



STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Bureau for Public Health
Office of Environmental Health Services

Bill J. Crouch
Cabinet Secretary

Ayne Amjad, MD, MPH
Commissioner & State Health Officer

MEMORANDUM

TO: Marie Prezioso, Funding Committee
WV Infrastructure and Jobs Development Council

FROM: Meredith Vance *MV*
Water Technical Review Committee

DATE: June 28, 2022

RE: Hodgesville PSD
IJDC Preliminary Application Number: **2022W-2136**
Water System Improvement Project
Upshur County

1. The Committee has reviewed the pre-application and preliminary engineering report submitted for the above referenced project in accordance with Chapter 31, Article 15-A. It has been determined that the project is:
 - a. Consistent with the intent of the Infrastructure and Jobs Development Act and is the most cost-effective and environmentally sound alternative for solving the drinking water needs in this area.
 - b. Consistent with the Act but may not be the most cost-effective and environmentally sound alternative for solving the drinking water needs in this area.
 - c. Consistent with the intent of the Act and most cost-effective and environmentally sound alternative for solving the drinking water needs in this area **except** that certain issues need to be addressed prior to design and construction, as the attached comments indicate.

 2. Our recommendation is that:
 - a. The Funding Committee needs to review the proposed sources of funding to determine the best mix of grant and/or loan funds in accordance with applicable guidelines.
-

- b. The Funding Committee should recommend that Council approve the proposed project and its funding plan.
- c. The Funding Committee does not need to review the funding assumptions on this project because of deficiencies in the application. The proposed project funding should be postponed until technical comments have been resolved.
- d. The project to be referred to the Consolidation Committee.

3. Other remarks:

PSC Comments:

- A. Project Feasibility: This project appears to be technically feasible and poses little technical risk.
- B. Using Scenario 1, the preferred funding package consisting of a Congressionally Directed Grant of \$4,000,000, a \$880,000 American Rescue Plan Act Grant, an IJDC District 2 Grant of \$500,000, a \$820,000 DWTRF Principal Forgiveness, and a DWTRF Loan of \$1,030,000 at 1%, 0.25% Admin. Fee, for 30 years, current Step 2 rates (\$54.41 for 3,400 gallons) will provide a cash flow surplus of \$13,820 and debt service coverage of 167.29%.

pc: To be distributed at the Funding Committee Meeting



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MEMORANDUM

TO: Meredith Vance
Infrastructure & Capacity Development

FROM: Christopher Thomas, EIT
Infrastructure & Capacity Development

DATE: June 28, 2022

SUBJECT: IJDC Application- **2022W-2136**
Hodgesville PSD
Water System Improvements Project
Upshur County

Recommendation:

This preliminary application appears technically feasible and is recommended to be forwarded to the Technical and Funding Committee.

Project Scope:

This project is a resubmission with a revised scope of work. The original project was reviewed in April 2020 under the IJDC number 2020W-1877. The original proposed project consists of replacing approximately 1,200 water meters, installation of two (2) new 100,000-gallon water storage tanks complete with foundations and valving, one (1) 160 GPM new booster pump station (BPS) with associated telemetry equipment, approximately 0.38 miles of 2-inch waterline extension to serve five (5) new customers, and other necessary appurtenances required to be upgraded in the distribution system.

The revised scope will replace/add approximately 1.3 miles of 8-inch waterline, 1.9 miles of 6-inch waterline, and 1.5 miles of 4-inch waterline. Other improvements will include upgrading the Hall Road Booster Pump Station, replace the PRV in the Gum Mountain area, upgrade the site at the existing Shumaker Water Storage Tank, and all necessary valves and appurtenances.

The cost per customer is **\$6,010** for the project. The total project cost is **\$7,230,000**

DTRF Loan (1.0%, 0.25 % admin fee for 30 years): \$1,030,000; DWTRF Principal Forgiveness: \$820,000; IJDC District 2 Grant: \$500,000; County ARPA Grant: \$880,000; Congressional Earmark: \$4,000,000.

