



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 J. Vance
Water Technical Review Committee

DATE: September 27, 2022

RE: Putnam County Commission
IJDC Preliminary Application Number: **2022W-2198**
Deerfield Estates Water Main Extension
Putnam 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:

Comment:

This preliminary application appears technically feasible.

This Preliminary Application proposes to extend water service to the Deerfield Estates subdivision in Putnam County in order to provide public water service to 15 customers.

The requested funding package includes an IJDC Critical Needs Grant: **\$1,721,985** and WVAW: **\$78,015**.

The total project cost is **\$1,800,000**.

Concerns include:

- The price per customer is extremely high at \$120,000.

pc: To be distributed at the Funding Committee Meeting

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MEMORANDUM

TO: Meredith J. Vance, Director
Environmental Engineering Division

FROM: Christopher Thomas, EIT
Infrastructure & Capacity Development

DATE: September 27, 2022

SUBJECT: Putnam County Commission
IJDC Application- **2022W-2198**
Deerfield Estates Water Main Extension
Putnam County

Recommendation:

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

Project Scope:

This Preliminary Application proposes to extend water service to the Deerfield Estates subdivision in Putnam County in order to provide public water service to 15 customers. The project consists of approximately 7,400 feet of 6" water main and a new booster pump station to serve 15 households. WVAW will not need to upgrade existing facilities as adequate hydraulic and treatment capacities exist at the Kanawha Valley Water Treatment Plant.

The cost per customer is **\$120,000** for the project. The total project cost is **\$1,800,000** (IJDC Critical Needs Grant: **\$1,721,985**; WVAW: **\$78,015**).

Need for the Project:

Families in the proposed service area currently rely on cisterns, or hauling water from a public source. There are a few homes that have a booster pump and long service line connected to the existing WVAW main in Hurricane Creek Road, however, these are difficult to keep in operation and maintain, and do not provide adequate service to meet the homeowners needs. There are no other potable water sources in the immediate area available to serve the project area.

Concerns:

- The price per customer is extremely high at \$120,000.

Permits:

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

Engineering: 9.86% for design, 14.1% for total.

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

A fee waiver **will not be** required for this project.

Asset Management Plan and Annual Maintenance Audit:

The system indicates in the application that they do not have an asset management plan.

Capacity Development:

The question about having had a capacity development assessment (CDA) within the last 5 years was marked as “yes.” The last assessment of the system was June 2009.

Additional information that may be helpful to the IJDC in their decisions regarding approval of this project relates to the system’s overall compliance. The system has a score of zero on the July 2022 quarter of the EPA’s Compliance Tracking Tool (ETT.)

Based upon information from the Municipal Bond Commission, as of July 2022, the PSD is current on their water reserve funding requirements.

IJDC Ranking:

- Public Health Benefit: 5
- Compliance: 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



September 6, 2022

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. 2022W-2198
Putnam County Commission/Putnam County Building Commission
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, P.E.
Engineering Division

JMF:vb

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: September 6, 2022

PROJECT SPONSOR: PUTNAM COUNTY COMMISSION/PUTNAM
COUNTY BUILDING COMMISSION

PROJECT SUMMARY: To provide water service to the 15 households in the
Deerfield Estates subdivision who do not have access.

PROPOSED FUNDING: IJDC Critical Needs Grant	\$1,541,985
Putnam County Commission	180,000
WVAW Contribution	<u>78,015</u>
Total	\$1,800,000

CURRENT/ PROPOSED RATES	\$79.09	3,400 gallons (includes \$12.00 surcharge)
	\$88.78	4,000 gallons (includes \$12.00 surcharge)

Application No. 2022W-2198

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

FINANCIAL: David L. Acord, II

1. Current rates (\$79.09 for 3,400 gallons) are above the rates attributable to 1.25% (\$66.62) of the Median Household Income (MHI), but below 1.5% (\$79.94), 1.75% (\$93.27), and 2% (\$106.59) of the Median Household Income.
2. For purposes of this review, Staff is assuming 100% grant funding. Therefore, no cash flow is provided.
3. Notes to Comments:
 - A. The Applicant is requesting a waiver of the Rule 42 Exhibit requirement since total project costs are proposed to be funded via 100% grant funding.

