

West Virginia Rural Water Association

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INFRASTRUCTURE COUNCIL REPORT NEWSLETTER A PUBLICATION OF WVRWA, 100 Young Street, Scott Depot, WV 25560-7839

Infrastructure Council Conducts Regular March 2021 Meeting

The West Virginia Infrastructure and Jobs Development Council (IJDC) convened in regular session on March 3, 2021 at the Water Development Authority in Charleston.

At that meeting, seven projects were Recommended to Pursue Infrastructure Fund Assistance. No projects were Recommended to Pursue Funding Sources Other Than Infrastructure Fund Assistance. Eight projects Requested an Infrastructure Fund Binding Commitment. Three projects were Recommended for Infrastructure Fund

Economic Development Assistance. Four projects Required Additional Information. Four sewer and no water applications were received.

Projects Recommended to Pursue Infrastructure Fund Assistance

Town of Albright, 2019S-1786. The proposed project includes rehabilitation in the areas of State Rt. 26, Methany Avenue, Main Street, Wall Street, Bishop Avenue, St. Joe Road, Central Avenue, McCrumb Street, 1st Street, Park Avenue, 2nd Street, and the beginning of the Crane School Road by cleaning the existing collection lines, repairing and replacing manholes, replacing customer service laterals, replacing lateral wyes, and cutting and capping any open service connections or clean outs not being used that are currently collecting storm and ground water. The project also proposes the upgrade of all 3 existing submersible grinder pump stations as well as the existing WWTP. The existing rate per 3,400 gallons is \$42.34 and the proposed rate is \$47.40. The 1.5 percent MHI is stated at \$35.55. The engineer is Steve Buchanan. The sources and

amounts proposed in the preliminary application consisted of a CWSRF Loan (.5%, 38 years) of \$200,000, a CWSRF Principal Forgiveness of \$997,500, and an IJDC District 1 Grant of \$997,500 with a total cost of \$2,195,000. The Town of Albright is requesting an engineering fee variance for total engineering fees. **Motion passed.**

City of Fairmont, 2020W-1932. The proposed project is a Critical Needs Application and is to provide water to five new customers who currently receive their water from under-performing wells. The proposed rate per 3,400 gallons is \$30.16. The 1.5 percent MHI is stated at \$45.11. The engineer is Bradley Pigott. The proposed funding as an IJDC Critical Needs & Crisis Situation District 1 Grant of \$98,907. Total project cost is \$98,907. **Motion passed.**

City of Grafton, 2021S-1934. The proposed project will consist of the separation of existing combined sewer infrastructure with a separated sanitary sewer system and upgraded storm sewer system, reducing CSO discharges as defined in the City's permit requirements. The project proposes a sewer system separation project

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This newsletter is published for informational purposes only. Await notification from the IJDC before proceeding with your projects.

consisting of the replacement/upgrade of approximately 17,500 LF of 8" and 12" sanitary sewer lines, approximately 9,000 LF of 12" storm sewer, 117 EA Sanitary Manholes, 66 EA Storm Drain Connections, 1 EA Valve Repair, and other necessary appurtenances. Separating the sanitary and storm sewer collection system will minimize the amount of I&I in those areas selected for construction, which will reduce wet weather flow to the plant significantly. The proposed rate per 3,400 gallons is \$43.93. The 1.5 percent MHI is stated at \$43.56. The engineer is Daniel Ferrell. The proposed funding is a USDA Grant of \$1,000,000, a USDA Loan (1.25%, 40 years) of \$5,000,000, and an IJDC District 1 Grant of \$500,000. Total project cost is \$6,500,000. **Motion passed.**