Need for the Project:

Replacing water lines and service lines installed in the 1970's and 1980's will allow the PSD to reduce its water loss expenses. The PSD will also see increased reliability and security of the system. The existing service lines materials have become brittle, crack and leaks with age. By installing radio read meters, the PSD will be able to detect leaks, unusual usages, and potential tampering with the system. General system improvements will also benefit customers by lowering O&M costs for many years.

Concerns:

1. Based upon information from the Municipal Bond Commission, as of May 2022, the Hodgesville PSD is (\$88,923) deficient on their water reserve funding requirements.
2. A discrepancy was noted; the congressional earmark is reported in the PER as \$4,037,000 as opposed to \$4,000,000 in the IJDC application.
3. The Hodgesville PSD-Saul's Run system has a score of 2 on the January 2022 quarter of the EPA's Compliance Tracking tool (ETT) which is below EPA's action level of > 11; indicating that the systems do have some compliance issues that need to be addressed soon.
4. The Hodgesville PSD-Lorentz System and the Hodgesville PSD- Route 20 system both have a score of 8 on the EPA's Compliance Tracking Tool which is below EPA's action level of > 11; indicating that the systems do have some compliance issues that also need to be addressed soon.

Permits:

A permit **will be** required from the WV Bureau for Public Health prior to construction.

Construction activities with a disturbed area of one (1) acre or greater are required to register for the NPDES Storm Water Construction General Permit No. WV0115924.

A permit for stream crossings may be required.

A Certificate of Convenience and Necessity will be required from the PSC.

A permit from the WV Division of Highways will be required for the construction activities that will take place within WVDOH right-of-way.

Engineering: 5.76% for design, 15.32% for total.

The Design Fees vs. Construction Cost for new construction is below both the average complexity curve and the very complex curve. The Design Fees vs. Construction Cost for modifications is below both the average complexity curve and the very complex curve.

The Total Fees vs. Construction Cost for new construction is above both the average complexity curve and the very complex curve. The Total Fees vs. Construction Cost for modified construction

is above the average complexity curve and below the very complex curve.

A Total Fee waiver will not be required for this project.

Asset Management Plan and Annual Maintenance Audit:

The Preliminary Application indicates that the PSD does have an asset management plan. The system does not have an approved Asset Management Plan on file with the BPH. The application indicates that the PSD has completed the annual maintenance audit for the current year.

Capacity Development:

The question about having had a capacity development assessment (CDA) within the last 5 years was marked as no, this is correct as there is no record of an assessment being performed at any of the PWSIDs associated with the Hodgesville PSD.

Additional information that may be helpful to the IJDC in their decisions regarding approval of funding requests for the system relates to the systems' overall compliance. The Hodgesville PSD-Saul's Run system has a score of 2 on the January 2022 quarter of the EPA's Compliance Tracking tool (ETT) which is below EPA's action level of > 11; indicating that the systems do have some compliance issues that need to be addressed soon.

The Hodgesville PSD-Lorentz System and the Hodgesville PSD- Route 20 system both have a score of 8 on the EPA's Compliance Tracking Tool which is below EPA's action level of > 11; indicating that the systems do have some compliance issues that also need to be addressed soon.

Based upon information from the Municipal Bond Commission, as of May 2022, the Hodgesville PSD is (\$88,923) deficient on their water reserve funding requirements.

IJDC Ranking:

- Public Health Benefit: 5
- Compliance: 10

Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812
Charleston, West Virginia 25323

Phone: (304) 340-0300
Fax: (304) 340-0325



Stephanie D. Hickerson
Office of Environmental Health Services
350 Capitol Street, Room 313
Charleston, West Virginia 25301-3713

Re: Public Service Commission Staff Review Comments
Application No. 2022W-2136
Hodgesville PSD
Infrastructure Preliminary Application

Dear Ms. Hickerson:

As requested, the Technical Staff of the Public Service Commission of West Virginia has completed its review of the above-referenced Infrastructure application. In light of Technical Staff's comments enclosed herewith, we are recommending the application be:

forwarded to the Funding Committee

forwarded to the Consolidation Committee

returned to the Applicant

Please advise if you have any questions.

