



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304
Phone: 304-926-0495 / Fax: 304-926-0463

Harold D. Ward, Cabinet Secretary
dep.wv.gov

MEMORANDUM

To: Marie Prezioso, Chair
Meredith J. Vance, Director, Environmental Engineering Division, BPH

From: Katheryn Emery, P.E., Engineer Chief
Sewer Technical Review Committee

Date: June 18, 2025

Subject: City of Buckhannon
Preliminary Application: IJDC No. 2024W-2616
Harley A. Brown Memorial Water Treatment Plant Replacement

1. This committee has reviewed the preliminary application and engineering report submitted for the above referenced project in accordance with Chapter 31, Article 15A. It has been determined that the proposed project is:
 - a. ☒ Consistent with the intent of the Infrastructure and Jobs Development Act and is the most cost-effective, environmentally sound alternative for solving the water needs in this area.
 - b. ☐ Not consistent with the Act and may not be the most cost effective, environmentally sound alternative for solving the wastewater needs in this area.
 - c. ☐ Same as (a) above except that certain issues need to be addressed prior to design and construction as the attached comments indicate.
2. Our recommendation is that:
 - a. ☒ The Funding Committee needs to review the proposed sources of funding to determine the best mix of grant and/or loan funds in accordance with applicable guidelines.
 - b. ☐ The Funding Committee should recommend that the Council approve the proposed project and its funding plan.

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- c. ___ The Funding Committee does not need to review the funding assumptions on this project because of deficiencies in the engineering report. The proposed project should be tabled for the consultant to address technical comments.
- d. ___ This project should be referred to the Consolidation Committee.

3. Other remarks:

This project will replace the existing 65 year old water treatment plant with a new 5.76 MGD plant. The last upgrade exposed several structural concerns that will be addressed with this project. In addition, waterlines will be replaced on Route 20 and Main Street to address the aging and leaking lines.

Using the Combined Application, the Total Engineering Fee and the Design Fee appear to be above the ASCE curve and will need a variance.

The total cost for this project is \$47,310,000.00 and the City intends to pursue a USDA Loan of \$31,310,000 for 40 years at 3.12%, an IJDC Loan of \$1,500,000 for 20 years at 3.00%, a DWTRF Principle Forgiveness Loan of \$1,500,000, a USED A Grant of \$5,000,000, a Congressionally Directed Spending Grant of \$2,000,000, a WDA Economic Enhancement Grant Fund Grant of \$4,000,000, and a USDA Grant of \$2,000,000.

After an initial evaluation of the proposed funding scenario, it appears that the project is only eligible for \$1,000,000 in DWTRF principal forgiveness. The PSC's cash flow also indicates that the City could fund the project with a DWTRF loan rather than principal forgiveness with no additional rate impact to their customers.

Preliminary Project Ratings:

Public Health Benefits:	10
Compliance with Standards:	0



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MEMORANDUM

TO: Katheryn Emery, P.E., Engineer Chief, DWWM

FROM: Spencer Fultineer, DWWM

DATE: June 4, 2025

SUBJECT: City of Buckhannon
Preliminary Application: IJDC No. 2024W-2616
Harley A. Brown Memorial Water Treatment Plant Replacement

RECOMMENDATION

The IJDC Application and Preliminary Engineering Report prepared by Potesta & Associates, Inc., for the above referenced project has been reviewed and is technically feasible.

PROJECT DESCRIPTION

The City of Buckhannon owns and operates an existing water treatment and distribution system operating under PWSID# WV3304902. The source of water to The City of Buckhannon's system is the Buckhannon River. It has a capacity of 5.76 million gallons per day (MGD).

