



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 16, 2025

Subject: Salt Rock Sewer Public Service District
IJDC Application - 2025S-2721
Malcolm Springs Collection System Improvements - Phase I

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 update the Pond D and Yates 1 Crossing pump stations. These pump stations were constructed in the 1980's and their components have surpassed their useful life. In addition, the gravity system that feeds these pump stations will also be replaced. This project will address safety/maintenance issues, and reduce I&I/overflows.

The total project cost is \$5,265,000 and the District intends to pursue a \$500,000 grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC), a \$1,000,000 CWSRF Principal Forgiveness Loan, and a \$3,765,000 CWSRF Loan. The application does not list requested loan terms, but the project appears eligible for a 30-year CWSRF loan at 0.75% interest with an 0.25% administrative fee.

Preliminary Project Ratings:

Public Health Benefits: 5
Compliance with Standards: 10



STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH
BUREAU FOR PUBLIC HEALTH
OFFICE OF ENVIRONMENTAL HEALTH SERVICES

Arvin Singh, EdD, MBA, MS, FACHE
Secretary of Health

Jason R. Frame
OEHS Director

MEMORANDUM

TO: Meredith J. Vance, Director
Environmental Engineering Division

FROM: Patrick Murphy, P.E. *PM*
Environmental Engineering Division

DATE: October 6, 2025

SUBJECT: Salt Rock Sewer PSD
IJDC Application- **2025S-2721**
Line Upgrade / Replacement
Cabell County

Recommendation: We have reviewed this preliminary application and recommend that it be forwarded to the Funding Committee for review.

Project Scope: This project proposes to remove and replace the existing gravity sanitary sewer and rehabilitating pump stations.

The total project cost is **\$5,265,000.00**

Need for the Project: The need for this project is to replace aging, problematic collection system piping; pump station upgrades to reduce the risk of catastrophic failure of component; and to reduce maintenance activities.

Concerns: No concerns were noted.

Permits: Permits or consultations may be expected to be expected by the following:

- WV Bureau of Public Health Permit
- WV Department of Environmental Protection
- US Army Corps of Engineers





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Harold D. Ward, Cabinet Secretary
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MEMORANDUM

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

FROM: Tyler Barrett, E.I., DWWM

DATE: October 7, 2025

SUBJECT: Salt Rock Sewer Public Service District
IJDC Application - 2025S-2721
Malcolm Springs Collection System Improvements - Phase I

RECOMMENDATION

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

PROJECT DESCRIPTION

The Salt Rock Public Service District (District) operates a regional wastewater treatment plant (WWTP) (NPDES No. WV0084450) located west of the City of Milton (Milton) in Cabell County, WV. The WWTP also serves the Culloden Public Service District and Milton. The three operate under their September 30, 2022, Regional Wastewater and Transmission Agreement. As part of this agreement, the District is responsible for maintaining the WWTP as well as certain components of the Culloden and Milton systems used to transmit flow to the District. The District's system serves approximately 1,675 customers.

This project will make improvements to Pond D Pump Station by replacing the pumps, piping, and electrical equipment replaced and a backup generator installed. In addition, approximately 4,050 LF of gravity sewer line upstream of the Pond D Pump Station will be replaced. The Yates 1 Crossing Pump Station will have the electrical equipment replaced and relocated. The gravity line upstream of this pump station will also be replaced. Demolishing of a building formerly used with a lagoon treatment system, and piers from a stream crossing abandoned in the 1980s.

The total proposed project cost is \$5,265,000.00 and the District intends to pursue a \$500,000 grant from the West Virginia Infrastructure and Jobs Development Council (WVIJDC), a \$1,000,000 CWSRF Principal Forgiveness Loan, and a \$3,765,000 CWSRF Loan. There is no proposed change in monthly rate. The current rate for 3,400 gallons is \$66.08.

