

West Virginia Rural Water Association

Vol. 26
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February 14,
2020

INFRASTRUCTURE COUNCIL REPORT NEWSLETTER

A PUBLICATION OF WVRWA, 100 Young Street,
Scott Depot, WV 25560-7839

Infrastructure Council Conducts Regular February 2020 Meeting

The West Virginia Infrastructure and Jobs Development Council (IJDC) convened in regular session on February 5, 2020 at the Water Development Authority in Charleston.

At that meeting, three projects were Recommended to Pursue Infrastructure Fund Assistance. Two projects were Recommended to Pursue Funding Sources Other Than Infrastructure Fund Assistance. Six projects Requested an Infrastructure Fund Binding Commitment. One project was Recommended for Infrastructure Fund Economic Development Assis-

stance. Six projects Required Additional Information. Two sewer and four water applications were received.

Projects Recommended to Pursue Infrastructure Fund Assistance

City of Benwood, 2019S-1825. The City of Benwood proposes to continue sewer separation in the South Benwood area by installing new sanitary sewers and converting the existing combined sewers into a storm drainage system. The project will serve 55 residential customers and remove a minimum of two combined sewer overflows (CSOs) from the collection system. The existing rate per 3,400 gallons is \$37.40 and the proposed rate is \$50.49. The 1.5 percent MHI is stated at \$36.60. The engineer is Michael Davis with Burgess & Niple. The sources and amounts proposed in the preliminary application consisted of a CWSRF Loan (1%, 30 years—committed August 7, 2019) of \$770,805 and a CWSRF Principal Forgiveness of \$770,805 with a total cost of \$1,541,610. The sources and amounts approved by the Council consisted of a CWSRF Principal Forgiveness of \$770,805, a CWSRF Loan of

\$770,805, and an IJDC District 1 Grant of \$357,500 with a total cost of \$1,899,110. The proposed funding is a CWSRF Loan (.25%, .25% admin fee, 40 years) of \$1,000,000, a CWSRF Principal Forgiveness Loan of \$1,000,000, and an IJDC District 1 Grant of \$357,500. Total project cost is \$2,357,500. An engineering fee variance for total fees will be required. *Motion passed.*

Greater Harrison County Public Service District, 2014S-1510. The proposed project is the Enterprise area addition of customers and collection system. The existing rate per 4,000 gallons is \$53.88 and the proposed rate is \$70.26. The 1.5 percent MHI is stated at \$36.98. The engineer is Daniel Ferrell with Thrasher Engineering. The sources and amounts proposed in the preliminary application consisted of an IJDC District 1 Grant of \$1,000,000 and an IJDC District 1 Loan (1%, 38 years) of \$7,694,000 with a total cost of \$8,694,000. The sources and amounts approved by the Council consisted of a CWSRF Loan of \$7,694,000, a CWSRF Debt Forgiveness of \$1,000,000, and an IJDC Soft Cost Grant of \$125,000 with a total cost of \$8,819,000. The proposed funding

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Await notification from the IJDC before proceeding with your projects.

is a CWSRF Principal Forgiveness Loan of \$1,000,000, an IJDC District 1 Grant of \$1,000,000, and a CWSRF Loan (.25%, .25% admin fee, 40 years) of \$7,424,500. Total project cost is \$9,424,500. **Motion passed.**

Lashmeet Public Service District, 2018W-1728. The proposed project is the extension of public water to the Mary Branch area of

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Mercer County, West Virginia. The existing rate per 3,400 gallons is \$49.24 and the proposed rate is \$51.14. The 1.5 percent MHI is stated at \$45.24. The engineer is Stacy A. Fowler with Stafford Consultants. The sources and amounts approved by the Council consisted of a SCBG of \$637,000, a DWTRF Loan (1%, 30 years) of \$907,865, an IJDC District 3 Grant of \$329,709, and a Local/City/Council of \$180,432 with a total cost of \$2,055,006. The proposed funding is a DWTRF Loan (1%, .25% admin fee, 30 years) of \$907,865, a DWTRF Principal Forgiveness Loan of \$466,703, a WV American Water Company Contribution of \$180,432, and an IJDC District 3 Grant of \$500,000. Total project cost is \$2,055,000 and a WDA Pre-construction loan of up to \$500,000. **Motion passed.**

