

**October 1, 2009 – September 30, 2010**  
**INTENDED USE PLAN**  
**For the**  
**WEST VIRGINIA DRINKING WATER**  
**STATE REVOLVING FUND**

**State of West Virginia**

**Department of Health and Human Resources**  
**Bureau for Public Health**  
**Office of Environmental Health Services**  
**Environmental Engineering Division**

**July 2009**

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## **1. INTRODUCTION**

The *Safe Drinking Water Act* (SDWA) amendments of 1996 authorized a Drinking Water State Revolving Fund (DWSRF) program to assist public water systems to finance the cost of the infrastructure needed to achieve or maintain compliance with SDWA requirements and protect public health. This Intended Use Plan (IUP) details the intended use for the State Fiscal Year 2010 (FFY 2009) Capitalization Grant funds. Congress appropriated these funds in FFY 2008, for \$8,146,000 with a required state match of \$1,629,200. The West Virginia Infrastructure and Jobs Development Council (Infrastructure Council) committed funding for the required 20 percent match at its August 6, 2008 meeting.

From the FFY 2009 Capitalization Grant, \$5,620,740 (along with the state match, and projected earned interest and loan repayments through June 30, 2009), shall be used to construct projects. These funds are the Drinking Water Treatment Revolving Fund (DWTRF). The 2% Technical Assistance is used to contract a Continuing Education Training program for water operator training and certification. The 4% Administration funding is used to manage the DWTRF program. The 15% Local Assistance funding is used in implementing the required state Source Water Protection Program, assessing, and assisting in the technical, managerial and financial capacity of small systems. The 10% Program Management funding is used primarily for enhancing the Public Water Supply Supervision Program (PWSS).

## **2. PROJECTS**

### **A. Project Funding Requirements**

Approval from the Infrastructure Council is required for any project to receive DWTRF assistance. The Infrastructure Council with recommendations from its Water Technical Review Committee and the Funding Committee must approve all projects. Both of the following requirements must be considered for funding of projects:

- 1) On an annual basis, at least 15% of the funds in the DWTRF must go to systems serving less than 10,000 total persons.
- 2) Disadvantaged communities must receive 30% of the capitalization awards in the form of a loan (terms: 30 year payment period, 0% interest, typically 1% administration fee). This requirement is stated in the state code, but is not a federal requirement.

### **B. The Project Priority List (PPL) Process**

The PPL process uses an application that the water system must complete to be considered for DWTRF funding. This application process has improved the DWTRF program by listing only those systems that are truly interested in using low interest loan funds. This eliminates the need to bypass many projects that are not interested in using the DWTRF low interest loan money.

After each water system submits an application through the Infrastructure Council it:

- 1) Has its project scored using DWTRF criteria;
- 2) May be contacted concerning its interest in DWTRF monies; and
- 3) If the water system is interested in DWTRF, submits a form to be included on the next priority list that is put out to public notice.

Water systems that are the closest to going to bid, (e.g., the project design is complete and a PSC application has been submitted, etc.) are given top priority when giving out binding commitment letters, thus, some projects which have not received other funding or have not been designed will be bypassed in accordance with our IUP.

In the past, the DWTRF PPL has been advertised annually. In order to fund more projects, the PPL may be put out to public notice more frequently so that projects approved by the Infrastructure Council and have been scored and ranked, can be given binding letter of commitments sooner. The prior PPL list used for the 2009 American Recovery and Reinvestment Act Grant (ARRA) will also be used for this IUP since it was advertised within the last four months.

Also, prior to putting the PPL out to Public Notice, water systems that have been on the prior PPL, but have not received a funding commitment, will be contacted about the status of their project(s) and if they still potentially wish to be funded by the DWTRF.

Projects approved by the Infrastructure Council are prioritized as described in Attachment 1, DWTRF Project Priority Ranking System. Three categories (public health, regulatory compliance, and affordability) are used to determine project scoring. Projects that apply for DWTRF funding are ranked on a PPL (Attachment 2). The PPL includes the name of the public water system, description of the project, priority assigned, expected financial terms, size of community served, and whether or not the system is disadvantaged. The highest ranked projects on the PPL are contacted concerning their project status to determine if funding from the DWTRF is appropriate and the project is ready to proceed.

Projects expecting to receive assistance from the DWTRF FFY 2008 Funds are on the Funding List (Attachment 3). Projects that rank lower on the PPL may still receive funding should one or more of the higher ranked projects be bypassed using the bypass procedure described below. Projects on the most recent PPL are also eligible to receive funding from previously awarded capitalization grants.

### **C. Bypass Procedure**

Prior to implementing the bypass procedure, water systems listed on the PPL will be contacted to determine the status of their project. Based on the contact, OEHS will determine whether to bypass the project and select another project for funding commitment consideration. The following provisions will be used to bypass a project on the PPL:

- 1) Even though the project is for a system that is defined as a Significant Non-Complier (SNC) of the Safe Drinking Water Act, using EPA's criteria for SNC designation, it is determined the proposed project will not ensure compliance.
- 2) The project is for a system that would not have operators properly certified to operate and maintain the system by the time the project is to receive funding.
- 3) The project has been fully funded by other entities.
- 4) The project changes significantly in scope and requires re-evaluation of the proposal using the DWTRF ranking system.
- 5) The project is unable to proceed in a timely manner.
- 6) All other funding is not committed. Should the bypassed project be within the fundable range, it may be funded at a later date.
- 7) The project costs significantly exceed the anticipated loan amounts. The project scope could be reduced to within the available DWTRF loan amount provided the ranking does not change.
- 8) The system declines the assistance.
- 9) The project is not determined as technically and financially feasible by the Infrastructure Council.
- 10) The project is unable to meet the schedule developed and agreed upon by the project sponsor and OEHS.
- 11) A lower ranked project attains a higher rating due to revised information, such as an environmental or public health emergency.
- 12) The water system is not considered as having the managerial, financial, and technical capacity, even after project completion, based upon a Capacity Development Assessment by OEHS.

When OEHS bypasses a project, the project will remain on the PPL for consideration at a future time. If the project no longer needs or wants DWTRF funding, it is removed from future PPLs. OEHS will provide technical assistance (as needed) with bypassed projects to ensure, to the maximum extent possible, that they are eligible for the future funding. OEHS will provide low interest design loans to increase the project pace, where needed.

In cases where a project is bypassed, the next project on the list (not being bypassed) will be funded within the funds available through the criteria outlined in this section. If a funded project comes in under cost, the remaining funds are used either to fund the next project on the PPL (if the cost does not exceed the available funds) or to fund other water system project needs as deemed appropriate by OEHS.

#### **D. Rationale for Different Assistance**

Eligible public water systems use the DWTRF assistance to fund the cost of infrastructure needed to achieve or maintain compliance with the SDWA and other drinking water regulations. Generally, loans are committed at 0% for 30 years for disadvantaged public water systems and 2% for 20 years for non-disadvantaged public water systems. Loans are assessed an administrative fee (usually 1%). To qualify for loans at an interest rate less than 2% or extended loan terms up to 30 years, the proposed user median household income (MHI) must be disadvantaged. To be considered disadvantaged requires that the proposed rates for 4,000 gallons must not be less than 1.5 percent of the MHI. The use of 1.5% of MHI will be consistent with other state funding agencies for consideration of being disadvantaged. OEHS may consider a reduction of the interest rate or administration fee to keep user rates as close as possible to the disadvantaged criteria.

Although funds from the 1% administrative fee could be placed in accounts for project funding, set-aside funds, and state match funds, it is kept in a separate, non-project account. The monies from this non-project account can only be used for purposes directly related to the administration of the DWTRF. The fee will be reported separately in the annual audited financial statements.

The DWTRF provides design loans to eligible public water systems for projects on the PPL. The purpose of design loans is to make the projects more attractive for outside additional funding and to decrease the time between project design and construction. The loans will be offered at the same terms as those deemed for infrastructure improvements. Loan payback will begin the state fiscal quarter following design loan closure.

The DWTRF loan program will also provide deferred loan repayment schedules to make projects more affordable to water systems. In this case, the water system will start repayments following construction completion, but the initial payments will be reduced until one or more existing debts are paid in full. Then, the water system will make accelerated DWTRF payments

within the loan period. This will allow a level debt service payment to water systems to make infrastructure projects more affordable.

**E. Amount to be used for Disadvantaged Communities**

The West Virginia legislation authorizes the DWTRF requirement for disadvantaged communities. *“The division of health shall, in accordance with the provisions of the safe drinking water act, establish a program for loan subsidies to disadvantaged communities. Thirty percent of the federal capitalization grants made to this state shall be dedicated to the funding of projects for disadvantaged communities”* (Authority §16-13C-3). At least thirty percent of the cumulative federal funds will be used for disadvantaged communities as previously defined.

**3. FINANCIAL STATUS**

The DWTRF will be managed by OEHS with assistance (through a contract agreement) from the West Virginia Water Development Authority (WDA). The WDA maintains the financial records and insures bond conditions and audit requirements are met. OEHS manages the DWSRF set-aside funds.

**A. Total amount of funds in the DWSRF (Construction & Set-Asides)**

The amounts available for the DWSRF Program are as shown in Tables 1, 2, and 3. Table 4 shows the amounts disbursed and obligated as of the end of SFY 2009.

**TABLE 1. FUNDS AWARDED PRIOR TO/DURING STATE FISCAL YEAR 2009  
(Construction & Set-Asides)**

U.S. Environmental Protection Agency (Total from 1998 through 2009)	\$130,793,500
WV State Match – Infrastructure Council (Total from 1998 through 2009)	\$18,358,700
WVDHHR: 10% Set-Aside State Match (Total from 1998 through 2009)	\$8,008,542
SUB-TOTAL	\$157,160,742
Loan Repayments (As of May 31, 2009)	\$9,760,936
Admin. Fee (typ. 1%)/Fee Invest Interest (As of May 31, 2009)	\$1,741,044
Interest Earnings WV DWTRF (As of May 31, 2009)*	\$4,586,136
TOTAL	\$173,248,858

\* Includes loans and investment interest earnings (not including interest on administrative fee).