Sincerely,

Jonathan M. Fowler, P.E.
Engineering Division

JMF:vb

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: June 9, 2022

PROJECT SPONSOR: HODGESVILLE PUBLIC SERVICE DISTRICT

PROJECT SUMMARY: This water system improvements project includes a small line extension and a significant amount of internal improvements and replacements throughout this aging system.

PROPOSED FUNDING: Congressionally Directed Grant	\$4,000,000
American Rescue Plan Act Grant	\$ 880,000
IJDC District 2 Grant	\$ 500,000
DWTRF Principal Forgiveness	\$ 820,000
DWTRF Loan (1%, 30 yrs, .25% Admin Fee)	<u>\$1,030,000</u>
Total	<u>\$7,230,000</u>

CURRENT RATES:	\$57.99	3,400 gallons (Step 1)
	\$67.36	4,000 gallons (Step 1)

PROPOSED RATES:	\$54.41	3,400 gallons (Step 2)
	\$63.20	4,000 gallons (Step 2)

Application No. 2022W-2136

RECOMMENDATION: forward to the Funding Committee.
 forward to the Consolidation Committee.
 return to the Applicant.

FINANCIAL: Stephen Edens

1. Current rates (\$57.99 for 3,400 gallons) are above the rate attributable to 1.25% (\$42.01) and 1.5% (\$50.41) of the Median Household Income (MHI), but below the rates attributable to 1.75% (\$58.81) and 2.0% (\$67.22) of the MHI. Increasing current rates to 1.75% and 2.0% of the MHI would provide additional revenues of \$13,019 and \$145,678 respectively.
2. Using Scenario 1, the preferred funding package consisting of a Congressionally Directed Grant of \$4,000,000, a \$880,000 American Rescue Plan Act Grant, an

IJDC District 2 Grant of \$500,000, a \$820,000 DWTRF Principal Forgiveness, and a DWTRF Loan of \$1,030,000 at 1%, .25% Admin. Fee, for 30 years, current Step 2 rates (\$54.41 for 3,400 gallons) will provide a cash flow surplus of \$13,820 and debt service coverage of 167.29%.

3. Using the Scenario 2 alternate loan package of \$6,350,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), and committed funds consisting of a \$880,000 American Rescue Plan Act Grant, proposed rates (\$78.90 for 3,400 gallons) will provide a cash flow surplus of \$54,353 and debt service coverage of 141.88%.

NOTES TO COMMENTS:

- A. Staff's detailed adjustments are listed on Attachment A for Scenario 1 (Preferred Funding Package) and Attachment B for Scenario 2 (Loan Package).
- B. The Going Level and Proforma adjustments included in the Applicant's Cash Flow Analyses for Scenarios 1 and 2 were used in Staff's Cash Flow Analyses, except as noted on Attachments A and B.
- C. The Applicant did include a Maximum Rate Cash Flow Analysis with the application, using proposed rates of \$78.90 for 3,400 gallons. Staff used this data as its basis of analysis for Scenario 2.
- D. The Applicant's Cash Flow Analysis reflects a Going Level rate of \$54.41 for 3,400 gallons, which is the Step 2 rate approved in Case No. 21-0242-PWD-19A, and are to become effective two (2) years after the Step 1 rates became effective on October 26, 2021, or until the arrearages to Ringers and Atlas are equal to zero, whichever occurs first. The Step 1 rate of \$57.99 for 3,400 gallons, approved in Case No. 21-0242-PWD-19A, is the rate currently in effect.
- E. Senate Bill 234, effective June 12, 2015, required water and sewer utilities that are political subdivisions of the state to maintain a cash working capital reserve in an amount of no less than one-eighth (1/8) of actual annual operation and maintenance expenses. It should be noted that the cash flows provided by the project sponsor include funding for the 1/8 cash working capital reserve. Staff accepted that amount in its analyses. However, this amount may be reviewed by the Commission in future filings in accordance with Public Service Commission General Order 183.11.

