

West Virginia Rural Water Association

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INFRASTRUCTURE COUNCIL REPORT NEWSLETTER

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Scott Depot, WV 25560-7839

Infrastructure Council Conducts Regular March 2020 Meeting

The West Virginia Infrastructure and Jobs Development Council (IJDC) convened in regular session on March 4, 2020 at the Water Development Authority in Charleston.

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

tance. Six projects Required Additional Information. Two sewer and two water applications were received.

Projects Recommended to Pursue Infrastructure Fund Assistance

Chestnut Ridge Public Service District, 2019W-1835. The proposed project will make improvements to the PSD's water distribution system. The existing rate per 3,400 gallons is \$46.30 and the proposed rate is \$65.47. The 1.5 percent MHI is stated at \$46.33. The engineer is Steve Buchanan. The sources and amounts proposed in the preliminary application consisted of a DWTRF Loan (1%, 30 years) of \$500,000, an IJDC District 1 Loan (1%, 40 years) of \$3,300,000, a DWTRF Principal Forgiveness of \$500,000, and an IJDC District 1 Grant of \$1,000,000 with a total cost of \$5,300,000. The proposed funding is a DWTRF Principal Forgiveness Loan of \$500,000, a DWTRF Loan (1%, .25% admin fee, 30 years) of \$500,000, an IJDC District 1 Grant of \$1,000,000, and an IJDC District 1 Loan (1%, 40 years) of \$1,897,500. Total project cost is \$3,897,500. An engineering fee

variance for total engineering costs will be required. *Motion passed.*

Town of Cedar Grove, 2019S-1800. The proposed project is to evaluate and upgrade the sanitary sewer system due to failing pump stations and inflow and infiltration problems with the current system. The existing rate per 3,400 gallons is \$60.77 and the proposed rate is \$75.97. The 1.5 percent MHI is stated at \$48.70. The engineer is Fred L. Hypes with Dunn Engineers. The sources and amounts proposed in the preliminary application consisted of CWSRF Debt Forgiveness of \$1,625,000 with a total cost of \$1,625,000. The sources and amounts approved by the Council consisted of a CWSRF Principal Forgiveness of \$1,000,000 and an IJDC District 2 Grant of \$625,000 with a total cost of \$1,625,000. The proposed funding is a CWSRF Principal Forgiveness Loan of \$905,000 and an IJDC District 2 Grant of \$905,000. Total project cost is \$1,810,000. *Motion passed.*

Boone County Public Service District, 2019W-1807. The proposed project is to serve 10 residents on the Right Fork of the Morrisvale Cameo project. These

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Await notification from the IJDC before proceeding with your projects.

customers did not petition the PSD for service until the Morrisvale—Cameo Project was under construction. The existing rate per 3,400 gallons is \$57.94 and the proposed rate is \$57.94. The 1.5 percent MHI is stated at \$49.95. The engineer is Terry Moran with Potesta and Associates. The proposed funding is a Boone County Commission Grant of \$325,000, a WV American Water Company

\$1,500,000, and a CWSRF Loan of \$708,000 with a total cost of \$6,208,000. The proposed funding is an ARC Distressed Counties Grant of \$1,000,000, an AML/DEP Pilot Grant of \$1,500,000, a CDBG of \$1,500,000, a USDA Grant of \$1,000,000, a CWSRF Principal Forgiveness Loan of \$800,000, and an IJDC District 3 Grant of \$408,000. Total project cost is \$6,208,000. *Motion passed.*

neering fee variance for total engineering costs will be required. *Motion passed.*

Wilderness Public Service District, 2019W-1858. The proposed project is a line upgrade and extension. The existing rate per 3,400 gallons is \$37.66 and the proposed rate is \$42.38. The 1.5 percent MHI is stated at \$48.96. The engineer is Ray Tilley with E.L. Robinson Engineering. The proposed funding is an ARC Grant of \$658,400, a US EDA Grant of \$1,000,000, and a Young Life Resort Contribution of \$381,600. Total project cost is \$2,040,000. *Motion passed.*

Projects Requesting an Infrastructure Fund Binding Commitment

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 \$49.44. The engineer is Daniel Ferrell with Thrasher Engineering. The sources and amounts proposed in the preliminary application consisted of an IJDC Dis-

IJDC Technical & Funding Committee Meeting

Tuesday, 10:00 a.m.