**TABLE 2. FUNDS AWARDED DURING STATE FISCAL YEAR 2009  
(Construction & Set-Asides)**

U.S. Environmental Protection Agency (FS-99390008) (2F-99390009)	\$27,729,000
WV State Match - Infrastructure Council (FS-993900008)	\$1,645,800
WVDHHR: 10% Set-Aside State Match (FS-993900008) (Approp. 2008)	\$411,450
TOTAL	\$29,786,250

**TABLE 3. FUNDS REQUESTED STATE FISCAL YEAR 2010  
(Construction & Set-Asides)**

U.S. Environmental Protection Agency (FS-99390009)	\$ 8,146,000.00
WV State Match - Infrastructure Council (FS-993900009)	\$1,629,200.00
WVDHHR: 10% Set-Aside State Match (FS-993900009)	\$814,600.00
TOTAL	\$ 10,589,800.00

**TABLE 4. SET-ASIDE FUNDS DISBURSED OR PROJECTED THROUGH STATE FISCAL YEAR 2009/CONSTRUCTION LOANS AND COMMITMENTS THROUGH JUNE 2009  
(Construction & Set-Asides)**

Set-Aside Funds	Funds Received Prior to FFY 2010	Funds Projected During FFY 2010	Total Incoming Funds	Funds Disbursed	Funds Remaining
Administration (4%)	\$3,622,776	\$ 325,840	\$3,948,616	\$2,493,574	\$1,455,042
Small Systems Technical Assistance (2%)	\$1,823,591	\$ 162,920	\$1,986,511	\$1,729,397	\$257,114
Program Management Federal (10%)	\$8,008,542	\$ 814,600			
Program Management State Match (10%)	\$7,966,482	\$ 814,600			
<b>Total Program Management</b>	\$15,975,024	\$ 1,629,200	\$17,604,224	\$11,677,928	\$5,926,296
Local Assistance (15%)	\$10,292,931	\$ 1,221,900	\$11,514,831	\$8,120,818	\$3,394,013
<b>Total Set-Aside Funds</b>	\$31,714,322	\$ 3,339,860	\$35,054,182	\$24,021,718	\$11,032,464
<b>Construction Assistance Funds</b>	\$86,311,265	\$ 5,620,740.00	\$91,932,005		
20% State Match	\$18,358,700	\$ 1,629,200.00	\$19,987,900		
Loan Repayments	\$9,760,936	\$ 2,500,000.00	\$12,260,936		
Interest on Loans	\$1,741,044	\$ 315,000.00	\$2,056,044		
Interest Earnings	\$2,853,376	\$ 250,000.00	\$3,103,376		
<b>Total Funds For Loans</b>	\$119,025,321	\$10,314,940.00	\$129,340,261		
Closed Loans (June 2009)				\$74,788,309	
Letters of Commitment				\$53,770,824	
<b>Total Committed Funds</b>				\$128,559,133	
<b>Funds Remaining To Be Committed</b>					\$781,128
<b>Fees on DWTRF Assistance (Including Interest Earnings)</b>	\$1,457,614	\$ 300,000.00	\$1,757,614	\$0	\$1,757,614
<b>Total Program Funds</b>	\$152,197,257	\$13,954,800	\$166,152,057	\$152,580,851	\$13,571,207

**B. Uses of the New Funds (Construction & Set-Asides)**

Below is a summary of the amounts to be used for each activity. Any funds not used for set-aside activities will be used for construction projects. Please note that the DWTRF interest earnings are utilized to supplement the construction funds, specifically for project overruns, as necessary.

**TABLE 5. USES OF NEW/REQUESTED FUNDS  
(Construction & Set-Asides)**

Uses of Funds	Sources of Funds						Total
	Federal Funds	Infrastructure Council	State Program Match	Admin Fee/Admin Interest	Interest Earnings	Loan Repayments	
Administration	\$325,840	\$0	\$0	\$0	\$0	\$0	\$325,840
Technical Assistance	\$162,920	\$0	\$0	\$0	\$0	\$0	\$162,920
State Program Management	\$814,600	\$0	\$814,600	\$0	\$0	\$0	\$1,629,200
Local Assistance	\$1,221,900	\$0	\$0	\$0	\$0	\$0	\$1,221,900
Construction	\$ 5,620,740.00	\$1,629,200	\$0	\$0	\$0	\$0	\$7,249,940
Total	\$8,146,000.00	\$1,629,200	\$814,600	\$0	\$0	\$0	\$10,589,800

\*\* Administrative Fees, Interest Earnings, and Loan Repayments are included in the grant application.

**C. Types of projects to be funded**

The list of projects OEHS is considering to fund is in Attachment 3. These projects include water treatment plant upgrades, distribution and storage upgrades, and extensions of existing systems. Projects solely for economic growth or projects solely for fire protection are not eligible for DWTRF assistance.

**4. GOALS OF THE DWSRF**

**A. Short Term Goals**

- 1) Improve the DWTRF utilization rate to meet or exceed the regional and national average. The DWTRF fund utilization rate as determined by the EPA was 63% in 2005, 76% in 2006, 73% in 2007, and 71% in 2008. The projected 2009 utilization rate will drop significantly from the prior year to approximately 65% due to receipt of the ARRA grant in June 2009. The utilization rate would have been 76% without the ARRA grant funds. The utilization rate, which has historically been lower than the national average (86%) and all states within Region III (average is 88%), is impacted due to numerous reasons. Activities listed below should enable West Virginia to utilize its funds at the national and EPA Region III's average utilization rate. It is anticipated that in 2010 the utilization rate will approach 90%. OEHS is using the ARRA grant funds mostly as principal

forgiveness and leveraging those funds with the base SRF program to significantly boost the utilization rate.

In response to the SFY2006 Program Evaluation Report, OEHS submitted its top priority items to be implemented to improve the DWTRF utilization rate. These items are listed below and continue to be a focus for OEHS:

- Continue use of an application process for water systems expressing a specific interest in obtaining DWTRF funds.
  - Recommend DWTRF funding for Infrastructure Council applications when the water system could take a DWTRF loan and not exceed a reasonable percent of medium household income (MHI).
  - Generate and advertise a project priority list more frequently than once per year to enable water systems more access to the DWTRF fund.
  - Market the DWTRF fund at funding agency meetings and utility system conferences.
  - Over commit DWTRF funds but not exceed reasonable federal funding commitments, repayments, and interest.
- 2) Provide design loans (or grants if available) to water systems to enable them to fund the design stage of the project to move the project forward at a faster pace. Projects tend to stagnate because engineering consultants are reluctant to absorb the up-front design costs until the project goes to bid. They typically require water systems to fund the design and other soft costs through a design loan.
- 3) Provide financial assistance to eligible drinking water systems to eliminate drinking water problems and improve drinking water quality in the state, closing 75% of the construction loans within 18 months.
- 4) Protect source water from future contamination through Source Water Assessment and Protection (SWAP) and WHP programs:
- Continue developing and implementing SWAP/WHP programs.
  - Determine if water sources are groundwater under the direct influence (GWUDI) of surface water.
  - Continue collaborating with West Virginia Department of Environmental Protection's (WVDEP) Underground Injection Control (UIC) Program.
  - Update and expand Geographic Information System (GIS) capabilities.
- 5) Continue implementation of the Capacity Development Strategy including assisting existing public water supplies in acquiring and maintaining the technical, managerial, and financial capacity to comply with the federal SDWA. Provide assistance to ensure that all new community water supplies and new non-transient non-community supplies have the technical, managerial, and financial capacity to comply with current regulations and those regulations likely to be in effect, when the system initiates operations.

- 6) Continue development, enhancement, and improvement of the Public Water Supply Supervision (PWSS) through improved methodology and consistency of the sanitary surveys. This includes completion of a full complement of staffing in the district offices and final development of an automated data collection system for private laboratories to forward results of total organic compounds.
- 7) Continue to implement an operator training continuing education program focusing on training course/instructor criteria and operator training requirements.
- 8) Continue to participate in the monthly meetings of the Infrastructure Council by performing technical reviews on all proposed water projects; and, coordinate and recommend the most feasible funding sources in accordance with established state rules and procedures.
- 9) Enact "Summary of OEHS Action Items" based on comments by the US EPA during the SFY 2009 Site Visit.
- 10) Efficiently and effectively administer the supplemental set-aside work plan grant and contractor activities:
  - Preliminary Evaluation, Planning, and Project Design Grants
  - Source Water Protection Grants
  - Geographic Information System Mapping
  - Capacity Development and Source Water Assistance Program
  - Area Wide Optimization Program Performance Based Training
  - Source Water Security Enhancements Grants
  - WV Utility Management Institute
  - Water Distribution and Chief Operator Training

## **B. Long Term Goals**

- 1) Provide the necessary infrastructure replacement, upgrade, and coverage as determined in the Infrastructure Council's 2005 Public Water and Systems Inventory and Assessment Report (approximately 725 million dollars needed for drinking water infrastructure) and the 2003 EPA Drinking Water Needs Survey and Assessment. This is done with the overall goal of upgrading water quality for existing public water customers and providing water to private customers whose water currently does not comply with the SDWA. The above will be achieved through the following:
  - Capacity Development Program: Continue to conduct financial, managerial and technical capacity assessments on public water systems and provide necessary assistance to ensure compliance with the SDWA.