ENGINEERING: Mansour Mashayekhi

1. This project will require a Certificate of Convenience and Necessity from the PSC. The project sponsor should reference this application number on the PSC's Form No. 4 when its application is filed at the Commission given the requirement of West Virginia Code §24-2-11 (c) and (e) et seq.
2. **Scope:** The project will include the following: Water line extension of approximately 2,000 linear feet of 2 inch water line along Upper Pecks Run Road to provide water service to five (5) new customers, installation of one (1) 160 GPM water BPS and two (2) 100,000 gallon water storage tanks complete with telemetry to improve water service to the Lorentz area, installation of approximately 4,000 linear feet of new 8-inch waterline to connect Ravens Ridge Rd and one of the proposed 100,000-gallon water storage tanks to the existing system, replacement of approximately 1,200 water meters with new radio read meters, upgrade the existing Hall Road Booster Pump Station, replace the PRV in the Gum Mountain area, and make improvements to the site at the existing Shumaker Water Storage Tank. Per new amendment-1, the project will replace approximately 14,100 linear feet of service tubing and approximately 21,500 linear feet of various size main water line to address concerns with water loss through deteriorating service lines and line breaks that are hindering the PSD. The estimated cost of the project is \$7,230,000.
3. **Need for Project:** Replacing water lines and service lines installed in the 1970's and 1980's will allow the PSD to reduce its water loss expenses. The PSD will also see increased reliability and security of the system. The existing service lines materials have become brittle, crack and leaks with age. By installing radio-read meters, the PSD will be able to detect leaks, unusual usages, and potential tampering with the system. General system improvements will also benefit customers by lowering O&M costs for many years.
4. **Customer Density:** The PSD currently serves approximately 1,116 residential and 82 non-residential customers within Upshur County. The project will add 5 new customers. The project is mostly an internal improvement project therefore; customer density is not a useful metric and was not calculated.
5. **Cost per Customer:** Based upon the estimated project cost of \$7,230,000, and having approximately 1,198 existing customers plus an additional five (5) customers (total =1,203), the cost per customer is approximately \$6,010 which is acceptable.

6. **Project Feasibility:** This project appears to be technically feasible and poses little technical risk.
7. **Project Alternatives:** Three (3) alternatives were evaluated for the PSD's project per the following: **A-1)** Continue purchase water from the City of Buckhannon, **A-2)** Purchase water from Lewis County and do water system improvements, and **A-3)** Do Nothing which is not acceptable because of WVBPH regulations. Therefore, due to sound economics of **A-1**, it is recommended to be selected. Staff concurs.
8. **Permits Required:** The required permits/certificates for the proposed project are: WV Division of Highways, WV-DEP NPDES Construction Permit, Railroad Permit and Public Service Commission of WV.
9. **Consolidation:** There are no consolidation opportunities with this internal improvement project.
10. **Inconsistencies:** None fatal issues were observed.
11. **Operation and Maintenance (O&M) Expenses:** The project will increase O&M expenses by approximately \$1,292, to an annual expense of \$566,822 (Rule 42 pro-forma adjustments).
12. **Engineering Agreement:** The applicant has provided documentation relative to compliance with West Virginia Code §5G-1-1, *et seq.* Based on the filing, the total design fees for engineering are \$340,000 and construction cost of \$5,900,000. This is approximately 5.76% of the construction costs.

