



WEST VIRGINIA

Infrastructure & Jobs Development Council

APPROVED

TECHNICAL & FUNDING COMMITTEES MEETING MINUTES

The Technical & Funding Committees meeting was held at the Infrastructure & Jobs Development Council Public Meeting Room on **December 15, 2020** at **10:00 A.M.**

Funding Committee Voting Members present were:

Marie Prezioso, WV Water Development Authority - Chair

Voting Members that were present via phone:

Technical Committee Voting Members:

Stephanie Hickerson, WV Bureau for Public Health - Chair Water

Kathy Emery, WV Department of Environmental Protection - Chair Sewer

Jonathan Fowler, WV Public Service Commission

Funding Committee Voting Members:

Caren Wilcher, WV Economic Development Authority

Kathy Emery, WV Department of Environmental Protection

Jonathan Fowler, WV Public Service Commission

Stephanie Hickerson, WV Bureau for Public Health

Erica Boggess, WV Housing Development

Voting Members that were not present:

None

Others in attendance:

Wayne Morgan, WV Infrastructure & Jobs Development Council

Brandon Crace, WV Infrastructure & Jobs Development Council

Kristi Ritchie, WV Infrastructure & Jobs Development Council

Others invited and in attendance via phone and livestream:

Randy Lengyel, WV Infrastructure & Jobs Development Council

Sheila Miller, WV Water Development Authority

Jason Billups, WV Department of Environmental Protection

Samme Gee, Jackson Kelly PLLC

Fred Rader, MOVRC

Ann Urling, Governor's Office

Anthony Brown, Thomas & Litton

Jeff Johnson, Region 1 Planning & Development Council

Alan Harris, USDA
Lesley Taylor, Region 4 Planning & Development Council
Whytni Cline, Jackson & Kelly
Michael Griffith, Griffith & Associates CPAs
Shane Whitehair, Region 7 Planning & Development Council
Sherry Risk, WV Development Office
Matt Youngblood, RK&K Engineers
Leslie Stone Smith, US Army Corp. of Engineers
Steven Leyh, Tucker County Development Authority
Mayor Betsy Orndoff-Sayer, Town of Wardensville
Fred Hypes, Dunn Engineering
Kennon Chambers, Ghosh Engineering
Chris Arrington, WV Bureau for Public Health
Stacy Fowler, Thomas & Litton
John Giroir, WV Department of Environmental Protection

Call to Order Chair Marie Prezioso called the meeting to order and verified a quorum was present.

Chair Prezioso notified the participants the video/live streaming of the meeting was not working.

Wayne Morgan stated the video is being recorded and will be posted to the website.

Approval of Minutes Chair Prezioso asked for approval of the draft minutes of **November 24, 2020**. Erica Boggess moved for approval and Kathy Emery seconded the motion. The motion passed.

Follansbee, City of (2020C-109) – Blosser Lane Line Replacement - District-1 (Critical Needs/Tabled)

Jason Billups described the request, and it is technically feasible.

Ms. Emery stated there has been a lot of discussion around critical needs funding. Ms. Emery further noted when looking at the rates for Follansbee, they qualify for a 3%, 20-year loan, but are requesting the funding through a grant. Ms. Emery asked to discuss how to handle requests like this. It is not an extension, it is not an emergency, but it is an imminent danger of failure.

These statements resulted in discussion among the Committee members regarding the serious nature of the project, the additional SRF project, legislative intent, and how to pay for the project using grants, loans, or a combination.

The Funding Committee recommends the City of Follansbee project be funded with critical needs grant funds.

Jonathan Fowler moved that the recommendation be approved, Ms. Emery seconded the motion. The motion passed.

Nutter Fort, Town of (2020S-1917) System Improvements - District-1 (New Application)

Mr. Billups described the application, and it is technically feasible. Mr. Billups noted an engineering total fee variance will be required.

The Funding Committee recommends the Town of Nutter Fort pursue a \$815,000 CWSRF Principal Forgiveness Loan and a \$815,000 IJDC District 1 Grant for an estimated project cost of \$1,630,000.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Tunnelton, Town of (2020S-1893) System Improvements – District - 1 (New Application/ Tabled)

Mr. Billups described the application, and it is technically feasible.

