

# WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL

## PHASE I PRELIMINARY APPLICATION

### I. ADMINISTRATIVE AND IDENTIFYING INFORMATION AND DATA:

#### A. SPONSOR INFORMATION

1. Project Sponsor: Pocahontas Public Service District - Phase I - (AKA-Upper Greenbrier PSD)
2. Sponsor's Address: HC 63, Box 122  
Frank, WV 24920
3. Sponsor's Telephone Number: ( 304 ) 456-3127 Fax Number: (304) 456-3127

#### B. GENERAL PROJECT INFORMATION

1. Project Type (Water, Wastewater): Wastewater  
Is the project a new system, extension, or upgrade? New
2. Project Location - City: Slaty Fork County: Pocahontas
3. Total customers served (existing): 0 New customers to be served by project: 1,810
4. Project Description: Pocahontas County PSD has come to an agreement to take control of Snowshoe Resort's current customer base, therefore creating a source of income for Pocahontas County PSD. This Phase I portion is to acquire the Snowshoe system; repay the IJDC deferred design loan, and Pendleton Bank.
5. Is this an emergency project as defined by § 31-15A-2? Yes ☐ No ☐  
If Yes, explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### C. CONTACT INFORMATION

1. Contact Person: Kenneth P. Moran, P. E.
2. Contact's Address: Thrasher Engineering, Inc.  
P. O. Box 1532, 30 Columbia Blvd.  
Clarksburg, WV 26302 - 1532
3. Contact's Telephone Number: ( 304 ) 624-4108 Fax Number: (304) 624-7831

#### CHECK ONE:

- ☐ New Application      ☒ Revised Application
- 2003S-762 Phase I
- Council Project Number

#### Council Use Only

1. Project Name/Number: \_\_\_\_\_
2. Location: \_\_\_\_\_
3. Date Received: \_\_\_\_\_
4. Date of Council Action: \_\_\_\_\_

**D. PROJECT FUNDING ASSISTANCE SUMMARY**

<b>Funding Sources</b>	<b>Amount Requested</b>	<b>Amount Committed* (attach commitment letters)</b>
1) WVIJDC Loan (0%, 39 yrs)	\$2,500,000*	\$2,500,000*
2) Snowshoe Resort	\$2,000,000	\$2,000,000
3) Pocahontas County Commission	\$ 5,000	\$ 5,000
4)	\$	\$
5) *Project has commitment of \$9,547,000 loan from IJDC. District is not requesting any new money.	\$	\$
<b>TOTAL</b>	<b>\$4,505,000</b>	<b>\$4,505,000</b>

**II. ENGINEERING INFORMATION AND DATA:**

1. Engineering Report Status - Is a copy attached?: Yes ☐ No ☒ (If No, application will be returned!)  
Previously submitted and approved.
2. Documentation of Compliance with WV Code §§5G-1-1 enclosed Yes ☐ No ☒  
Submitted previously.
3. Status of Engineering Agreement: Approved.
4. Status of Plans / Specs:  
Work is underway on plans and specifications for Phase II . Revised Plans and specifications for a new collection system will be submitted to the WV DEP.
5. Consulting Engineer/Architect: Thrasher Engineering, Inc.
6. Consultant's Address: P. O. Box 1532, 30 Columbia Blvd.  
Clarksburg, WV 26302-1532
7. Consultant's Telephone Number: ( 304 ) 624-4108  
 Fax Number: ( 304 ) 624-7831

**III. BUDGET AND FINANCIAL INFORMATION****A. PROJECT COST SUMMARY**

Budget Line Item	Cost
1. Construction Cost: Subtotal	\$ 0
2. Engineering Cost:	
Planning	\$ 121,700
Design	\$1,211,500
Construction	\$
Subtotal	\$ 1,333,200
3. Legal Cost:	
Project Attorney	\$ 194,000
Right-of-Ways (Legal)	\$
PSC Attorney	\$
Subtotal	\$ 194,000
4. Administrative Cost:	
Project Coordinator	\$ 150,000
Other Administrative Costs	\$ 100,000
Subtotal	\$ 250,000
5. Financing Costs:	
Interim Financing	\$ 176,831.45
Capitalized Interest	\$
Bond Counsel	\$ 151,000
Subtotal	\$ 327,831.45
6. Site, Easements and ROW Cost:	
Land Acquisition Costs	\$2,130,000
Easement Costs	\$
Subtotal	\$ 2,130,000
7. Project Contingency: Subtotal	\$ 269,968.55
8. TOTAL PROJECT COST	\$ 4,505,000