- Continue to participate in the Infrastructure Council process on a monthly basis to oversee the technical review committee for the technical review of applications and to maximize all available state and federal funding sources.
- 2) Continue to develop the Safe Drinking Water Information System (SDWIS) database of existing public water systems to include:
- System infrastructure mapping
  - System inventory
  - Compliance history
  - Sampling history
  - Operator certification

This can be utilized to quickly assess an existing system as well as evaluate proposed new projects/systems. The database will also have capability of interfacing with other existing databases.

- 3) Develop the DWTRF to ensure the long term perpetuity of the fund where after the initial capitalization years, the loan repayments in the fund will be used to finance additional projects. Long term funding will be achieved as follows:
- Conduct financial, managerial, and technical capacity assessments under the Capacity Development Program on all potential loan recipients to assure fiscal responsibility.
  - Monitor repayment activity of loan recipients and take aggressive action for collection of delinquent payments from loan recipients.
  - Market the DWTRF through various conferences (WV Rural Water Association Conference, American Water Works Association, Infrastructure Council Meetings, etc.), pamphlets/brochures, and quarterly newsletters on DWSRF program activities.
  - Provide drinking water infrastructure design loans as needed to increase the project completion rate.
  - Analyze the ability to meet long term perpetuity of the fund by using the EPA financial planning model. Use the EPA financial Planning Model to determine the impacts of using grants, in the long term and their impacts on the long term financial viability of West Virginia DWTRF's program, especially if Congress ends the Capitalization Grant in 2020. The EPA financial planning model can be used to determine the amounts of upfront grants given to disadvantaged communities as well as debt forgiveness due to the inability for a community in a distressed area to pay a loan back. It can also be used to evaluate the effects of various loan rates and terms to ensure the perpetuity of the DWTRF program. OEHS believes its current interest rates and terms are competitive to other state and federal funding agencies and any increase in rates would be detrimental to the fund pace. The administrative fee on DWTRF loans is at an optimum level to not

impede the utilization rate and provide funds for future staff use should the Capitalization Grants end.

- 4) Maintain the DWTRF utilization rate to the national average, or EPA Region III average.
- 5) Close the DWTRF loans to recipients within twelve months of a binding letter of commitment.

## **5. SET-ASIDE ACTIVITIES**

In addition to the DWTRF construction fund, there are four “set-aside” or non-project accounts to be administered by OEHS. These separate accounts include Administration of the Loan Program, Technical Assistance, State Program Management, and Local Assistance.

The different set-aside accounts are specified in the SDWA to enable the state to finance the cost of administering and managing the DWTRF program and supporting local public water systems. These accounts are described in more detail below.

The goals, objectives, methods, outputs, and outcomes for these set-asides are located in the work plan.

### **A. Administration (\$325,840)**

The SDWA authorizes the state to use 4% of the Capitalization Grant for administration of the DWTRF program. The full 4% is being requested for this activity. The state plans to use 4% of the Capitalization Grant solely for administration costs of the program. Administrative tasks include but are not limited to:

- 1) Developing legislation regarding issues related to the DWSRF.
- 2) Preparing the Capitalization Grant agreement.
- 3) Developing memorandums of understanding between federal and state agencies.
- 4) Reviewing West Virginia Infrastructure Council applications.
- 5) Preparing the IUP.
- 6) Providing project review, priority ranking procedures, environmental reviews, and required DWTRF project information coordination (project scheduling, advertisements, loan closure).
- 7) Providing project inspections, administration of the funds.
- 8) Tracking and accounting of the funds.
- 9) Auditing of the funds.
- 10) Processing payment requests, and managing loan repayments.

The DWTRF program will fully utilize the WDA, which already administers state-funded construction loans to public wastewater and water systems. OEHS, WDA, Infrastructure Council, State Treasurer, and Auditor’s Offices have been involved in coordinating efforts to

expedite disbursing construction funds to the state's public water systems and meeting critical construction needs.

**B. State Program Management (\$814,600 - Federal, \$814,600 - State Match)**

The SDWA authorizes the state to use up to 10% from the federal Capitalization Grant to support the State Public Water Supply Supervision (PWSS) program, source water protection, and operator certification programs. This year 10% of the funds are being requested. The balance will be added to the construction fund. These funds require a dollar-for-dollar match and this match is made through state appropriations. The activities subsidized from this account include enhancement of the PWSS program, Operator Training and Certification, Engineering Assistance, Area Wide Optimization Program, Zone of Critical Concern (ZCC), and Data Information System Management.

**C. Technical Assistance (\$162,920)**

The SDWA authorizes the state to use up to 2% of each capitalization grant to provide technical assistance to small water systems. The full 2% is being requested for this activity. Small water systems are defined as those that serve less than 10,000 persons. These set-aside funds will be used for technical, financial, and managerial continuing education training to water system operators to meet their certification and training requirements. A contractor, meeting the state requirements, will coordinate the technical assistance program.

**D. Local Assistance and Other State Activities (\$1,221,900)**

The SDWA authorizes the state to use up to fifteen percent (15%) of the federal capitalization grant for this set-aside, but no more than ten percent (10%) may be used for any one activity. The full 15% is being requested for this activity. These set-aside funds will be used for Capacity Development Assistance needs, Wellhead Protection (WHP) Program, underground injection control program, and improving Geographical Information System (GIS) capabilities.

**6. PUBLIC COMMENT PROCESS**

The public comment period for this IUP occurred in July/August 2009. OEHS posted the IUP on the web site and made it available at all district offices and the central office. The draft IUP was mailed out to key stakeholders for comment. A public notice was published in the West Virginia Register (State Register) in July 2009 concerning the web posting and public comment period.

The public hearing will be held on August 27, 2009 at 1 Davis Square as advertised in the public notice.

After each water system submits an application through the Infrastructure Council it:

- 1) Has its project scored using DWTRF criteria;
- 2) May be contacted concerning its interest in DWTRF monies; and
- 3) If the water system is interested in DWTRF, submits a form to be included on the next priority list that is put out to public notice.

Water systems that are the closest to going to bid, (e.g., the project design is complete and a PSC application has been submitted, etc.) are given top priority when giving out binding commitment letters, thus, some projects which have not received other funding or have not been designed will be bypassed in accordance with our IUP.

In the past, the DWTRF PPL has been advertised annually. In order to fund more projects, the PPL may be put out to public notice more frequently so that projects approved by the Infrastructure Council and have been scored and ranked, can be given binding letter of commitments sooner. The prior PPL list used for the 2009 American Recovery and Reinvestment Act Grant (ARRA) will also be used for this IUP since it was advertised within the last four months.

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Prior to implementing the bypass procedure, water systems listed on the PPL will be contacted to determine the status of their project. Based on the contact, OEHS will determine whether to bypass the project and select another project for funding commitment consideration. The following provisions will be used to bypass a project on the PPL:

- 1) Even though the project is for a system that is defined as a Significant Non-Complier (SNC) of the Safe Drinking Water Act, using EPA's criteria for SNC designation, it is determined the proposed project will not ensure compliance.
- 2) The project is for a system that would not have operators properly certified to operate and maintain the system by the time the project is to receive funding.
- 3) The project has been fully funded by other entities.
- 4) The project changes significantly in scope and requires re-evaluation of the proposal using the DWTRF ranking system.
- 5) The project is unable to proceed in a timely manner.
- 6) All other funding is not committed. Should the bypassed project be within the fundable range, it may be funded at a later date.
- 7) The project costs significantly exceed the anticipated loan amounts. The project scope could be reduced to within the available DWTRF loan amount provided the ranking does not change.
- 8) The system declines the assistance.
- 9) The project is not determined as technically and financially feasible by the Infrastructure Council.
- 10) The project is unable to meet the schedule developed and agreed upon by the project sponsor and OEHS.
- 11) A lower ranked project attains a higher rating due to revised information, such as an environmental or public health emergency.
- 12) The water system is not considered as having the managerial, financial, and technical capacity, even after project completion, based upon a Capacity Development Assessment by OEHS.

When OEHS bypasses a project, the project will remain on the PPL for consideration at a future time. If the project no longer needs or wants DWTRF funding, it is removed from future PPLs. OEHS will provide technical assistance (as needed) with bypassed projects to ensure, to the maximum extent possible, that they are eligible for the future funding. OEHS will provide low interest design loans to increase the project pace, where needed.

In cases where a project is bypassed, the next project on the list (not being bypassed) will be funded within the funds available through the criteria outlined in this section. If a funded project comes in under cost, the remaining funds are used either to fund the next project on the PPL (if the cost does not exceed the available funds) or to fund other water system project needs as deemed appropriate by OEHS.

#### **D. Rationale for Different Assistance**

Eligible public water systems use the DWTRF assistance to fund the cost of infrastructure needed to achieve or maintain compliance with the SDWA and other drinking water regulations. Generally, loans are committed at 0% for 30 years for disadvantaged public water systems and 2% for 20 years for non-disadvantaged public water systems. Loans are assessed an administrative fee (usually 1%). To qualify for loans at an interest rate less than 2% or extended loan terms up to 30 years, the proposed user median household income (MHI) must be disadvantaged. To be considered disadvantaged requires that the proposed rates for 4,000 gallons must not be less than 1.5 percent of the MHI. The use of 1.5% of MHI will be consistent with other state funding agencies for consideration of being disadvantaged. OEHS may consider a reduction of the interest rate or administration fee to keep user rates as close as possible to the disadvantaged criteria.

Although funds from the 1% administrative fee could be placed in accounts for project funding, set-aside funds, and state match funds, it is kept in a separate, non-project account. The monies from this non-project account can only be used for purposes directly related to the administration of the DWTRF. The fee will be reported separately in the annual audited financial statements.

The DWTRF provides design loans to eligible public water systems for projects on the PPL. The purpose of design loans is to make the projects more attractive for outside additional funding and to decrease the time between project design and construction. The loans will be offered at the same terms as those deemed for infrastructure improvements. Loan payback will begin the state fiscal quarter following design loan closure.