City of Hinton, 2015S-1585. The City of Hinton will be addressing issues stated in their Sewer Long-Term CSO Plan. This involves upgrades and replacement of sections of sewer lines in the city limits. The existing rate per 3,400 gallons is \$30.60 and the

proposed rate is \$41.00. The 1.5 percent MHI is stated at \$23.44. The engineer is Robert D. Hazelwood with E.L. Robinson Engineering. The sources and amounts proposed in the preliminary application consisted of a SCBG of \$1,500,000 and a WDA Loan (5%, 40 years) of \$2,000,000 with a total cost of \$3,500,000. The sources and amounts approved by the Council consisted of a SCBG of \$550,000, a CWSRF Principal Forgiveness of \$1,000,000, and a CWSRF Loan of \$2,000,000 with a total cost of \$3,550,000. The proposed funding is an ARC Distressed Counties Grant of \$1,550,000, a CDBG Grant of \$1,500,000, and a CWSRF Loan (0%, .5% admin fee, 40 years) of \$500,000. Total project cost is \$3,550,000. **Motion passed.**

Projects Recommended to Pursue Funding Sources Other Than Infrastructure Fund Assistance

Nettie Leivasy Public Service District, 2019W-1856. Nettie Leivasy Public Service District proposes to undertake a water system rehabilitation project that includes the replacement of 10 pressure reducing stations, refurbishment of 1 pressure reducing station, installation of eight 4-inch and six 6-inch gate valves on existing lines, installation of 10 leak detection meter assemblies, purchase and delivery of 750 radio read water meters, installation of new aerial creek crossing (including valves, piping, and support structure), install new 350 gpm alternate raw water pump station (with telemetry), replace altitude valve at Canvas Tank, install control valve and vaults at Canvas Tank, install control valve and vaults at Leivasy tank. The project also includes the rehabilitation of one 125,000 gallon elevated storage tank and the demolition of one 125,000 elevated water storage tank and construction of a new 231,000 clearwell tank and a new 1,000 gpm backwash pumping station. The existing rate per 3,400

gallons is \$44.32 and the proposed rate is \$55.92. The 1.5 percent MHI is stated at \$48.96. The engineer is Fred L. Hypes with Dunn Engineers. The sources and amounts proposed in the preliminary application consisted of a USDA Loan (2.25%, 40 years) of \$2,753,000 and an IJDC District 3 Grant of \$100,000 with a total cost of \$2,853,000. The proposed funding is a USDA Loan (2.25%, 38 years) of \$2,753,000 and a USDA Grant of \$335,000. Total project cost is \$3,088,000. **Motion passed.**

Projects Requesting an Infrastructure Fund Binding Commitment

Preston County Public Service District #1, 2018W-1738. The proposed project is the Water Treatment Plant (WTP) Improvements and Source of Supply Project. The Preston County PSD #1 is working with USDA/NRCS to purchase an easement for its water supply in a reservoir project to protect and improve the source water of the Public Service District. The existing rate per 3,400 gallons is \$33.99 and the proposed rate is \$40.50. The 1.5 percent MHI is stated at \$43.68. The engineer is Richard Gaines with Greenhorne & O'Mara Consulting Engineers. The sources and

IJDC Technical & Funding Committee Meeting

Tuesday, 10:00 a.m.

February 25, 2020

**Water
 Development
 Authority**

amounts approved by the Council consisted of an IJDC District 1 Loan (3%, 28 years) of \$3,520,000 with a total cost of \$3,520,000. Preston County Public Service District #1 is requesting the beginning of payments on the IJDC District 1 Loan (3%, 28 years) of \$3,520,000 be delayed for 12-months due to the USDA/NRCS Dam project being delayed in its completion. *Motion passed.*

Town of Harman, 2020F-101. Due to the 2019 summer flash flooding, approximately 2,000 LF of sewer lines were washed out, leaving seven homes along Blizzards Gate Road without sewer service. The proposed funding is a FEMA Grant of \$527,493 and an IJDC District 2 Grant of \$201,830. Total project cost is \$729,323 and an IJDC District 2 Grant (refundable) of \$131,873. Subject to approval of the Resolution for FEMA Funding Assistance, the Town of Harman is requesting binding commitments for the IJDC District 2 Grant of \$201,830 and the IJDC District 2 Grant (refundable) of \$131,873. *Motion passed.*