**B. PROJECT FINANCING SUMMARY**

Project Funds	Amount
Federal Grants (total)	\$
State Grants (total)	\$
Federal Loans @ _____ % for _____ Years	\$
State Loans @ _____ 0 % for 39 Years	\$2,500,000
Other Funding Sources      Snowshoe County Commission	\$2,000,000 \$ 5,000
TOTAL FUNDING PROVIDED	\$4,505,000

Cost Estimates Prepared By: Thrasher Engineering, Inc.

Date: 04/05/07

**C. GENERAL FINANCIAL INFORMATION SUMMARY**

1. Sponsor's most recent fiscal year's Public Service Commission annual audit report, as applicable - date - \_\_\_\_/\_\_\_\_/\_\_\_\_  
 Is a copy attached? Yes ☐ No ☐ N/A ☒  
 (If No, the application will be returned) (N/A is only applicable to new utilities)

2. List holder of outstanding bonds or other long term debt and the status (current, delinquent or defaulted):

Lender	terms	Balance	Date of Maturity	Current Status
1) None				
2)				

3. Has the sponsor ever been delinquent on any private, State, or Federal long term debt? Yes ☐ No ☐  
 If Yes, list lender, dates of delinquency and current status of listed delinquencies:

Lender	Date of Delinquency	Current Status
1)		
2)		

4. Status Report - Provide the following data:

Item	Current Amount N/A	* Proposed Project Amount
Estimated Operating Revenues - Annual - Metered		869,828
- Other		
- TOTAL		869,828
Operation and Maintenance Budget - Annual*		765,822
Debt Service - Annual 0%, 39 years		51,282
Purchased Water Cost - Annual		N/A
- per Thousand Gallons		N/A
Purchased Wastewater Treatment Cost - Annual		N/A
- per Thousand Gallons		N/A
Average monthly rate cost per customer (per 4000 gallons/month) Flat		33.00*
Average monthly rate cost per customer (per 4500 gallons/month) Flat		33.00*

\*Itemized Costs for Labor, Power, Chemicals, Maintenance, Administration, etc., must be itemized on either Attachment 1A, 1B, 1C, or 1D

\*See Michael D. Griffith CPA Rule 42 in Case.

\*A[[rpved om {SC Case #05-0103-PSD-CN

5. Date of Last Rate Increase? - ( / N/A / ): PSC Case 05-0103-PSD-CN Percentage Increase: \_\_\_\_\_%

6. Median Household Income in project area: \$ 26,180 /Year

How was this figure obtained? IJDC Regulations

**IV. JOB CREATION**

**A. ECONOMIC CONSIDERATIONS**

1. Describe the area's economic conditions and needs for the project: The Snowshoe Mountain Resort and surrounding area is a popular tourism and recreational destination. As a result, there has been rapid development in recent years. However, wastewater systems within the resort have current operational problems and need to be expanded for growth. Development outside of the resort has been hampered by lack of suitable land for septic fields.
2. Describe the economic impact of the project: This project will provide a regional wastewater collection and treatment system suitable for anticipated growth in the area. This will open up the entire region for development and ensure waterways will maintain their quality.

**B. JOB CREATION**

1. Describe the nature and number of permanent full time and part time jobs created or retained by the project:  
This project will create approximately three full-time operations jobs and a part-time administrative job in addition to maintaining the labor currently used to operate and maintain the existing wastewater facilities in the Snowshoe Resort. In addition, it will provide opportunities for creation of additional jobs through further development in the area.
2. Number of construction jobs created by the Project: 20

**C. BUSINESS COMMITMENTS**

1. Provide a list of businesses that are committed to the project and dollar amount of commitment:

Name of Business	Commitment Amount	Jobs Retained	Jobs Created
1) Snowshoe Mountain Resort	\$2,000,000*		
2)			
3)			
4)			
5)			

2. Describe nature of business:

Vacation and ski resort.

\*Net book value of existing equipment and facilities contributed to regional plant.

