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: Water Development Authority
Meredith J. Vance, Director, Environmental Engineering Division, BPH

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

Date: July 23, 2026

Subject: Green Valley Glenwood PSD
IJDC Application - 2026W-2810
Hurricane Ridge Area Water System Extension and Upgrade

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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.

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:

The proposed project will upgrade an existing undersized water main along Bulltail Hollow Road and construct an extension to serve nineteen (19) customers along Airport Road to Hurricane Ridge Road. This project will upgrade an existing line to make an extension to unserved households who currently rely on wells and/or hauling water.

The proposed cost for this project is $2,881,500. The GVGPSD will pursue a funding scenario of $1,440,750 of DWTRF Principal Forgiveness, $500,000 through a WVIJDC Grant, and $940,750 through the WDA Economic Enhancement Grant Fund (EEGF). The current average monthly rate for 3,400 gallons is $57.15 (1.68% MHI) and is not anticipated to increase.

This project appears to only qualify for a maximum of $1,000,000 Principal Forgiveness Loan. The funding scenario will need to be $1,000,000 DWTRF principal forgiveness and $440,750 DWTRF loan. If an approvable BCL is received by June 30, 2027, the terms will be 1.75% interest, 0.25% admin fee, for a term up to 30 years.

<u>Preliminary Project Ratings:</u>

Public Health Benefits:	5
Compliance with Standards:	5

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MEMORANDUM

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

FROM: Carin Angelle, DWWM

DATE: July 13, 2026

SUBJECT: Green Valley Glenwood PSD
Hurricane Ridge Area Water System Extension and Upgrade
IJDC No. 2026W-2810

RECOMMENDATION

The IJDC application and Preliminary Engineering Report (PER) prepared by The Thrasher Group for the above referenced project have been reviewed and are technically feasible.

PROJECT DESCRIPTION

The Green Valley Glenwood Public Service District (GVGPSD) owns and operates two water treatment plants (WTPs) and collection systems in Mercer County, WV under Public Water System Identification Numbers (PWSID) WV3302813 and WV 3302849. The Glenwood Plant draws water from Dan Hale Reservoir and Glenwood Lake, and the Bulltail Plant from the James P. Bailey Reservoir. Collectively, GVGPSD serves approximately 3,703 customers, including the large resale customer Bluewell Public Service District (BPSD) which serves approximately 3,038 customers. This project will extend sewer along County Route 123 (Airport Road) and County Route 36/3 (Hurricane Ridge Road).

The proposed extension to serve nineteen (19) customers includes the installation of approximately 6,820 LF of 6-inch PVC, surface restoration, and all necessary appurtenances along Bulltail Hollow Road as well as approximately 5,710 LF of 6-inch PVC, 725 LF of 4-inch DIP, 8 gate valves, 6 fire hydrants, 1 blow-off hydrant, 1,150 LF of service line, 19 meter settings, 32 service line reconnections, 1 hydropneumatic booster station, surface restoration, and all necessary appurtenances along Airport Road to Hurricane Ridge Road.

The proposed cost for this project is $2,881,500. The GVGPSD will pursue a funding scenario of $1,440,750 of DWTRF Principal Forgiveness, $500,000 through a WVIJDC Grant, and $940,750 through the WDA Economic Enhancement Grant Fund (EEGF). The current average monthly rate for 3,400 gallons is $57.15 (1.68% MHI) and is not anticipated to increase.

NEED FOR PROJECT

The customers that will be served by this project currently rely on groundwater wells and/or hauling to obtain their water. Reliance on these systems would cease once public service became available, thereby reducing the potential for groundwater depletion and risks of contamination. The completion of the proposed extension and upgrades will protect natural water resources in the area as well as public health from harm due to contaminated drinking water.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Total Engineering Fees appear to be below the ASCE Design Fee Curves.

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

July 6, 2026

Brad Sergent, Chair
Water Development Authority, Acting Executive Director
Katheryn Emery, P.E., Program Manager
CWSRF & DWTRF, Division of Water and Waste Management, WVDEP
Meredith Vance, Director
Environmental Engineering Division, WVBPH

Re: Public Service Commission Staff Review Comments
Application No. 2026W-2810
Green Valley-Glenwood PSD – Water Extension (Hurricane Ridge)
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:

__X__ 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: July 6, 2026

PROJECT SPONSOR: **GREEN VALLEY-GLENWOOD PUBLIC SERVICE DISTRICT – (WATER)**

PROJECT SUMMARY: The Green Valley-Glenwood PSD is proposing to extend water service to 19 potential customers.