This project will construct a new 5.76 MGD water treatment plant that will replace the existing plant. The existing remote intake and pumping station will be decommissioned and a new raw water intake and pumping station will be constructed. The new plant will utilize conventional rate flocculation, sedimentation alongside high-rate dual media filters, and on-site generated sodium hypochlorite system instead of the existing gaseous chlorine disinfection system. This project proposes a closed loop washwater settling and recycling process to eliminate its discharge into the environment. Plant waste will be discharged into the sanitary sewer system, and supernatant will be recycled into the incoming raw water pumping station. All process units will be configured redundantly to provide improved flexibility, reliability, and detention time.

This project also includes a waterline replacement on Route 20 and Main Street to replace aging and leaking lines. There will also be new fire hydrants installed along these lines to replace or supplement existing fire protection.

The proposed total cost for this project is \$47,310,000.00 and the City intends to pursue a USDA Loan of \$31,310,000 for 40 years at 3.12%, an IJDC Loan of \$1,500,000 for 20 years at 3.00%, a DWTRF Principle Forgiveness Loan of \$1,500,000, a USED Grant of \$5,000,000, a Congressionally Directed Spending Grant of \$2,000,000, a WDA Economic Enhancement Grant Fund Grant of \$4,000,000, and a USDA Grant of \$2,000,000.

The proposed 3,400 gallon rate is proposed to be \$44.14.

NEED FOR PROJECT

The project's rehabilitation of the water system along Route 20 and main street are necessary to fix the deterioration of the waterline. The plant was originally constructed in the 1960s but has undergone several renovations including a major overhaul and expansion in the 1980s, and a more modest update and renovation completed in 2017. After the previous project to rehabilitate the concrete structures at the plant, it became apparent that there would need to be more rehabilitation going forward and with increasing frequency. When compared, it was shown that the construction of a new plant would be the more cost-effective and better performing alternative. Additional documentation of the need for the proposed plant may be found in recent reports of sanitary surveys and/or inspections of the existing plant performed by representatives of the Bureau of Public Health. The report for 2021 notes the re-occurrence of several cracks in the sedimentation basins, and the report for 2024 includes this statement: "The system has treatment units that are not in good physical condition and/or are close to the end of their useful service life.". This project will address these issues.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Total Engineering Fee and the Design Fee appear to be above the ASCE curve.
- Percentage of water loss should be included in the PER for the waterline replacement.
- Cybersecurity needs to be evaluated for the new telemetry work necessary for a new plant construction.

Preliminary Project Ratings:

Public Health Benefits: 10
Compliance with Standards: 0

Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812
Charleston, West Virginia 25323

Phone: (304) 340-0300
Fax: (304) 340-0325



June 11, 2025

Meredith J. Vance
Office of Environmental Health Services
350 Capitol Street, Room 313
Charleston, West Virginia 25301-3713

Re: Public Service Commission Staff Review Comments
Application No. 2024W-2616
Buckhannon, City of – Water Treatment Plant Replacement
Infrastructure Preliminary Application

Dear Ms. Vance:

As requested, the Technical Staff of the Public Service Commission of West Virginia has completed its review of the above-referenced Infrastructure application. In light of Technical Staff's comments enclosed herewith, we are recommending the application be:

- ☒ Forwarded to the Funding Committee
- ☐ Forwarded to the Consolidation Committee
- ☐ Returned to the Applicant

Please advise if you have any questions.

Sincerely,

Brandon Crace
Engineering Division

Enclosures
BC:vb

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: May 29, 2025

PROJECT SPONSOR: CITY OF BUCKHANNON - WATER

PROJECT SUMMARY: The project will construct a new and improved water treatment plant, as well as a new raw water intake, on-site generated hypochlorite disinfection system, and a backwash water settling and recycling process.

PROPOSED FUNDING:	WVIJDC Loan (3%, 20 yrs.)	\$ 1,500,000
	DWTRF Principal Forgiveness	1,500,000
	US EDA Grant	5,000,000
	USDA Loan (3.12%, 40 yrs.)	31,310,000
	USDA Grant	2,000,000
	WDA EE Grant	4,000,000
	CDS Grant	<u>2,000,000</u>
	Total	\$47,310,000

CURRENT RATES:	\$ 27.26	3,400 gallons
	\$ 31.96	4,000 gallons

PROPOSED RATES:	\$ 44.14	3,400 gallons
	\$ 51.76	4,000 gallons

Application No. 2024W-2616

RECOMMENDATION: X forward to the Funding Committee.
 forward to the Consolidation Committee.
 return to the Applicant.