NEED FOR PROJECT

The existing gravity system that connects to the Pond D and Yates 1 Crossing pump stations are made of vitrified clay, with short pipe pieces that create many opportunities for tree roots to enter the piping or for joints to become dislodged. Manholes in this area periodically overflow and raw sewage residue is present on the undersides of all manhole covers. Additionally, many of the manhole wells are made of red brick, increasing the risk of leakage. Both pump stations were installed in the 1980s and no significant upgrades have occurred since. The pumps, piping, guide rails, brackets, and electrical equipment are all original and past its useful life. The pump station also suffers from periodic power outages that can result in raw sewage being spilled across adjoining properties. These facilities can represent a risk to the District as they continue to age.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Design and Total Engineering Fees appear to be within the ASCE Curves.
- Need to include the current MHI in the PER.
- Cybersecurity measures should be looked at and discussed for the pump station electronics.
- Include a list of all existing permits related to this project (floodplain, etc.).
- Include proposed financing information in the PER (sources, terms, rate, etc.).

Preliminary Project Ratings:

Public Health Benefits: 5
Compliance with Standards: 10

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 16, 2025

Ms. Kathy Emery, P. E.
Office of Water Resources
Department of Environmental Protection
601 57th St.
Charleston, West Virginia 25304

Re: Public Service Commission Staff Review Comments
Application No. 2025S-2721
Salt Rock Sewer PSD – Sewer System Improvements
Infrastructure Preliminary Application

Dear Ms. Emery:

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 16, 2025

PROJECT SPONSOR: SALT ROCK SEWER PUBLIC SERVICE DISTRICT

PROJECT SUMMARY: The Salt Rock Sewer PSD is proposing to make improvements to its existing sewer collection system.

PROPOSED FUNDING: WVIJDC Grant	\$ 500,000
CWSRF Principal Forgiveness Loan	1,000,000
CWSRF Loan (1.75%, .25% AF, 28 yrs.)	<u>3,765,000</u>
Total	\$5,265,000

CURRENT/PROPOSED

RATES:	\$66.08	3,400 gallons
	\$74.61	4,000 gallons

Application No. 2025S-2721

RECOMMENDATION: ☒ Forward to the Funding Committee
☐ Forward to the Consolidation Committee
☐ Return to the Applicant

FINANCIAL: Alex Kovarik

1. Current rates (\$66.08 for 3,400 gallons) are above the rate attributable to 1.25% (\$43.20), 1.5% (\$51.84) and 1.75% (\$60.48) of the Median Household Income (MHI), but below the rates attributable to 2.0% (\$69.12) of the MHI. Increasing current rates to 2.0% of the MHI would provide additional revenues of \$124,077.
2. Using Scenario 1, the preferred funding package consisting of an IJDC Grant of \$500,000, a CWSRF Principal Forgiveness Loan of \$1,000,000 and a CWSRF Loan of \$3,765,000 at 1.75%, .25% Admin. Fee, for 28 years, proposed rates (\$66.08 for 3,400 gallons) will provide a cash flow surplus of \$13,593 and debt service coverage of 143.36%.

3. Using the Scenario 2 alternate loan package of \$5,265,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates (\$70.68 for 3,400 gallons) will provide a cash flow surplus of \$5,889 and debt service coverage of 137.52%.

4. NOTES TO COMMENTS

- A. Staff's detailed adjustments are listed on Attachment A for Scenario 1 (Preferred Funding Package), Attachment B for Scenario 2 (Loan Package) and Attachment C for Scenario 3 (Alternate Funding Package).
- B. Staff used the MHI for Cabell County of \$41,472 from the 2020 U.S. Census. The applicant did not list an MHI in its application.
- C. 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 Statements submitted with the application.
- D. Staff notes that the project sponsor requested a waiver of the Rule 42 Exhibit requirement.
- E. Staff has included a Scenario 3 analysis. Staff notes that the project sponsor is proposing a CWSRF Loan at 1.75%, .25% Administrative fee, for 28 years. Since proposed target rates of \$66.08 (3,400 gallons) are less than 2% of MHI (\$69.12) but greater than 1.75% of MHI (\$60.48), the terms of this proposed CWSRF loan would typically be .75%, .25% Admin. Fee, for 30 years, for the preferred funding package. If the preferred funding package is adjusted for this change, proposed target rates (\$66.08 for 3,400 gallons) would provide a cash flow surplus of \$47,286 and debt service coverage of 149.61%.
- F. 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.

