



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: Brad Sergent, Chair
Meredith J. Vance, Director, Environmental Engineering Division, BPH

From: Katheryn Emery, P.E., Program Manager
Sewer Technical Review Committee

Date: April 17, 2026

Subject: Bingamon PSD
IJDC Application - 2026W-2755
Water System Improvements 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 proposes to relocate 5,500 linear feet (LF) of 8-inch water main currently located on a geotechnically unstable hillside along County Route 3 in Harrison County, West Virginia. Rehabilitation and relining of the Peora Hill Water Tank will also be incorporated into this project as improvements to the distribution system. The project will ensure continued availability of reliable potable drinking water for their customers.

The proposed total cost for this project is \$1,150,000. The Bingamon PSD intends to fund this project using a \$575,000 DWTRF Public Water Service loan (2.75%, 0.25% admin., 20 yrs.) and a \$575,000 DWTRF Principal Forgiveness loan. The proposed monthly rate will be \$58.50 (1.35% MHI) for 3,400 gallons.

Preliminary Project Ratings:

Public Health Benefits: 5
Compliance with Standards: 5



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., Program Manager, DWWM

FROM: Tamer Abdelgelil, DWWM

DATE: April 7, 2026

SUBJECT: Bingamon PSD
IJDC Application - 2026W-2755
Water System Improvements Project

RECOMMENDATION

The IJDC Application and Preliminary Engineering Report (PER) prepared by The Thrasher Group, Inc. for the above-mentioned project have been reviewed and are technically feasible.

PROJECT DESCRIPTION

The Bingamon PSD, located in Harrison County, West Virginia, owns and operates a water distribution system under Public Water Service Identification (PWSID) No. WV3302525. The Bingamon PSD provides water services to 510 residential and commercial customers in the areas of Peora, Pine Bluff, Joetown, and Whetstone.

The water distribution system currently comprises 48.84 miles of main lines varying from 2 to 8 inches in size, 486 residential water meters, 24 commercial water meters, 17 fire hydrants, three (3) booster stations, and four (4) water storage tanks. The total combined storage capacity of the system is 410,000 gallons, and potable water is sourced and distributed from the City of Shinnston's treatment plant at a rate of approximately 161,000 gallons per day (gpd).

This project proposes to relocate 5,500 linear feet (LF) of 8-inch water main currently located on a geotechnically unstable hillside along County Route 3 in Harrison County, West Virginia. Rehabilitation and relining of the Peora Hill Water Tank will also be incorporated into this project as improvements to the distribution system.

The proposed total cost for this project is \$1,150,000. The Bingamon PSD intends to fund this project using a \$575,000 DWTRF Public Water Service loan (20-year term, 3% interest) and a \$575,000 DWTRF Principal Forgiveness loan. The proposed monthly rate will be \$58.50 (1.35% MHI) for 3,400 gallons.

NEED FOR PROJECT

The main 8-inch line for which the Bingamon PSD sources water from the City of Shinnston is currently placed along County Route 3 in Harrison County, West Virginia. Portions of this line are on a hillside experiencing geotechnical instability and slips. The West Virginia Department of Highways (WVDOH) has performed slope stabilization efforts on portions of this hillside, and their restoration work required concrete encasement of the existing water line. This has resulted in the water line being inaccessible to the Bingamon PSD for repairs and maintenance. Relocating the water line to the cut section of roadway will allow for greater accessibility for utility maintenance. With regards to the Peora Hill Water Tank, prolonged environmental exposure has caused significant deterioration of the water tank. The tank will require recoating, resealing, and replacement of rubber gaskets and bolts to further extend its service life and maintain system performance.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Total Engineering Fees appear to be below 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



March 31, 2026

Meredith J. Vance, Director
Environmental Engineering Division, WVBPH
Katheryn Emery, P.E., Program Manager
CWSRF & DWTRF, Division of Water and Waste Management, WVDEP

Re: Public Service Commission Staff Review Comments
Application No. 2026W-2755
Bingamon PSD – Water Distribution System Improvements
Infrastructure Preliminary Application

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: March 31, 2026

PROJECT SPONSOR: BINGAMON PUBLIC SERVICE DISTRICT - (WATER)

PROJECT SUMMARY: The Bingamon Public Service District is proposing to make improvements to its water storage and distribution system.

PROPOSED FUNDING: DWTRF Principal Forgiveness	\$ 575,000
DWTRF Loan (2.75%, .25% AF, 20 yrs.)	<u>\$ 575,000</u>
Total	<u>\$1,150 000</u>

CURRENT RATES:	\$51.64	3,400 gallons
	\$60.97	4,000 gallons

PROPOSED RATES:	\$58.50	3,400 gallons
	\$69.07	4,000 gallons

Application No. 2026W-2755

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

FINANCIAL: Stephen Edens

1. Current rates (\$51.64 for 3,400 gallons) are below the rates attributable to 1.25% (\$54.31), 1.5% (\$65.17), 1.75% (\$76.03) and 2.0% (\$86.89) 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 \$25,584, \$129,805, \$234,025 and \$338,245 respectively.
2. Using Scenario 1, the preferred funding package consisting of a DWTRF Principal Forgiveness of \$575,000 and a \$575,000 DWTRF Loan at 2.75%, .25% Admin. Fee for 20 years, proposed rates (\$58.50 for 3,400 gallons) will provide a cash flow surplus of \$6,804 and debt service coverage of 240.35%.