FINANCIAL: William Nelson

1. Current rates (\$27.26 for 3,400 gallons) are below the rates attributable to 1.25% (\$44.05), 1.5% (\$52.86), 1.75% (\$61.67), and 2% (\$70.48) of the Median Household Income (MHI). Increasing current rates to 1.25%, 1.5%, 1.75%, and 2.0% of the MHI would provide additional revenue of \$1,068,507, \$1,629,192, \$2,189,878, and \$2,750,563 respectively.

2. Using Scenario 1, the preferred funding package consisting of an IJDC Loan of \$1,500,000 at 3%, for 20 years, a DWTRF Principal Forgiveness Loan of \$1,500,000, a USEDA Grant of \$5,000,000, a Congressionally Directed Spending Grant of \$2,000,000, a WDA Economic Enhancement Grant of \$4,000,000, a USDA Loan of \$31,310,000 at 3.12%, for 40 years (paid back over 38 years), and a USDA Grant of \$2,000,000, proposed rates (\$44.14 for 3,400 gallons) will provide a cash flow surplus of \$164,018 and debt service coverage of 139.84%.
3. Using the Scenario 2 alternate loan package of \$47,310,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates (\$58.61 for 3,400 gallons) will provide a cash flow surplus of \$187,613 and debt service coverage of 129.32%.

4. NOTES TO COMMENTS

- A. Staff's detailed adjustments are listed on Attachment A for Scenario 1 (Preferred Funding Package) and Attachment B for Scenario 2 (Loan Package).
- B. Staff prepared the attached Cash Flow Analysis utilizing information from the Annual Report for the Fiscal Year Ended June 30, 2024, and the applicant's Rule 42 Exhibit submitted with the application.
- C. Senate Bill 234, effective June 12, 2015, required water and sewer utilities that are political subdivisions of the state to maintain a cash working capital reserve in an amount of no less than one-eighth (1/8) of actual annual operation and maintenance expenses. It should be noted that the cash flows provided by the project sponsor include funding for the 1/8 cash working capital reserve. Staff accepted that amount in its analyses. However, this amount may be reviewed by the Commission in future filings in accordance with Public Service Commission General Order 183.11.
- D. The City of Buckhannon (City) should carefully evaluate its revenue requirements before passing a rate ordinance in order to ensure that rates are sufficient to provide a reasonable surplus and meet coverage requirements. Staff notes that the City is a political subdivision of the state and it has at least 4,500 customers and annual gross revenues of \$3 million or more. Therefore, in accordance with Senate Bill 234, effective June 12, 2015, the Commission has no jurisdiction regarding the City's rates pursuant to WV Code 24-2-4b. However, the Commission

does have jurisdiction pursuant to WV Code 24-2-1 (b)(6) for the investigation and resolution of disputes involving political subdivisions of the state regarding inter-utility agreements, rates, fees and charges, service areas and contested utility combinations.

ENGINEERING: Jim Spurlock

1. Pursuant to House Bill 2742 passed in the 2025 Legislative Session this project will not require a Certificate of Convenience and Necessity from the PSD.
2. Scope: The City of Buckhannon proposes to replace its water treatment plant with a newly constructed plant, and to install approximately 6,900 feet of 8-inch water line to replace problematic aged and leaking lines along Route 20 and Main Street.

Customer Density: N/A

Cost per Customer: \$11,804

Taken from the total project cost estimate of \$47,310,000 spread over 4,008 existing customers. Four of these are resale customers, serving over 24,000 people combined.