The DWTRF loan program will also provide deferred loan repayment schedules to make projects more affordable to water systems. In this case, the water system will start repayments following construction completion, but the initial payments will be reduced until one or more existing debts are paid in full. Then, the water system will make accelerated DWTRF payments

within the loan period. This will allow a level debt service payment to water systems to make infrastructure projects more affordable.

**E. Amount to be used for Disadvantaged Communities**

The West Virginia legislation authorizes the DWTRF requirement for disadvantaged communities. *“The division of health shall, in accordance with the provisions of the safe drinking water act, establish a program for loan subsidies to disadvantaged communities. Thirty percent of the federal capitalization grants made to this state shall be dedicated to the funding of projects for disadvantaged communities”* (Authority §16-13C-3). At least thirty percent of the cumulative federal funds will be used for disadvantaged communities as previously defined.

**3. FINANCIAL STATUS**

The DWTRF will be managed by OEHS with assistance (through a contract agreement) from the West Virginia Water Development Authority (WDA). The WDA maintains the financial records and insures bond conditions and audit requirements are met. OEHS manages the DWSRF set-aside funds.

**A. Total amount of funds in the DWSRF (Construction & Set-Asides)**

The amounts available for the DWSRF Program are as shown in Tables 1, 2, and 3. Table 4 shows the amounts disbursed and obligated as of the end of SFY 2009.

**TABLE 1. FUNDS AWARDED PRIOR TO/DURING STATE FISCAL YEAR 2009  
(Construction & Set-Asides)**

U.S. Environmental Protection Agency (Total from 1998 through 2009)	\$130,793,500
WV State Match – Infrastructure Council (Total from 1998 through 2009)	\$18,358,700
WVDHHR: 10% Set-Aside State Match (Total from 1998 through 2009)	\$8,008,542
SUB-TOTAL	\$157,160,742
Loan Repayments (As of May 31, 2009)	\$9,760,936
Admin. Fee (typ. 1%)/Fee Invest Interest (As of May 31, 2009)	\$1,741,044
Interest Earnings WV DWTRF (As of May 31, 2009)*	\$4,586,136
TOTAL	\$173,248,858

\* Includes loans and investment interest earnings (not including interest on administrative fee).

**TABLE 2. FUNDS AWARDED DURING STATE FISCAL YEAR 2009  
(Construction & Set-Asides)**

U.S. Environmental Protection Agency (FS-99390008) (2F-99390009)	\$27,729,000
WV State Match - Infrastructure Council (FS-993900008)	\$1,645,800
WVDHHR: 10% Set-Aside State Match (FS-993900008) (Approp. 2008)	\$411,450
TOTAL	\$29,786,250

**TABLE 3. FUNDS REQUESTED STATE FISCAL YEAR 2010  
(Construction & Set-Asides)**

U.S. Environmental Protection Agency (FS-99390009)	\$ 8,146,000.00
WV State Match - Infrastructure Council (FS-993900009)	\$1,629,200.00
WVDHHR: 10% Set-Aside State Match (FS-993900009)	\$814,600.00
TOTAL	\$ 10,589,800.00

**TABLE 4. SET-ASIDE FUNDS DISBURSED OR PROJECTED THROUGH STATE FISCAL YEAR 2009/CONSTRUCTION LOANS AND COMMITMENTS THROUGH JUNE 2009  
(Construction & Set-Asides)**

Set-Aside Funds	Funds Received Prior to FFY 2010	Funds Projected During FFY 2010	Total Incoming Funds	Funds Disbursed	Funds Remaining
Administration (4%)	\$3,622,776	\$ 325,840	\$3,948,616	\$2,493,574	\$1,455,042
Small Systems Technical Assistance (2%)	\$1,823,591	\$ 162,920	\$1,986,511	\$1,729,397	\$257,114
Program Management Federal (10%)	\$8,008,542	\$ 814,600			
Program Management State Match (10%)	\$7,966,482	\$ 814,600			
<b>Total Program Management</b>	\$15,975,024	\$ 1,629,200	\$17,604,224	\$11,677,928	\$5,926,296
Local Assistance (15%)	\$10,292,931	\$ 1,221,900	\$11,514,831	\$8,120,818	\$3,394,013
<b>Total Set-Aside Funds</b>	\$31,714,322	\$ 3,339,860	\$35,054,182	\$24,021,718	\$11,032,464
<b>Construction Assistance Funds</b>	\$86,311,265	\$ 5,620,740.00	\$91,932,005		
20% State Match	\$18,358,700	\$ 1,629,200.00	\$19,987,900		
Loan Repayments	\$9,760,936	\$ 2,500,000.00	\$12,260,936		
Interest on Loans	\$1,741,044	\$ 315,000.00	\$2,056,044		
Interest Earnings	\$2,853,376	\$ 250,000.00	\$3,103,376		
<b>Total Funds For Loans</b>	\$119,025,321	\$10,314,940.00	\$129,340,261		
Closed Loans (June 2009)				\$74,788,309	
Letters of Commitment				\$53,770,824	
<b>Total Committed Funds</b>				\$128,559,133	
<b>Funds Remaining To Be Committed</b>					\$781,128
<b>Fees on DWTRF Assistance (Including Interest Earnings)</b>	\$1,457,614	\$ 300,000.00	\$1,757,614	\$0	\$1,757,614
<b>Total Program Funds</b>	\$152,197,257	\$13,954,800	\$166,152,057	\$152,580,851	\$13,571,207

**B. Uses of the New Funds (Construction & Set-Asides)**

Below is a summary of the amounts to be used for each activity. Any funds not used for set-aside activities will be used for construction projects. Please note that the DWTRF interest earnings are utilized to supplement the construction funds, specifically for project overruns, as necessary.

**TABLE 5. USES OF NEW/REQUESTED FUNDS  
(Construction & Set-Asides)**

Uses of Funds	Sources of Funds						Total
	Federal Funds	Infrastructure Council	State Program Match	Admin Fee/Admin Interest	Interest Earnings	Loan Repayments	
Administration	\$325,840	\$0	\$0	\$0	\$0	\$0	\$325,840
Technical Assistance	\$162,920	\$0	\$0	\$0	\$0	\$0	\$162,920
State Program Management	\$814,600	\$0	\$814,600	\$0	\$0	\$0	\$1,629,200
Local Assistance	\$1,221,900	\$0	\$0	\$0	\$0	\$0	\$1,221,900
Construction	\$ 5,620,740.00	\$1,629,200	\$0	\$0	\$0	\$0	\$7,249,940
Total	\$8,146,000.00	\$1,629,200	\$814,600	\$0	\$0	\$0	\$10,589,800

\*\* Administrative Fees, Interest Earnings, and Loan Repayments are included in the grant application.

**C. Types of projects to be funded**

The list of projects OEHS is considering to fund is in Attachment 3. These projects include water treatment plant upgrades, distribution and storage upgrades, and extensions of existing systems. Projects solely for economic growth or projects solely for fire protection are not eligible for DWTRF assistance.

**4. GOALS OF THE DWSRF**

**A. Short Term Goals**

- 1) Improve the DWTRF utilization rate to meet or exceed the regional and national average. The DWTRF fund utilization rate as determined by the EPA was 63% in 2005, 76% in 2006, 73% in 2007, and 71% in 2008. The projected 2009 utilization rate will drop significantly from the prior year to approximately 65% due to receipt of the ARRA grant in June 2009. The utilization rate would have been 76% without the ARRA grant funds. The utilization rate, which has historically been lower than the national average (86%) and all states within Region III (average is 88%), is impacted due to numerous reasons. Activities listed below should enable West Virginia to utilize its funds at the national and EPA Region III's average utilization rate. It is anticipated that in 2010 the utilization rate will approach 90%. OEHS is using the ARRA grant funds mostly as principal

forgiveness and leveraging those funds with the base SRF program to significantly boost the utilization rate.

In response to the SFY2006 Program Evaluation Report, OEHS submitted its top priority items to be implemented to improve the DWTRF utilization rate. These items are listed below and continue to be a focus for OEHS:

- Continue use of an application process for water systems expressing a specific interest in obtaining DWTRF funds.
  - Recommend DWTRF funding for Infrastructure Council applications when the water system could take a DWTRF loan and not exceed a reasonable percent of medium household income (MHI).
  - Generate and advertise a project priority list more frequently than once per year to enable water systems more access to the DWTRF fund.
  - Market the DWTRF fund at funding agency meetings and utility system conferences.
  - Over commit DWTRF funds but not exceed reasonable federal funding commitments, repayments, and interest.
- 2) Provide design loans (or grants if available) to water systems to enable them to fund the design stage of the project to move the project forward at a faster pace. Projects tend to stagnate because engineering consultants are reluctant to absorb the up-front design costs until the project goes to bid. They typically require water systems to fund the design and other soft costs through a design loan.
- 3) Provide financial assistance to eligible drinking water systems to eliminate drinking water problems and improve drinking water quality in the state, closing 75% of the construction loans within 18 months.
- 4) Protect source water from future contamination through Source Water Assessment and Protection (SWAP) and WHP programs:
- Continue developing and implementing SWAP/WHP programs.
  - Determine if water sources are groundwater under the direct influence (GWUDI) of surface water.
  - Continue collaborating with West Virginia Department of Environmental Protection's (WVDEP) Underground Injection Control (UIC) Program.
  - Update and expand Geographic Information System (GIS) capabilities.
- 5) Continue implementation of the Capacity Development Strategy including assisting existing public water supplies in acquiring and maintaining the technical, managerial, and financial capacity to comply with the federal SDWA. Provide assistance to ensure that all new community water supplies and new non-transient non-community supplies have the technical, managerial, and financial capacity to comply with current regulations and those regulations likely to be in effect, when the system initiates operations.