Town of Harman, 2020F-102. Due to the 2019 summer flash-flooding and severe storms, there

were major damages sustained at the Town's sewer treatment plant. The proposed funding is a FEMA Grant of \$909,454 and an IJDC District 2 Grant of \$308,151. Total project cost is \$1,217,605 and an IJDC District 2 Grant (refundable) of \$227,364. Subject to approval of the Resolution for FEMA Funding Assistance, the Town of Harman is requesting binding commitments for the IJDC District 2 Grant of \$308,151 and the IJDC District 2 Grant (refundable) of \$227,364. *Motion passed.*

Town of Harman, 2020F-103. Due to the 2019 summer flash flooding, a portion of the Town's water distribution line along Bonner Mountain Road was washed out and has become exposed. The proposed funding is a FEMA Grant of \$82,050 and an IJDC District 2 Grant of \$27,350. Total project cost is \$109,400 and an IJDC District 2 Grant (refundable) of \$20,513. Subject to approval of the Resolution for FEMA Funding Assistance, the Town of Harman is requesting binding commitments for the IJDC District 2 Grant of \$27,350 and the IJDC District 2 Grant (refundable) of \$20,513. *Motion passed.*

Ravencliff McGraws Sauls-ville Public Service District, 2017W-1682. The proposed project is to provide reliable water service to the underserved community of New Richmond along WV Route 10, the Wyoming East High School, and the Wyoming Nursing and Rehab Center. This portion of the District's system was taken over in 1993 and is in poor condition with a hodgepodge of construction materials contributing to a water loss in excess of fifth-three percent. The project will correct the loss rate to reduce operation and maintenance cost and create a reliable water distribution system. Construction is to consist of the replacement of approximately 14,500 linear feet of 6" and approximately 4,400 linear feet of 2" water lines to serve the New Richmond community along Route 10, Wyoming East High School, and

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Wyoming Nursing and Rehabilitation Center. Additional improvements include: replacement of the New Richmond water tank, painting and repairs to the McGraws Tank, fencing for the Glen Fork, Cabin Creek, and Twin Falls pump stations, repair gauges for the McGraws, Sabine, and Saulsville water tanks, new filters at the water treatment plant, five fire hydrants at New Richmond, and other related appurtenances. The existing rate per 3,400 gallons is \$40.88 and the proposed rate is \$48.24. The 1.5 percent MHI is stated at \$45.43. The engineer is Jonathan Carpenter with Thrasher Engineering. The sources and amounts proposed in the preliminary application consisted of an IJDC District 3 Grant (committed October 4, 2017) of \$250,000, a RUS Grant (committed July 24, 2017) of \$750,000, and a RUS Loan (2.75%, 38 years—committed July 24, 2017) of \$1,673,000 with a total cost of \$2,673,000. The sources and amounts approved by the Council consisted of an IJDC District 3 Grant of \$190,000, a USDA Loan of \$1,673,000, an IJDC District 3 Grant of \$250,000, and a USDA Grant of \$940,000 with a total cost of \$3,053,000. The proposed funding is a USDA Grant of \$940,000, a USDA Loan (2.75%, 38 years) of \$1,673,000, an IJDC District 3 Grant of \$440,000, a USDA Emergency Grant of \$500,000, an IJDC District 3 Crisis Situation Grant of \$472,800, and an IJDC Soft Cost Grant of \$27,200. Total project cost is \$4,053,000 and a WDA GAN of \$500,000 until the USDA Emergency Grant funds are availa-

IJDC Monthly Meeting

Wednesday, 9:30 a.m.