3. Project Feasibility: The project is technically feasible. The cost per customer is reasonable. The project is meant to address issues with the condition of the existing plant and provide a reliable, long-term water supply for the City and the area. The City performed a detailed feasibility study to determine the best approach.
4. Project Alternatives: Three alternatives were considered for water treatment plant improvements: 1) initial limited-scale rehabilitation followed by a full-scale rehabilitation in 2043 2) initial full-scale rehabilitation followed by a supplementary limited-scale rehabilitation in 2043 3) immediate replacement of the entire existing plant with a newly constructed plant. Option No. 3 was determined to be the most feasible due to the lowest overall cost, greater operational flexibility, easier future expansion, and lower maintenance requirements.
5. Consolidation: No consolidation opportunities are presented by the project.
6. Inconsistencies: None were noted.

7. Operation and Maintenance (O & M) Expenses: O & M costs are projected to increase by \$24,166 annually as a result of the project. Supporting calculations were provided.
8. Engineering Agreement: The application includes information to determine apparent compliance with West Virginia Code §§5G-1-1, et seq. Total technical services (engineering) costs for the project are \$5,765,000 which is equal to 15.02% of the construction cost of \$38,383,000 (including contingency).

CITY OF BUCKHANNON - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2024W-2616
June 11, 2025

**PREFERRED FUNDING PACKAGE
SCENARIO 1**

	Rule 42 Going Level Per Application Before Project	Rule 42 Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1 \$	2 \$	3 \$	4 \$
<u>AVAILABLE CASH</u>				
Operating Revenues	2,773,051	4,481,106	(262,538) (1)	4,218,568
Other Operating Revenue	123,845	139,811	-	139,811
SB 234 Annual Working Cash Collections			262,538 (2)	262,538
Interest Income & Other Misc.	67,725	67,725	-	67,725
Total Cash Available	2,964,621	4,688,642	-	4,688,642
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	2,076,134	2,100,300	-	2,100,300
Taxes	89,582	89,582	-	89,582
Total Cash Requirements Before Debt Service	2,165,716	2,189,882	-	2,189,882
Cash Available for Debt Service (A)	798,905	2,498,760	-	2,498,760
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	267,975	1,740,029	46,889 (3)	1,786,918
Other Debt	24,432	24,432	-	24,432
Reserve Account @ 10%	-	147,205	4,689 (4)	151,894
Renewal & Replacement Fund (2.5%)	68,896	111,597	(2,638) (5)	108,959
Total Debt Service Requirement	361,303	2,023,263	48,941	2,072,204
SB 234 Cash Working Capital	259,517	262,538	-	262,538
Remaining Cash	178,085	212,959	(48,941)	164,018
Percent Coverage (A) / (B)	298.13%	143.60%		139.84%
Average rate for 3,400 gallons	\$ 27.26	\$ 44.14	\$ -	\$ 44.14
Average rate for 4,000 gallons	\$ 31.96	\$ 51.76	\$ -	\$ 51.76

CITY OF BUCKHANNON - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2024W-2616

Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1

Staff Adjustments

<u>Adjustment Description</u>			\$	Increase <Decrease>
(1)	Operating Revenues	Per Staff Analysis	4,218,568	(262,538)
		Per Application with Project	4,481,106	
	Adjust revenues in accordance with PSC General Order 183.11.			
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis	262,538	262,538
		Per Application with Project	-	
	Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3)	Principal & Interest	Per Staff Analysis	1,786,918	46,889
		Per Application with Project	1,740,029	
	The difference in P&I is related to Staff's calculation of a WVIJDC loan of \$1,500,000 for 20 years at 3% and a USDA loan of \$31,310,000 for 40 years (paid back over 38 years) at 3.12%.			
(4)	Reserve Account @ 10%	Per Staff Analysis	151,894	4,689
		Per Application with Project	147,205	
	Staff assumed a 10% reserve on the new debt.			
(5)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis	108,959	(2,638)
		Per Application with Project	111,597	
	Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

