated the 19th day of October, 1962, revised November 1st, 1962, made by J. H. Milam, Inc., Consulting Engineers, Dunbar, W. Va. is attached hereto and is to be recorded herewith, reference to which said map is here made, as well as to the aforesaid deed and the references therein contained as an additional aid to the description of the property hereby conveyed and for all other proper, necessary and

pertinent purposes, and which said property hereby conveyed is more particularly described as follows; to-wit:

Beginning at a point in the westerly property line of said Poplar Fork Road, which said point is marked by a concrete monument and is a corner on said road to a certain parcel of land conveyed to T. S. Eggleton by T. G. Fincher by deed bearing date the 4th day of May, 1949, described as a "Five-Acre" tract, and of record in the office of the aforesaid Clerk in Deed Book 85 at page 91, and is a common corner on said road of said Eggleton tract and the said "parent" tract; thence leaving said road and running with the northerly side line of said Eggleton tract and said "parent" tract in a course determined by survey to be S 88-30 W, a distance of Two Hundred (200) feet to a point in said "parent" tract line and said Eggleton line, which said point is marked by a concrete monument; thence leaving said last named line and running partly through the said "parent" tract in a line parallel with said Poplar Fork Road on a course determined to be N 9-30 W, Two Hundred (200) feet to a point in said "parent" tract marked by an iron pin; thence in a line parallel to said Eggleton line and in a course determined to be N 88-30 E, Two Hundred (200) feet to a point in the said westerly property line of said last named road; thence with said property line of said last named road in a course determined to be S 9-30 E a distance of Two Hundred (200) feet to the place of beginning and containing by calculation, 0.918 acres, all as shown by the aforesaid map attached hereto.

This deed is expressly made subject to the reservation contained in the above mentioned deed from T. G. Fincher to the parties of the first part dated October 21st, 1953, and recorded as aforesaid in Deed Book 110 at page 479 of an easement or right of way for the laying, removal, repair and maintenance, etc. of a gas line over said property hereby conveyed and the parties of the first part do further reserve and except from this conveyance an easement or right of way across the front of the property hereby conveyed and near the said Poplar Fork

Road, for a gas line now in place over said land, the same to be retained there and be maintained there, under ground so long as may be required to serve the consumers of gas supplied or to be supplied by said line, said easement being exercisable by the parties of the first part or any Public Utility rendering said Gas Service.

The parties of the first part covenant that there are no liens or encumbrances against said property and that they will warrant said property generally subject to taxes assessable for the tax assessment year 1963. Taxes for the current year 1962 shall be allocated to each party hereto as of November 1st, 1962.

Under the penalties of fine and imprisonment as provided by law the grantors do hereby declare that the total consideration for the property transferred by this document is \$3,500.00.

Witness the following signatures as of the day and year first above written.



Robert F. Miller
Robert F. Miller

Laurelna L. Miller
Laurelna L. Miller



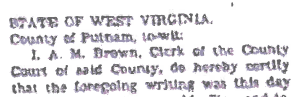
STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, to-wit:

I, Charles T. Gore, a Notary Public of the said county of Putnam, do certify that Robert F. Miller and Laurelna L. Miller, his wife, whose names are signed to the writing above, bearing date the 19th day of December, 1962, have this day acknowledged the same before me in my said county.

My commission expires November 8th, 1971.

Given under my hand this 20th day of December, 1962.

Charles T. Gore
Notary Public for said county and
state.



Given under my hand this 10:38
29th day of DECEMBER 1962
J. M. B. [Signature]

Members of the Board of the
West Virginia Water Development Authority
October 5, 2021
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Exhibit B – Certificate of Engineer Regarding Sale of Real Property and Certain Improvements

PUTNAM PUBLIC SERVICE DISTRICT

CERTIFICATE OF ENGINEER FOR SALE OF REAL PROPERTY
AND CERTAIN IMPROVEMENTS

On this 5th day of October 2021, I, Eric J. Coberly, Registered Professional Engineer, West Virginia License No. 006918, of E. L. Robinson Engineering Company, Charleston, West Virginia, hereby certify as follows:

1. Our firm is Consulting Engineer for Putnam Public Service District (the "District") with respect to the District's potable water treatment, storage, and distribution system (collectively, the "Water System") and sanitary sewerage collection and treatment system (collectively, the "Sewer System").