The Funding Committee recommends the Town of Tunnelton pursue a \$635,000 USDA Grant, a \$245,000 USDA Loan (1.12%, 38yrs.), and a \$500,000 IJDC District 1 Grant for an estimated project cost of \$1,380,000.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Buffalo, Town of (2020S-1901) Krystal Lane Ext. – District - 2 (New Application/Critical Needs/Tabled)

Mr. Billups described the application, and it is technically feasible. Mr. Billups noted the design fees and the total fees greatly exceed the curve and an engineering fee variance will be required.

The Funding Committee recommends the Town of Buffalo pursue a \$332,788 IJDC Critical Needs Grant.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Ms. Emery stated if the concept is to speedily move these critical needs projects along – it is going to be rare when there is not an engineering fee variance request. Ms. Emery further noted this will require another step in the process.

Crab Orchard-MacArthur PSD (2020S-1919) Harpers-Eccles Ext. – District - 3 (New Application)

Mr. Billups described the application, and it is technically feasible.

The Funding Committee recommends the Crab Orchard-MacArthur PSD pursue a \$7,647,398 AML Pilot Grant and \$1,997,602 CDBG (SCBG) Grant for an estimated project cost of \$9,645,000.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Gary, City of (2019S-1853) – System Improvements – District - 3 (New Application/Tabled)

Mr. Billups described the application, and it is technically feasible. Mr. Billups noted a design and total engineering fee variance will be required. Mr. Billups further noted the fees are high due to funding the engineering cost of the second phase being included.

The Funding Committee recommends the City of Gary pursue a \$1,586,000 ARC Grant and a \$1,000,000 CDBG (SCBG) Grant for an estimated project cost of \$2,586,000. A design and total engineering fee variance will be required.

Ms. Emery moved that the recommendation be approved, Ms. Boggess seconded the motion. The motion passed.

Ms. Emery asked if it is possible to save a step in the process. She noted Mr. Billups mentioned an Engineering Fee Variance would be required (for this project) and that it is very clear we are not only looking at design fees for design phase 1, but the fees for design on phase 2 are also included in this funding package which has caused the engineering fees to go well over the curve. Ms. Emery asked if it would be possible to get approval for the engineering fee variance now, or will they have to come back with an official request?

Ms. Prezioso agreed with the idea presented by Ms. Emery and asked Samme Gee if there would be any issues in approving the engineering fee variance at this time.

Ms. Gee responded and stated a recommendation could be made now for the engineering fee variance request.

The Committee briefly discussed the issue and agreed with Ms. Emery's recommendation.

Ms. Emery then moved the recommendation for the engineering fee variance request be approved. Mr. Fowler seconded the motion. The motion passed.

**Hillsboro, Town of (2020S-1902) WWTP Improvements – District - 3 (New Application/
Tabled)**

Mr. Billups described the application, and it is technically feasible.

Ms. Emery noted during the PSC review, the proposed rates still provided a cash flow deficit despite funding the project with 100% grant funds. The Town of Hillsboro will need to look at their rates.

Mr. Fowler stated if the Town of Hillsboro would like some assistance in looking at the rates, they could give his agency a call. They have an assistance section with technical and financial people that can assist Hillsboro.

The Funding Committee recommends the Town of Hillsboro pursue a \$1,033,200 CDBG (SCBG) Grant.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

**Mingo Co. PSD (2018S-1776) Chattaroy Ext./Rehab. – District - 3 (Scope, Cost & Funding
Change)**

Mr. Billups described the request, and it is technically feasible.

Ms. Emery stated LCAP had reached out to her about potential projects in this area and this is a win/win across the board. It will save LCAP a lot of money from having to truck leachate and provide Mingo Co. PSD a nice, guaranteed revenue source to handle the flow.

The Funding Committee recommends the Mingo Co. PSD pursue a \$1,050,000 ACE Grant, a \$1,192,000 WV DEP LCAP Grant, a \$748,520 ARC Grant, a \$500,000 IJDC District 3 Grant, and a \$891,110 CWSRF Loan (0.5%, 30 yrs.) for an estimated project cost of \$4,381,630.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Mt. Hope, City of (2020S-1918) Rt. 16 Bypass Ext. – District - 3 (New Application)

Mr. Billups described the application, and it is technically feasible.

Mr. Billups noted the application went through in 2014 and at that time the cost was approximately \$1,343,000. Since that time, for this same project the cost has increased \$657,000. There has been some consideration if they do not receive the Small City Block Grant this time, they should look for other funding scenarios.