- 6) Continue development, enhancement, and improvement of the Public Water Supply Supervision (PWSS) through improved methodology and consistency of the sanitary surveys. This includes completion of a full complement of staffing in the district offices and final development of an automated data collection system for private laboratories to forward results of total organic compounds.
- 7) Continue to implement an operator training continuing education program focusing on training course/instructor criteria and operator training requirements.
- 8) Continue to participate in the monthly meetings of the Infrastructure Council by performing technical reviews on all proposed water projects; and, coordinate and recommend the most feasible funding sources in accordance with established state rules and procedures.
- 9) Enact "Summary of OEHS Action Items" based on comments by the US EPA during the SFY 2009 Site Visit.
- 10) Efficiently and effectively administer the supplemental set-aside work plan grant and contractor activities:
  - Preliminary Evaluation, Planning, and Project Design Grants
  - Source Water Protection Grants
  - Geographic Information System Mapping
  - Capacity Development and Source Water Assistance Program
  - Area Wide Optimization Program Performance Based Training
  - Source Water Security Enhancements Grants
  - WV Utility Management Institute
  - Water Distribution and Chief Operator Training

## **B. Long Term Goals**

- 1) Provide the necessary infrastructure replacement, upgrade, and coverage as determined in the Infrastructure Council's 2005 Public Water and Systems Inventory and Assessment Report (approximately 725 million dollars needed for drinking water infrastructure) and the 2003 EPA Drinking Water Needs Survey and Assessment. This is done with the overall goal of upgrading water quality for existing public water customers and providing water to private customers whose water currently does not comply with the SDWA. The above will be achieved through the following:
  - Capacity Development Program: Continue to conduct financial, managerial and technical capacity assessments on public water systems and provide necessary assistance to ensure compliance with the SDWA.

- Continue to participate in the Infrastructure Council process on a monthly basis to oversee the technical review committee for the technical review of applications and to maximize all available state and federal funding sources.
- 2) Continue to develop the Safe Drinking Water Information System (SDWIS) database of existing public water systems to include:
- System infrastructure mapping
  - System inventory
  - Compliance history
  - Sampling history
  - Operator certification

This can be utilized to quickly assess an existing system as well as evaluate proposed new projects/systems. The database will also have capability of interfacing with other existing databases.

- 3) Develop the DWTRF to ensure the long term perpetuity of the fund where after the initial capitalization years, the loan repayments in the fund will be used to finance additional projects. Long term funding will be achieved as follows:
- Conduct financial, managerial, and technical capacity assessments under the Capacity Development Program on all potential loan recipients to assure fiscal responsibility.
  - Monitor repayment activity of loan recipients and take aggressive action for collection of delinquent payments from loan recipients.
  - Market the DWTRF through various conferences (WV Rural Water Association Conference, American Water Works Association, Infrastructure Council Meetings, etc.), pamphlets/brochures, and quarterly newsletters on DWSRF program activities.
  - Provide drinking water infrastructure design loans as needed to increase the project completion rate.
  - Analyze the ability to meet long term perpetuity of the fund by using the EPA financial planning model. Use the EPA financial Planning Model to determine the impacts of using grants, in the long term and their impacts on the long term financial viability of West Virginia DWTRF's program, especially if Congress ends the Capitalization Grant in 2020. The EPA financial planning model can be used to determine the amounts of upfront grants given to disadvantaged communities as well as debt forgiveness due to the inability for a community in a distressed area to pay a loan back. It can also be used to evaluate the effects of various loan rates and terms to ensure the perpetuity of the DWTRF program. OEHS believes its current interest rates and terms are competitive to other state and federal funding agencies and any increase in rates would be detrimental to the fund pace. The administrative fee on DWTRF loans is at an optimum level to not

impede the utilization rate and provide funds for future staff use should the Capitalization Grants end.

- 4) Maintain the DWTRF utilization rate to the national average, or EPA Region III average.
- 5) Close the DWTRF loans to recipients within twelve months of a binding letter of commitment.

## **5. SET-ASIDE ACTIVITIES**

In addition to the DWTRF construction fund, there are four “set-aside” or non-project accounts to be administered by OEHS. These separate accounts include Administration of the Loan Program, Technical Assistance, State Program Management, and Local Assistance.

The different set-aside accounts are specified in the SDWA to enable the state to finance the cost of administering and managing the DWTRF program and supporting local public water systems. These accounts are described in more detail below.

The goals, objectives, methods, outputs, and outcomes for these set-asides are located in the work plan.

### **A. Administration (\$325,840)**

The SDWA authorizes the state to use 4% of the Capitalization Grant for administration of the DWTRF program. The full 4% is being requested for this activity. The state plans to use 4% of the Capitalization Grant solely for administration costs of the program. Administrative tasks include but are not limited to:

- 1) Developing legislation regarding issues related to the DWSRF.
- 2) Preparing the Capitalization Grant agreement.
- 3) Developing memorandums of understanding between federal and state agencies.
- 4) Reviewing West Virginia Infrastructure Council applications.
- 5) Preparing the IUP.
- 6) Providing project review, priority ranking procedures, environmental reviews, and required DWTRF project information coordination (project scheduling, advertisements, loan closure).
- 7) Providing project inspections, administration of the funds.
- 8) Tracking and accounting of the funds.
- 9) Auditing of the funds.
- 10) Processing payment requests, and managing loan repayments.

The DWTRF program will fully utilize the WDA, which already administers state-funded construction loans to public wastewater and water systems. OEHS, WDA, Infrastructure Council, State Treasurer, and Auditor’s Offices have been involved in coordinating efforts to

expedite disbursing construction funds to the state's public water systems and meeting critical construction needs.

**B. State Program Management (\$814,600 - Federal, \$814,600 - State Match)**

The SDWA authorizes the state to use up to 10% from the federal Capitalization Grant to support the State Public Water Supply Supervision (PWSS) program, source water protection, and operator certification programs. This year 10% of the funds are being requested. The balance will be added to the construction fund. These funds require a dollar-for-dollar match and this match is made through state appropriations. The activities subsidized from this account include enhancement of the PWSS program, Operator Training and Certification, Engineering Assistance, Area Wide Optimization Program, Zone of Critical Concern (ZCC), and Data Information System Management.

**C. Technical Assistance (\$162,920)**

The SDWA authorizes the state to use up to 2% of each capitalization grant to provide technical assistance to small water systems. The full 2% is being requested for this activity. Small water systems are defined as those that serve less than 10,000 persons. These set-aside funds will be used for technical, financial, and managerial continuing education training to water system operators to meet their certification and training requirements. A contractor, meeting the state requirements, will coordinate the technical assistance program.

**D. Local Assistance and Other State Activities (\$1,221,900)**

The SDWA authorizes the state to use up to fifteen percent (15%) of the federal capitalization grant for this set-aside, but no more than ten percent (10%) may be used for any one activity. The full 15% is being requested for this activity. These set-aside funds will be used for Capacity Development Assistance needs, Wellhead Protection (WHP) Program, underground injection control program, and improving Geographical Information System (GIS) capabilities.

**6. PUBLIC COMMENT PROCESS**

The public comment period for this IUP occurred in July/August 2009. OEHS posted the IUP on the web site and made it available at all district offices and the central office. The draft IUP was mailed out to key stakeholders for comment. A public notice was published in the West Virginia Register (State Register) in July 2009 concerning the web posting and public comment period.

The public hearing will be held on August 27, 2009 at 1 Davis Square as advertised in the public notice.

**ATTACHMENT 1**

**DWTRF Project Priority Ranking System**

System: \_\_\_\_\_ County: \_\_\_\_\_ Date \_\_\_\_\_  
Project#: \_\_\_\_\_ Project: \_\_\_\_\_

### **DWTRF Project Priority Ranking System**

(1) \_\_\_\_\_ **PUBLIC HEALTH** (0 to 50 points - 50 points maximum)

Up to fifty points may be given to a project for public health. The public health categories are listed below. A particular project may apply to several categories. In such cases, the project will be given the highest rating.

(A) \_\_\_\_\_ **Projects to correct acute health hazards** - (50 points) Fifty points will be given to projects that propose to eliminate a problem that poses an acute, ongoing health hazard to the consumer. Examples are listed below.

- Projects that address documented nitrate or nitrite violations.
- Projects that address documented exceedances of primary inorganic MCL's
- Projects that address a problem where a system has been put on the EPA SNC list for turbidity violations. The project must ensure compliance in order to receive DWTRF assistance.
- Projects that address a problem where a system has been put on the EPA SNC list for microbiological violations. The project must ensure compliance in order to receive DWTRF assistance.
- Projects that propose filtration for surface water source that currently do not have filtration.
- Projects that propose disinfection for a system that currently do not have disinfection.
- Projects that address documented water outages for extended periods (1 week) due to system or design deficiencies.

(B) \_\_\_\_\_ **Correct chronic health hazards** - (40 points) Forty points will be given to projects that propose to eliminate a chronic health hazard to the consumer. Examples are listed below.

- Projects that address a turbidity violations for a system that has not yet been put on the EPA SNC list.
- Projects that address a microbiological violations for a system that has not yet been put on the EPA SNC list.
- Projects that address exceedances of the Lead and Copper Rule.
- Projects that address documented exceedances of primary organic MCL's.
- Projects that address documented exceedances of radiological MCL's.
- Projects that address treatment technologies for the SWTR.
- Projects that address documented water outages due to system or design

deficiencies.

(C). \_\_\_\_\_ **Correct periodic health hazards** - (30 points) Thirty points will be awarded to projects that propose to eliminate a documented health hazard which has occurred periodically. Examples are listed below.