2. We have been advised that the District desires to sell or transfer a certain parcel of real property, as described on EXHIBIT A – REAL PROPERTY, attached hereto and incorporated herein by reference (the "Real Property"), on which Real Property is located a structure which formerly served as the office building for the District (the "Former Office Building") and a structure which formerly served as a garage/storage building (the "Former Garage").

3. To the best of our knowledge, information and belief, the Real Property, including the Former Office Building and the Former Garage located thereon, is not necessary, useful, or profitable for the operation of the Water System or the Sewer System.

WITNESS my signature and seal as of the date first written above.

E. L. Robinson Engineering Company



[SEAL]

Eric J. Coberly, P.E.
West Virginia License No. 10619

EXHIBIT A – REAL PROPERTY

[SEE ATTACHED]

NOTED REFERENCED TO DEED BOOK 146 PAGE 573

PLAT OF SURVEY

SUBDIVISION

PUTNAM P.S.D. TRACT

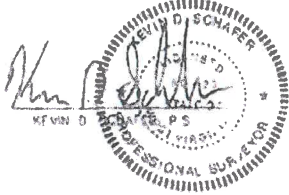
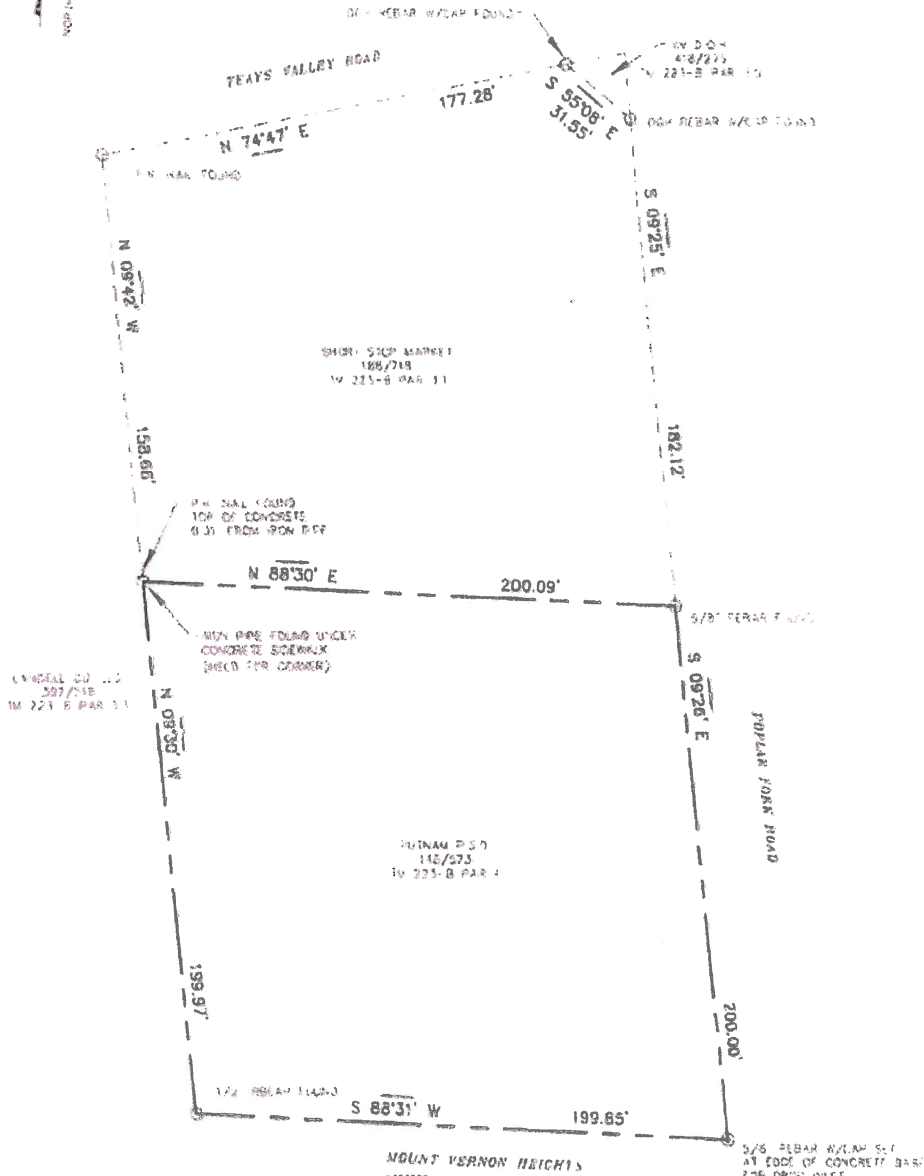
RECORDED IN DEED BOOK 146 PAGE 573