Preliminary Project Ranking		
O & M Capabilities		
Performance Measures:	1	<i>Pt.</i>
Asset Management:	1	<i>Pt.</i>
Environmental Management:	1	<i>Pt.</i>
Readiness to Proceed:	0	<i>Pt.</i>
Cost Effectiveness:	0	<i>Pt.</i>
Compliance with PSC Orders:	0	<i>Pt.</i>

HODGESVILLE PUBLIC SERVICE DISTRICT
 CASH FLOW ANALYSIS
 YEAR ENDED: June 30, 2021
 APPLICATION NO: 2022W-2136
 June 9, 2022

**PREFERRED FUNDING PACKAGE
 SCENARIO 1**

	Rule 42 Cash Flow Going Level Per Application Before Project	Rule 42 Cash Flow Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
<u>AVAILABLE CASH</u>				
Operating Revenues	840,560	844,680	-	844,680
Other Operating Revenue	23,890	23,890	-	23,890
SB 234 Annual Working Cash Collections	74,973	70,853	-	70,853
Interest Income & Other Misc.	35	35	-	35
Total Cash Available	939,458	939,458	-	939,458
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	565,530	566,822	54 (1)	566,876
Taxes	2,355	2,355	-	2,355
Total Cash Requirements Before Debt Service	567,885	569,177	54	569,231
Cash Available for Debt Service (A)	371,573	370,281	(54)	370,227
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	181,392	222,971	(1,668) (2)	221,303
Other Debt	23,567	16,954	-	16,954
Reserve Account @ 10%	21,592	22,297	3,286 (3)	25,583
Renewal & Replacement Fund (2.5%)	29,176	29,176	(7,462) (4)	21,714
Total Debt Service Requirement	255,727	291,398	(5,844)	285,554
SB 234 Cash Working Capital	74,973	70,853	-	70,853
Remaining Cash	40,873	8,030	5,790	13,820
Percent Coverage (A) / (B)	204.85%	166.07%		167.29%
Average rate for 3,400 gallons	\$ 54.41	\$ 54.41	\$ -	\$ 54.41
Average rate for 4,000 gallons	\$ 63.20	\$ 63.20	\$ -	\$ 63.20

Staff Adjustments

<u>Adjustment Description</u>		\$	Increase <Decrease>
(1) Operating Expenses	Per Staff Analysis	566,876	54
	Per Application with Project	566,822	
Staff's calculation included a difference in an Administrative Fee of .25% associated with a DWTRF Loan.			
(2) Principal & Interest	Per Staff Analysis	221,303	(1,668)
	Per Application with Project	222,971	
The difference in P&I is related to Staff's calculation of a loan of \$1,030,000 for 30 years at 1%.			
(3) Reserve Account @ 10%	Per Staff Analysis	25,583	3,286
	Per Application with Project	22,297	
Staff assumed a 10% reserve on the new debt.			
(4) Renewal & Replacement Fund (2.5%)	Per Staff Analysis	21,714	(7,462)
	Per Application with Project	29,176	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

HODGESVILLE PUBLIC SERVICE DISTRICT
 CASH FLOW ANALYSIS
 YEAR ENDED: June 30, 2021
 APPLICATION NO: 2022W-2136
 June 9, 2022