3. Using the Scenario 2 alternate loan package of \$1,150,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates (\$61.46 for 3,400 gallons) will provide a cash flow surplus of \$5,155 and debt service coverage of 195.55%.
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. The Going Level and Proforma adjustments included in the Applicant's Cash Flow Analyses for Scenarios 1 and 2 were used in Staff's Cash Flow Analyses, except as noted on Attachments A and B.
 - C. Staff prepared the attached Cash Flow Analysis utilizing information from the Annual Report for the Fiscal Year Ended June 30, 2025, and the applicant's Rule 42 Exhibit submitted with the application.
 - D. The Applicant's cash flows had a formula error involving the total amount listed for Taxes Other Than Income at Going Level. The cash flow listed the Going Level total as \$1,098, but the correct total is \$9,951. Staff corrected this in its cash flow analysis.
 - E. Staff notes the applicant's cash flow analysis reflects proposed rates of \$58.50 for 3,400 gallons. Staff reflected these rates in its analysis.
 - 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.

G. Staff notes the Cash Flow Analyses provided by the project sponsor reflects a Going Level deficit. The District needs to carefully evaluate its current financial position and may need to file for a rate increase unless its operating costs have significantly decreased from the fiscal year ended June 30, 2025.

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 Bingamon Public Service District is proposing to make improvements to its water storage and distribution system. The proposed project scope includes: mobilization, demobilization, videotaping project area, erosion and sediment control, 5500 LF of 8-inch PVC water main, five (5) 8-inch gate valve assemblies (complete with box and lid), two (2) 3/4-inch air release valves, 80 LF of 16-inch steel casing (with 8-inch PVC water main [bore & jack]), 40 LF of 16-inch steel casing (with 8-inch PVC water main [open cut]), tie into existing 8-inch water main, tie into existing 6-inch water main, cut and cap existing 8-inch water main, cut and cap existing 6-inch water main, 15 customer service reconnections, 50 LF of WVDON Type "B" Trench Repair, 350 LF of WVDON Type "C" Trench Repair, 50 LF of 1.5-inch of HMA mill and overlay, 3 fire hydrant assemblies, rehabilitation of the Peora Hill Water Storage Tank (investigation, temporary water storage tank, exterior surface preparation and painting, interior surface preparation and painting [sandblasting and weld repairs], sealing between tank and foundation, new rubber gaskets and bolts for hatches), and necessary appurtenances. The estimated construction cost is \$790,000 (includes 15.12% construction contingency), and the estimated total project cost is \$1,150,000 (includes 7.78% project contingency).

Need: The existing water main that provides flows to the Peora Hill Water Storage Tank is located in the fill section of a roadway, and the PER states that roadway has exhibited signs of geotechnical instability. Additionally, the PER indicates that relocating the water main outside of the WVDON right-of-way will protect the water main from WVDON construction activities. The Peora Hill Water Storage Tank is aging and in need to rehabilitation to extend its useful life and ensure compliance with regulatory standards.

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 \$1,150,000, and having approximately 510 customers, the cost per customer will be approximately \$2,255. The cost per customer in terms of proposed borrowing is \$1,127.50, as the proposed funding is 50% loan.

3. Project Feasibility: The project appears to be technically feasible and poses little technical risk.
4. Project Alternatives: The PER evaluated three (3) alternates: Alternative #1 – Perform Waterline Replacement and Water Storage Tank Rehabilitation, Alternative #2 – Perform Waterline Replacement Only, and Alternative #3 – Do Nothing. The PER states that Alternative #1 was selected.
5. Consolidation: There are no consolidation opportunities presented by this project.
6. Operation and Maintenance (O&M) Expenses: The PER did not include a breakdown or discussion of changes to O&M expenses. However, the PER did state “This project is not expected to significantly change the current Operation and Maintenance Costs for the Bingamon Public Service District.”
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 \$196,000, which is equal to 24.81% of the construction cost of \$790,000 (includes 15.12% construction contingency).
8. Deficiencies/Comments:
 - Nothing significant to note.