Preston County Public Service District, 2015S-1614. The proposed project consists of upgrades to the existing collection system and construction of a new wastewater treatment plant. Upgrades to the existing system will consist of upgrading existing sewer lines, decommissioning the Brandonville Pump Station and the Dosing Siphon Station and replacing them with new lift stations and multiple customer service lateral river crossings will be replaced with one single forcemain river crossing. A new SBR plant will be constructed on the site of the existing Bruceton Mills WWTP. New headworks, new basins and equipment, new chlorination basin and equipment, chemical addition for metals removal, and a plant office with storage will be constructed. The existing rate per 3,400 gallons is \$26.21 and the proposed rate is \$52.94. The 1.5 percent MHI is stated at \$80.73. The engineer is Daniel Ferrell. The sources and amounts proposed in the preliminary application consisted of a CWSRF Loan (2%, 20 years—committed September 4, 2019) of \$4,100,000 with a total cost of \$4,100,000. The proposed funding is a CWSRF Debt Forgiveness Loan of \$1,000,000, a CWSRF

Loan (.25%, .25% admin fee, 40 years) of \$3,696,000, an IJDC District 1 Grant of \$1,000,000, an IJDC Soft Cost Grant of \$65,000, and an IJDC District 1 Bid Over-run Grant of \$100,000. Total project cost is \$5,861,000. **Motion passed.**

Birch River Public Service District, 2018W-1770. The proposed project is the Wilson Ridge Water Extension Phase 2, which extends water further along Wilson Ridge Road (Clay County Route 48) to provide domestic water service to a potential 28 new customers. The project includes approximately 4.4 miles of four-inch and smaller diameter waterlines. Due to concerns about turnover, the lines are not sized to provide fire protection. The existing rate per 3,400 gallons is \$54.33 and the proposed rate is \$54.33. The 1.5 percent MHI is stated at \$39.16. The engineer is Ray Tilley. The sources and amounts proposed in the preliminary application consisted of an IJDC District 2 Grant of \$500,000 and an ARC Grant of \$445,000 with a total cost of \$945,000. The proposed funding is an IJDC Critical Needs Grant of \$800,000. Total project cost is \$800,000. **Motion passed.**

Kanawha Public Service District, 2016S-1625. The proposed project is to provide sanitary sewer service from the Marmet WWTP to the 220 residences and businesses along Route 94 to the Boone County line. The existing rate per 3,400 gallons is \$39.75 and the proposed rate is \$39.77. The 1.5 percent MHI is stated at \$53.34. The engineer is Terry Martin. The sources and amounts proposed in the preliminary application consisted of an ARC Grant of \$1,500,000, a RUS Grant of \$1,000,000, an IJDC District 2 Grant of \$1,000,000, an IJDC District 2 Loan (.5%, 40 years) of \$800,000, and a RUS Loan (2.25%, 40 years) of \$800,000 with a total cost of \$5,100,000. The proposed funding is a US ACE Grant of \$2,075,000, a USDA Grant of \$1,975,000, a

USDA Loan (2.375%, 40 years) of \$250,000, an IJDC Soft Cost Grant of \$125,000, an IJDC District 2 Grant of \$875,000, and an IJDC District 2 Loan (1%, 40 years) of \$2,575,000. Total project cost is \$7,875,000. **Motion passed.**

Boone County Public Service District, 2020S-1929. The proposed project is the Boone Memorial Hospital Sewer line extension to the new satellite location in Danville (former Magic Mart) and other businesses. This is critical before the opening of the facility this summer (2021). The proposed rate per 3,400 gallons is \$43.32. The 1.5 percent MHI is stated at \$33.59. The engineer is Terence "Terry" Moran. The proposed funding is an IJDC Critical Needs & Crisis Situation District 3 Grant of \$720,000. Total project cost is \$720,000. **Motion passed.**

Projects Requesting an Infrastructure Fund Binding Commitment

Canaan Valley Public Service District, 2020W-1928. In an effort to enhance the public water supply in the Canaan Valley area of Tucker County, the Canaan Valley Public Service District proposes to complete a source water analysis to better serve Timberline and surrounding areas. This water analysis will consist of the evaluation of