**LOAN PACKAGE
 SCENARIO 2**

	Max Rate Going Level Per Application Before Project	Max Rate Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
<u>AVAILABLE CASH</u>				
Operating Revenues	840,560	1,256,734	-	1,256,734
Other Operating Revenue	23,890	33,044	-	33,044
SB 234 Annual Working Cash Collections	74,973	70,853	-	70,853
Interest Income & Other Misc.	35	35	-	35
Total Cash Available	939,458	1,360,666	-	1,360,666
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	565,530	566,822	-	566,822
Taxes	2,355	2,355	-	2,355
Total Cash Requirements Before Debt Service	567,885	569,177	-	569,177
Cash Available for Debt Service (A)	371,573	791,489	-	791,489
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	181,392	606,767	(48,920) (1)	557,847
Other Debt	23,567	16,954	-	16,954
Reserve Account @ 10%	21,592	60,676	(1,439) (2)	59,237
Renewal & Replacement Fund (2.5%)	29,176	34,016	(1,772) (3)	32,244
Total Debt Service Requirement	255,727	718,413	(52,131)	666,283
SB 234 Cash Working Capital	74,973	70,853	-	70,853
Remaining Cash	40,873	2,223	52,131	54,353
Percent Coverage (A) / (B)	204.85%	130.44%		141.88%
Average rate for 3,400 gallons	\$ 54.41	\$ 78.90	\$ -	\$ 78.90
Average rate for 4,000 gallons	\$ 63.20	\$ 91.65	\$ -	\$ 91.65

Staff Adjustments

<u>Adjustment Description</u>		\$	Increase <Decrease>
(1) Principal & Interest	Per Staff Analysis	557,847	(48,920)
	Per Application with Project	606,767	
The difference in P&I is related to Staff's calculation of a loan of \$6,350,000 for 40 years (paid back over 38 years) at 5%.			
(2) Reserve Account @ 10%	Per Staff Analysis	59,237	(1,439)
	Per Application with Project	60,676	
Staff assumed a 10% reserve on the new debt.			
(3) Renewal & Replacement Fund (2.5%)	Per Staff Analysis	32,244	(1,772)
	Per Application with Project	34,016	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			




west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, WV 25304-2345
Telephone Number: (304) 926-0495
Fax Number: (304) 926-0497

Harold D. Ward, Cabinet Secretary
www.dep.wv.gov

MEMORANDUM

MEMO TO: Stephanie D. Hickerson, P. E.
Office of Environmental Health Services
Bureau for Public Health

FROM: John M. Perkins 
Supervisor
General Permits & Support Team

DATE: May 17, 2022

SUBJECT: Infrastructure Preliminary Application for the Hodgesville PSD (2022W-2136):
System Improvements in Upshur County, WV.

We have reviewed the above referenced project application information. The Hodgesville PSD purchases water from the City of Buckhannon. No NPDES permit modifications are necessary.

If the Hodgesville PSD is considering repairing and painting an existing water treatment plant or storage tanks, then the scope of this project requires precautions to prevent contamination of the waters of the state. Prior to beginning any removal of old paint, the Hodgesville PSD should contact Mr. Jeremy Bandy or a member of his staff at (304)-926-0499, extension 43894 for guidance in determining whether the paint to be removed is considered a hazardous waste. If so, proper containment and disposal procedures must be followed for the paint and any material associated with the sand blasting. If it is determined that the paint is not hazardous, the Hodgesville PSD should contact Yogesh Patel or a member of his staff at (304)-926-0499, extension 43877 for proper disposal options.

Construction activities with a disturbed area of one (1) acre or greater are now required to register for the NPDES Storm Water Construction General Permit No. WV0115924 that became effective on March 9, 2019. Projects registered under the previous General Permit No. WV0115100 were automatically provided coverage under WV/NPDES General Permit No. WV0115924. For more information, they may contact Larry Board at (304)-926-0499, extension 43883.

In light of the above, we have no objection to this project as long as the appropriate provisions are taken to assure compliance with Chapter 22, Article 11, of the Code of West Virginia and any associated regulations. The responsible party may contact Mylinda Maddox (304) 926-0499 ext. 43825, should additional information be required.

JMP:mam

cc: Katheryn Emery

Promoting a healthy environment.



west virginia department of environmental protection

Office of Abandoned Mine Lands & Reclamation
601 57th Street SE
Charleston, WV 25304

Harold D. Ward, Cabinet Secretary
dep.wv.gov

MEMORANDUM

To: Stephanie Hickerson, P.E., Manager
Infrastructure and Capacity Development

From: Roger A. Earle, P.E., Waterline Coordinator *RAE*
Office of Abandoned Mine Lands & Reclamation

Date: June 14, 2022

Subject: Hodgesville PSD – System Improvements
IJDC Preliminary Application: 2022W-2136

AML does not participate in routine improvements or replacement of existing systems. Therefore, AML funds will not be available for this project.