- B. The project sponsor filed a request to amend its application to reflect additional funds committed by the Putnam County Commission (PCC). The letter noted the PCC has approved match funding of 10% or up to \$180,000 in support of the project. PSC staff reduced the original IJDC Critical Needs request, for the PCC commitment, in its analysis.
- C. The Putnam County Building Commission (PCBC) contracts with West Virginia-American Water Company (WVAWC) for the operation of the water distribution facilities and customer services; the PCBC does not operate any water facilities. The PCBC's rates are based on the rates for WVAWC (plus an additional \$12.00 surcharge) and will be adjusted for the rate increase provided in Case No. 21-0369-W-42T. The PSC approved a rate of \$67.09 (3,400 gallons) but a petition for reconsideration has been filed and the aforementioned case is still active.
- D. The preliminary engineering report for this application also noted the \$12.00 surcharge will be charged to the project customers.
- E. WVAWC's current contribution per customer, under the Commission's main extension rule, is approximately \$5,201 per customer. This assumes there are no further costs incurred on the extension. In this application, the Applicant proposes that WVAWC contribute \$78,015 ($\$5,201 \times 15$ new/projected customers) toward the project. It should be noted that WVAWC filed Case No. 22-0466-WS-PC, with the Commission, for approval of its main extension multiplier. If approved, WVAWC calculates its contribution per customer for water extensions would increase to \$6,153. An agreement with WVAWC detailing the amount and terms of their contribution should be filed with the Commission along with any CN filing made in this matter.
- F. It should be noted that the tariff on file with the PSC, for the PCBC, hasn't been updated to reflect the increase in rates associated with Case No. 21-0369-W-42T.

ENGINEERING: Jim Spurlock

1. This project might not require a Certificate of Convenience and Necessity from the PSC. The utility should consult with Commission Staff pursuant to General Order 246 for such determination. If a Certificate is required, the utility 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). Staff notes that an affirmative determination of need for the project must be established in a Certificate filing at the PSC.

2. Scope: The Putnam County Commission, Public County Building Commission and West Virginia American Water Company (WVAW) are proposing to extend water to 15 customers in Deerfield Estates subdivision. Construction will include 7,400 feet of 6-inch water main and one booster station.

Customer Density: 10.7 customers/mile

Cost per Customer: \$120,000

(taken from the total project cost estimate of \$1,800,000 spread over 15 new customers).

3. Project Feasibility: The project is technically feasible. The cost per customer is quite high. The proposed customers currently rely on cisterns which do not meet water quality standards, hauling water, or costly and inadequate long service lines with booster pumps. The residents have actively sought water service for years. All 15 signed user agreements have been obtained.
4. Project Alternatives: There are no other viable alternatives besides the proposed project.
5. Consolidation: No consolidation opportunities are presented by the project.
6. Inconsistencies: None were noted.
7. Operation and Maintenance (O & M) Expenses: WVAW will be responsible for operation and maintenance of the extension as part of a public/private partnership under which an O & M agreement will be executed.

8. 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 \$215,000 which is equal to 14.14% of the construction cost of \$1,521,000 (including contingency).

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



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304-2345
Telephone: 304-926-0495
Fax: 304-926-0496

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

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: John M. Perkins *JMP*
Supervisor
General Permits & Support Team

DATE: August 17, 2022

SUBJECT: Infrastructure Preliminary Application for the Putnam County Commission
(2022W-2198): Deerfield Estates CN in Putnam County, WV.

We have reviewed the above referenced project application information. The Putnam County Commission purchases water from the WV American Water. No NPDES permit modifications are necessary.

If the Putnam County Commission 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 Putnam County Commission 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 sandblasting. If it is determined that the paint is not hazardous, the Putnam County Commission 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



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: Christopher Thomas, EIT
Infrastructure and Capacity Development

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

Date: September 14, 2022

Subject: Putnam County Commission – Deerfield Estates Extension CN
IJDC Preliminary Application: 2022W-2198

This application would most likely not be eligible for AML funds because there are no known AML sites in this project area.

OEHS District Review for Infrastructure Council Water Projects

Water System:	Putnam Co Commission (WVAW-KV)	IJDC Number:	2022W-2198
Project Description:	Deerfield Estates CN	Review by:	J.D. Douglas
County:	Putnam	Date:	8/18/2022

<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		Project is an extension to a small number of homes.
4.	Does the project eliminate deficiencies noted in the sanitary survey?		X		Project is an extension to a small number of homes.
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		No other alternatives presented other than do nothing.
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)?				
12.	For new projects or projects with revised scope provide DWTRF Priority Ranking Compliance Score (Indicate score in the comments section with explanation)?				
13.					
14.					



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Commissioner & State Health Officer

MEMORANDUM

TO: Meredith Vance, Division Director
Environmental Engineering Division

FROM: Valerie Plance, Manager
Capacity Development Program

DATE: August 25, 2022

RE: Putnam County Commission (PWSID# 3304011)
IJDC Application No.: 2022W-2198
Putnam County

The preliminary infrastructure application indicates that they are not seeking DWTRF monies. The system indicates in the application that they do not have an asset management plan.

The question about having had a capacity development assessment (CDA) within the last 5 years was marked as "yes." The last assessment of the system was June 2009.

Additional information that may be helpful to the IJDC in their decisions regarding approval of this project relates to the system's overall compliance. The system has a score of zero on the July 2022 quarter of the EPA's Compliance Tracking Tool (ETT.)

Based upon information from the Municipal Bond Commission, as of July 2022, the PSD is current on their water reserve funding requirements.

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

VAP