- Projects that address low chlorine residuals.
- Projects that address periodic exceedances of a primary MCL.
- Projects that address periodic water outages to some customers for at least a day due to design or system deficiency.
- Projects to bring existing facilities to current design standards which affect water quality: treatment, chemical application, pumping facilities, finished storage and distribution systems.

(D) \_\_\_\_\_ **Correct potential health hazards** - (20 points) Twenty points will be given to projects that propose to eliminate potential health hazards. Examples are listed below.

- Projects for line extensions to areas with poor water quality or limited quantity.
- Projects to develop new source to augment existing sources where there is no other health hazard associated with the project. Dams and reservoirs are not eligible.
- Projects for installation / upgrade of waste disposal facilities.

(E) \_\_\_\_\_ **System Improvements** - (10 points) Ten points will be given to projects that propose general system improvements. Examples are listed below.

- Projects to replace / repair old, undersized, or malfunctioning equipment.
- Projects to replace leaking water line.
- Projects to improve aesthetic quality of the water such as iron, manganese, taste and odor.

(2) \_\_\_\_\_ **REGULATORY COMPLIANCE** (0 to 20 points, 20 points maximum)

(A) \_\_\_\_\_ **Correction of chronic non-compliance** - 20 points

Compliance with administrative orders, agreements, statutes, or regulatory deadlines.

(B) \_\_\_\_\_ **Compliance with periodic and potential non-compliance** - 10 points

Compliance with sanitary survey recommendations, NPDES permits, new regulations, or design standards.

(C) \_\_\_\_\_ **Protection against non-compliance** -5 points

Compliance with proposed regulations.

(D)\_\_\_\_\_ Line extensions with documented cases of fecal coliform - 3 points

(3) \_\_\_\_\_ **AFFORDABILITY** (0 to 30 points)

Rates = 0% to 0.5% MHI (0 points)

Rates = 0.51% to 1.0% MHI (5 points)

Rates = 1.01% to 1.5% MHI (20 points)

Rates = 1.51% to 2.0% MHI (25 points)

Rates > 2.0% MHI (30 points)

Note: MHI = median household income by magisterial district as published by the West Virginia Infrastructure and Jobs Development Council.

Rates based on 4,000 gallons.

Public Health	
Compliance	
Affordability	
Total Points	

**Tie Breaker:**

In the event that two or more systems have the same score the following will be used as the tie breaker.

1. Whichever system has the highest public health rating will be ranked highest.
2. In the event there is still a tie, then the system with the lower population served will be ranked higher.