March 24, 2020

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1009 Bullitt Street
Charleston, WV**

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Contribution of \$36,407, and an IJDC District 3 Grant of \$360,593. Total project cost is \$722,000. An engineering fee variance for total engineering costs will be required. *Motion passed.*

Town of Bradshaw, 2018S-1742. The proposed project is for the upgrade of the Bradshaw Sanitary Sewer collection system and an upgrade to the Bradshaw sewer treatment plant. The existing rate per 3,400 gallons is \$32.44 and the proposed rate is \$69.75. The 1.5 percent MHI is stated at \$35.94. The engineer is Jeffrey A. Petry with E.L. Robinson Engineering. The sources and amounts proposed in the preliminary application consisted of an ARC Grant of \$1,000,000, a SCBG of \$1,500,000, a USED Grant of \$1,000,000, a CWSRF Principal Forgiveness of \$200,000, and a Local/City/Council of \$708,000 with a total cost of \$4,408,000. The sources and amounts approved by the Council consisted of an ARC Grant of \$1,500,000, a SCBG of \$1,500,000, a USDA Grant of \$1,000,000, a CWSRF Principal Forgiveness of

Projects Recommended to Pursue Funding Sources Other Than Infrastructure Fund Assistance

City of Oak Hill, 2020S-1859. The proposed project will make improvements to the existing sanitary sewer collection system in the Minden area of the City, including relocating a section of gravity sanitary sewer line and rehabilitating various manholes. The proposed project will also decommission two (2) pumping stations, upgrade two (2) pumping stations, and install a new pumping station to reduce excess flows at the OHSB Arbuckle Pump Station. The proposed improvements will work toward reducing or eliminating impacts of I&I on the sanitary sewer system. The existing rate per 3,400 gallons is \$48.62 and the proposed rate is \$48.62. The 1.5 percent MHI is stated at \$49.14. The engineer is Jonathan Carpenter with Thrasher Engineering. The sources and amounts proposed in the preliminary application consisted of a CWSRF Debt Forgiveness of \$1,000,000, an ARC Grant of \$792,000, an AML Grant of \$1,500,000, a DWTRF Loan (1%, 30 years) of \$2,488,000, and an Other Grant of \$208,000 with a total cost of \$5,988,000. The proposed funding is an ARC Grant of \$792,000, an AML DEP Grant of \$1,500,000, a CWSRF Loan (.75%, .25% admin fee, 30 years—for Arbuckle rate of \$62.12) of \$2,488,000, a CWSRF Principal Forgiveness Loan of \$1,000,000, and a contribution from the City of Oak Hill of \$208,000. Total project cost is \$5,988,000. An engi-

trict 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 \$7,424,500, an IJDC District 1 Grant of \$1,000,000, and a CWSRF Principal Forgiveness of \$1,000,000 with a total cost of \$9,424,500. Grater Harrison County Public Service District is requesting a binding commitment for the IJDC District 1 Grant of \$1,000,000. *Motion passed.*

Lubeck Public Service District, 1996S-275. The proposed project includes wastewater treatment plant, 3 pump stations, gravity lines, and force mains. The proposed rate per 4,000 gallons is \$61.75. The engineer is Burgess & Niple. Lubeck Public Service District is requesting a binding commitment of the IJDC District 1 Grant of \$500,000 and the IJDC District 1 Loan (0%, 19 years) of \$1,590,029 to pay its IJDC BAN of \$2,070,529 and receive a 6

allow Piedmont to discontinue use of its water treatment plant. This project will consist of 4,500 LF of new 6-inch water main, a river crossing, two railroad crossings, and a PRV and master meter vault. The existing rate per 3,400 gallons is \$35.92 and the proposed rate is \$52.07. The 1.5 percent MHI is stated at \$27.94. The engineer is Fred L. Hypes with Dunn Engineers. The sources and amounts approved by the Council consisted of a USEDA Grant of \$1,200,000 and an IJDC District 1 Grant of \$770,650 for a total cost of \$1,970,650. The proposed funding is a US EDA Grant of \$1,200,000, an IJDC District 1 Grant of \$645,650, and an IJDC Soft Cost Grant of \$125,000. Total project cost is \$1,970,650. The City of Piedmont is requesting a binding commitment for the IJDC Soft Cost Grant of \$125,000 and a contingent binding commitment (upon receipt of US EDA funding) for the IJDC District 1 Grant of \$645,650. The Funding Committee recommends the City of Piedmont receive an IJDC Design Loan (1%, 40 years) of \$200,000 binding commitment (which is anticipated to be repaid by the permanent financing). *Motion passed.*

