



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., Program Manager
Sewer Technical Review Committee

Date: August 15, 2025

Subject: Lashmeet Public Service District
IJDC Application - 2025W-2562
Hiawatha - Springton Waterline Extension Project

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.

Promoting a healthy environment.

- 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 extend water service to 64 new customers along WV Route 10 and County Route 11(Smokeless, Hiawatha and Springton communities). The potential customers currently haul water for their source of water and this project will provide fire protection and reliable/safe water.

The total cost for this project is \$8,756,000 and the Lashmeet PSD intends to pursue a \$7,444,750 AML Grant, a \$533,413 IJDC Grant, \$380,000 in DWTRF Principal Forgiveness, and a \$397,837 WV American Water contribution.

Preliminary Project Ratings:

Public Health Benefits: 5

Compliance with Standards: 5



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MEMORANDUM

TO: Katheryn Emery, P.E., Program Manager, DWWM

FROM: Justin Moffitt, P.E., DWWM

DATE: August 6, 2025

SUBJECT: Lashmeet Public Service District
IJDC Application - 2025W-2562
Hiawatha - Springton Waterline Extension Project

RECOMMENDATION

The IJDC Application and Preliminary Engineering Report prepared by Thompson and Litton for the above referenced project has been reviewed and is technically feasible.

PROJECT DESCRIPTION

The Lashmeet Public Service District (LPSD) is located in Mercer County, West Virginia. The LPSD currently serves the communities of Lashmeet, Matoaka, Beeson, Giatto, Spanishburg, Kegley, and Weyanoke and operates under PWSID Permit #WV3302817. LSPD currently has approximately 820 residential service connections and is operated by West Virginia American Water (WVAW) and purchases all the water for their distribution system from the Bluestone Water Service System. The Bluestone Water Treatment Plant has a maximum capacity of 5.0 MGD and an average production of 2.4 MGD indicating that the treatment facility has sufficient capacity to accommodate the demand increase. LPSD currently has 5 Water Storage Tanks (WST) with a total capacity of 487,815 gallons and 4 Pumping Stations located at Beeson, Lashmeet, Matoaka, and Cemetery Hill. The existing shared water sources within the project area are located in the Hiawatha and Springton Water Systems and have springs as the raw water sources.

The proposed project will extend the existing water distribution system of the LPSD to the communities of Smokeless, Hiawatha and Springton. The project will extend water service primarily along WV Route 10 and County Route 11 and provide water to 64 new customers. The waterline extension will consist of approximately 4 miles of 8-inch, 1.5 miles of 6-inch, 1.5 miles of 2-inch and a Constant Pressure Booster Station.

The proposed total cost for this project is \$8,756,000 and the Lashmeet PSD intends to pursue a \$7,444,750 AML Grant, a \$533,413 IJDC Grant, \$380,000 in DWTRF Principal Forgiveness, and a \$397,837 Private Grant. The current monthly rate for 3,400 gallons is \$82.40 (2.40% MHI). The proposed project does not include a rate increase.

NEED FOR PROJECT

The potential customers do not have access to clean, reliable drinking water. Only a small portion of the residents in the Hiawatha/Springton area utilize the Hiawatha and Springton Water Systems, while the majority of the remaining residents purchase drinking water or store water at their homes. Additionally, access to an adequate water supply for fire protection can lead to a reduction in the loss of life and/or property improving public safety.

DEFICIENCIES/COMMENTS

- The PER did not contain proposed funding sources, current rate and MHI.
- Using the Combined Application, the Design, and Total Engineering Fees appear to be within the ASCE Curves.

Preliminary Project Ratings:

Public Health Benefits: 5
Compliance with Standards: 5

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



August 4, 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. 2025W-2679
Lashmeet PSD – Hiawatha-Springton Waterline Extension
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

Brandon Crace
Engineering Division

Enclosures
BC:

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: August 4, 2025

PROJECT SPONSOR: LASHMEET PUBLIC SERVICE DISTRICT – WATER

PROJECT SUMMARY: Lashmeet PSD is proposing to extend water service to approximately 64 new customers in the communities of Hiawatha and Springton.