CITY OF BUCKHANNON - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2024W-2616
June 11, 2025

**LOAN PACKAGE
SCENARIO 2**

	Max Rate Going Level Per Application Before Project	Max Rate Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
<u>AVAILABLE CASH</u>				
Operating Revenues	2,773,051	5,942,280	(262,538) (1)	5,679,742
Other Operating Revenue	123,845	153,476	-	153,476
SB 234 Annual Working Cash Collections			262,538 (2)	262,538
Interest Income & Other Misc.	67,725	67,725	-	67,725
Total Cash Available	2,964,621	6,163,481	-	6,163,481
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	2,076,134	2,100,300	-	2,100,300
Taxes	89,582	89,582	-	89,582
Total Cash Requirements Before Debt Service	2,165,716	2,189,882	-	2,189,882
Cash Available for Debt Service (A)	798,905	3,973,599	-	3,973,599
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	267,975	3,005,502	67,210 (3)	3,072,712
Other Debt	24,432	24,432	-	24,432
Reserve Account @ 10%	-	273,753	6,721 (4)	280,474
Renewal & Replacement Fund (2.5%)	68,896	148,127	(2,297) (5)	145,830
Total Debt Service Requirement	361,303	3,451,814	71,634	3,523,448
SB 234 Cash Working Capital	259,517	262,538	-	262,538
Remaining Cash	178,085	259,247	(71,634)	187,613
Percent Coverage (A) / (B)	298.13%	132.21%		129.32%
Average rate for 3,400 gallons	\$ 27.26	\$ 58.61	\$ -	\$ 58.61
Average rate for 4,000 gallons	\$ 31.96	\$ 68.71	\$ -	\$ 68.71

**CITY OF BUCKHANNON - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2024W-2616**

**Attachment B
LOAN PACKAGE
SCENARIO 2**

Staff Adjustments

<u>Adjustment Description</u>				\$	Increase <Decrease>
(1)	Operating Revenues	Per Staff Analysis Per Application with Project	5,679,742 5,942,280	(262,538)	
Adjust revenues in accordance with PSC General Order 183.11.					
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis Per Application with Project	262,538 -	262,538	
Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.					
(3)	Principal & Interest	Per Staff Analysis Per Application with Project	3,072,712 3,005,502	67,210	
The difference in P&I is related to Staff's calculation of a loan of \$47,310,000 for 40 years (paid back over 38 years) at 5%.					
(4)	Reserve Account @ 10%	Per Staff Analysis Per Application with Project	280,474 273,753	6,721	
Staff assumed a 10% reserve on the new debt.					
(5)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis Per Application with Project	145,830 148,127	(2,297)	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.					



west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street SE
Charleston, WV 25304-2345
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Harold D. Ward, Cabinet Secretary
www.dep.wv.gov

MEMORANDUM

MEMO TO: Meredith J. Vance
Office of Environmental Health Services
Bureau for Public Health

FROM: Brian D. Bailey *BD*
Technical Analyst
General Permits & Support Team

DATE: May 21, 2025

SUBJECT: Infrastructure Preliminary Application for the City of Buckhannon: Harley A Brown Memorial Water Treatment Plant Replacement in Upshur County, WV. (2024W-2616)

We have reviewed the above referenced project application information. The City of Buckhannon, current and new Water Treatment Plant have closed loop systems with No Discharge, so an NPDES permit is not required.

If the City of Buckhannon is considering repairing and painting an existing water treatment plant or storage tanks, then the scope of this project requires precautions to prevent contamination of the waters of the state. Prior to beginning any removal of old paint, the City of Buckhannon should contact Mr. Brad Wright or a member of his staff at (304)-926-0499, extension 49746 for guidance in determining whether the paint to be removed is considered a hazardous waste. If so, proper containment and disposal procedures must be followed for the paint and any material associated with the sandblasting. If it is determined that the paint is not hazardous, the City of Buckhannon should contact John Lockhart or a member of his staff at (304)-926-0499, extension 43889 for proper disposal options.