ENGINEERING: Brandon Crace

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: The Salt Rock Sewer PSD is proposing to make improvements to its existing sewer collection system. The proposed project scope includes: 1500 LF of 4-inch gravity sewer pipe, remove and replace sewer pipe and replace with 12050 LF of 8-inch gravity sewer pipe, remove and replace 3 existing aerial sewer line crossings, 9 end of line cleanouts, 53 manholes, 20 VF of manhole riser sections, abandonment of existing sewer line, remove 53 existing manholes, 2 manhole drop connections, 10 connections with existing sewer line to new manhole, 100 service reconnections with Wye, 100 cleanouts, 6 connections of new sewer line to existing manholes, 120 LF of 15-inch casing (open cut), 90 LF of 16-inch casing (open cut), 20 LF of 8-inch casing (open cut), 30 LF of WVDOH Type "A" Trench Restoration, 60 LF of WVDOH Type "D" Trench Restoration, 45 LF of concrete driveway restoration, Pond D Pump Station Upgrade and Generator, Yates 1 Pump Station Upgrade, elevated electric platform for controls for Yates 1 Crossing Pump Station, demolish existing building, demolish and remove existing concrete piers, mobilization/demobilization, construction layout, erosion and sediment control measures, and all necessary appurtenances. The estimated construction cost is \$4,130,000 (includes 10.03% construction contingency), and the estimated total project cost is \$5,265,000 (includes 9.61% project contingency).

Need: The PER indicates that the collection system that flows to Pond D Pump Station consists of short sections of vitrified clay pipe (VCP-"terra cotta") which have restrictions from root intrusions, resulting in increased line jetting. Manholes associated with this collection system are made of brick, resulting in leakage. Several stream crossings are not buried and are exposed and susceptible to damage. Yates 1 Crossing and Pond D Pump Station pumps, controls, and electrical components are reaching the end of their useful life and need upgrades. Additionally, the Yates 1 Crossing Pump Station's electrical equipment was installed in conflict with current National Electric Code (NEC) requirements.

Customer Density: This project is an upgrade project; therefore, customer density will remain unchanged.

Cost per Customer: Based upon the estimated total project cost is \$5,265,000, and having approximately 4936 customers, the cost per customer will be approximately \$1,067. However, the cost per customer in terms of proposed borrowing is \$763, as the proposed funding is 71.5% loan.

3. Project Feasibility: The project appears to be technically feasible and poses little technical risk.
4. Project Alternatives: The PER evaluated two (4) alternates: Alternate 1 – Rehab Gravity Sanitary Sewer Line with Cured-in-Place Pipe, Alternate 2 – Remove and Replace Existing Gravity Sanitary Sewer Pipe, Alternate 3 – Pipe Burst Existing Gravity Sewer, and Alternate 4 – Do Nothing. The PER states that Alternate 2 was selected by Salt Rock PSD as the suitability of the existing pipe for CIPP technology is not certain, and the proposed alternate will replace comprised manholes, and address select components in need of immediate upgrades.
5. Consolidation: There are no consolidation opportunities presented by this project.
6. Operation and Maintenance (O&M) Expenses: The PER did not include a detailed discussion or breakdown of changes to O&M. However, the PER does state that the proposed improvements should reduce annual O&M expenses.
7. Engineering Agreement: The application includes limited information to determine compliance with West Virginia Code §5G-1-1, *et seq.* Total technical services (engineering) costs for the project are \$779,500, which is equal to 18.87% of the construction cost of \$4,130,000 (includes construction contingency).
8. Deficiencies/Comments:
 - The PER states that “Much of the sanitary sewer line has become overgrown with trees making the pipe particularly susceptible to root intrusion.” The PSD should consider evaluating other sections of its collection system’s right-of-way (easements) and take proactive maintenance measures, where possible, to prevent thick vegetation and tree growth from impacting its buried assets (pipes, manholes, etc.).