**Definitions**

EPA -- Environmental Protection Agency

MCL -- Maximum Contaminant Level

MHI -- Median Household Income

SNC -- Significant Non-Compliance

SWTR -- Surface Water Treatment Rule

**ATTACHMENT 2**

**Project Priority List/Comprehensive List**

## Comprehensive Project Priority List

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
1	Whitmer Water Association, Inc.	Construct a new water treatment and distribution system.	1% @ 30 yrs	89	\$2,265,000	\$3,765,000	2002	
2	War, City Of	Phase V of a six phase replacement of the badly deteriorated water distributions system originally constructed in the 1920's. Excessive water losses and lack of pressure result in inadequate supply to residents and insufficient fire flow. The disinfection system currently used is inadequate and results in inconsistent water quality throughout the system.	1% @ 30 yrs	1131	\$579,240	\$1,158,480	N/A	
3	Sun Valley PSD	Take Salem WTP off-line; Extensions: Turkeyfoot, Lake Floyd, Katy Lick, Halls Run, Jarvisville, Racoon Run, Flinderation ... for 457 new customers	1% @ 30 yrs	2054	\$3,900,000	\$7,950,000	2006	
4	Fairmont, City Of	To provide the needed pretreatment process of the raw water source; correct deficiencies in the design of the membrane reject and recycle treatment; and correct deficiencies in the design of the sludge solids and residual handling.	1% @ 30 yrs	31694	\$9,688,900	\$8,745,000	2006	
5	Jefferson Utilities	Replacement of the Keyes Ferry Acres, Westridge Hills, Harpers Ferry Campsites distribution systems and wells.	1% @ 30 yrs	915	\$10,250,000	\$10,250,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
6	Clay County PSD	Project involves extension of service to the PSD's recently constructed system in Southern Clay County. Approximately 240 customers can be supplied water by gravity (no new tanks/boosters needed).	1% @ 30 yrs	960	\$5,000,000	\$5,000,000	N/A	
7	Queen Shoals PSD	The proposed distribution system improvements consist of the construction of a storage tank, two pressure reducing stations, booster station, and replacement of metering equipment, installation of waterline and necessary appurtenances.	1% @ 30 yrs	384	\$850,000	\$950,000	2005	
8	Coons Run PSD	Waterline extension to serve approximately 37 new customers some of which have contaminated wells, as well as system-wide upgrades to correct chronic non-compliance of the system.	1% @ 30 yrs	732	\$2,400,000	\$2,400,000	2006	2009
9	Taylor County PSD	Installation of 8,500 feet of 4" water main, 2,300 feet of 2" water main, 3 gate valves and 11 water services.	1% @ 30 yrs	1296	\$126,000	\$280,000	N/A	
10	Town of Bath (Berkeley Springs)	Replace existing potable water distribution lines in the Town. The Town is under a mandatory moratorium on new connections until water loss is reduced allowing the plant production time to be reduced.	1% @ 30 yrs	4042	\$4,500,000	\$4,500,000	2008	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
11	Putnam County Commission - WVAW	Waterline extension on Jim Ridge in northern Putnam County to serve approximately 61 new customers.	1% @ 30 yrs	240000	\$2,000,000	\$2,300,000	N/A	
11	Putnam County Commission - WVAW	Construction of Five separate waterline extensions in northern Putnam County that will provide water service to approximately 56 new customers.	1% @ 30 yrs	240000	\$2,300,000	\$2,300,000	N/A	
11	Putnam County Commission - WVAW	Construction of four separate waterline extensions in southern Putnam County that will provide water service to approximately 70 new customers.	1% @ 30 yrs	240000	\$1,982,000	\$2,150,000	N/A	
11	Putnam County Commission - WVAW	Waterline extension on Fishers Ridge in northern Putnam County to serve approximately 36 new customers.	1% @ 30 yrs	240000	\$1,600,000	\$1,600,000	N/A	
11	Putnam County Commission - WVAW	Waterline extension on Manila Ridge in northern Putnam County to serve approximately 53 new customers.	1% @ 30 yrs	240000	\$1,500,000	\$1,700,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
16	Salt Rock PSD - WVAW	Waterline extension on Upper Toms Creek in Cabell County to serve approximately 39 new customers who currently experience water outages of 1 week or longer.	3% @ 20 yrs	7915	\$597,000	\$714,000	N/A	
16	Salt Rock PSD - WVAW	Waterline extension on Big Cabell Creek in Cabell County to serve approximately 21 new customers who currently experience water outages of 1 week or longer.	3% @ 20 yrs	7915	\$318,000	\$381,000	N/A	
16	Salt Rock PSD - WVAW	Waterline extension on Lower Heath Creek in Cabell County to serve approximately 13 new customers who currently experience water outages of 1 week or longer.	3% @ 20 yrs	7915	\$126,000	\$165,000	N/A	
19	Kanawha County RDA (Derricks Creek Ridge)	Extend water service to the Derricks Creek Ridge area of northern Kanawha County from the WVAW - Kanawha Valley Distribution System. The project will serve 45 families who have very poor water due to low amounts, fecal coliform and/or poor aesthetic quality.	1% @ 30 yrs	240000	\$500,000	\$1,181,000	N/A	
19	Kanawha County Regional Development Authority (Olcott / Alum Creek)	Extend water service to the Olcott and Alum Creek areas of Kanawha County from the WVAW - Kanawha Valley Distribution System. The project will serve 204 families who have very poor water due to low amounts, fecal coliform or poor aesthetic quality. The project consists of 65,000 feet of main and includes 30 hydrants.	1% @ 30 yrs	240000	\$2,300,000	\$3,230,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
21	Pratt, Town of	Project will repair leaks and improve pressure and fire flow. New valves will improve system control. Fencing will provide security to tank sites. Project will improve raw water intake and provide a chlorine alarm in the chlorine room and office.	1% @ 30 yrs	1114	\$964,000	\$964,000	2004	
22	New Haven PSD/Fayette County Commission	Construct waterline, a storage tank, valves, hydrants, service lines, meter settings and all appurtenances. This project will serve 89 new customers in the Stringtown Road area of Fayette county. 50% of the homes tested were positive for E. Coli. The project consists of 24,275 LF of 8" DIP, 7,200 LF of 6" DIP, 4,250 LF of 2" PVC, a 104M gallon tank and other appurtenances. Originally was part of 2002W-708.	1% @ 30 yrs	5119	\$680,000	\$2,265,000	N/A	
23	Boone County PSD (Phase I- Prenter Road / Route 5)	Phase I to extend water to the northern area of Prenter Road / Route 5.	1% @ 30 yrs	21033	\$1,300,000	\$2,237,500	N/A	
24	Reedy, Town of	Repaint existing 100M gal storage tank, grading and stone for access road, 7' security fence, miscellaneous repairs to tank, tank cleaning, and altitude valve work.	1% @ 30 yrs	410	\$130,000	\$130,000	2005	
25	Frankfort PSD	Phase I purchase of Wiley Ford Water Company only. Take Wiley Ford Water Company off-line; upgrade system; new water wells; connect to Frankfort PSD; provide water to Industrial Park	1% @ 30 yrs	912	\$940,000	\$940,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
26	Jane Lew PSD	Remove and replace existing gate valves, install new gate valves and bypass meters, replace waterline, install PVC, booster pump station, fence, solenoid valve flow control station, booster chlorination station, and replace a river crossing water line. Replace 12,500 LF of water line; install a 37 gpm booster station; fence existing tank; install booster chlorination station; replace river crossing line; decommission WTP (plant to connect to Greater Harrison County PSD for water).	1% @ 30 yrs	1344	\$792,464	\$888,664	2005	
27	City of Cameron	Replace the remaining old distribution lines within the existing system. This project will reduce the City's water loss to meet standards.	3% @ 20 yrs	1159	\$1,500,000	\$1,500,000	2004	
28	Grant Town, Town of	Replac. existing cast iron water lines, valves, hydrants and recon. of serv. lines. Clean. and paint. of water storage tank and an exten. to serv. 26 new custom.	1% @ 30 yrs	1330	\$1,610,000	\$3,110,000	N/A	
29	Rivesville, Town of	Upgrade water system, replace stream crossings, perform storage system repairs and improve fire flows to the Town residents. Extensions include two streets in town which will serve approximately 5 new customers.	3% @ 20 yrs	1498	\$1,707,893	\$5,085,276	N/A	
30	Shortline PSD	Tank Replacement	3% @ 20 yrs	2505	\$600,000	\$600,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
31	City of Philippi	WTP upgrades including a new raw water intake, chemical feed system, chlorination system, and improvements to the flocculation/sedimentation basins and filters to meet Federal Regs and improve operations.	1% @ 30 yrs	3161	\$2,103,400	\$2,898,000	N/A	
32	Hardy County PSD	Upgrade the Route 55 booster pump station	3% @ 20 yrs	4420	\$325,000	\$325,000	N/A	
32	Hardy County PSD	Replacement of water lines along Trough Road	3% @ 20 yrs	4420	\$176,000	\$176,000	N/A	
34	Grant County PSD	Additional pump to comply with standard and correct sanitary survey deficiency.	3% @ 20 yrs	5573	\$100,000	\$100,000	N/A	
35	Sugar Creek PSD	Painting two (2) existing tanks, new telemetry system and minor upgrades to the water treatment plant.	1% @ 30 yrs	1128	\$480,000	\$880,000	2006	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
36	Welch, City Of	Water Storage Tanks repair and replacement project.	1% @ 30 yrs	3120	\$1,250,000	\$1,250,000	2006	2009
37	Southwestern Water PSD	Replace water distribution system to reduce 44% water loss; upgrade booster station; new tanks; PSD currently has inadequate storage for the water use; project will add backup pumps; will add booster chlorinations for residual concentration.	1% @ 30 yrs	4944	\$6,100,000	\$10,100,000	2008	
38	Webster County Commission / EDA	Diana Phase I water main extension project to extend water service from Webster Springs to Diana.	1% @ 30 yrs	1776	\$2,600,000	\$2,500,000	N/A	
39	Hardy County PSD	Extension to Marvin Chapel	3% @ 20 yrs	4420	\$1,315,800	\$1,315,800	N/A	
39	Hardy County PSD	Dover Hollow line extension	3% @ 20 yrs	4420	\$500,000	\$500,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
39	Clay County PSD	Ext. to Big Otter/Nebo	1% @ 30 yrs	960	\$1,250,000	\$1,250,000	N/A	
42	Oakvale Road PSD	Extension from Poplar Groves Estates to Oakville (including the town) along Rt.12, Cheesy Creek Road, and part of Greasy Ridge Road for 354 new customers	1% @ 30 yrs	4507	\$5,968,000	\$6,266,000	N/A	
43	Keyser, City of	Upgrade existing water treatment plant, paint existing tank, extend water service to 79 homes in the Hollywood Road area and replace existing cast iron water main along Limestone Run Road. Also, construct a new storage tank.	1% @ 30 yrs	6223	\$1,500,000	\$11,000,000	2005	
44	Camden-On-Gauley	Construct water line, river crossing, gate valves meter settings, fire hydrants, blow-off hydrants, rehabilitate storage tank and all necessary appurtenances.	1% @ 30 yrs	442	\$939,000	\$2,439,500	N/A	
45	Pendleton Co. PSD	Waterline extension to the communities of Kline and Mozer in Pendleton Co.	1% @ 30 yrs	485	\$690,000	\$3,143,000	2008	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
46	Pleasant Hill PSD	Project consists of extending public water service to approximately 45 new customer in the Ritchie County that currently rely on private sources such as wells, cisterns and hauling water. Several well sources in the project area have tested positive for fecal coliform.	1% @ 30 yrs	1584	\$800,000	\$800,000	2005	
47	Century Volga PSD	Extend water service to approximately 60 residential customers along the Brushy Fork Road area, Spawlick Road, & the Scales Road of rural Barbour County.	1% @ 30 yrs	2184	\$750,000	\$2,389,000	N/A	
48	Petersburg, City of	Upgrade City's existing water treatment plant to 2400 GPM; replace existing storage tank and install new tank feed line.	3% @ 20 yrs	6000	\$7,768,600	\$10,700,000	2007	
49	Town of Pax	Extension of water lines to Town Creek and Horse Creek north of Pax. Project will include installation of main, service lines, stream crossings, railroad crossings, meters, valves, hydrants and all appurtenances.	1% @ 30 yrs	821	\$900,000	\$900,000	2007	
50	Pleasant Hill PSD	Extension to 45 new customers near the community of Smithville in southern Ritchie county. Construction consists of 33,000 LF of 8-, 6-, 2-inch waterline, 13 hydrants and necessary appurtenances.	1% @ 30 yrs	1584	\$1,465,000	\$1,465,000	2005	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
51	Gauley River PSD	Provide water service to approximately 136 new customers in the area along Route 39 from Jerry Fork to the Town of Summersville.	1% @ 30 yrs	2177	\$2,064,670	\$2,323,890	N/A	
52	Chestnut Ridge PSD	Extension to 257 new customers in Preston Co, Pea Ridge, Teter Creek, Colebank & Rt. 250N of Philippi in Barbour. Plus 342 new customers in Preston and sell water to Tunnelton (363) and Denver Water Assoc (132) customers.	1% @ 30 yrs	2405	\$800,000	\$1,645,000	N/A	
53	Nettie-Leivasy PSD	Project will upgrade the WTP from 200 gpm to 350 gpm because the plant is operating beyond its design rate for 18-23 hours per day; one 71M gal and one 350M gal storage tanks; improve distribution system; and paint one existing tank; one coal preparation plant in Carl; and to Green Valley.	1% @ 30 yrs	3216	\$2,173,000	\$4,173,000	2007	
53	Nettie-Leivasy PSD	Waterline extension to serve Carl and Green Valley.	1% @ 30 yrs	3216	\$3,153,000	\$3,153,000	2007	
55	Lashmeet PSD	Construct Spanishburg Water System Extension Project - Phase 2B to provide water service to approximately 65 bonafide (81 potential) customers in the Spanishburg, Wolf Cfreek and Gardner Road Area of Mercer County.	1% @ 30 yrs	3449	\$328,000	\$1,898,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
56	Mineral Wells PSD	Project consists to extending public water service to approximately 25 new customers in the Central Ridge - Bogal Ridge - Pond Creek areas of Wood County that currently rely on private water sources such as wells, cisterns and hauling water. The project is designed and was removed from a previous contract due to cost.	3% @ 20 yrs	4223	\$1,500,000	\$1,500,000	N/A	
57	Summersville, City of	Glade Creek Phase II extension, which includes Lower Glade Creek Road, Armstrong Road, Maria Estates, Phillips Run, Old Route 19, and McMillion Creek.	1% @ 30 yrs	4862	\$372,000	\$5,888,000	2004	
58	Boone County PSD	Turtle Creek/Corridor G water line extension will extend service to approximately 115 new customers. This water line extension will allow for future water line extensions to be constructed by Boone County, and will allow for improved infrastructure along Corridor G which is believed to improve commercial growth potential.	1% @ 30 yrs	21033	\$2,129,000	\$2,635,000	N/A	
59	Kanawha County Regional Development Authority (Sissonville Areas)	Extend water service to twelve areas of Sissonville from the WVAV - Kanawha Valley distribution system.	1% @ 30 yrs	240000	\$1,500,000	\$2,547,000	N/A	
60	Claywood Park PSD	Construction of a public water system that will serve approximately 300 households in various areas of Wood & Wirt counties.	3% @ 20 yrs	7855	\$3,742,000	\$5,242,000	2006	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
61	Hodgesville PSD	Installation of a water line extension along Red Rock to serve 8 customers and a water line extension along Sauls Run and Spruce Fork to serve 43 customers	1% @ 30 yrs	2606	\$1,500,000	\$1,873,115	N/A	
62	Lubeck PSD	Extension to serve 91 customers in the Wadesville area of Steele District.	3% @ 20 yrs	9317	\$3,325,000	\$3,325,000	2005	
63	Morgantown Utility Board	Installation of membrane filtration, and new chemical processes to reduce DBP.	3% @ 20 yrs	53854	\$10,000,000	\$49,990,000	N/A	
64	Pleasants County PSD	Project consists of extending public water service to approximately 65 new customers that currently rely on private water sources such as wells, cisterns and hauling water. The project was cut from a previous construction project and is designed.	3% @ 20 yrs	7514	\$2,000,000	\$2,000,000	N/A	
65	Oakland PSD	Construct a new water storage tank, refurbish the existing tank, install filtration system for iron and manganese, and construct line extension to pick up approximately 115 new customers.	3% @ 20 yrs	1982	\$3,267,686	\$3,789,686	2008	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
66	Charles Town Utility Board	Purchase and installation of Radio Read meters to convert from bimonthly reading of meters allowing for quick assessment of flow conditions to better isolate leaks and thus reduce the loss of water.	3% @ 20 yrs	16879	\$1,655,000	\$2,000,000	N/A	
67	Frankfort PSD	Phase II Total Upgrade of water system; construction of water wells and connection to the existing Frankfort PSD water system.	1% @ 30 yrs	926	\$3,640,000	\$5,500,000	N/A	
68	Kanawha Co. RDA WVAW Upper Kanawha Valley	This project will reinforce the water distribution system from the Kanawha Valley Water Plant along Route 60 to allow for the ultimate elimination of the Montgomery WTP, Pratt WTP, and Cedar Grove WTP.	1% @ 30 yrs	240000	\$10,614,000	\$10,614,000	N/A	
69	Ellenboro - Lambertson PSD	Extension of water service to approximately 35 new customers that currently rely on private water sources such as wells, cisterns and hauling water.	3% @ 20 yrs	455	\$1,200,000	\$1,200,000	2006	
70	Clover PSD	Construction of waterline, two pressure reducing stations and necessary appurtenances.	1% @ 30 yrs	770	\$1,000,000	\$2,750,000	2005	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
71	Clay, Town Of	Water line extension of approximately 3.5 miles with a tank and booster station to serve approximately 50 customers in the Blue Knob area due to low water quantity.	1% @ 30 yrs	1341	\$3,000,000	\$3,000,000	2009	
72	Northern Jackson County PSD	Water extension to include waterline, test stations, one pressure reducing station and necessary appurtenances.	1% @ 30 yrs	2534	\$1,910,000	\$1,910,000	N/A	
73	Friendly PSD	Extensions to serve the Elk Fork and Bens Run areas.	1% @ 30 yrs	4274	\$1,875,000	\$1,875,000	2003	
74	Boone County PSD	Water extension to provide public water to approximately 20 customers in the Long Branch area due to low water quantity from existing wells.	1% @ 30 yrs	21033	\$540,000	\$600,000	N/A	
74	Boone County PSD	AML project to serve approximately 140 new customer in the Cameo area. Existing well have been judged to be impacted by pre-law mining cause quantity issues.	1% @ 30 yrs	21033	\$1,000,000	\$3,000,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
74	Boone County PSD	Mainline extension to serve 5 customers in the Stollings Rd. area due to low water quantity from existing wells.	1% @ 30 yrs	21033	\$300,000	\$550,000	N/A	
74	Boone County PSD	Water extension to serve approximately 45 new customers from Lick Creek to Corridor G along Stollings Rd. Existing wells produce low quantity and sulphur laden water.	1% @ 30 yrs	21033	\$1,500,000	\$2,000,000	N/A	
78	Fairmont, City of	Replacement of Water line along Fairmont Avenue consisting of approximately 7,000 LF of 8-inch waterline and all necessary appurtanences.	1% @ 30 yrs	31694	\$405,000	\$405,000	2006	
78	Fairmont, City of	Replacement of Water line in Rayford Acres consisting of approximately 7,200 LF of 6-inch waterline and all necessary appurtanences.	1% @ 30 yrs	31694	\$321,000	\$321,000	2006	
78	Fairmont, City of	Replacement of Water line along Cheasapeake Road consisting of approximately 4,200 LF of 6-inch water line and all necessary appurtanences.	1% @ 30 yrs	31694	\$175,000	\$175,000	2006	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
81	Elizabeth, Town Of	Project consists of extending public water service to approximately 25 households in Wirt County that currently rely on private water sources such as wells, cisterns and hauling water. The project is designed and ready to bid.	3% @ 20 yrs	1598	\$600,000	\$600,000	N/A	
82	Parkersburg Utility Board	Phase II Water Distribution system improvements including approximately 8 miles of water main. Replacment of small diameter pipe and interconnection of several small service areas allowing abandonment of four constant run water booster stations.	3% @ 20 yrs	36448	\$5,800,000	\$6,800,000	N/A	
83	Boone Raleigh PSD	Rehabilitation/Replacement of the existing 1936 plant.	3% @ 20 yrs	845	\$3,500,000	\$3,500,000	2007	
84	Romney, City Of	Purchase and installation of emergency generator(s) to provide electrical power during emergency situations.	3% @ 20 yrs	1935	\$480,000	\$480,000	N/A	
85	Southern Jackson County PSD	Due to customer growth, portions of the District's existing system are in need of upgrading. The Jim Ridge Booster Station is operating at full capacity and is in need of modifications to increase capacity. The Mountain View Storage Tank cannot maintain a full operating level due to being served by undersized transmission mains within the distribution system and the existing 6" transmission main proceeding south along County Route 21 from the Coleman Run Booster Station is insufficient to provide service to the southern half of the system and is in need of replacement. The proposed upgrade to the Southern Jackson County PSD Water Distribution System consists of the replacement of approximately 30,000 l.f. of 12", 10", 8" and 6" water main; installation of a 100,000-gallon storage tank; upgrading of the Jim Ridge Booster Station, and construction of necessary appurtenances.	3% @ 20 yrs	5483	\$1,850,000	\$1,850,000	2006	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
85	Southern Jackson County PSD	The residents of Faber Hollow, Pigeonroost Run, and US Route 33 East have expressed a dire need for public water service from the District due to lack of suitable private water supplies. The majority of the residents report either a lack of quantity or substandard quality of water for domestic purposes. The proposed extension to the Southern Jackson County PSD Water System includes installation of approximately 27,000 l.f. of 8", 6", and 2" waterline; 250,000-gallon storage tank; and necessary appurtenances to serve approximately 53 new users.	3% @ 20 yrs	5483	\$2,000,000	\$2,000,000	2006	
87	Grant County PSD	Extend water lines into an area of the county that currently relies on wells for water. This area has poor quality groundwater and low producing wells.	3% @ 20 yrs	6214	\$528,240	\$990,000	N/A	
87	Grant County PSD	Upgrade 2700 meters to radio read technology.	3% @ 20 yrs	6214	\$680,575	\$680,575	N/A	
89	WVAW - Fayette Co.	Upgrade of 12,000 meters in Fayette County with automatic metering and an acoustic monitoring system.	1% @ 30 yrs	20192	\$3,850,000	\$4,200,000	N/A	
90	East Bank, Town Of	Construction of a new water storage tank and pump station.	3% @ 20 yrs	1093	\$350,000	\$650,000	2004	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
91	Clarksburg, City of	Replacement of valves coordinating with the City's valve replacement plan.	3% @ 20 yrs	18152	\$1,000,000	\$1,000,000	2006	
91	Clarksburg, City of	Replacement of approximately 1 mile of waterline along Pike and Main Streets due to frequent breaks and extreme age.	3% @ 20 yrs	18152	\$1,200,000	\$1,200,000	2006	
91	Clarksburg, City of	The original 1950's tank interior paint has never been removed or overcoated. The original paint was lead-based. The exterior have been overcoated twice. New paint to comply with applicable standards.	3% @ 20 yrs	18152	\$1,000,000	\$1,000,000	2006	
91	Clarksburg, City of	Construction of a second tank to provide equalization and distribution storage.	3% @ 20 yrs	18152	\$1,400,000	\$1,400,000	2006	
91	Clarksburg, City of	Emergency/stand-by generator for the WTP which is subject to periodic power interruption to ensure uninterrupted service to the new hospital.	3% @ 20 yrs	18152	\$650,000	\$650,000	2006	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
96	Putnam PSD	Replacement/rehabilitation of the plant clarifier.	3% @ 20 yrs	21762	\$1,000,000	\$1,000,000	N/A	
96	Putnam PSD	Replacement/rehabilitation of the plant filter.	3% @ 20 yrs	21762	\$727,000	\$727,000	N/A	
98	Berkeley County PSD	Main replacement	3% @ 20 yrs	44926	\$432,000	\$480,000	N/A	
98	Berkeley County PSD	Main replacement	3% @ 20 yrs	44926	\$2,800,000	\$2,800,000	N/A	
98	Berkeley County PSD	Filter insallation	3% @ 20 yrs	44926	\$2,700,000	\$2,700,000	N/A	

