



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: October 14, 2025

Subject: Pendleton County Public Service District
IJDC Application - 2025W-2718
Brandywine Plant Upgrades 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 include a new 33,000 gallon raw water storage tank; expanding the existing clearwell capacity to 81,000 gallons; adding a roof to the pre-sedimentation basin; and updating the existing plant's telemetry system. This project will increase their reliability to serve all of their existing customers and include the proper growth factor for their service area.

Cybersecurity should be evaluated with this upgrade.

The total project cost is \$1,500,000 and the PCPSD intends to pursue a \$500,000 DWTRF Principal Forgiveness Loan, a \$500,000 IJDC Grant, and a \$500,000 Section 340 Grant Partnership from the U.S. Army Corps of Engineers.

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: Chantz Rankin, E.I., DWWM

DATE: September 25, 2025

SUBJECT: Pendleton County Public Service District
IJDC Application - 2025W-2718
Brandywine Plant Upgrades Project

RECOMMENDATION

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

PROJECT DESCRIPTION

The Pendleton County Public Service District (PCPSD) is located in Pendleton County, WV and operates multiple existing water treatment and distribution systems. The Brandywine system operates under Public Water System Identification Number (PWSID#) WV3303613. The PCPSD's Brandywine system currently serves 320 total customers, including 300 residential customers, and 20 commercial customers. The Brandywine system's water treatment plant (WTP) is an infiltration trench treatment plant and draws its raw water from the South Fork South Branch Potomac River. The WTP pumps approximately 6 hours per day, and produces an approximate 36,000 gallons per day (GPD).

The proposed project will consist of constructing a new 33,000 gallon raw water storage tank; expanding the existing clearwell capacity to 81,000 gallons; adding a roof to the pre-sedimentation basin; and updating the existing plants telemetry system.

The proposed total cost for this project is \$1,500,000 and the PCPSD intends to pursue a \$500,000 DWTRF Principal Forgiveness Loan, a \$500,000 IJDC Grant, and a \$500,000 Section 340 Grant Partnership from the U.S. Army Corps of Engineers. The proposed monthly rate will be \$65.46 (2.02% MHI) for 3,400 gallons.

NEED FOR PROJECT

The existing telemetry at the WTP lacks modern control and remote monitoring capabilities. This project will replace all of the outdated telemetry which will allow greater reliability in the system.

The plant has issues with algae growth in the pre-sedimentation tank in the summer as well as the ice formation in the winter. This project will allow PCPSD to reliably serve all of their existing customers and include the proper growth factor for their service area.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Design, and Total Engineering Fees appear to be within the ASCE Curves.
- The table provided on page 19 of the PER references Central Hampshire instead of Pendleton County.
- Cybersecurity should be evaluated with this upgrade.

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



October 10, 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-2718
Pendleton County PSD – Water Treatment Plant Upgrades
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

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: October 10, 2025

**PROJECT SPONSOR: PENDLETON COUNTY PUBLIC SERVICE DISTRICT -
(WATER)**

PROJECT SUMMARY: Pendleton County PSD proposes to upgrade the Brandywine Water Treatment plant to accommodate growth and address deficiencies.

PROPOSED FUNDING: USACE Grant	\$ 500,000
DWTRF Principal Forgiveness	\$ 500,000
IJDC Grant	<u>\$ 500,000</u>
Total	<u>\$1,500,000</u>

CURRENT RATES:	\$60.89	3,400 gallons
	\$71.64	4,000 gallons

PROPOSED RATES:	\$65.46	3,400 gallons
	\$77.02	4,000 gallons

Application No. 2025W-2718

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

FINANCIAL: William Nelson

1. Current rates (\$60.89 for 3,400 gallons) are above the rates attributable to 1.25% (\$48.29) and 1.5% (\$57.95) of the Median Household Income (MHI), but below the rates attributable to 1.75% (\$67.61) and 2% (\$77.26) of the MHI. Increasing current rates to 1.75% and 2% of the MHI would provide additional revenues of \$65,418 and \$159,499, respectively.
2. Using Scenario 1, the preferred funding package consisting of a USACE Grant of \$500,000, a DWTRF Principal Forgiveness Loan of \$500,000, and an IJDC Grant of \$500,000, proposed rates (\$65.46 for 3,400 gallons) will provide a cash flow surplus of \$61,796 and debt service coverage of 330.54%.