**V. WASTEWATER DISCHARGE AND AIR QUALITY**

**A. NON DOMESTIC WASTEWATER DISCHARGE INFORMATION**

1. Itemize and describe each specific non domestic discharge:

Discharge	Flow (MGD)		Pollutants Expected To Be Present
	Average	Maximum	
1) N/A			
2)			
3)			
4)			
5)			

Describe: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Is the discharge direct or indirect? Direct ☐ Indirect ☐

If this is an indirect discharge, name the publicly owned treatment works providing treatment:

\_\_\_\_\_

Has the wastewater treatment plant agreed to treat the non domestic wastewater? Yes ☐ No ☐

3. Do Clean Water Act Section 307 effluent guidelines or pretreatment standards apply? Yes ☐ No ☐

If Yes, specify effluent guidelines that apply: \_\_\_\_\_

\_\_\_\_\_

Calculate guideline based effluent limitations:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**B. AIR QUALITY**

1. Have Air Emissions increased or will they increase as the result of the construction of a new discharge or source, or the relocation of an existing emission which may be in violation of any Air Quality standards or requirements which are allowable under current emissions standards? Yes ☐ No ☒

If so, has an Application or Notice of Application been filed with DEP's Division of Air Quality? Yes ☐ No ☐

Detail current status: Air emissions may increase due to the use of emergency power generators. An application will be filed during the design phase of the project as plans are finalized.

**VI. TRAINING INFORMATION**

If the project sponsor is a Public Service District, or the project in any way involves service by a public service district, identify the district board members, date and location of the most recent PSC training seminar attended.

<u>William Rexroad, Chairman</u>	<u>1986</u>	<u>Berkeley Springs</u>
<u>Mark Smith, Treasurer</u>	<u>Oct. 14-16, 2006</u>	<u>Davis, WV</u>
<u>Scott Millican, Board Member</u>	<u>Sept. 7-9, 2006</u>	<u>Davis, WV</u>
Board Members	Date	Location

**VII. CERTIFICATION**

I certify, under penalty of law, that this document and all the attachments submitted are, 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 fine and imprisonment for known violations.

William Rexrode - Chairman  
Name and Official Title (type or print)

Sponsor's Signature

Date

Acknowledged before the Subscriber by \_\_\_\_\_  
(SPONSOR)

This Day of \_\_\_\_\_ 20\_\_\_\_

(NOTARY PUBLIC)

My Commission Expires \_\_\_\_\_ 20\_\_\_\_

Seal

## ATTACHMENTS

- I. Infrastructure Fund \$145,000 design loan closed June 15, 2004
- II. Pendleton County Bank \$300,000 design loan closed June 15, 2004
- III. Infrastructure Council binding commitment for \$9,547,000
- IV. User rates as approved in PSC Case No. 05-0103-PSD-CN



Attachment I.  
Infrastructure Fund \$145,000 design loan closed June 15, 2004

**SPECIMEN**

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 the 1st 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,

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

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.

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]

*L. Alvin Hill*  
Chairman

Attest:

*William P. Rutledge*  
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

**SPECIMEN**

RECORD OF ADVANCES

<u>AMOUNT</u>		<u>DATE</u>	<u>AMOUNT</u>		<u>DATE</u>
(1)	\$145,000	6/15/04	(7)	\$	
(2)	\$		(8)	\$	
(3)	\$		(9)	\$	
(4)	\$		(10)	\$	
(5)	\$		(11)	\$	
(6)	\$		(12)	\$	
TOTAL			\$145,000		

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: \_\_\_\_\_

**SPECIMEN**

IN THE PRESENCE OF:

**SPECIMEN**

06/09/04  
710090.00001



Attachment II.

Pendleton County Bank \$300,000 design loan closed June 15, 2004

# SPECIMEN

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
UPPER GREENBRIER PUBLIC SERVICE DISTRICT  
SEWERAGE SYSTEM BOND ANTICIPATION NOTE,  
SERIES 2004 B  
(TAXABLE)

Note Number 801689  
No. BR-1

\$300,000

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 hereinafter set forth, to the order of

- PENDLETON COUNTY BANK -

or registered assigns (the "Registered Owner"), the principal sum of THREE HUNDRED THOUSAND DOLLARS (\$300,000), or such lesser amount as evidenced by the Record of Advances attached as EXHIBIT A hereto and incorporated herein by reference as a part hereof, together with interest payable thereon, at a rate per annum of 5.00%. Accrued interest on the outstanding principal balance shall be due on June 15, 2005. The outstanding principal balance, together with interest accrued thereon from the first interest payment date, shall be due on June 15, 2006, unless sooner paid.