**Comprehensive Project Priority List**

RANKING	SYSTEM	PROJECT DESCRIPTION	DWTRF TERMS	EXIST POPULATION	DWTRF FUNDING REQUESTED	TOTAL COST	DATE OF LAST TMF ASSESSMENT (FY)	UPDATED
101	New Cumberland, City of	Install a pre-fabricated water treatment facility with a capacity of approximately 1,000 gallons per minute. A new potable booster station with two 500 GPM pumps, VFD's and approximately 1000 L.F. of waterline replacement.	3% @ 20 yrs	1463	\$1,014,000	\$1,014,000	N/A	
		<b>TOTAL</b>			<b>\$200,538,468</b>	<b>\$302,441,486</b>		

**ATTACHMENT 3**

**Funding List Detailed Description**

**October 1, 2009 thru September 30, 2010 - Funding List Description**

<i>Ranking</i>	<i>System/Funding</i>	<i>County</i>	<i>Project Benefits</i>
4	City Fairmont DWTRF- \$7,249,940 PROJECT- \$9,688,900 30 year term, 0% interest, 1% administration fee	Marion	<p>In 2007, the City of Fairmont’s regional water plant experienced a significant upset condition that lasted several months causing water outages and boil water notices. The plant uses membrane technology that could not process the turbid water from their reservoir during the upset condition period. A subsequent study determined that pre-treatment is required for the membrane technology to perform at design rates. This project will provide the needed pretreatment process of the raw water source; correct deficiencies in the design of the membrane reject and recycle treatment; and correct deficiencies in the design of the sludge solids and residual handling. It will also provide improvements to the water plant building heating, ventilation, and air conditioning system and correct deficiencies in the finished water clearwell.</p> <p>This project will enable this regional water plant to provide reliable potable water service for its 30,000+ residents and resale customers.</p>

**ATTACHMENT 4**

**Legal Notice/Public Hearing Summary/Response to Comments**