



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304
Phone: 304-926-0495 / Fax: 304-926-0463

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

MEMORANDUM

To: Marie Prezioso, Chair
Meredith J. Vance, Director, Environmental Engineering Division, BPH

From: Katheryn Emery, P.E. Engineer Chief
Sewer Technical Review Committee

Date: June 17, 2024

Subject: Mason County Public Service District
Preliminary Application: IJDC No. 2024W-2564
Guyan Creek Critical Needs Waterline Extension

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1. This committee has reviewed the preliminary application and engineering report submitted for the above referenced project in accordance with Chapter 31, Article 15A. It has been determined that the proposed project is:
 - a. Consistent with the intent of the Infrastructure and Jobs Development Act and is the most cost-effective, environmentally sound alternative for solving the water needs in this area.
 - b. Not consistent with the Act and may not be the most cost effective, environmentally sound alternative for solving the wastewater needs in this area.
 - c. Same as (a) above 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 the 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 engineering report. The proposed project should be tabled for the consultant to address technical comments.
- d. ___ This project should be referred to the Consolidation Committee.

3. Other remarks:

The project is to provide water service to 27 new customers of Guyan Creek Rd. Currently the residents use unreliable wells or must haul water from another location. Sampling of the wells has shown a variety of contaminants within the samples.

To date, 25 of the 27 residents along Guyan Creek Road have signed intents to sign up for water service once it is available.

The proposed total cost for this project is \$1,645,000 and the MCPSD intends to pursue an IJDC Critical Needs Grant for the full amount.

Using the Combined Application, the Total Engineering Fee and the Design Fee appear to be within the ASCE curve.

Preliminary Project Ratings:

Public Health Benefits: 20
Compliance with Standards: 0



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MEMORANDUM

TO: Katheryn Emery, P.E., Director, DWWM

FROM: Justin Moffitt, P.E., DWWM

DATE: June 7, 2024

SUBJECT: Mason County Public Service District
Preliminary Application: IJDC No. 2024W-2564
Guyan Creek Critical Needs Waterline Extension

RECOMMENDATION

The IJDC Application and Preliminary Engineering Report prepared by The Thrasher Group, Inc., for the above referenced project has been reviewed and is technically feasible.

PROJECT DESCRIPTION

The Mason County Public Service District (MCPSD) owns and operates the public water system operating in Mason County. The District's water systems are permitted to operate under six (6) Public Water System Identification numbers (PWSID#): Lakin-WV3302712, Letart-WV3302713, Ashton-WV3302717, Crab Creek-WV3302714, J2Y35-WV3302705, Foglesong-WV3302715. The current project area will be served by the Ashton WTP.

These water systems serve approximately 6,037 customers throughout Mason County and portions of Cabell, Jackson, Putnam Counties, WV. Between these six (6) systems, the District owns and operates 23 storage tanks with a combined capacity of 3,882,000 gallons, approximately 520 miles of water mains of various sizes, and 21 booster stations.

The proposed project is to provide potable water service to 27 customers of Guyan Creek Rd. Guyan Creek Road is an unserved area between two (2) ends of the District's potable water system. This project proposes to serve the Guyan Creek residents by connecting two (2) of the existing system's dead ends with approximately 24,000 linear feet (LF) of 4" water main along Guyan Creek Road. Since MCPSD systems are interconnected there is no anticipation of water capacity issues with this extension or increased demand.

The proposed total cost for this project is \$1,645,000 and the MCPSD intends to pursue an IJDC Critical Needs Grant for the full amount. The current monthly rate for 3,400 gallons is \$43.95 (1.29% MHI).

NEED FOR PROJECT

The 27 proposed customers currently own unreliable wells or must haul water from another location. Samples were taken at four (4) of the residential groundwater wells and tested by Pace Analytical Services for a variety of contaminants. Sodium, Arsenic, Antimony, Barium, Beryllium, Chromium, Copper, Lead, Nickel, Selenium, Thallium, Bromide, Chloride, Fluoride, Sulfate, Nitrate, E. coli, and Fecal Coliform were detected within the samples. To date, 25 of the 27 residents along Guyan Creek Road have signed intents to sign up for water service once it is available.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Design, and Total Engineering Fees appear to be within the ASCE Curves.
- The cost per customer is \$65,800.

Preliminary Project Ratings:

Public Health Benefits: 20
Compliance with Standards: -0-

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



June 14, 2024

Meredith J. Vance
Office of Environmental Health Services
350 Capitol Street, Room 313
Charleston, West Virginia 25301-3713

Re: Public Service Commission Staff Review Comments
Application No. 2024W-2564
Mason County PSD, water system extension (critical need)
Infrastructure Preliminary Application

Dear Ms. Vance:

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
Jonathan M. Fowler, P.E.
Engineering Division

Enclosures
JMF:vb

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: June 12, 2024

PROJECT SPONSOR: MASON COUNTY PUBLIC SERVICE DISTRICT -
WATER

PROJECT SUMMARY: The project will consist of installing approximately 24,000 LF of 4" PVC waterline to provide potable water to 25 presently unserved residents.