SALT ROCK SEWER PUBLIC SERVICE DISTRICT
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2721
October 16, 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	2,700,767	2,742,767	(223,240) (1)	2,519,527
Other Operating Revenue	43,925	43,925	-	43,925
SB 234 Annual Working Cash Collections			223,240 (2)	223,240
Interest Income & Other Misc.	104,331	104,331	-	104,331
Total Cash Available	2,849,023	2,891,023	-	2,891,023
OPERATING DEDUCTIONS				
Operating Expenses	1,785,917	1,785,917	4,929 (3)	1,790,846
Taxes	48,659	48,659	-	48,659
Total Cash Requirements Before Debt Service	1,834,576	1,834,576	4,929	1,839,505
Cash Available for Debt Service (A)	1,014,447	1,056,447	(4,929)	1,051,518
DEBT SERVICE REQUIREMENTS				
Principal & Interest (B)	670,964	737,956	(4,481) (4)	733,475
Other Debt	-	-	-	-
Reserve Account @ 10%	-	17,572	(448) (5)	17,124
Renewal & Replacement Fund (2.5%)	71,226	72,276	(8,190) (6)	64,086
Total Debt Service Requirement	742,190	827,804	(13,119)	814,685
SB 234 Cash Working Capital	223,240	223,240	-	223,240
Remaining Cash	49,017	5,403	8,190	13,593
Percent Coverage (A) / (B)	151.19%	143.16%		143.36%
Average rate for 3,400 gallons	\$ 66.08	\$ 66.08	\$ -	\$ 66.08
Average rate for 4,000 gallons	\$ 74.61	\$ 74.61	\$ -	\$ 74.61

SALT ROCK SEWER PUBLIC SERVICE DISTRICT
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2721

Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1

Staff Adjustments

<u>Adjustment Description</u>			
		\$	Increase <Decrease>
(1) Operating Revenues	Per Staff Analysis	2,519,527	(223,240)
	Per Application with Project	2,742,767	
Adjust revenues in accordance with PSC General Order 183.11.			
(2) SB 234 Annual Working Cash Collections	Per Staff Analysis	223,240	223,240
	Per Application with Project	-	
Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3) Operating Expenses	Per Staff Analysis	1,790,846	4,929
	Per Application with Project	1,785,917	
Staff adjusted for a .25% admin fee on the CWSRF Loan.			
(4) Principal & Interest	Per Staff Analysis	733,475	(4,481)
	Per Application with Project	737,956	
The difference in P&I is related to Staff's calculation of a CWSRF loan of \$3,765,000 for 28 years at 1.75%.			
(5) Reserve Account @ 10%	Per Staff Analysis	17,124	(448)
	Per Application with Project	17,572	
Staff assumed a 10% reserve on the new debt.			
(6) Renewal & Replacement Fund (2.5%)	Per Staff Analysis	64,086	(8,190)
	Per Application with Project	72,276	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

SALT ROCK SEWER PUBLIC SERVICE DISTRICT
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2721
October 16, 2025

**LOAN PACKAGE
SCENARIO 2**

	Cash Flow Going Level Per Application Before Project	Cash Flow Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1 \$	2 \$	3 \$	4 \$
<u>AVAILABLE CASH</u>				
Operating Revenues	2,700,767	2,888,767	(223,240) (1)	2,665,527
Other Operating Revenue	43,925	43,925	-	43,925
SB 234 Annual Working Cash Collections			223,240 (2)	223,240
Interest Income & Other Misc.	104,331	104,331	-	104,331
Total Cash Available	2,849,023	3,037,023	-	3,037,023
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	1,785,917	1,785,917	-	1,785,917
Taxes	48,659	48,659	-	48,659
Total Cash Requirements Before Debt Service	1,834,576	1,834,576	-	1,834,576
Cash Available for Debt Service (A)	1,014,447	1,202,447	-	1,202,447
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	670,964	872,001	2,367 (3)	874,368
Other Debt	-	-	-	-
Reserve Account @ 10%	-	30,976	237 (4)	31,213
Renewal & Replacement Fund (2.5%)	71,226	75,926	(8,190) (5)	67,736
Total Debt Service Requirement	742,190	978,903	(5,585)	973,318
SB 234 Cash Working Capital	223,240	223,240	-	223,240
Remaining Cash	49,017	304	5,585	5,889
Percent Coverage (A) / (B)	151.19%	137.90%		137.52%
Average rate for 3,400 gallons	\$ 66.08	\$ 70.68	\$ -	\$ 70.68
Average rate for 4,000 gallons	\$ 74.61	\$ 79.80	\$ -	\$ 79.80