IJDC Technical & Funding Committee Meeting

Tuesday, 10:00 a.m.
March 23, 2021

IJDC Council Meeting

Wednesday, 9:30 a.m.
April 7, 2021

Water Development Authority
1009 Bullitt Street
Charleston, WV

existing wells, a hydrogeologic study for the potential of additional well locations, a surface water testing and withdrawal assessment, and the completion of a preliminary engineering report. Based on the findings from the water analy-

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sis, the PER will be used to submit funding applications for implementation. The 1.5 percent MHI is stated at \$50.67. The engineer is Daniel Ferrell. Canaan Valley Public Service District is requesting a Pre-application Funding Assistance (PFA) District 1 binding commitment of \$40,000 for its Source Water Study contingent upon the ARC Grant of \$25,000 (\$15,000 Tucker County Commission commitment has been obtained). *Motion passed.*

City of Pennsboro, 2018W-1766. The proposed project includes water distribution system improvements. The existing rate per 3,400 gallons is \$48.57 and the proposed rate is \$60.72. The 1.5 percent MHI is stated at \$36.30. The engineer is Daniel Ferrell. The sources and amounts proposed in the preliminary application consisted of an IJDC District 1 Grant (committed April 1, 2020) of \$1,000,000 and an IJDC District 1 Loan (1%, 40 years—committed April 1, 2020) of \$2,800,000 with a total cost of \$3,800,000. The City of Pennsboro is requesting a six (6) month binding commitment extension from April 1 until October 1, 2021. *Motion passed.*

Preston County Public Service District, 2015S-1614. The proposed project consists of upgrades to the existing collection system and construction of a new

wastewater treatment plant. Upgrades to the existing system will consist of upgrading existing sewer lines, decommissioning the Brandonville Pump Station and the Dosing Siphon Station and replacing them with new lift stations and multiple customer service lateral river crossings will be replaced with one single forcemain river crossing. A new SBR plant will be constructed on the site of the existing Bruceton Mills WWTP. New headworks, new basins and equipment, new chlorination basin and equipment, chemical addition for metals removal, and a plant office with storage will be constructed. The existing rate per 3,400 gallons is \$26.21 and the proposed rate is \$52.94. The 1.5 percent MHI is stated at \$80.73. The engineer is Daniel Ferrell. The sources and amounts proposed in the preliminary application consisted of a CWSRF Loan (2%, 20 years—committed September 4, 2019) of \$4,100,000 with a total cost of \$4,100,000. Preston County Public Service District is requesting a \$100,000 IJDC District 1 Bid Overrun Grant binding commitment. *Motion passed.*

Town of Buffalo, 2020S-1901. The proposed project is to provide sanitary sewer service that is a critical needs project in Buffalo, Putnam County. The existing rate per 3,400 gallons is \$32.78 and the proposed rate is \$32.78. The 1.5 percent MHI is stated at \$46.39. The engineer is Kennon T. Chambers. The sources and amounts proposed in the preliminary application consisted of an Other Grant of \$332,788 with a total cost of \$332,788. The sources and amounts pending approval consist of an IJDC Critical Needs Grant of \$332,788 with a total cost of \$332,788. The Town of Buffalo is requesting a binding commitment for the IJDC Critical Needs Grant of \$332,788. *Motion passed.*

Central Hampshire Public Service District, 2019W-1792. The proposed project includes existing waterline and accoutrements replacements, new telemetry in the

Augusta/Route 50 system, new office software, and new radio read and system leak detection meters. The existing rate per 3,400 gallons is \$53.72 and the proposed rate is \$58.82. The 1.5 percent MHI is stated at \$34.99. The engineer is Dominick Cerrone. The sources and amounts proposed in the preliminary application consisted of a DWTRF Loan (.75%, 30 years—committed January 30, 2020) of \$1,050,000, a DWTRF Principal Forgiveness (committed January 30, 2020) of \$750,000, and an IJDC District 2 Grant (March 4, 2020) of \$983,000 with a total cost of \$2,783,000. Central Hampshire Public Service District is requesting a six (6) month binding commitment extension from March 4 until September 6, 2021. *Motion passed.*