3. Using the Scenario 2 alternate loan package of \$1,500,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates (\$74.23 for 3,400 gallons) will provide a cash flow surplus of \$48,802 and debt service coverage of 190.65%.
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 Cash Flow Analysis submitted with the application.
 - C. Staff used the MHI for Pendleton County of \$46,358 from the 2020 U.S. Census versus the MHI of \$38,750 that was listed in the application. In the event this MHI, which represents the Eastern District of Pendleton County, is utilized then current rates (\$60.89 for 3,400 gallons) are above the rates attributable to 1.25% (\$40.36), 1.5% (\$48.44), and 1.75% (\$56.51) of the MHI, but below the rates attributable to 2% (\$64.58) of the MHI.
 - D. The Applicant is requesting a waiver of the Rule 42 Exhibit requirement.
 - E. It should be noted that the Going Level rates (\$60.89 for 3,400 gallons) were effective June 26, 2024. Staff reflected this in its analysis.
 - F. The project sponsor is proposing to increase rates to \$65.46 (3,400 gallons) in its application. The cash flow analysis, provided in the filing, included \$50,871 for a Depreciation Fund in addition to its renewal and replacement reserve. This was not included in Case No. 24-0012-PWD-19A. This appears to be an account balance and should not be included in the cash flow analysis. Staff removed it from its cash flow analysis. Thus, the District may not have justification to increase rates to \$65.46 (3,400 gallons). The District should carefully evaluate its revenue requirements before pursuing a rate increase in order to ensure that rates are sufficient to provide a reasonable surplus and meet coverage requirements.

G. 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 flow provided by the project sponsor includes funding for the 1/8 cash working capital reserve. Staff accepted that amount in its analysis. However, this amount may be reviewed by the Commission in future filings in accordance with Public Service Commission General Order 183.11.

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: Pendleton County PSD proposes to upgrade the Brandywine Water Treatment plant to accommodate growth and address deficiencies. The project includes increasing clearwell capacity from 45,000 gallons to 81,000 gallons, adding a raw water storage tank, installing a roof over the pre-sedimentation tank, and upgrading outdated telemetry.

Customer Density: N/A

Cost per Customer: \$1,767

Taken from the total project cost estimate of \$1,500,000 spread over 849 existing customers.

3. Project Feasibility: The project is technically feasible. The cost per customer is reasonable. The increased capacity will accommodate a 200-home development in progress, with a planned 100 home expansion, and additional existing and anticipated extension requests. Issues with icing and algae will be addressed by the roof, and modernized telemetry will be in place. The existing number of customers served by the Brandywine plant was not found in the PER. The population of Brandywine is listed as 198. The application states 320 existing customers (which perhaps represents the Brandywine plant), and the annual report shows 849 District customers (which includes several systems).

4. Project Alternatives: The alternative of constructing only the clearwell expansion was evaluated and eliminated because it does not address the other deficiencies.
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 not projected to change as a result of the project.
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 \$200,000 which is equal to 16.38% of the construction cost of \$1,221,000 (including contingency).

PENDLETON COUNTY PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025W-2718
October 10, 2025

**PREFERRED FUNDING PACKAGE
SCENARIO 1**

	Cash Flow Going Level Per Application Before Project	Cash Flow Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
AVAILABLE CASH				
Operating Revenues	593,369	649,615	(57,011) (1)	592,604
Other Operating Revenue	12,504	12,504	-	12,504
SB 234 Annual Working Cash Collections	-	-	57,011 (2)	57,011
Interest Income & Other Misc.	2,282	2,282	-	2,282
Total Cash Available	608,155	664,401	-	664,401
OPERATING DEDUCTIONS				
Operating Expenses	447,078	456,082	-	456,082
Taxes	13,302	13,302	-	13,302
Total Cash Requirements Before Debt Service	460,380	469,384	-	469,384
Cash Available for Debt Servi (A)	147,775	195,017	-	195,017
DEBT SERVICE REQUIREMENTS				
Principal & Interest (B)	59,000	59,000	-	59,000
Other Debt	-	-	-	-
Reserve Account @ 10%	2,082	2,082	-	2,082
Renewal & Replacement Fund (2.5%)	15,204	16,610	(1,482) (3)	15,128
Total Debt Service Requirement	76,286	77,692	(1,482)	76,210
SB 234 Cash Working Capital	55,885	57,011	-	57,011
Remaining Cash	15,604	60,314	1,482	61,796
Percent Coverage (A) / (B)	250.47%	330.54%		330.54%
Average rate for 3,400 gallons	\$ 60.89	\$ 65.46	\$ -	\$ 65.46
Average rate for 4,000 gallons	\$ 71.64	\$ 77.02	\$ -	\$ 77.02