Construction activities with a disturbed area of one (1) acre or greater are now required to register for the NPDES Storm Water Construction General Permit No. WV0115924 that became

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effective on April 6, 2024. Projects registered under the previous General Permit No. WV0115100 were automatically provided coverage under WV/NPDES General Permit No. WV0115924. For more information, they may contact Larry Board at (304)-926-0499, extension 43883.

In light of the above, we have no objection to this project as long as the appropriate provisions are taken to assure compliance with Chapter 22, Article 11, of the Code of West Virginia and any associated regulations. The responsible party may contact Mylinda Maddox (304) 926-0499 ext. 43825, should additional information be required.

BDB:mam

cc: Katheryn Emery

CITY OF BUCKHANNON - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2024W-2616
June 19, 2025

**PREFERRED FUNDING PACKAGE
SCENARIO 3**

	Rule 42 Going Level Per Application Before Project	Rule 42 Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1 \$	2 \$	3 \$	4 \$
<u>AVAILABLE CASH</u>				
Operating Revenues	2,773,051	4,481,106	(262,538) (1)	4,218,568
Other Operating Revenue	123,845	139,811	-	139,811
SB 234 Annual Working Cash Collections			262,538 (2)	262,538
Interest Income & Other Misc.	67,725	67,725	-	67,725
Total Cash Available	2,964,621	4,688,642	-	4,688,642
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	2,076,134	2,100,300	1,980 (3)	2,102,280
Taxes	89,582	89,582	-	89,582
Total Cash Requirements Before Debt Service	2,165,716	2,189,882	1,980	2,191,862
Cash Available for Debt Service (A)	798,905	2,498,760	(1,980)	2,496,780
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	267,975	1,740,029	145,397 (4)	1,885,426
Other Debt	24,432	24,432	-	24,432
Reserve Account @ 10%	-	147,205	14,540 (5)	161,745
Renewal & Replacement Fund (2.5%)	68,896	111,597	(2,638) (6)	108,959
Total Debt Service Requirement	361,303	2,023,263	157,299	2,180,563
SB 234 Cash Working Capital	259,517	262,538	-	262,538
Remaining Cash	178,085	212,959	(159,279)	53,680
Percent Coverage (A) / (B)	298.13%	143.60%		132.43%
Average rate for 3,400 gallons	\$ 27.26	\$ 44.14	\$ -	\$ 44.14
Average rate for 4,000 gallons	\$ 31.96	\$ 51.76	\$ -	\$ 51.76

**CITY OF BUCKHANNON - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2024W-2616**

**Attachment C
PREFERRED FUNDING PACKAGE
SCENARIO 3**

Staff Adjustments

<u>Adjustment Description</u>			\$	Increase <Decrease>
(1)	Operating Revenues	Per Staff Analysis	4,218,568	(262,538)
		Per Application with Project	4,481,106	
	Adjust revenues in accordance with PSC General Order 183.11.			
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis	262,538	262,538
		Per Application with Project	-	
	Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3)	Operating Expenses	Per Staff Analysis	2,102,280	1,980
		Per Application with Project	2,100,300	
	Staff's calculation reflects the amount of .25% administrative fee for DWTRF loan.			
(4)	Principal & Interest	Per Staff Analysis	1,885,426	145,397
		Per Application with Project	1,740,029	
	The difference in P&I is related to Staff's calculation of a WVIJDC loan of \$1,500,000 for 20 years at 3%, a USDA loan of \$31,310,000 for 40 years (paid back over 38 years) at 3.12%, and a DWTRF Loan of \$1,500,000 for 20 years at 2.75%.			
(5)	Reserve Account @ 10%	Per Staff Analysis	161,745	14,540
		Per Application with Project	147,205	
	Staff assumed a 10% reserve on the new debt.			
(6)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis	108,959	(2,638)
		Per Application with Project	111,597	
	Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			