OEHS District Review for Infrastructure Council Water Projects

Water System:	Hodgesville PSD	IJDC Number:	2022W-2136
Project Description:	Water System Improvement Project	Review by:	Craig Cobb <i>CRC</i>
County:	Upshur	Date:	5/17/2022

<u>No.</u>	<u>Review Criteria</u>	<u>Yes</u>	<u>No</u>	<u>N/A</u>	<u>Comments (Especially if No is indicated or providing a DWTRF score)</u>
1.	Does the district agree that the project scope seems to be the most feasible solution?	X			
2.	Is this the most practical project to correct the problem stated in the application?	X			
3.	Does the project solve the major operation maintenance problems in the water system?	X			
4.	Does the project eliminate deficiencies noted in the sanitary survey?	X			
5.	Should these improvements be made to this system versus another system that could serve the same area?	X			
6.	The application has an alternative in it evaluating the most likely consolidation option?			X	
7.	Do you agree with the need statement for the project?	X			
8.	Has the engineer included all justification (that you are aware of) in the project application?	X			
9.	Is the management of the water system capable of completing this project?	X			
10.	Other comments				

<u>No.</u>	<u>Review Criteria</u>	<u>Yes</u>	<u>No</u>	<u>N/A</u>	<u>Comments (Especially if No is indicated or providing a DWTRF score)</u>
11.	For new projects or projects with revised scope provide DWTRF Priority Ranking Public Health Score (Indicate score in the comments section with explanation)?				10: Projects to replace/repair old, undersized, or malfunctioning equipment. Projects to replace leaking water line.
12.	For new projects or projects with revised scope provide DWTRF Priority Ranking Compliance Score (Indicate score in the comments section with explanation)?				10: Compliance with periodic and/or potential non-compliance. Compliance with sanitary survey recommendations, NPDES permits, new regulations or design standards.
13.					
14.					



STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
Bureau for Public Health
Office of Environmental Health Service

Bill J. Crouch
Cabinet Secretary

Ayne Amjad, MD, MPH
Commissioner & State Health Officer

MEMORANDUM

TO: Meredith Vance, Director
Environmental Engineering Division

FROM: Valerie Plance., Manager
Capacity Development Program

DATE: June 15, 2022

RE: Hodgesville PSD, PWSIDs#:3304913/ Saul's Run, 3304912/ Lorentz System,
3304908/ Route 20
IJDC Application No.: 2022W-2136
Upshur County

The Hodgesville PSD preliminary infrastructure application indicates that they are seeking DWTRF monies. The system marked the question regarding having an asset management plan as yes. The system does not have an approved Asset Management Plan on file with the BPH. The question about having had a capacity development assessment (CDA) within the last 5 years was marked as no, this is correct as there is no record of an assessment being performed at any of the PWSIDs associated with the Hodgesville PSD.

Additional information that may be helpful to the IJDC in their decisions regarding approval of funding requests for the system relates to the systems' overall compliance. The Hodgesville PSD-Saul's Run system has a score of 2 on the January 2022 quarter of the EPA's Compliance Tracking tool (ETT) which is below EPA's action level of > 11; indicating that the systems do have some compliance issues that need to be addressed soon.

The Hodgesville PSD-Lorentz System and the Hodgesville PSD- Route 20 system both have a score of 8 on the EPA's Compliance Tracking Tool which is below EPA's action level of > 11; indicating that the systems do have some compliance issues that also need to be addressed soon.

Based upon information from the Municipal Bond Commission, as of May 2022, the Hodgesville PSD is (\$88,923) deficient on their water reserve funding requirements.

If you require further information from the capacity development program, please contact me.

VAP