LOCATED ON

POPLAR FORK ROAD, SCOTT DEPOT, WV

SCOTT DISTRICT, PUTNAM COUNTY, WEST VIRGINIA

SCALE: 1" = 50 FEET DATE: DECEMBER 8, 2010



dT design TECH, INC

199 HADLEY DRIVE CHARLESTON WV 25312

(304) 746-1734 FAX (304) 746-4738

PROJECT NO. 100-117

SURVEY NOTE:

NO UNDERGROUND UTILITIES WERE LOCATED. CONTACT MISS UTILITY BEFORE ANY EXCAVATION OF LAND AND REFER TO CHAIN OF TITLE FOR RESTRICTIONS FOR LAND USE, SETBACKS AND ANY EASEMENTS NOT SHOWN HEREON.

TRAV

146-573

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Mail: Charles F. Gore
73-A Main Street
St. Albans,
Transfer Tax. \$ 7.70

146-574

pertinent purposes, and which said property hereby conveyed is more particularly described as follows; to-wit:

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This deed is expressly made subject to the reservation contained in the above mentioned deed from T. G. Tincher to the parties of the first part dated October 21st, 1953, and recorded as aforesaid in Deed Book 110 at page 479 of an easement or right of way for the laying, removal, repair and maintenance, etc. of a gas line over said property hereby conveyed and the parties of the first part do further reserve and except from this conveyance an easement or right of way across the front of the property hereby conveyed and near the said Poplar Fork

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Road, for a gas line now in place over said land, the same to be retained there and be maintained there, under ground so long as may be required to serve the consumers of gas supplied or to be supplied by said line, said easement being exercisable by the parties of the first part or any Public Utility rendering said Gas Service.

The parties of the first part covenant that there are no liens or encumbrances against said property and that they will warrant said property generally subject to taxes assessable for the tax assessment year 1963. Taxes for the current year 1962 shall be allocated to each party hereto as of November 1st, 1962.

Under the penalties of fine and imprisonment as provided by law the grantors do hereby declare that the total consideration for the property transferred by this document is \$3,500.00.

Witness the following signatures as of the day and year first above written.



Robert F. Miller
Robert F. Miller

Laurelma L. Miller
Laurelma L. Miller



STATE OF WEST VIRGINIA,
COUNTY OF PUTNAM, to-wit:

