



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: March 18, 2025

Subject: Sugar Creek PSD
IJDC Application - 2025W-2652
Sugar Camp Water Line Extension Project

-
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 water 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:

This project will extend potable water service to 18 (12 signed user agreements) potential customers in the Sugar Camp area. These potential customers currently rely on wells and a decrease in well water quality has occurred, rendering them unusable. The current wells have issues with iron levels which causes discoloration, staining of clothes/fixtures within the home, and inconsistencies in water availability.

The total cost for this project is \$1,800,000 and the PSD intends to pursue a WVIJDC critical need grant for the total amount.

Prior to closing, the PSD needs to demonstrate compliance with how the Lead and Copper Rule requirements will be met and how the applicant will ensure compliance with the regulatory agencies. The applicant should be advised to notify the potential customers regarding the possibility that switching to a new water source could result in elevated levels of lead originating in their existing plumbing.

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: 5
Compliance with Standards: 0



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MEMORANDUM

TO: Katheryn Emery, P.E., Engineer Chief, DWWM

FROM: Spencer Fultineer, DWWM

DATE: March 12, 2025

SUBJECT: Sugar Creek PSD
IJDC Application - 2025W-2652
Sugar Camp Water Line Extension Project

RECOMMENDATION

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

PROJECT DESCRIPTION

Sugar Creek PSD (PSD) operates a water treatment plant (WTP) and water distribution system under (PWSID # 3300404) in Braxton County, West Virginia. The PSD provides drinking water to 608 customers, including 579 residential, 22 commercial, and 7 public authority customers in Sugar Creek and the surrounding areas. The PSD uses the Elk River as its raw water source.

This project proposes to extend water service to 18 customers in the Sugar Camp area and enable them to receive public water to replace their current water source. The proposed extension is to install a combination of 4-inch and 2-inch water line and install a new booster station to serve the new and existing customers in the project area.

The proposed total cost for this project is \$1,800,000 and the PSD intends to pursue a \$1,800,000 WVIJDC Critical Needs Grant. The proposed monthly rate for 3,400 gallons is \$54.78 (1.495% MHI).

NEED FOR PROJECT

The customers that would be included in this water line extension are currently being served by private water wells. Of these 18 customers, 12 of them have already signed user agreements to connect to the water line extension when it is constructed. Out of these 18 customers, 11 of them submitted answers to surveys along with descriptions of their current issues with the water that is accessible. These problems focus on iron levels, discoloration, staining of clothes/fixtures within the home, and inconsistencies in water availability.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Design, and Total Engineering Fees appear to be within the ASCE Curves.

Preliminary Project Ratings:

Public Health Benefits: 5
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



March 13, 2025

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-2652
Sugar Creek PSD – Water System Extension
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: March 13, 2025

PROJECT SPONSOR: **SUGAR CREEK PUBLIC SERVICE DISTRICT -
WATER**

PROJECT SUMMARY: The Sugar Creek PSD proposes to extend water service to 18 households along Sugar Camp Road in the Sugar Creek area of Braxton County. This area is currently served by private wells. The proposed customers have petitioned for public water from the PSD.

PROPOSED FUNDING: IJDC Critical Needs Grant \$1,800,000
Total \$1,800,000

**CURRENT/
PROPOSED RATES:** \$54.78 3,400 gallons
\$64.19 4,000 gallons

Application No. 2025W-2652

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

FINANCIAL: William Nelson

1. Current rates (\$54.78 for 3,400 gallons) are above the rates attributable to 1.25% (\$45.64), and 1.5% (\$54.77) of the Median Household Income (MHI), but below the rates attributable to 1.75% (\$63.90), and 2% (\$73.03) of the 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 waiver of the Draft Rule 42 Exhibit requirement. We have no objection to this request.

B. 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.

ENGINEERING: Jim Spurlock

1. This project might not require a Certificate of Convenience and Necessity from the PSC. The project sponsor should consult with Staff pursuant to the requirements of 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: This is a "critical needs" application, in which Sugar Creek Public Service District proposes to construct 5,760 feet of 4-inch water line, 3,500 feet of 2-inch water line, and upgrade a booster station in or to extend water service to 18 new customers along Sugar Camp Road in Braxton County.

Customer Density: 10.3 customers/mile

Cost per Customer: \$100,000; this is marginal. (Taken from the total project cost estimate of \$1,800,000 spread over 18 new customers).

3. Project Feasibility: The project is technically feasible. The cost per customer is high. The project will provide public water service to customers who currently rely on private wells. The PER contains 12 signed user agreements, as well as 11 survey responses which describe problems with quality and quantity of water from the wells. The PER further

states that the project will allow for future development of lots in the area.

4. Project Alternatives: No alternatives were presented, as the existing line to be extended is the only available water source for the area.
5. Consolidation: No consolidation opportunities are presented by the project.
6. Inconsistencies: None were noted.
7. Operation and Maintenance (O & M) Expenses: An increase in the amount of \$1,900 per year is projected. Supporting calculations were provided. The estimate does not include an amount for water treatment.
8. Engineering Agreement: The application includes information to determine apparent compliance with West Virginia Code §§5G-1-1, et seq. Total technical services (engineering) costs for the project are \$303,000 which is equal to 22.56% of the construction cost of \$1,343,000 (including contingency).
9. Comments
 - The applicant should be advised to notify the potential customers regarding the possibility that switching to a water new source could result in elevated levels of lead originating with their existing plumbing. This notice should occur before the project is placed into service and should be made only after consultation with the Bureau for Public Health.



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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: February 19, 2025

SUBJECT: Infrastructure Preliminary Application for the Sugar Creek PSD: Sugar Camp
Waterline Ext. in Braxton County, WV. (2025W-2652)

We have reviewed the above referenced project application information. The Sugar Creek PSD, discharges its backwash to its site, which is covered under WV/NPDES Site Registration No. WVG640082, and expires July 18, 2028.

If the Sugar Creek 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 Sugar Creek 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 Sugar Creek 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