Ms. Emery commented they have waited 6 years, the costs are \$657,000 more, they are still wanting 100% grant money, and with the proposed rates, they will still have a cash flow deficit despite funding the project with 100% grant funds. Ms. Emery stated Mt. Hope needs to take a hard look at its rate structure and this project.

The Funding Committee recommends the City of Mt. Hope pursue a \$2,000,000 CDBG (SCBG) Grant.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Wardensville, Town of (2020W-1879) System Improvements – District - 2 (New Application/ Tabled)

Stephanie Hickerson described the application, and it is technically feasible.

The Funding Committee recommends the Town of Wardensville pursue a \$960,000 USDA Grant, a \$1,460,738.50 USDA Loan (2%, 30 yrs.), a \$157,000 IJDC District 2 Design Loan (2%, 30 yrs.), a \$453,261.50 IJDC District 2 Grant, a \$46,738.50 IJDC District 2 PFA Grant, and a \$46,738.50 Town Contribution for an estimated project cost of \$3,124,477.

Ms. Hickerson moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Mr. Fowler commented that spending \$47,000 for a PFA Grant allowed them to drill and confirm a well which saved several million dollars in project costs over what was originally proposed. Also, the well drilling and testing report that is included in the PER is really very interesting. The hydrogeology and the stratification in that area is amazing. They were able to develop and test a well that will generate more water than they will ever need.

Bluewell PSD (2016W-1629) Browning Extension – District - 3 (Engineering Fee Variance)

Ms. Hickerson described the request.

The Funding Committee recommends the Bluewell PSD engineering total fee variance request be approved.

Ms. Hickerson moved that the recommendation be approved, Ms. Emery seconded the motion. The motion passed.

Tucker Co. Development Authority (2020S-1925) Treatment Improvements – District - 1 (PFA Binding Commitment)

Mr. Morgan described the request.

Mr. Morgan asked Shane Whitehair to provide an update.

Mr. Whitehair stated the (Tucker Co. DA) USED A application has been submitted and received by EDA. The project is scheduled to be reviewed by EDA the first part of January. It is scheduled to be on their IRRC meeting in early January. That is when they would have to have an idea of matching funds being committed for them to move forward with their (EDA) commitment.

Mr. Morgan noted staff takes no exception to the request for the contingent binding commitment upon USED A providing a \$50,000 match to the \$50,000 request for IJDC PFA binding commitment.

Mr. Fowler stated this needs to be a true regional study and putting \$50,000 in it to go along with the EDA money would indicate we really need to look at regional solutions in this area. Mr. Fowler encouraged all the project leaders to set-up a project “kick-off” meeting and include representatives from the Council, the Commission, the DEP, and other interested parties to ensure the project gets off to a regional start.

Ms. Emery strongly supported Mr. Fowler’s recommendation. Ms. Emery added a kick-off meeting would be very good so that everyone understands the scope of this study.

Ms. Prezioso agreed with Mr. Fowler and Ms. Emery. Ms. Prezioso stated we must get it right and we do not want to waste money on studies that do not give a full report.

Ms. Emery then questioned if she should include in the recommendation to make it contingent upon receipt of the EDA Grant.

Ms. Gee asked Ms. Emery to make the recommendation contingent upon receiving the USED A Grant.

The Funding Committee recommends the Tucker County Development Authority receive a \$50,000 District 1 PFA Funding Binding Commitment contingent upon receipt of the \$50,000 US EDA Grant.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Ravenswood, City of (2020W-1860) System Improvements – District - 2 (Binding Commitment)

Mr. Morgan described the request.

The Funding Committee recommends the City of Ravenswood receive a \$1,138,800 IJDC District 2 Loan (3%, 20 yrs.) binding commitment.

Ms. Hickerson moved that the recommendation be approved, Ms. Emery seconded the motion. The motion passed.

Wardensville, Town of (2020W-1879) System Improvements – District - 2 (Design Loan Binding Commitment)

Mr. Morgan described the request.

The Funding Committee recommends the Town of Wardensville receive a binding commitment for the \$157,000 IJDC District 2 Design Loan (2%, 30 yrs.).