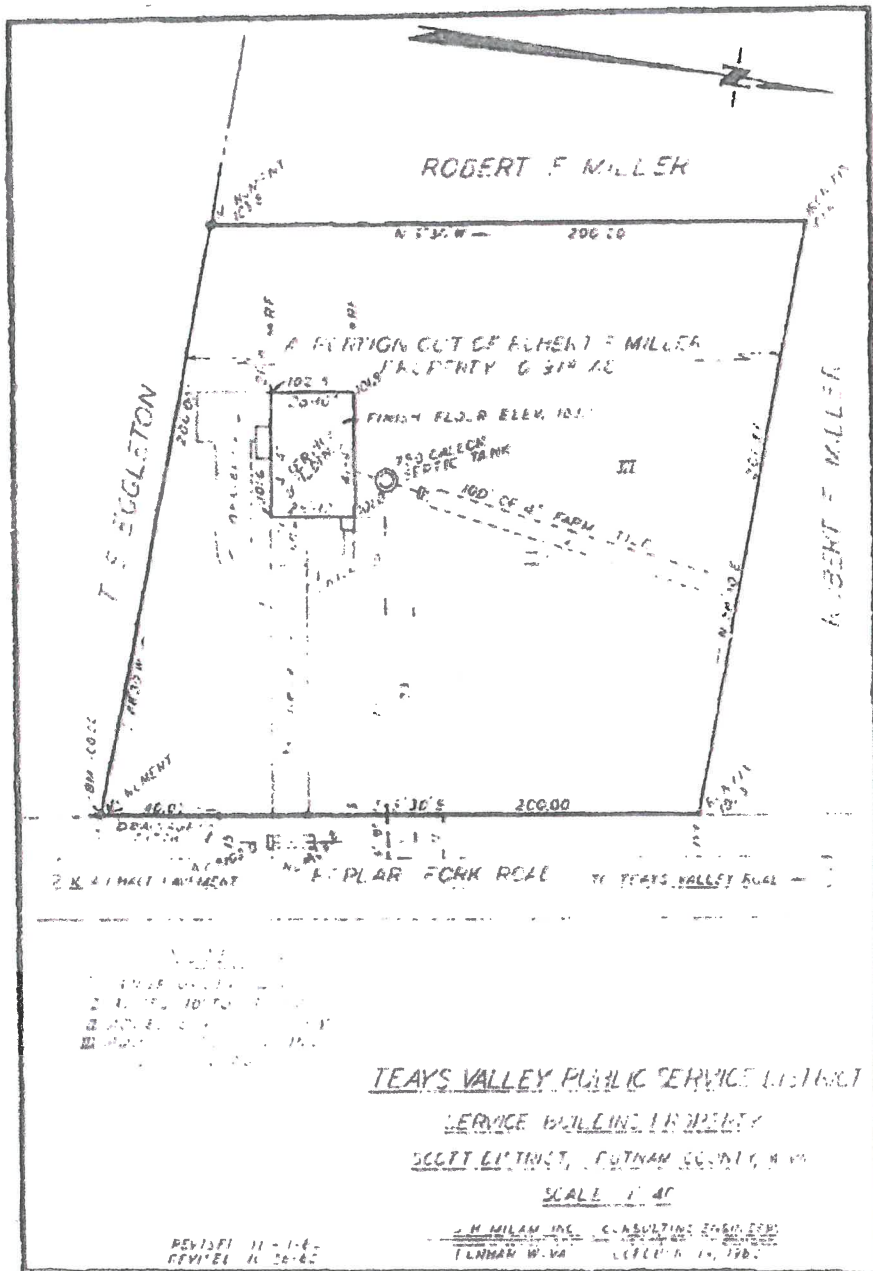
I, Charles J. Gore, a Notary Public of the said county of Putnam, do certify that Robert F. Miller and Laurelma L. Miller, his wife, whose names are signed to the writing above, bearing date the 19th day of December, 1962, have this day acknowledged the same before me in my said county.

My commission expires November 8th, 1971.

Given under my hand this 18th day of December, 1962.

Charles J. Gore
Notary Public for said county and state.

148-520



STATE OF WEST VIRGINIA
County of Putnam, to-wit:
I, A. M. Brown, Clerk of the County
Court of said County, do hereby certify
that the foregoing writing was this day

Given under my hand this 10:38
29th day of DECEMBER, 1962
A. M. Brown