Town of Reedy, 2014S-1507. The proposed project consists of improvements to the Town of Reedy's wastewater collection system and treatment plant. The existing rate per 4,000 gallons is \$29.92 and the proposed rate is \$29.92. The 1.5 percent MHI is stated at \$21.25. The engineer is Jessie Parker. The sources and amounts proposed in the preliminary application consisted of an ARC Grant of \$505,000 and an IJDC District 2 Grant of \$127,000 with a total cost of \$632,000. The Town of Reedy is requesting a \$202,000 IJDC District 2 Grant binding commitment. *Motion passed.*

Kanawha Public Service District, 2016S-1625. The proposed project is to provide sanitary sewer service from the Marmet WWTP to the 220 residences and businesses along Route 94 to the Boone County line. The proposed rate per 3,400 gallons is \$39.77. The 1.5 percent MHI is stated at \$53.34. The engineer is Terry Martin. The sources and amounts proposed in the preliminary application consisted of an ARC Grant of \$1,500,000, a RUS Grant of \$1,000,000, an IJDC District 2 Grant of \$1,000,000, an IJDC District 2 Loan (.5%, 40 years) of \$800,000, and a RUS Loan

(2.25%, 40 years) of \$800,000 with a total cost of \$5,100,000. Kanawha County Public Service District is requesting binding commitments for an IJDC Soft Cost Grant of \$125,000, an IJDC District 2 Grant of \$875,000, and an IJDC District 2 Loan (1%, 40 years) of \$2,575,000. **Motion passed.**

Malden Public Service District, 2012S-1365. The proposed project is a major WWTP rebuild/upgrade. The existing rate per 4,000 gallons is \$30.80 and the proposed rate is \$40.04. The 1.5 percent MHI is stated at \$42.03. The engineer is Daniel Ferrell. The sources and amounts proposed in the preliminary application consisted of a CWSRF Loan (0%, 40 years) of \$18,620,000 with a total cost of \$18,620,000. Malden Public Service District is requesting a \$274,327.90 ancillary fund request for spare equipment and a crane truck. **Motion passed.**

Projects Recommended for Infrastructure Fund Economic Development Assistance

Monongalia County Economic Development Authority, 2021E-194. The Monongalia County Economic Development Authority is requesting a loan not to exceed \$1,500,000 to be used for equipment that includes but is not limited to building construction and/or renovation, reactors, scrubbers, agitators, heat exchangers, vessels, weigh scales, pumps, storage tanks materials, and labor necessary to install additional production lines on behalf of the SI Group in Westover. The following terms and conditions apply: 1) a loan of up to \$1,500,000; 2) interest rate will be 1%; 3) the term of loan is to be 10 years from the day of closing; 4) loan proceeds may be used for a new building, building renovations, materials and equipment associated with two new production lines being con-

structed at the facility; 5) IJDC will have a first or shared first lien on project assets constructed or improved with the loan proceeds; 6) an acceptable lease between SI Chemicals and the Monongalia County Economic Development Authority; and 7) the project will create approximately 18 jobs and retain another 122 jobs. **Motion passed.**

Monongalia County Economic Development Authority, 2021E-195. The Monongalia County Economic Development Authority is requesting a loan not to exceed \$5,000,000 to be used to offset a portion of the acquisition and preparation of a site in the Morgantown Industrial Park on behalf of the Mountaintop Beverage Company, LLC. The following terms and conditions apply: 1) a loan of up to \$5,000,000; 2) the funds are to be used to offset the acquisition and preparation of a site in the Morgantown Industrial Park in Westover; 3) interest rate will be 0% for three years after the facility goes into production; 4) the loan will be forgiven should Mountaintop Beverage create 105 jobs within the 3-year performance period; 5) if Mountaintop Beverage fails to meet the 105 jobs number, Mountaintop Beverage will be required to pay back the loan on pro-rate basis of \$71,429 for every job below 105 that is not created on a 7-year term with an interest of no less than the Wall Street Journal Prime Rate. **Motion passed.**