Ms. Hickerson moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Pocahontas Co. PSD (2017S-1707) Frank & Barlow Ext. – District - 3 (Binding Commitment)

Mr. Morgan described the request. Mr. Morgan stated we will be looking at a Resolution momentarily to be recommended to Council. The Committees may want to make this motion pending the approval to transfer loan funds to grant funds by the Council at its meeting in January.

Ms. Prezioso agreed and stated this motion should be made pending the approval of the Resolution.

The Funding Committee recommends Pocahontas Co. PSD receive a \$273,000 IJDC District 3 Grant Binding Commitment for a total IJDC District 3 Grant of \$500,000 (\$227,000 provided at the meeting of Council for IJDC on December 2, 2020); pending the transfer of loan funds to grant funds at the next full Council meeting.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Cedar Grove, Town of (2019S-1800) System Improvements – District – 2 (Use of Bid Underrun)

Mr. Billups described the request.

The Technical Committee recommends the Town of Cedar Grove's request for a bid underrun be approved for \$369,700, and actual construction work shall be performed prior to any equipment purchases.

Ms. Emery moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Mr. Fowler asked Fred Hypes (project engineer) to explain the compactor for \$85,000 included in the cost.

Mr. Hypes stated they were looking to prepare Cedar Grove for the eventual “hand-off” of the sewer system, if possible, to the Kanawha PSD. At the main pumping station, is a mechanical bar screen that goes into a trash can. With the current volume of material they have, and if they keep up with it on a day-to-day basis or every other day basis, it is not going to overwhelm them. If the Town is able, at some point, to hand the system off to the Kanawha PSD – Kanawha is not going to be there every day, so we have proposed to install a compactor to make that less labor intensive. That is the reason for including it.

Mr. Fowler verified with Mr. Hypes a new bar screen is also being put in at that station.

Camden on Gauley, Town of (2016W-1627) Cranberry Ridge Ext. – District – 3 (Use of Bid Underrun

Ms. Hickerson described the request and stated that in the future, the project team needs to inform IJDC prior to adding any additive alternates to the contract that are outside of the original project scope.

Mr. Fowler agreed with Ms. Hickerson’s comment. Mr. Fowler further stated their Commission order requires them to come back to the Commission for any changes to the scope and the additive alternate was not reviewed by the Commission. The Town needs to file a letter with the Commission as a Closed Case Filing explaining why they added this, what the cost will be, and that there will be no impact on rates. Mr. Fowler further noted the project team is skating near the edge of getting their certificate “yanked”. All orders contain requirement that the Commission be notified before any changes are made to a project.

Ms. Gee noted the Corp. of Engineers has not signed off on the changes either.

Mr. Morgan stated that may take a while to occur and Leslie Smith is checking with the Town to make sure the Town still wants to proceed forward. It would be appropriate to have this use of a bid underrun contingent upon approval by USACE.

The Technical Committee recommends the Town of Camden on Gauley bid underrun request in the amount of \$197,500 for installing a water dispensing station, storage building, billing software, and engineering fee movement amendment be approved, contingent upon approval by ACE of the water dispensing station.

Ms. Hickerson moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Salt Rock Water PSD (2017W-1714) Ext. to Mason Co. Line – District – 3 (Use of Bid Underrun

Ms. Hickerson described the request, and it is technically feasible.

The Technical Committee recommends the Salt Rock PSD bid underrun request for \$248,500 (which includes an extension along Homestead Lane and engineering fee amendments) be approved, and the \$65,000 IJDC District 3 Grant be returned.

Ms. Hickerson moved that the recommendation be approved, Mr. Fowler seconded the motion. The motion passed.

Business Items:

Resolution to transfer up to 30% of Congressional District 3 Loan Funds to Grant Funds

Mr. Morgan described the Resolution. He explained item 1 addresses Pocahontas Co. PSD (2017S-1707) that received pending approval, and if this Resolution is approved by Council in January it would provide the immediate need for those funds. Item 2 provides for projects that may come in between January and June allowing those loan funds to be transferred to grant funds to make those binding commitments through the remainder of the fiscal year. There is \$10,818,000 that can be utilized, or 30% of the loan funds that are available. This is similar to what was done last year and worked well. Mr. Morgan asked Ms. Gee if anything should be added.

Ms. Gee stated the Resolution speaks for itself, but she is happy to answer any questions. Ms. Gee stated we are currently below the \$150,000 requirement that is set forth in the statute.

