



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 19, 2025

Subject: Tyler County Public Service District
IJDC Application - 2025W-2671
Elk Fork Water Extension - Phase III 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 drinking water service approximately 0.85 miles to seven potential customers along Elk Fork road. The current private systems produce erratic water volumes and are not tested for quality. Providing public water to these residents will provide a reliable and quality source of potable water.

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 \$398,563. The PSD is utilizing a \$398,563 Tyler County Commission Grant.

Preliminary Project Ratings:

Public Health Benefits:	5
Compliance with Standards:	0



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

FROM: Robert Moore, DWWM

DATE: June 24, 2025

SUBJECT: Tyler County Public Service District
IJDC Application - 2025W-2671
Elk Fork Water Extension - Phase III Project

RECOMMENDATION

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

PROJECT DESCRIPTION

The Tyler County Public Service District (TCPSD), located in Tyler County, West Virginia, owns and operates a Class B water distribution system located along the Ohio River in the communities of Davenport, WV and Bens Run, WV under PWSID #3304801, and #998024. TCPSD serves a large percentage of Tyler County as well as portions of Wetzel County having 1,120 customers and also providing water for the City of Sistersville's system.

The project proposes to extend drinking water service approximately 0.85 miles to seven potential customers along Elk Fork road, and all necessary appurtenances.

The proposed total cost for this project is \$398,563. The TCPSD is utilizing a \$398,563 Tyler County Commission Grant. The proposed monthly rate will be \$40.56 (1.02% MHI) for 3,400 gallons.

NEED FOR PROJECT

TCPD has provided public drinking water to the majority of rural Tyler County through a series of waterline extensions. Some residents were not served by these extensions and rely on private wells and cisterns. These private systems produce erratic water volumes and are not tested for quality. Providing public water to these residents will provide a reliable source of potable water.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Total Engineering Fees appear to be above the ASCE Curves.
- The PER contains an Community Engagement section, but neither the Combined Application or the PER provide documentation of written requests or signed agreements.

Preliminary Project Ratings:

Public Health Benefits: 5

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 3, 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-2671
Tyler County PSD – Elk Fork Water Extension (Phase II)
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:vb

**PUBLIC SERVICE COMMISSION STAFF
TECHNICAL REVIEW**

DATE: June 3, 2025

PROJECT SPONSOR: TYLER COUNTY PUBLIC SERVICE DISTRICT -
WATER

PROJECT SUMMARY: Tyler County Public Service District is proposing to extend water service to approximately 7 potential water customers along Elk Fork Road.

PROPOSED FUNDING: Tyler County Commission Grant	<u>\$ 398,563</u>
Total	\$ 398,563

CURRENT/ PROPOSED RATES:	\$40.56	3,400 gallons
	\$47.72	4,000 gallons

Application No. 2025W-2671

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

FINANCIAL: Bob Cadle

1. Current rates (\$40.56 for 3,400 gallons) are below the rates attributable to 1.25% (\$49.58), 1.5% (\$59.50), 1.75% (\$69.41), and 2% (\$79.33) 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 revenues of \$213,581, \$448,351, \$683,121, and \$917,891 respectively.
2. Using Scenario 1, the preferred funding package consisting of a Tyler County Commission Grant of \$ 398,563, proposed rates (\$40.56 for 3,400 gallons) will provide a cash flow surplus of \$20,562 and debt service coverage of 138.42%.
3. Staff notes, since the proposed grant funding (which is the only funding source) is committed, there is no basis for the proposed Loan Scenario analysis. Thus, no Scenario 2 is being submitted.

4. NOTES TO COMMENTS

- A. Staff's detailed adjustments are listed on Attachment A for Scenario 1 (Preferred Funding 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 Statement submitted with the application.
- C. Because proposed funding is based on all grant funding and no rate increase is needed for the project, the Applicant is requesting a waiver of the Rule 42 Exhibit requirement. It should be noted that the Outside Commitment Letter consisted of a single sentence, on a non-letterhead sheet of paper, stating "The Tyler County Commission has awarded Tyler PSD a \$398,563 grant for the Elk Fork Water Extension (Phase II) Project".
- D. Staff notes the Applicant's Preliminary Application Form shows seven (7) new customers to be served by the project. Given the Applicant used 7 customers in its cash flow calculations, Staff also included the total 7 customers in its analysis.
- E. Staff notes the Applicant's cash flow analyses include going level rates of \$40.56 (for 3,400 gallons). On April 26, 2024, the Applicant filed Certificate of substantial completion form in Case No. 21-0652-PWD-CN with the Commission. Staff included these rates in its analyses.
- 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: Tyler County Public Service District (Tyler County PSD) is proposing to extend water service to approximately 7 potential water customers along Elk Fork Road. The proposed project scope includes: 4350 LF of 2-inch PVC waterline, 100 LF of 2-inch yelomine waterline, two (2) 2-inch gate valves and boxes, 4 valve markers, two (2) 2-inch flushing assembly, 1 air release assembly, 70 LF of horizontal directional drilling (casing), 150 LF of horizontal directional drilling, 60 LF of 2-inch highway boring, 120 LF of 2-inch stream crossing, 200 LF of PVC casing, 120 LF of aggregate replacement, 60 LF of berm replacement, 40 Tons of riprap restoration, 4290 LF of seeding, 4600 LF of water main testing and disinfection, seven (7) 3/4-inch service tap and corp stop, 140 LF of 3/4-inch polyethene service pipe (trench), 7 meter settings, 7 water meters, 15 test pit excavations, 1 audio-video color taping, 1 tie-in to existing water main, mobilization, and all necessary appurtenances. The estimated construction cost is \$242,423 (includes 7.5% construction contingency), and the estimated total project cost is \$398,563 (includes 5.5% project contingency).