Wood County Economic Development Authority, 2021E-196. The Wood County Economic Development Authority on behalf on Wincore is requesting a loan not to exceed \$200,000 to be used to finance the acquisition of equipment for the company's facility in Mineral Wells, Wood County. A binding commitment is being requested with the following terms and conditions: 1) a loan of up to \$200,000; 2) interest rate will be zero percent; 3) the term of the loan is to be three years from the day of closing; 4) all principal will

be deferred until the end of the performance period; 5) if Wincore meets or exceeds directly employing 70 full-time equivalent employees at the facility over the next 3 years, the lending authority will forgive the \$200,000 performance-based loan in its entirety; 6) should the loan not be forgiven pursuant to the terms of item #5 above by the third anniversary, the company shall be responsible for payment on the loan, that will convert to a 5-year note with principal of \$2,860 multiplied by jobs short of above stated threshold with an interest rate of the Wall Street Journal Prime Rate on the day of closing (\$200,000 divided by 70 employees); 7) IJDC will have a sole first lien position on the equipment purchased by the Wood County Economic Development Authority, and the Wood County Economic Development Authority will collaterally assign to IJDC its interests in the equipment lease between Wood County Economic Development Authority and Wincore; 8) the loan documents should reflect that this is a special limited obligation to the Wood County Economic Development Authority subject to the provisions of an executed performance agreement between the Wood County Economic Development Authority and Wincore. **Motion passed.**

Business Items

Wayne Morgan presented the Council with the Resolution Establishing Policies with Respect to the Critical Needs and Failing Systems Sub Account. Whereas, on July 1, 2020, the Council authorized the Authority to transfer funds in the Sub Account; whereas, on August 5, 2020, the Council adopted policies for the use of funds in the Sub Account; whereas, after reviewing the application for Critical Needs Projects the Council determined that more guidance is requested to adequately address Crit-

ical Needs; and whereas, the Council hereby determines that revised policies and procedures must be adopted to provide further guidance for the use of funds in the Sub Account. Now, therefore, be it resolved by the West Virginia Infrastructure and Jobs Development Council as follows: 1) the Council hereby adopts the “Additional Policies Governing the Critical Needs and Failing Systems Sub Account;” 2) the Council hereby instructs the Executive Secretary to add the “Additional Policies Governing the Critical Needs and Failing Systems Sub Account” to the current policies on the Council’s website under Project Center—Operational Policies and Guidelines; 3) this Resolution shall be effective immediately upon adoption. *Motion passed.*

Projects Requiring Additional Information

Denver Water Association,
2020W-1888

Bradley Public Service District,
2020S-1884

McDowell County Public Service District, 2019W-1838

Town of Pax, 2021S-1933

Applications Received

The following sewer applications were received:

Brooke County Public Service District, 2021S-1945

Greater Harrison County Public Service District, 2021S-1943

Belle Sanitary Board, 2021S-1937

Town of Ceredo, 2021S-1946

No water applications were received.

Other Reports

Alan Harris with USDA made note about a comment from Kathy Emery about the CWSRF requiring engineer-estimate updates. He’s going to pass along the information and they’ll give it some consideration. He mentioned that they’re running into the same problem with bid overruns

Kathy Emery reported that she received an email from EPA Region 3 notifying that the Clean Water SRF anticipated allotment amount for FY21 is \$24,769,000 and they will be coming to the Council for a \$4,953,800 match.

Marie Prezioso announced that they have received several inquiries about interest rates on loans, as rates are a lot lower now. They will prepare some information and come to the next Funding Committee Meeting, so they can see if it makes sense to drop the interest rate and then bring it back to the Council by April.

Public Comment

There was no public comment.



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RURAL WATER
ASSOCIATION**

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