


Mountain Water System Jefferson County, WV

Public Outreach Event #1
December 2009



Introductions

Mr. Joseph Hankins, Jefferson County PSD

- Jefferson PSD/JUI Representatives
- Committee Members
- Technical Consultants



Project Resources

Mr. Joseph Hankins, Jefferson County PSD

- Participant Package
- Public Repository
- Project Website

Meeting Format

- Large Group Presentation (45 min)
- Break Out Sessions (45 min)
- Wrap-Up/Next Steps (15 min)

Goals and Expectations

All in attendance will understand:

- Goal #1 – The current problem
- Goal #2 – The proposed solution and why it was chosen
- Goal #3 – The current stage of project
- Goal #4 – How to get accurate project information and voice their concerns

Defining the Problem

Presented by Pentree, Inc.

Why do we need a system overhaul?

- Inadequate source water
- Inadequate and dilapidated delivery system
- Inadequate storage
- Inadequate fire protection

Defining the Problem

Presented by Pentree, Inc.

What water source options are available?

- **Alternative #1 – Valley System Connection**
(Connect to Valley System)
 - Cost: \$2,442,000
 - Pros: Low capital outlay, water quality, existing system hydraulic stability, Low O&M costs, access to Millville
 - Cons: Requires directional boring of Shenandoah River, increased pumping time in existing system
- **Alternative #2 – River Water Treatment Plant**
(Surface Water Plant)
 - Cost: \$6,040,000
 - Pros: Independent of groundwater, confidence in supply
 - Cons: High capital outlay, increased O&M costs, operational complexity

Defining the Problem

Presented by Pentree, Inc.

What water source options are available?

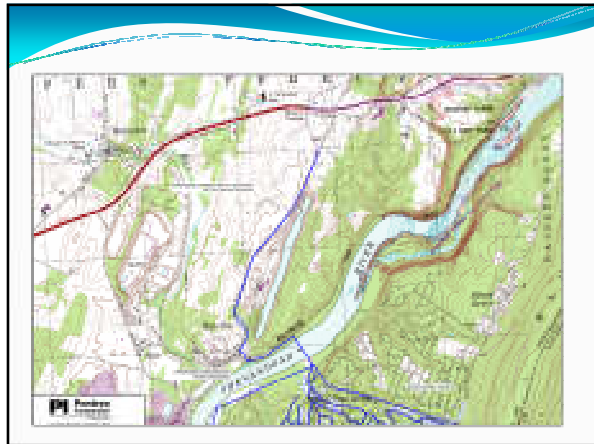
- **Alternative #3 – Keyes Ferry Groundwater Treatment Plant**
(Groundwater Plant)
 - Cost: \$3,830,500
 - Pros: Close proximity to existing systems, independent of Valley System
 - Cons: High capital outlay, increased O&M costs, operational complexity, indeterminate quantity
- **Alternative #4 – Westridge Hills Well System**
(New Wells in Westridge Hills)
 - Cost: \$2,484,000
 - Pros: Low capital outlay, proximity to existing system, less equipment needed, low O&M costs
 - Cons: Indeterminate water quality, indeterminate water quantity available

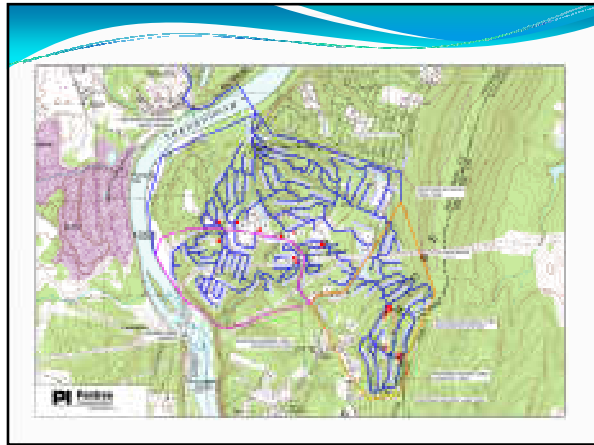
The Proposed Solution

Presented by Pentree, Inc.

Overview of System

- Total length of proposed pipe: 156,200 lineal feet
- Three storage tanks - 94,000 gallon, 158,00 gallon, and 193,000 gallon
- Booster station and a hydro-pneumatic booster station
- Fire protection as per ISO (Insurance Services Office) and local requirements





The Proposed Solution

Presented by Pentree, Inc.

Why this solution works:

- Minimal environmental impact
- Proven source and supply
- Adequate infrastructure size and capacity
- Adequate Fire protection

The Proposed Solution

Presented by PJ/JUI/JCPSD

What will it cost? How will it be funded?