Town of Carpendale, 2020C-101. The proposed project consists of a failed water pump replacement. The existing rate per 4,000 gallons is \$30.94 and the proposed rate is \$30.94. The 1.5 percent MHI is stated at \$49.57. The proposed funding is an IJDC District 1 Grant of \$20,500 and a match of \$20,500. Total project cost is \$41,000. The Town of Carpendale is requesting a binding commitment for the IJDC District 1 Grant of \$20,500 contingent upon obtaining a \$20,500 match and be required to pursue a rate increase if necessary to fully fund their renewal and replacement accounts. *Motion passed.*

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

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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 with Cerrone Associates. The sources and amounts proposed in the preliminary application consisted of a DWTRF Loan (.75%, 30 years) of \$1,050,000, a DWTRF Principal Forgiveness of \$750,000, and an IJDC District 2 Grant of \$983,000 with a total cost of \$2,783,000. The sources and amounts approved by the Council consisted of a DWTRF Loan of \$1,100,000, a DWTRF Principal Forgiveness of \$900,000, and an IJDC District 2 Grant of \$983,000 with a total cost of \$2,983,000. Central Hampshire Public Service District is requesting a binding commitment for the IJDC District 2 Grant of \$983,000. *Motion passed.*

Boone County Public Service District, 2020W-1868. The proposed project is pre-application funding assistance. The engineer is Terry Moran with Potesta and Associates. The Funding Committee recommends the Boone County Public Service District receive a \$50,000 IJDC Pre-application Funding Assistance (PFA) binding commitment transferred from IJDC District 3 Loan funds to match its \$50,000 Grant from the Boone County Commission. *Motion passed.*

IJDC Monthly Meeting

Wednesday, 9:30 a.m.

April 1, 2020

**Water Development
Authority Office
1009 Bullitt Street
Charleston, WV**

month extension on said BAN. *Motion passed.*

City of Piedmont, 2019W-1836. This project will connect the City of Piedmont's water distribution system to the Town of West-ernport's water system, and will

Town of Oceana, 2017W-1675. The proposed project is to upgrade antiquated pumps and valves at the water treatment plant and replace dilapidated water lines along Route 10, throughout the Town to help reduce water loss. The existing rate per 3,400 gallons is \$39.23 and the proposed rate is \$43.98. The 1.5 percent MHI is stated at \$37.54. The engineer is Robert D. Hazelwood with E.L. Robinson Engineering. The sources and amounts proposed in the preliminary application consisted of an ARC Grant of \$1,000,000, a DWTRF Loan (.75%, 30 years—committed February 7, 2018) of \$2,500,000, a DWTRF Principal Forgiveness (committed February 7, 2018) of \$800,000, and an IJDC District 3 Grant (committed September 5, 2018) of \$500,000 with a total cost of \$4,800,000. The sources and amounts approved by the Council consisted of a DWTRF Loan of \$3,000,000, a DWTRF Principal Forgiveness of \$1,300,000, and an IJDC District 3 Grant of \$500,000 with a total cost of \$4,800,000. The proposed funding is a DWTRF Loan (.75%, .25% admin fee, 30 years) of \$3,000,000, a DWTRF Principal Forgiveness of \$1,300,000, an IJDC District 3 Grant of \$478,700, and an IJDC Soft Cost Grant of \$21,300. Total project cost is \$4,800,000. The Town of Oceana is requesting a binding commitment for the IJDC Soft Cost Grant of \$21,300. *Motion passed.*

Page-Kincaid Public Service District, 2016W-1668. The proposed project consists of water treatment plant, booster station, and water storage tank upgrades. The existing rate per 3,400 gallons is \$40.85 and the proposed rate is \$50.96. The 1.5 percent MHI is stated at \$39.89. 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

March 6, 2019) of \$500,000, a RUS Grant of \$750,000, and a RUS Loan (2%, 40 years) of \$2,284,000 with a total cost of \$3,534,000. The sources and amounts approved by the Council consisted of a USDA Loan of \$2,150,000, a USDA Grant of \$535,000, an IJDC District 3 Grant of \$500,000, and a Commercial of \$300,000 with a total cost of \$3,485,000. Page-Kincaid Public Service District is requesting a binding commitment extension of 6 months. *Motion passed.*