March 4, 2020

Water Development
Authority Office
1009 Bullitt Street
Charleston, WV

ble. Ravencliff McGraws Saulsville Public Service District is requesting binding commitments for the IJDC Soft Cost Grant of \$27,200 and the IJDC Crisis Situation Grant of \$472,800 from District 3 Loan Funds contingent upon receiving the USDA Emergency Grant of \$500,000. *Motion passed.*

City of Ronceverte, 2018W-1740. The proposed project is a water distribution upgrade consisting of replacing 2 existing water storage tanks, replacing a flow control building, replacing sections of old cast iron lead joint pipe, asbestos concrete pipe, and galvanized steel pipe, including valves, fire hydrants, and water meter services, improvements to existing water booster stations, upgrading radio telemetry system, and purchasing advanced leak detection equipment. The existing rate per 3,400 gallons is \$52.29 and the proposed rate is \$55.17. The 1.5 percent MHI is stated at \$47.37. The engineer is Robert D. Hazelwood with E.L. Robinson Engineering. The sources and amounts proposed in the preliminary application consisted of a DWTRF Loan (.75%, 30 years) of \$2,500,000, a DWTRF Principal Forgiveness of \$800,000, and an IJDC District 3 Grant of \$700,000 with a total cost of \$4,000,000. The sources and amounts approved by the Council consisted of a DWTRF Loan of \$2,600,000, a DWTRF Principal Forgiveness of \$1,100,000, and an IJDC District 3 Grant of \$500,000 with a total cost of \$4,200,000. The proposed funding is a DWTRF Design Loan (1%, .25% admin fee, 30 years) of \$325,000, a DWTRF Loan (1%, .25% admin fee, 30 years) of \$2,275,000, a DWTRF Principal Forgiveness Loan of \$1,100,000, an IJDC District 3 Grant of \$375,000, and an IJDC Soft Cost Grant of \$125,000. Total project cost is \$4,200,000. The City of Ronceverte is requesting a binding commitment for the IJDC Soft Cost Grant of \$125,000. *Motion passed.*

Project Recommended for Infrastructure Fund Economic Development Assistance

Grant County Development Authority, 2005E-096. The Grant County Development Authority is requesting an extension of deferral of principal and interest for the above referenced loan. The payment to include principal and interest will be deferred until maturity, October 1, 2029, unless the property is sold or leased. Interest will not accrue during the deferral period. *Motion passed.*

Business Items

Samme Gee presented the Council with the FEMA/WVDHSEM Crisis Situation Funding Assistance Resolution, which can be read in its entirety on pages 5-7. *Motion passed.*

Projects Requiring Additional Information

Weirton Sanitary Board, 2019S-1797

Weirton Water Board, 2019W-1795

Town of Cedar Grove, 2019S-1800

Cowen Public Service District, 2018W-1768

McDowell County Public Service District, 2019W-1838

Pea Ridge Public Service District, 2017S-1674

Applications Received

The following sewer applications were received:

City of Oak Hill, 2020S-1859

City of Ravenswood, 2019S-1789

The following water applications were received:

Chestnut Ridge Public Service District, 2019W-1835

Town of Elizabeth, 2019W-1854

Boone County Public Service District, 2019W-1807

Wilderness Public Service District, 2019W-1858

Other Reports

Sharanna Romans with US Army Corps of Engineers, said the Federal Energy & Water budget was passed in December. They should know later this month how much funding they've received in the two West Virginia Environmental Infrastructure Programs, Section 571 and Section 340. Funding announcements for those projects should happen in March. In May, they will be accepting new applications for both Programs in Congressional District 2 and Congressional District 3. They accept the IJDC application with a cover letter and a preliminary engineering report if you have it. It will be announced in May where you can send those applications.

Kathy Emery announced that the Clean Water SRF has received its draft funding allotments for the next fiscal year and it'll be about \$24,700,000.

Public Comment

There was no public comment.

FEMA/WVDHSEM CRISIS SITUATION FUNDING ASSISTANCE RESOLUTION

WHEREAS, pursuant to Chapter 31, Article 15 A, Section 5 of the Code of West Virginia 1931, as amended (the “Act”), the West Virginia Infrastructure and Jobs Development Council (the “Council”) is required to review a preliminary application form and provide recommendations for any project sponsor applying for any funding assistance from any State of West Virginia (the “State”) infrastructure agency;

WHEREAS, communities in the State are, from time to time, affected by severe flooding, fire and other recognized disasters and are, from time to time, awarded grants to repair all or a portion of damaged water and sewer systems from the United States Federal Emergency Management Administration (“FEMA”) to cover a portion of the costs but which grants require a local match (“Local Match”);