PROPOSED FUNDING:	WVAW Contribution	\$ 397,837
	AML Grant	7,444,750
	IJDC District 3 Grant	533,413
	DWTRF Principal Forgiveness	<u>380,000</u>
	Total	\$8,756,000

CURRENT RATES:	\$77.00	3,400 gallons (plus 7.01% DSIC = \$82.40)
	\$88.12	4,000 gallons (plus 7.01% DSIC = \$94.30)

PROPOSED RATES:	\$86.80	3,400 gallons (incl. \$4.40 Cust. Surcharge)
	\$98.70	4,000 gallons (incl. \$4.40 Cust. Surcharge)

Application No. 2025W-2679

RECOMMENDATION: X Forward to the Funding Committee
 Forward to the Consolidation Committee
 Return to the Applicant

FINANCIAL: William Nelson

1. Current rates (\$77.00 for 3,400 gallons) are above the rates attributable to 1.25 % (\$42.41), 1.5% (\$50.90), 1.75% (\$59.38), and 2% (\$67.86) of the Median Household Income.

2. NOTES TO COMMENTS:

- A. Since the Applicant's rates and the operation and maintenance costs are "rolled into" the operations of the West Virginia-American Water Company (WVAWC), no cash flow is attached. The current rates apply to many customers over large geographical areas who share the aggregated revenue requirements of the WVAWC. The Lashmeet Public

Service District (PSD) contracts with WVAWC for the operation of the water distribution facilities and customer services; the PSD does not operate any water facilities.

- B. The rate of \$82.40 (3,400 gallons which includes 7.01% DSIC) plus the proposed surcharge of \$4.40, per customer per month, equals the proposed rate of \$86.80 (3,400 gallons).
- C. It should be noted that the Preliminary Engineering Report and the funding in the preliminary application are based on a project cost of \$8,756,000. The total project budget in the
- D. WVAWC's contribution per customer, under the Commission's main extension rule, is approximately \$6,743 per customer. This assumes there are no further costs incurred on the extension. In this application, the Applicant proposes that WVAWC contribute \$397,837 ($\$6,743 \times 59$ or approximately 80% of the 74 new/projected customers) toward the project. If the WVAWC contribution is based upon \$6,743 per potential customer, then they would provide \$498,982 ($\$6,743 \times 74$ new customers). The difference between the proposed contribution of \$397,837 and the 7.5 calculated contribution of \$498,982 is \$101,145. An agreement with WVAWC detailing the amount and terms of their contribution should be filed with the Commission along with any filing made in this matter.
- E. On April 7, 2014, the Commission issued an order in Case No. 11-1451-W-C (involving public/private partnerships) which ordered that WVAWC, among other items, has an obligation to contribute the amount required by Water Rule 5.5 (now Water Rule 7.5) toward a proposed project as modified by substituting the current Company average usage into the formula.
- F. Staff notes that the project sponsor requested a Draft Rule 42 Exhibit waiver.

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 PSC.

2. Scope: Lashmeet PSD proposes to construct approximately 4 miles of 8-inch, 1.5 miles of 6-inch, 1.5 miles of 2-inch water lines and one booster station to extend public water service to approximately 64 new customers in the communities of Hiawatha and Springton. Two additive alternatives would extend service to 5 additional customers each.

Customer Density: 9.1 customers/mile

Cost per Customer: \$136,696

Taken from the total project cost estimate of \$8,748,500 spread over 64 new customers.

3. Project Feasibility: The project is technically feasible. The cost per new customer is high, and the customer density is relatively low. Proposed funding is entirely from grants, with most of the cost covered by an AML grant. The PER explains that most residents in the area have no access to clean, reliable drinking water, with only a small number being served by the Hiawatha and Springton Water systems. These systems are described as antiquated and lacking security, and were not evaluated or mentioned in the discussion of project alternatives. Presumably, they were considered non-viable without further analysis.
4. Project Alternatives: No existing water utilities besides Lashmeet PSD are near enough to feasibly serve the project area. An alternative which involved construction of a water storage tank and a different location for the booster station was evaluated, and found to be less feasible due to higher capital and O & M cost.
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 were not quantified, and will be covered through an existing operation and maintenance agreement with WVAWC.
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 \$978,600 which is equal to 14.01% of the construction cost of \$6,983,000 (including contingency).



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M E M O R A N D U M

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

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

DATE: July 23, 2025

SUBJECT: Infrastructure Preliminary Application for the Lashmeet PSD (2025W-2679):
Hiawatha/Springton Waterline Extension in Mercer County, WV.

We have reviewed the above referenced project application information. The Lashmeet PSD, its water is provided by WV American Water. No NPDES permit modifications are necessary.

If the Lashmeet PSD 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 Lashmeet PSD 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 Lashmeet PSD 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

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