BINGAMON PUBLIC SERVICE DISTRICT - WATER
 CASH FLOW ANALYSIS
 YEAR ENDED: June 30, 2025
 APPLICATION NO. 2026W-2755
 March 31, 2026

**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
	\$	\$	\$	\$
AVAILABLE CASH				
Operating Revenues	490,215	560,537	-	560,537
Other Operating Revenue	8,840	10,015	-	10,015
SB 234 Annual Working Cash Collections	57,205	59,663	-	59,663
Interest Income & Other Misc.	1,724	1,724	-	1,724
Total Cash Available	557,984	631,939	-	631,939
OPERATING DEDUCTIONS				
Operating Expenses	476,509	477,302	(34) (1)	477,268
Taxes	9,951	9,951	-	9,951
Total Cash Requirements Before Debt Service	486,460	487,253	(34)	487,219
Cash Available for Debt Service (A)	71,524	144,686	34	144,720
DEBT SERVICE REQUIREMENTS				
Principal & Interest (B)	22,452	59,926	287 (2)	60,213
Other Debt			-	-
Reserve Account @ 10%		3,747	29 (3)	3,776
Renewal & Replacement Fund (2.5%)	13,907	15,755	(1,491) (4)	14,264
Total Debt Service Requirement	36,359	79,428	(1,175)	78,253
SB 234 Cash Working Capital	57,205	59,663	-	59,663
Remaining Cash	(22,040)	5,595	1,209	6,804
Percent Coverage (A) / (B)	318.56%	241.44%		240.35%
Average rate for 3,400 gallons	\$ 51.64	\$ 58.50	\$ -	\$ 58.50
Average rate for 4,000 gallons	\$ 60.97	\$ 69.07	\$ -	\$ 69.07

Staff Adjustments

<u>Adjustment Description</u>			\$	Increase <Decrease>
(1)	Operating Expenses	Per Staff Analysis	477,268	(34)
		Per Application with Project	477,302	
Staff's calculation included a difference in an Administrative Fee associated with a loan.				
(2)	Principal & Interest	Per Staff Analysis	60,213	287
		Per Application with Project	59,926	
The difference in P&I is related to Staff's calculation of a loan of \$575,000 for 20 years at 2.75%.				
(3)	Reserve Account @ 10%	Per Staff Analysis	3,776	29
		Per Application with Project	3,747	
Staff assumed a 10% reserve on the new debt.				
(4)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis	14,264	(1,491)
		Per Application with Project	15,755	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.				

BINGAMON PUBLIC SERVICE DISTRICT - WATER
 CASH FLOW ANALYSIS
 YEAR ENDED: June 30, 2025
 APPLICATION NO. 2026W-2755
 March 31, 2026

**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	490,215	591,877	-	591,877
Other Operating Revenue	8,840	10,520	-	10,520
SB 234 Annual Working Cash Collections	57,205	59,564	-	59,564
Interest Income & Other Misc.	1,724	1,724	-	1,724
Total Cash Available	557,984	663,685	-	663,685
OPERATING DEDUCTIONS				
Operating Expenses	476,509	476,509	-	476,509
Taxes	9,951	9,951	-	9,951
Total Cash Requirements Before Debt Service	486,460	486,460	-	486,460
Cash Available for Debt Service (A)	71,524	177,225	-	177,225
DEBT SERVICE REQUIREMENTS				
Principal & Interest (B)	22,452	90,112	517 (1)	90,629
Other Debt			-	-
Reserve Account @ 10%		6,766	52 (2)	6,818
Renewal & Replacement Fund (2.5%)	13,907	16,549	(1,489) (3)	15,060
Total Debt Service Requirement	36,359	113,427	(920)	112,506
SB 234 Cash Working Capital	57,205	59,564	-	59,564
Remaining Cash	(22,040)	4,234	920	5,155
Percent Coverage (A) / (B)	318.56%	196.67%		195.55%
Average rate for 3,400 gallons	\$ 51.64	\$ 61.46	\$ -	\$ 61.46
Average rate for 4,000 gallons	\$ 60.97	\$ 72.56	\$ -	\$ 72.56

Staff Adjustments

<u>Adjustment Description</u>			\$	Increase <Decrease>
(1)	Principal & Interest	Per Staff Analysis	90,629	517
		Per Application with Project	90,112	
The difference in P&I is related to Staff's calculation of a loan of \$1,150,000 for 40 years (paid back over 38 years) at 5%.				
(2)	Reserve Account @ 10%	Per Staff Analysis	6,818	52
		Per Application with Project	6,766	
Staff assumed a 10% reserve on the new debt.				
(3)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis	15,060	(1,489)
		Per Application with Project	16,549	
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: 304-926-0463

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 *BB*
Technical Analyst
General Permits & Support Team

DATE: March 19, 2026

SUBJECT: Infrastructure Preliminary Application for the Bingamon PSD (2026W-2755):
Water System Improvements Project in Harrison County, WV.

We have reviewed the above referenced project application information. The Bingamon PSD purchases water from the City of Shinnston. No NPDES permit modifications are necessary.

If the Bingamon 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 Bingamon 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 Bingamon 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