

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., Program Manager

Sewer Technical Review Committee

Date: August 15, 2025

Subject: New Haven Public Service District

IJDC Application - 2025W-2681

Hawver Road Extension - Critical Needs

- 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. $\frac{1}{2}$ 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.

Promoting a healthy environment.

- 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 returned for the consultant to address technical comments.
- d. ___ This project should be referred to the Consolidation Committee.

3. Other remarks:

The proposed project should be returned so comments from the DEP and PSC can be addressed. The application did not include information on the existing conditions that would support the critical need. This may include but not limited to; the current potential customers water source and condition of that water supply and how many user agreements have been obtained. The application also did not reference a contribution from the WV American Water Company.

It is recommended that these customers be considered as part of other projects that the PSD have in planning.



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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: Katheryn Emery, P.E., Program Manager, DWWM

FROM: Jesse Rupe, P.E., DWWM

DATE: August 7, 2025

SUBJECT: New Haven Public Service District

IJDC Application - 2025W-2681

Hawver Road Extension - Critical Needs

RECOMMENDATION

The IJDC Critical Needs Application and Preliminary Engineering Report prepared by Thompson & Litton, Inc. for the above referenced project has been reviewed and should be returned.

PROJECT DESCRIPTION

The New Haven Public Service District (PSD), located in Fayette County, West Virginia, owns a water distribution system. New Haven PSD is in a Public-Private Partnership with West Virginia American Water (WVAW), where WVAW supplies water to the PSD's distribution system and operates the distribution system for the PSD. Water is supplied from WVAW's Hawk's Nest water treatment plant (WTP). WVAW states that the WTP has the capacity to provide water to the proposed project area.

This project proposes to install approximately 7,200 Linear Feet (LF) of water line along Hawver Road in order to serve 16 new residential customers. This extension will connect to the PSD's ongoing Contract 19 project at the south end of Hawver Road and connect to the existing waterline that is on the north end of Hawver Road.

The proposed total cost for this project is \$1,405,000 and the PSD intends to pursue IJDC Critical Needs to fund the entire project. The current monthly rate is \$80.26 (2.08% MHI) for 3,400 gallons, and there is no rate increase expected to be associated with this project.

NEED FOR PROJECT

No need for the project was included in the PER.

DEFICIENCIES/COMMENTS

- The PER does not state the current conditions of the 16 proposed customers' water situation. There is no reference if they have wells or if the wells are contaminated, or if the customers have to haul water, etc.
- The PER indicates that residents have come to recent PSD board meetings requesting water, but there is no discussion as to whether any have signed user agreements.
- Given the project's location to the PSD's ongoing Contract 19 project and the fact that the PSD has multiple projects in the planning phase, it is not clear as to why this project should qualify for Critical Needs funding and not be included in the next standard project the PSD pursues.
- Using the Combined Application, the Total Engineering Fees appear to be above the ASCE Curves and a waiver would be needed.
- The PER is lacking any discussion of the PSD's current situation, location of their existing infrastructure, and does not include the PSD's PWSID Number.

Preliminary Project Ratings:

Public Health Benefits: 5 Compliance with Standards: 5

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

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. 2025W-2681

New Haven PSD - Critical Need Waterline Extension (Hawver Rd)

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
X Returned to the Applicant
Please advise if you have any questions.

Sincerely,

Brandon Crace Engineering Division

Brandon Crace

Enclosures BC:

PUBLIC SERVICE COMMISSION STAFF TECHNICAL REVIEW

DATE: August 14, 2025

PROJECT SPONSOR: NEW HAVEN PUBLIC SERVICE DISTRICT - WATER

PROJECT SUMMARY: New Haven PSD is proposing to extend water service to

approximately 16 potential customers along Hawver

Road.

PROPOSED FUNDING: IJDC Critical Needs Grant \$1,222,000

CURRENT RATES: \$77.00 3,400 gallons (plus 7.01% DSIC = \$82.40)

\$88.12 4,000 gallons (plus 7.01% DSIC = \$94.30)

RECOMMENDATION:

Forward to the Funding Committee
Forward to the Consolidation Committee
X Return to the Applicant

FINANCIAL: Bob Cadle

1. Current rates (\$77.00 for 3,400 gallons) are above the rates attributable to 1.25% (\$45.54), 1.5% (\$54.65), and 1.75% (\$63.76), and 2% (\$72.87) of the Median Household Income.

2. Notes to Comments:

- A. Since the Applicant's rates and the operation and maintenance costs are "rolled into" the operations of the West Virginia-American Water Company (WVAWC), no cash flow is attached. The current rates apply to many customers over large geographical areas who share the aggregated revenue requirements of the WVAWC. The New Haven Public Service District (PSD) contracts with WVAWC for the operation of the water distribution facilities and customer services; the PSD does not operate any water facilities.
- B. Per the Application there are thirteen (13) potential new customers. Per the Engineering Report: "There are sixteen (16) potential users in the project area, including residential and commercial. The PSD has

obtained user agreements from all sixteen customers.

- C. It should be noted that the current rates (\$82.40 for 3,400 gallons includes the 7.01% DSIC). The project sponsor listed the current rate as \$80.26 (3,400 gallons) which isn't correct.
- D. Staff noted the following discrepancies in the application;
 - 1. Per the Engineering Report, the total projected cost for the project is \$1,408,000.
 - 2. Per the Application Total Project Budget is \$1,405,000.
 - 3. The funding IJDC Critical Needs Grant of \$1,222,000.
- E. WVAWC's contribution per customer, under the Commission's main extension rule, is approximately \$6,743 per customer. This assumes there are no further costs incurred on the extension. In this application, the Applicant proposes that WVAWC contribute \$0 toward the project. If the WVAWC contribution is based upon \$6,743 per potential customer, then they would provide \$107,888 (\$6,743 x 16 new customers). An agreement with WVAWC detailing the amount and terms of their contribution should be filed with the Commission along with any filing made in this matter.
- F. Staff notes that the project sponsor did not request a Draft Rule 42 Exhibit waiver.
- G. On April 7, 2014, the Commission issued an order in Case No. 11-1451-W-C (involving public/private partnerships) which ordered that WVAWC, among other items, has an obligation to contribute the amount required by Water Rule 5.5 (now Water Rule 7.5) toward a proposed project as modified by substituting the current Company average usage into the formula.