The principal of and interest on this Note 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 Pendleton County Bank, Marlinton, West Virginia, as Registrar and Paying Agent.

The loan evidenced by this Note shall be advanced to the Issuer as requested by the Issuer and interest shall accrue on the amount of each advance from its actual date as shown on the Record of Advances attached hereto as a part hereof.

This Note is subject to prepayment of principal and interest to the date of prepayment in whole or in part at any time, without penalty.

If a payment is ten (10) days or more late, the Issuer will be charged a late charge of 5% of the payment due up to a maximum of \$500.00 per late charge, with a minimum of \$25.00 per late charge.

This Note is issued (i) to temporarily finance a portion of the costs of design and other preliminary costs of certain improvements and extensions to the existing public sewerage facilities of the Issuer (the "Project"); (ii) to pay capitalized interest; and (iii) 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, including particularly Chapter 16, Article 13A of the West Virginia Code of 1931, as amended (the "Act"), and a Note Resolution duly adopted by the Issuer on June 9, 2004, as supplemented by 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 and interest on this Note are payable only from and secured by a first lien on (i) the proceeds of any grants (other than grants from the West Virginia Infrastructure Fund) received by the Issuer for the System; (ii) the proceeds of revenue bonds or other obligations of the Issuer issued subsequent to the issuance of this Note to permanently finance the costs of acquisition and construction of the Project; and (iii) the Surplus Revenues, if any, of the System. The monies from these sources shall be deposited into the Series 2004 B Notes Payment Fund established under the Notes Legislation for the prompt payment of the principal of and interest on this Note. **THIS NOTE HAS NO LIEN ON THE NET REVENUES OR GROSS REVENUES OF THE SYSTEM.**

This Note is additionally secured by the limited guaranty of Snowshoe Mountain, Inc., to be dated as of the date hereof (the "Guaranty"), in an amount up to \$100,000.

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 or the interest hereon except from the sources set forth above. Under the Notes Legislation, the Issuer has entered into certain covenants with the Registered Owner, for the terms of which reference is made to said Notes Legislation. Remedies provided the Registered Owner 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 below, 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 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 and other preliminary costs of the Project, to pay capitalized interest on the Notes, and to pay 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 and the interest hereon are exempt from all 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 a 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.

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]

A. Gavin Hill  
Chairman

ATTEST:

William E. Perode  
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

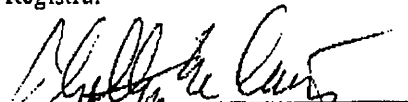
By   
Authorized Officer

EXHIBIT A  
RECORD OF ADVANCES

AMOUNT		DATE		AMOUNT		DATE	
(1)	\$116,762.60	6/15/04	(13)	\$			
(2)	\$		(14)	\$			
(3)	\$		(15)	\$			
(4)	\$		(16)	\$			
(5)	\$		(17)	\$			
(6)	\$		(18)	\$			
(7)	\$		(19)	\$			
(8)	\$		(20)	\$			
(9)	\$		(21)	\$			
(10)	\$		(22)	\$			
(11)	\$		(23)	\$			
(12)	\$		(24)	\$			

TOTAL            \$ \_\_\_\_\_

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: \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
IN THE PRESENCE OF:

\_\_\_\_\_

06/09/04  
710090.00001



Attachment III.  
Infrastructure Council binding commitment for \$\$9,547,000

## 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

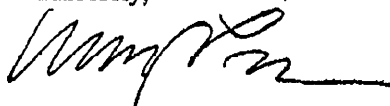
Mr. G. Calvin Hill, Chairman  
Pocahontas Public Service District  
HC 63, Box 122  
Frank, West Virginia 24920

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 | <u>5,000</u> |
- 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

**Attachment IV**

**User rates as approved in PSC Case No. 05-0103-PSD-CN**

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
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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

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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.

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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.

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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**

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