Ravencliff McGraws Saulsville Public Service District, 2017W-1682. This 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 fifty-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 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 \$912,800, a USDA Loan of \$1,673,000, a USDA Grant of \$1,440,000, and an IJDC Soft Cost Grant of \$27,200 with a total cost of \$4,053,000. 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, which may be replaced by USDA Emergency Grant Funds. Ravencliff McGraws Saulsville Public Service District is requesting a binding commitment for the IJDC Soft Cost Grant of \$27,200 and the IJDC Crisis Situation Grant of \$472,800 from District 3 Loan Funds and approval of a WDA GAN of \$500,000, which may be replaced by a USDA Emergency Grant of \$500,000. *Motion passed.*

Projects Recommended for Infrastructure Fund Economic Development Assistance

Polymer Alliance Zone, 2010E-130. The Polymer Alliance Zone (PAZ) had been leasing the building to a tenant, who is going out of business and vacating. PAZ found another metals company interested in the building, but they need a one year deferral of lease payments in order to develop its business. The Polymer Alliance Zone is requesting a one year deferral of principal and interest, and that the interest be 0% for this

period. Regular loan payments will resume in April 2021 and the maturity date shall be extended to October 1, 2028. *Motion passed.*

New River Gorge Rural Development Authority, 2019E-183. The approval had stated that the loan would be collateralized by equipment purchased by Carbon Activated of Mount Hope. New River Gorge Rural Development Authority is requesting that the loan be collateralized by real property in West Virginia owned and occupied by Carbon Activated. All other terms and conditions will remain the same. *Motion passed.*

Bluefield Economic Development Authority, 2020E-189. The Bluefield Economic Development Authority is requesting a loan on behalf of Alorica for a project in Mercer County, West Virginia to acquire and renovate the former Summit Bank building in downtown Bluefield, which will house a customer service center to be operated by Alorica on behalf of Intuit. A request was made for a binding commitment with the following terms and conditions: 1) a loan of up to \$2,250,000; 2) the term of the loan is to be 20 years from the date of closing; 3) principal payments are deferred until 30 days after lessee takes occupancy of the Building; 4) the interest rate will be zero percent; 5) the WVJDC/WDA will have a sole first lien on the Building; 6) the loan documents should reflect that this is a special limited obligation of Bluefield Economic Development Authority subject to the provisions of an executed lease between Bluefield Economic Development Authority and Alorica. *Motion passed.*

Hardy County Rural Development Authority, 2020E-190. The Hardy County Rural Development Authority is requesting a loan to be used to pay for lighting, security, parking lot paving, building repairs, and other fixtures necessary to update the Quanex/Primewood facility. American

Woodmark will take over the existing lease with the Hardy County Rural Development Authority. A request was made for a binding commitment with the following terms and conditions: 1) a loan of up to \$430,000; 2) interest rate will be 0%; 3) the term of loan is to be 15 years from the day of closing; 4) all principal and interest will be deferred until the end of the performance period for a period of three years; 5) if American Woodmark meets or exceeds directly employing thirty (30) full-time equivalent employees at the Quanex/Primewood during the performance period, the lending authority will reduce the principle balance of the \$430,000 performance-based loan to \$0.00; 6) if American Woodmark fails to meet the employment threshold at the Quanex/Primewood facility for the performance period, American Woodmark, will repay the performance-based loan to the lending authority with an adjusted principle balance calculated by multiplying the number of jobs less than 30 by \$14,000; 7) the IJDC will have a first lien position on all fixtures and equipment purchased with loan proceeds. *Motion passed.*

Raleigh County Memorial Airport Authority, 2020E-191. The Raleigh County Memorial Airport Authority is requesting a grant not to exceed \$3,000,000 and a binding commitment letter be issued to Raleigh County Memorial Airport to be used to perform excavation for the Industrial Park owned by the Raleigh County Memorial Airport. *Motion passed.*

Greenbrier Valley Aquatic Center, 2020E-192. The Greenbrier Valley Aquatic Center is requesting a grant not to exceed \$2,000,000 to be used to design and construct an aquatic center located on the State Fairgrounds in Fairlea, Greenbrier County. *Motion passed.*

Projects Requiring Additional Information

Weirton Sanitary Board, 2019S-1797

Weirton Water Board, 2019W-1795

City of Ravenswood, 2019S-1789

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:

Town of Grantsville, 2020S-1869

Town of Barboursville, 2020S-1870

The following water applications were received:

Town of Elizabeth, 2019W-1854

City of Ravenswood, 2020W-1860

Public Comment

There was no public comment.



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