ENGINEERING: Brandon Crace

- Pursuant to House Bill 2742 passed in the 2025 Legislative Session, this
 project will not require a Certificate of Convenience and Necessity from the
 PSC.
- 2. Scope: New Haven PSD is proposing to extend water service to approximately 16 potential customers along Hawver Road. The proposed project scope includes: 7,234 LF of 8-inch DIP waterline, 150 LF of 8-inch

DIP RJ waterline, 7,234 LF of polyethylene encasement of DIP, five (5) 8-inch valves, 2 connections to existing water mains, 7,234 LF of waterline disinfection and pipe cleaning, seven (7) 8-inch fire hydrants, 15 hydrant bollards, 1 typical blow off, 4 air release valves, 1 test tap, 150 LF of 8-inch stream crossing, sixteen (16) 3/4-inch service connections, 325 LF of 3/4-inch service line, 16 tandem meter settings, erosion and sediment control, and all necessary appurtenances. The estimated construction cost is \$1,030,000 (includes 15% construction contingency), and the estimated total project cost is \$1,405,000 (includes 5.0% project contingency).

Need: The PER indicates that residents of Hawver Road have attended PSD Board meetings and have requested that the PSD provide them with public water "...as soon as practical."

Customer Density: Based upon the provided water main pipe quantities (7,384

LF), the proposed water line extensions total approximately 1.4 miles. This is approximately equivalent to 11 customers per mile.

Cost per Customer: Based upon the estimated total project cost of \$1,405,000, and proposing to have 16 new customers, the cost to serve each new customer is \$87,812.50. However, the proposed project is 100% grant and contribution funded; therefore, the proposed borrowing is \$0.

- 3. Project Feasibility: The project appears to be technically feasible and poses little technical risk.
- 4. Project Alternatives: The PER did include an evaluation of alternatives: Alternative #1 Pine Run Road Water Line Extension, and Alternative #2 Do Nothing. The PER indicates that Alternative #1 was selected as it is a reasonable approach to provide water service to the unserved area.
- 5. Consolidation: There are no consolidation opportunities presented by this project.
- 6. Operation and Maintenance (O&M) Expenses: The PER did not include a description or a breakdown of the project's impact on O&M expenses.
- 7. Engineering Agreement: The application includes information to determine compliance with <u>West Virginia Code</u> §5G-1-1, *et seq*. Total technical services (engineering) costs for the project are \$252,000, which is equal to

24.46% of the construction cost of \$1,030,000 (includes 15% construction contingency).

8. Deficiencies/Comments:

- The PER did not provide a detailed description to indicate a critical need for this waterline extension, such as: evidence of private well contamination, evidence of private well issues, etc.
- The PER did not include evidence of user sign ups or intent to accept water service from potential customers.
- The PER did not include a description or a breakdown of the project's impact on O&M expenses.
- The Applicant operates a water system under an Agreement with West Virginia-American Water Company; however, the application does not indicate a contribution from the Company. The Company should make a Utility Share contribution.
- The PSC is aware of formal complaint case filings against New Haven PSD, where the complainants state they have been requesting water service for an extended period of time ("years"). Hawver Road is a location that has been identified, but residents in the surrounding area of this project have also requested water service.
- The PER indicates 16 potential customers. The IJDC Application indicates 13 new customers. The customer count needs confirmed.
- The PER indicates a construction cost estimate of \$1,030,000. The IJDC Application indicates a construction cost estimate of \$1,027,000. The estimated construction and total project costs need confirmed.
- The PER indicates "In October 2022 WVAW issued a letter agreeing to adding 16 customers on Old Gwinn Road, in the immediate vicinity of this project area indicating that the plant has the capacity to provide water and the company has the capacity to maintain a system with 16 additional customers." This project application is for Hawver Road and the PER does not include water services to Old Gwinn Road.
- New Haven PSD has filed 3 separate prior waterline extension projects (Old Gwinn Road, White Road, and Lucas Road) within the vicinity of Hawver Road. To the best of the PSC's knowledge, none of those projects have proceeded towards design or a binding commitment, and those projects have reported a similar or higher cost per customer than the Hawver Road waterline extension. Therefore, it would seem reasonable for New Haven PSD to evaluate ALL recent proposed waterline extensions and consider consolidating applications/projects

into phased waterline extension projects.



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Telephone Number: (304) 926-0495 Fax Number: (304) 926-0463 Harold D. Ward, Cabinet Secretary www.dep.wv.gov

MEMORANDUM

MEMO TO: Meredith J. Vance

Office of Environmental Health Services

Bureau for Public Health

FROM:

Brian D. Bailey 38

Technical Analyst

General Permits & Support Team

DATE:

July 23, 2025

SUBJECT:

Infrastructure Preliminary Application for the New Haven PSD (2025W-2681):

Hawver Road Connector in Fayette County, WV.

We have reviewed the above referenced project application information. The New Haven PSD, purchases its water from WV American Water. No NPDES permit modifications are necessary.

If the New Haven 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 New Haven 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 New Haven 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: Katheryn Emery