SALT ROCK SEWER PUBLIC SERVICE DISTRICT
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2721

Attachment B
LOAN PACKAGE
SCENARIO 2

Staff Adjustments

<u>Adjustment Description</u>				\$	Increase <Decrease>
(1)	Operating Revenues	Per Staff Analysis Per Application with Project	2,665,527 2,888,767	(223,240)	
Adjust revenues in accordance with PSC General Order 183.11.					
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis Per Application with Project	223,240 -	223,240	
Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.					
(3)	Principal & Interest	Per Staff Analysis Per Application with Project	874,368 872,001	2,367	
The difference in P&I is related to Staff's calculation of a loan of \$5,265,000 for 40 years (paid back over 38 years) at 5%.					
(4)	Reserve Account @ 10%	Per Staff Analysis Per Application with Project	31,213 30,976	237	
Staff assumed a 10% reserve on the new debt.					
(5)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis Per Application with Project	67,736 75,926	(8,190)	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.					

SALT ROCK SEWER PUBLIC SERVICE DISTRICT
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2721
October 16, 2025

**ALTERNATE FUNDING PACKAGE
SCENARIO 3**

	Cash Flow Going Level Per Application Before Project	Cash Flow Proforma Per Application with Project	Staff Adjustments	Per Staff Analysis
	1	2	3	4
	\$	\$	\$	\$
<u>AVAILABLE CASH</u>				
Operating Revenues	2,700,767	2,742,767	(223,240) (1)	2,519,527
Other Operating Revenue	43,925	43,925	-	43,925
SB 234 Annual Working Cash Collections			223,240 (2)	223,240
Interest Income & Other Misc.	104,331	104,331	-	104,331
Total Cash Available	2,849,023	2,891,023	-	2,891,023
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	1,785,917	1,785,917	4,920 (3)	1,790,837
Taxes	48,659	48,659	-	48,659
Total Cash Requirements Before Debt Service	1,834,576	1,834,576	4,920	1,839,496
Cash Available for Debt Service (A)	1,014,447	1,056,447	(4,920)	1,051,527
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	670,964	737,956	(35,103) (4)	702,853
Other Debt	-	-	-	-
Reserve Account @ 10%	-	17,572	(3,510) (5)	14,062
Renewal & Replacement Fund (2.5%)	71,226	72,276	(8,190) (6)	64,086
Total Debt Service Requirement	742,190	827,804	(46,804)	781,001
SB 234 Cash Working Capital	223,240	223,240	-	223,240
Remaining Cash	49,017	5,403	41,884	47,286
Percent Coverage (A) / (B)	151.19%	143.16%		149.61%
Average rate for 3,400 gallons	\$ 66.08	\$ 66.08	\$ -	\$ 66.08
Average rate for 4,000 gallons	\$ 74.61	\$ 74.61	\$ -	\$ 74.61

SALT ROCK SEWER PUBLIC SERVICE DISTRICT
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2721

Attachment C
ALTERNATE FUNDING PACKAGE
SCENARIO 3

Staff Adjustments

<u>Adjustment Description</u>				\$	Increase <Decrease>
(1)	Operating Revenues	Per Staff Analysis	2,519,527	(223,240)	
		Per Application with Project	2,742,767		
	Adjust revenues in accordance with PSC General Order 183.11.				
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis	223,240	223,240	
		Per Application with Project	-		
	Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.				
(3)	Operating Expenses	Per Staff Analysis	1,790,837	4,920	
		Per Application with Project	1,785,917		
	Staff adjusted for a .25% admin fee on the CWSRF Loan.				
(4)	Principal & Interest	Per Staff Analysis	702,853	(35,103)	
		Per Application with Project	737,956		
	The difference in P&I is related to Staff's calculation of a CWSRF loan of \$3,765,000 for 30 years at .75%.				
(5)	Reserve Account @ 10%	Per Staff Analysis	14,062	(3,510)	
		Per Application with Project	17,572		
	Staff assumed a 10% reserve on the new debt.				
(6)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis	64,086	(8,190)	
		Per Application with Project	72,276		
	Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.				