**PENDLETON COUNTY PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025W-2718**

**Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1**

Staff Adjustments

<u>Adjustment Description</u>			
		\$	Increase <Decrease>
(1) Operating Revenues	Per Staff Analysis	592,604	(57,011)
	Per Application with Project	649,615	
Adjust revenues in accordance with PSC General Order 183.11.			
(2) SB 234 Annual Working Cash Collections	Per Staff Analysis	57,011	57,011
	Per Application with Project	-	
Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3) Renewal & Replacement Fund (2.5%)	Per Staff Analysis	15,128	(1,482)
	Per Application with Project	16,610	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

PENDLETON COUNTY PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025W-2718
October 10, 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
	\$	\$	\$	\$
AVAILABLE CASH				
Operating Revenues	593,369	736,615	(57,011) (1)	679,604
Other Operating Revenue	12,504	12,504	-	12,504
SB 234 Annual Working Cash Collections	-	-	57,011 (2)	57,011
Interest Income & Other Misc.	2,282	2,282	-	2,282
Total Cash Available	608,155	751,401	-	751,401
OPERATING DEDUCTIONS				
Operating Expenses	447,078	456,082	-	456,082
Taxes	13,302	13,302	-	13,302
Total Cash Requirements Before Debt Service	460,380	469,384	-	469,384
Cash Available for Debt Servi (A)	147,775	282,017	-	282,017
DEBT SERVICE REQUIREMENTS				
Principal & Interest (B)	59,000	145,795	2,131 (3)	147,926
Other Debt	-	-	-	-
Reserve Account @ 10%	2,082	2,082	8,893 (4)	10,975
Renewal & Replacement Fund (2.5%)	15,204	18,785	(1,482) (5)	17,303
Total Debt Service Requirement	76,286	166,662	9,542	176,204
SB 234 Cash Working Capital	55,885	57,011	-	57,011
Remaining Cash	15,604	58,344	(9,542)	48,802
Percent Coverage (A) / (B)	250.47%	193.43%		190.65%
Average rate for 3,400 gallons	\$ 60.89	\$ 74.23	\$ -	\$ 74.23
Average rate for 4,000 gallons	\$ 71.64	\$ 87.34	\$ -	\$ 87.34

PENDLETON COUNTY PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025W-2718

Attachment B
LOAN PACKAGE
SCENARIO 2

Staff Adjustments

<u>Adjustment Description</u>		\$	Increase <Decrease>	
(1)	Operating Revenues	Per Staff Analysis	679,604	(57,011)
		Per Application with Project	736,615	
	Adjust revenues in accordance with PSC General Order 183.11.			
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis	57,011	57,011
		Per Application with Project	-	
	Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3)	Principal & Interest	Per Staff Analysis	147,926	2,131
		Per Application with Project	145,795	
	The difference in P&I is related to Staff's calculation of a loan of \$1,500,000 for 40 years (paid back over 38 years) at 5%.			
(4)	Reserve Account @ 10%	Per Staff Analysis	10,975	8,893
		Per Application with Project	2,082	
	Staff assumed a 10% reserve on the new debt.			
(5)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis	17,303	(1,482)
		Per Application with Project	18,785	
	Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			



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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 
Technical Analyst
General Permits & Support Team

DATE: September 17, 2025

SUBJECT: Infrastructure Preliminary Application for the Pendleton County PSD:
Brandywine WTP Improvements in Pendleton County, WV. (2025W-2718)

We have reviewed the above referenced project application information. The Pendleton County PSD, discharges its backwash to its site, which is covered under WV/NPDES Site Registration No. WVG640062, and expires July 18, 2028.

If the Pendleton County 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 Pendleton County 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 Pendleton County 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