- Total Cost of Proposed project \$14,450,000
- State and Federal Loans and Grants:
 - IJDC/DWTRF Loan
 - IJDC/DWTRF Other State and Federal Grants

Funding Mechanisms

A Public/Private Partnership Presented by: Mr. James Kelsh

Jefferson Utilities

- Liable for design cost until closing on construction funding
- Will make Use Fee payments to PSD
- JUI will retain ownership of all facilities NOT built with District obtained funds
- Responsible for maintenance

Public Service District

- Will submit applications for funding as lead sponsor
- Will own new Mountain System and related real estate
- District is borrower and receives Use Fee payments from JUI

Funding Mechanisms

A Public/Private Partnership Presented by: Mr. James Kelsh

Jefferson Utilities

- Customers remain JUI customers

Public Service District

- Has access to JUI records upon request
- Has 10 year purchase option of JUI

The agreement was signed by both utilities and submitted to WV Public Service Commission, Case No. 09-2030-PWD-W-PC (pending).

The Agreement expires on December 31, 2012 if closing on construction funding has not occurred.

Funding Mechanisms

The Utility Project Process Presented by: Mr. James Kelsh

1. Utility Board and Engineer develop IJDC funding application
2. IJDC application and Preliminary Engineering Report (PER) submitted
3. IJDC application is placed for Public Notice on State Register
4. IJDC recommendations – if any
5. Upon funding approval – engineer completes design

Funding Mechanisms

The Utility Project Process Presented by: Mr. James Kelsh

6. Upon final design and funding commitment, permits are filed, including PSC Certificate of Convenience and Necessity
7. Upon PSC approval, funding is closed and bids are advertised
8. Once bids are received, engineer makes recommendation to utility and bids are awarded
9. Construction begins
10. Upon completion of construction, rate increases go into effect

Funding Mechanisms

Other Possible Funding Sources Presented by: Mr. James Kelsh

Grants

- Small Cities Block Grant – up to 1.5 million
- Infrastructure Council – 2 million maximum
- Bureau for Public Health/EPA
- SAP/STAG – usually less than 2 million
- Local Government

Loans

- Infrastructure Council
- Drinking Water Treatment Revolving Fund
- Private Market Bonds

Funding Mechanisms

General Funding Facts Presented by: Mr. James Kelsh

- Funding is competitive
- High benefit/low costs get first consideration
- Non-compliance aids funding
- Economic growth aids funding
- There are few 100% grant projects
- IJDC funds realistic applications
 - i.e. systems willing to take on some loans and reasonable rate increases
- IJDC looks at rates relative to Median Household Income (MHI)

Funding Mechanisms

What is the status of the Mountain Water Project Funding?

Presented by: Mr. James Kelsh

- The Bureau of Public Health (BPH) has committed \$200,000 for a design grant
- A \$2.5 million IJDC grant and \$7.5 million IJDC loan has been approved, but this will be reconsidered when the revised IJDC application is filed

Funding Mechanisms

What will happen to rates on the Mt. System?

Presented by: Mr. James Kelsh

Community	Current Rate
Harpers Ferry Campsites	\$48.07 minimum
Keyes Ferry Acres	\$59.25 minimum
Westridge Hills	\$48.07 minimum
West Virginia Median Rate	\$28.82/4,000 gallons per month

Rates from Recommended Decision in PSC Case No. 08-0544-W-42A (exceptions pending)

- \$44.34/month for up to 4,500 gallons or unmetered plus \$12/month surcharge
- \$31.63 minimum (for 3,000 Gallons) for metered customers
- \$44.34 minimum for unmetered customers
- Applicable to all JUI customers regardless of system
- Based upon JUI financials as of 9/30/07

Funding Mechanisms

What will happen to rates on the Mt. System?

Presented by: Mr. James Kelsch

Post Project Rates

- A projection of new rates is being prepared and should be available in January 2010
- The final funding mechanisms and interest rates will affect final rates
- Project related rate increase is independent of non-project related rate increase to be filed based upon JUL's 9/30/09 financial data

Frequently Asked Questions (FAQ)

Within the participant packet are FAQ sheets - these FAQ's will also be posted on the website:

www.jui-psdmountainwaterproject.com

Break Out Groups

- Group A - Funding/Rates/Project Costs
- Group B - Mapping/Location/Hook-ups/Technical Questions
- Group C - Environmental Concerns/Water Supply/Quality Questions

Break Out Groups

- Make sure your question are written down on the appropriate form
- Make sure you provide good contact information
- If your question is very detailed and requires significant time, facilitator may direct you to speak to another representative so that everyone may participate
- See a committee member if you are not sure what group you should attend
- Feel free to move from group to group

Wrap-up/Next Steps

Presented by: Joseph Hankins, JCPSD

- Make sure you have signed the attendance sheet
- Please be sure to leave your completed question form (in the back of the packet) with a staff member
- If you still have questions that need recorded, see a facilitator afterwards or submit via the website
- Location of Public Repository is Jefferson County PSD Office
- Additional meetings will occur
- If you have a question, it is important that you always refer to the most up-to-date drawings and /or project information – as these will change
- Thanks for participating!