PROPOSED FUNDING: Mason County Commission ARPA Grant	\$50,000
IJDC Critical Needs Grant	<u>\$1,595,000</u>
Total	\$1,645,000

CURRENT/ PROPOSED RATES:	\$43.95	3,400 gallons
	\$49.80	4,000 gallons

Application No. 2024W-2564

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

FINANCIAL: Kaitlyn J. Shamblin

1. Current rates (\$43.95 for 3,400 gallons) are below the rates attributable to 1.25% (\$53.98), 1.5% (\$64.78), 1.75% (\$75.57), and 2% (\$86.37) of the Median Household Income (MHI).
2. For purposes of this review, Staff is assuming 100% grant funding. Therefore, no cash flow is provided.
3. Notes to Comments:
 - A. Staff notes the project sponsor is requesting a Draft Rule 42 Exhibit waiver.

- B. Staff notes per the accountant for the Applicant, the original total amount of the IJDC Critical Needs grant of \$1,645,000 should be reduced by \$50,000 because the Mason County Commission has committed \$50,000 in ARPA funds.
- C. 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. The project sponsor would need to have non-restricted funds available to meet the 1/8 requirement, otherwise, it may need to take steps to fund this reserve. This 1/8 requirement, along with any steps taken to fund this reserve, may be evaluated by the Commission in future filings in accordance with Public Service Commission General Order 183.11.
- D. The Public Service District should carefully evaluate its revenue requirements before pursuing a rate increase in order to ensure that rates are sufficient to provide a reasonable surplus and meet coverage requirements. Staff notes that the District is a political subdivision of the state and has at least 4,500 customers and annual gross revenues of \$3 million or more. Therefore, in accordance with Senate Bill 234, effective June 12, 2015, the Commission has no jurisdiction regarding the District's rates pursuant to WV Code 24-2-4a and WV Code 16-13A-9. However, the Commission does have jurisdiction pursuant to WV Code 24-2-1(b)(6) for the investigation and resolution of disputes involving political subdivisions of the state regarding inter-utility agreements, rates, fees and charges, service areas and contested utility combinations.

ENGINEERING: Jonathan M. Fowler, P.E.

1. This project will not require a Certificate of Convenience and Necessity from the PSC.
2. Scope: This project proposes to serve the Guyan Creek area by constructing approximately 24,000 linear feet of 4" water main and

appurtenances. The project will also eliminate two dead-ended lines and thus improve system redundancy and operability however; fire flows cannot be supported on this extension. The total estimated project cost is \$1,645,000 with an estimated construction cost of \$1,225,000. The proposed funding is 100% grant.

Customer Density: Using twenty-five customers and 4.55 miles of new main, the customer density is 5.5 customers per mile of new line which is acceptable for a critical-need extension.

Cost per New Customer: Based on a project cost of \$1,645,000 and twenty-five customers, the cost per customer is about \$65,800 which is acceptable for a critical needs line extension project.

Customer participation: The applicant provided information indicating that twenty-five of a potential twenty-seven customers have expressed a desire to receive water service. This is a participation rate of more than 92% and is indicative of a publicly-supported project.

3. Need: The current water supplies in the area consists of wells, cisterns, and the hauling of water. The groundwater is generally unacceptable in quality and is often contaminated either chemically or bacteriologically. A public water supply will alleviate the public health and aesthetic concerns.
4. Project Feasibility: The project is technically feasible and poses little implementation risk.
5. Project Alternatives: Small extensions of water service in rural areas offer little opportunity for practical, cost-effective alternatives beyond the extension of existing mains. Staff has no objection to the proposed scope of work.
6. Consolidation: There are no consolidation opportunities presented by this small line extension project.
7. Inconsistencies: No fatal issues were noted.

8. Operation and Maintenance (O & M) Expenses: O & M expenses will be carried by the entire customer base and the very small increase due to this project would likely be negligible and offset by revenues from the new customers. However, no calculations were provided.
9. Engineering Agreement: The application includes information to determine compliance with West Virginia Code §§5G-1-1, et seq. Total technical services (engineering) costs for the project are \$256,000 which is equal to 20.9% of the construction cost.



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M E M O R A N D U M

MEMO TO: Meredith J. Vance
Office of Environmental Health Services
Bureau for Public Health

FROM: Brian D. Bailey *BB*
Technical Analyst
General Permits & Support Team

DATE: May 22, 2024

SUBJECT: Infrastructure Preliminary Application for the Mason County PSD (2024W-2564):
Guyan Creek CN Waterline Extension in Mason County, WV.

We have reviewed the above referenced project application information. The Mason County PSD, discharges its backwash to its site for 3 WTP's, which are covered under WV/NPDES Site Registration Nos. WVG640019, WVG640130 and WVG640135 which expire 7/18/28. The Lakin WTP discharge to Mason County PSD WWTP, WV/NPDES Permit No. WV0086886, and expires April 16, 2028. No NPDES permit modifications are required.

If the Mason County 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 Mason County PSD should contact Mr. Brad Wright or a member of his staff at (304)-926-0499, extension 49746 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 sandblasting. If it is determined that the paint is not hazardous, the Mason County PSD should contact John Lockhart or a member of his staff at (304)-926-0499, extension 43889 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 April 6, 2024. 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.

BDB:mam

cc: Kathryn Emery