WHEREAS, in certain instances the Local Match is provided by the West Virginia Department of Homeland Security and Emergency Management (“WVDHSEM”) from funds appropriated by the West Virginia Legislature (“Legislature”);

WHEREAS, FEMA grant awards for recent disasters may not have received a WVDHSEM Local Match;

WHEREAS, FEMA/WVDHSEM identifies each community affected (the “Project Sponsor”) and the scope of the work (the “Project”) requested as a result of either a major or minor disaster declaration (“Eligible Costs”);

WHEREAS, some activities connected to the completion of the Project are not or may be determined by FEMA not to be Eligible Costs (“Ineligible Costs”);

WHEREAS, WVDHSEM advances FEMA grant proceeds during construction but withholds approximately 25% until the Project is complete and the Project records have been audited;

WHEREAS, Project Sponsors may request grants or temporary funding assistance from the Council to cover (1) the Local Match, (2) the amount of the FEMA grant held back by WVDHSEM, and/or (3) to pay the Ineligible Cost necessary to complete the Project;

WHEREAS, the standard Council application process and technical review are redundant for Projects previously reviewed and awarded funding by FEMA and WVDHSEM;

WHEREAS, it is in the best interest of the State and the communities affected by federally or state declared disasters to streamline the funding process and provide crisis situation funding to cover the Local Match, Ineligible Costs and temporary funding assistance for the withholding amounts.

NOW THEREFORE be it resolved by the West Virginia Infrastructure and Jobs Development Council as follows:

A Project Sponsor may apply for crisis situation funding assistance to cover the Local Match, Ineligible Costs and/or the FEMA/WVDHSEM held back portion for a Project awarded funding by FEMA/WVDHSEM for a federally or state declared disaster on the FEMA/WVDHSEM application form, the initial form of which is attached hereto as Exhibit A and incorporated herein by reference. If the Legislature appropriates funds to WVDHSEM to cover the FEMA grant match requirements, WVDHSEM shall reimburse the Council for funds advanced to the Project Sponsor.

The Council may, upon review of the application, authorize the West Virginia Water Development Authority (“WDA”) to provide a grant to the Project Sponsor to cover the Local Match.

The Council may, upon review of the application, authorize the WDA to provide a grant to the Project Sponsor to cover the Ineligible Costs of the Project.

The Council may, upon review of the application, authorize the WDA to provide temporary funding assistance in the form a reimbursable grant to cover the withholding amount of a FEMA/WVDHSEM grant. Upon the receipt of the final FEMA/WVDHSEM reimbursement following the completion and final review of the Project, the Project Sponsor shall return the reimbursable grant amount to the WDA for benefit of the Infrastructure Fund.

Standard MHI guidelines for making grant awards will not be applicable to FEMA Project requests.

Prior to entering into any grant agreement or reimbursable grant agreement authorized by the Council, the WDA shall have received the Project Sponsor’s Verification Form required for all State funding grants pursuant to Chapter 12, Article 4, Section 14 of the Code of West Virginia, 1931, as amended and the Project Sponsor shall comply with all requirements of said Section.

This resolution shall be effective immediately upon adoption.

Adopted _____, 2020.

Secretary

**EXHIBIT A
WEST VIRGINIA INFRASTRUCTURE AND JOBS DEVELOPMENT COUNCIL
FEMA/WVDHSEM CRISIS SITUATION FUNDING ASSISTANCE FORM**

1. Project Sponsor (full legal name): _____

2. Project Sponsor address: _____

Phone: _____ Email: _____
3. State Emergency/Major Disaster Declaration Number: _____
4. Project Sponsor FEIN: _____
5. Project Sponsor’s Consulting Engineer with contact information: _____

6. Please attach 5G Documentation.
7. Amount of FEMA/WVDHSEM Award: _____
8. Please attach FEMA/WVDHSEM Award/Grant Document.
9. Description of Project: _____

10. Crisis Situation Funding Assistance Requested: _____

11. Please attach Project Budget/Schedule B.

[PROJECT SPONSOR]

By _____
Authorized Representative

Date