Need: The PER indicates that extending public drinking water will eliminate the dependence on private water wells, and will provide access to safe, reliable potable water service.

Customer Density: Based upon the provided water main pipe quantities (4450 LF), the proposed water line extensions total approximately 0.84 mile. This is approximately equivalent to 7 customers per mile.

Cost per Customer: Based upon the estimated total project cost of \$398,563, and proposing to have 7 new customers, the cost to serve each new customer is \$56,938. However, the proposed project is 100% grant (Tyler County Commission) funded; therefore, the proposed borrowing is \$0.

3. Project Feasibility: The project appears to be technically feasible and poses little technical risk.

4. Project Alternatives: The PER indicates that an evaluation of four separate extensions (Elk Fork, Wheelers Run, Gamble Run, and Clark Ridge), creating separate water sources, and a do-nothing alternative was considered. However, a do-nothing option would result in requiring residents to continue utilizing their private wells, and creating separate water sources (wells) is cost prohibitive.
5. Consolidation: There are no consolidation opportunities presented by this project.
6. Operation and Maintenance (O&M) Expenses: The PER states that the increase in O&M costs will be offset with the additional revenue.
7. Engineering Agreement: The application includes information to determine compliance with West Virginia Code §5G-1-1, *et seq.* Total technical services (engineering) costs for the project are \$86,000, which is equal to 35.48% of the construction cost of \$242,423 (includes 7.5% construction contingency).
8. Deficiencies/Comments:
 - Neither the Application or PER includes documentation of community support (written requests for water service, user sign-ups, etc.).

TYLER COUNTY PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025W-2671
June 3, 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
	\$	\$	\$	\$
<u>AVAILABLE CASH</u>				
Operating Revenues	976,574	979,981	(67,099) (1)	912,882
Other Operating Revenue	10,429	10,429	-	10,429
SB 234 Annual Working Cash Collections			67,099 (2)	67,099
Interest Income & Other Misc.	14,119	14,119	-	14,119
Total Cash Available	1,001,122	1,004,529	-	1,004,529
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	536,790	536,790	-	536,790
Taxes	21,045	21,045	-	21,045
Total Cash Requirements Before Debt Service	557,835	557,835	-	557,835
Cash Available for Debt Service (A)	443,287	446,694	-	446,694
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	322,718	322,718	-	322,718
Other Debt			-	-
Reserve Account @ 10%	13,232	13,232	-	13,232
Renewal & Replacement Fund (2.5%)	25,028	25,113	(2,030) (3)	23,083
Total Debt Service Requirement	360,978	361,063	(2,030)	359,033
SB 234 Cash Working Capital	67,099	67,099	-	67,099
Remaining Cash	15,210	18,532	2,030	20,562
Percent Coverage (A) / (B)	137.36%	138.42%		138.42%
Average rate for 3,400 gallons	\$ 40.56	\$ 40.56	\$ -	\$ 40.56
Average rate for 4,000 gallons	\$ 47.72	\$ 47.72	\$ -	\$ 47.72

TYLER COUNTY PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025W-2671

Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1

Staff Adjustments

<u>Adjustment Description</u>			
		\$	Increase <Decrease>
(1) Operating Revenues	Per Staff Analysis	912,882	(67,099)
	Per Application with Project	979,981	
Adjust revenues in accordance with PSC General Order 183.11.			
(2) SB 234 Annual Working Cash Collections	Per Staff Analysis	67,099	67,099
	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	23,083	(2,030)
	Per Application with Project	25,113	
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
Telephone Number: (304) 926-0495
Fax Number: (304) 926-0463

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

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: May 21, 2025

SUBJECT: Infrastructure Preliminary Application for the Tyler County PSD (2025W-2671):
Elk Fork Water Ext. Phase II in Tyler County, WV.

We have reviewed the above referenced project application information. The Tyler County PSD, purchases its water from the Town of Middlebourne. No NPDES permit modifications are necessary.

If the Tyler 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 Tyler 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 Tyler 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