Ms. Prezioso entertained a motion to approve the Resolution.

Ms. Emery moved the recommendation be approved; Ms. Boggess seconded the motion. The motion passed.

Resolution Updating Policies with Respect to the Critical Needs and Failing Systems Sub Account

Ms. Prezioso recommended moving this agenda item to the end following funding agency updates to allow more time for discussion.

There were no objections, so this item was moved to the end of the agenda.

**Executive Director
Comments:**

**Other Funding
Agencies:**

USDA

Alan Harris

Mr. Harris stated USDA has started their new fiscal year. They do not have full budget monies yet, but they are accepting applications, processing some, and hope to have some funded by the end of the month. As in normal years, much of the funding takes place in first six months of the calendar year.

US ACE

Leslie Smith

Ms. Smith stated ACE should find out if they receive projects funded in their budget in the February/March timeframe. ACE will hold project selections sometime after that, depending on the amount of funding received. The application period has already been held and is now closed. Ms. Smith further stated if anyone needed information on their environmental infrastructure program, to please reach out.

WDA – announced the retirement of Shelia Miller on December 21st. This is very sad for us but good for her. Unfortunately, there will be no reception or party due to COVID 19. This is the last meeting Shelia will attend. We wish her well and we will miss her.

Marie Prezioso

Ms. Miller stated it has been a real pleasure working with everyone.

Shelia Miller

Development Office

Sherry Risk

Ms. Risk stated applications for the CDBG are due on January 29th.

Mr. Morgan stated members on the Regional Councils may want to send out an email to their group to let them know of the due date. Mr. Morgan further stated there may be a lot of funding changes because Community Development Block Grants are accepting up to \$2,000,000, so there may be several requests come in next month to change the funding

scenario of the project. We are working with Ms. Risk so we can get those approvals and things can move forward with the applications.

Resolution Updating Policies with Respect to the Critical Needs and Failing Systems Sub Account

Ms. Prezioso asked Ms. Gee to discuss the draft created following the IJDC Critical Needs Workshop held December 2nd. This is the first tweak to the policy that was approved a couple of months ago.

Ms. Gee explained the red-lined version is attached in the meeting packet. Ms. Gee further explained she tried to break it out by the three sections that are set forth in section 17c that was added to the Council statute, which has three categories, 1) continuation of water and wastewater service, 2) address water facility or wastewater facility failure due to age, and 3) to provide assistance to water or wastewater facilities that will add customers with a total project cost less than \$1,000,000.

Ms. Gee continued stating the critical needs process cost value was increased from \$100,000 to \$300,000 and there was also a provision made to the application process. These were changes made from recommendations received during the workshop. Ms. Gee had expected some additional comments from the members but did not receive any. Ms. Gee reminded the Committee, this is a draft and work in progress, so any comments or suggestions are certainly appreciated. If anyone has markups they can send, that would be helpful.

There was some additional discussion among the members. It was agreed they will send additional recommendations, tweaks, questions, and comments to Ms. Gee by January 8th. Ms. Gee will then revise the draft and have it ready for the Committee's review on January 21st which will be presented before the Committee at the next meeting on January 26th.

Several members offered their thanks to the various team members who worked on the initial draft.

Mr. Morgan noted the revised draft will be added to the next meeting agenda.

Requests Received: (Applications by December 10, 2020 and requests to date.) **Information Report**

Sewer:

Nitro Sanitary Board – System Improvements (new app.)-2	2020S-1921
Mason County PSD – Sandhill Road Project (new app.)-3	2020S-1922

Water:

Central Hampshire PSD – Purgitsville Ext. (funding chg.)-2	2020W-1874
Fort Gay, Town of – Sys. Improvements (new application)-3	2020W-1904

Public Comment: Fred Rader, MOVRC

Mr. Rader noted the Town of Reedy, 2017W-1692 was missing from the list of water project requests received.

Mr. Morgan stated he will follow-up on the inquiry and call Mr. Rader if there are any questions.

Adjournment: The Chair noted this is the last meeting of the year and wished everyone Happy Holidays.

The Chair entertained a motion to adjourn. Ms. Emery moved to adjourn; Mr. Fowler seconded the motion. The motion passed. Meeting was adjourned at 11:05 a.m.

Wayne D. Morgan
Secretary & Executive Director