PROPOSED FUNDING:

DWTRF Principal Forgiveness	$ 1,440,750
IJDC Grant	500,000
WDA Economic Enhancement Grant	940,750
Total	$ 2,881,500

CURRENT RATES:

$41.80	3,400 gallons
$48.24	4,000 gallons

PROPOSED RATES:

$57.15	3,400 gallons
$65.95	4,000 gallons

Application No. 2026W-2810

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

FINANCIAL: Alex Kovarik

1. Current rates ($41.80 for 3,400 gallons) are below the rates attributable to 1.25% ($42.41), 1.5% ($50.90), 1.75% ($59.38), and 2.0% ($67.86) 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 $35,329, $526,197, $1,017,064, and $1,507,932 respectively.

2. Using Scenario 1, the preferred funding package consisting of a DWTRF Principal Forgiveness Loan of $1,440,750, an IJDC Grant of $500,000 and a WDA Economic Enhancement Grant of $940,750, proposed rates ($57.15 for 3,400 gallons) will provide a cash flow surplus of $314,697 and debt service coverage of 196.16%.

3. Using the Scenario 2 alternate loan package of $2,881,500 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates ($60.86 for 3,400 gallons) will provide a cash flow surplus of $290,833 and debt service coverage of 178.32%.

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, 2025, and the applicant's Cash Flow Statement submitted with the application.

   C. Staff notes the project sponsor requested a Draft Rule 42 Exhibit waiver.

   D. 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.

   E. The Public Service 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. Staff notes that the District is a political subdivision of the state and it has at least 4,500 customers and annual gross revenues of $3 million or more. Therefore, in accordance with Senate Bill 234, effective June 12, 2015, the Commission has no jurisdiction regarding the District's rates pursuant to WV Code 24-2-4a and WV Code 16-13A-9. However, the Commission does have jurisdiction pursuant to WV Code 24-2-1 (b)(6) for the investigation and resolution of disputes involving political subdivisions of the state regarding inter-utility agreements, rates, fees and charges, service areas and contested utility combinations.

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 Green Valley-Glenwood PSD is proposing to extend water service to 19 potential customers. The proposed project scope includes: mobilization, demobilization, pre-construction video, upgrade 6820 LF of 6-inch PVC waterline, 5710 LF of new 6-inch PVC waterline, 725 LF of 4-inch DIP waterline, 90 LF of 6-inch DIP fire hydrant line, 40 LF of 12-inch steel casing (bore & jack), eight (8) 6-inch gate valve (with box), 6 fire-off assemblies, 1 blow-off assembly, nineteen (19) 3/4-inch meter setting (with pressure regulator), 400 LF of 3/4-inch service line, 650 LF of 3/4-inch service line (bore), 32 reconnections to existing service lines, 1 hydropneumatic booster station, 13745 LF of surface restorations, 3 connections to existing 6-inch waterlines, and necessary appurtenances. The estimated construction cost is $2,239,000 (includes 10% construction contingency), and the estimated total project cost is $2,881,500 (includes 5.07% project contingency).

   Need: The PER indicates that the "…existing water line along County Route 25/11 (Bulltail Hollow Road) needs upgraded from 2" to 6" in order to provide adequate water supply to the extension area." The PER states "Replacing undersized lines along Bulltail Hollow Road will increase pressure in the system."

   Customer Density: Based upon the provided Airport Road and Hurricane Ridge Road water main pipe quantities (6,435 LF), the proposed waterline extends approximately 1.22 mile to serve 19 potential customers. This is approximately equivalent to 16 customers per mile.

   Cost per Customer: Based upon the estimated total project cost is $2,881,500, and having approximately 3,750 (3731 existing + 19 new) customers, the cost per customer will be approximately $768. The PER indicates a total estimated construction cost of $2,239,000 to extend water service to 19 new customers, which equates to approximately $117,842 (does not include technical or other soft costs). The cost per customer in terms of proposed borrowing is $0, as the proposed funding is 100% grant.

3. Project Alternatives: The PER did not include any evaluation or discussion of alternatives.

4. Consolidation: There are no consolidation opportunities presented by this project.

5. Operation and Maintenance (O&M) Expenses: The PER did include a detailed breakdown of anticipated changes to O&M expenses. The PER indicates an anticipated annual O&M increase of $9,800, due to increases related to purchased power, chemicals, materials and supplies, and administrative costs.

6. 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 $346,500, which is equal to 15.48% of the construction cost of $2,239,000 (includes 10% construction contingency).

7. Deficiencies/Comments:
   - The PER does not include evidence of community support (letters, requests for water service, signed user agreements, etc.) for the proposed waterline extension.
   - The PER does not discuss any need or justification to extend water service, or making the proposed upgrades, outside of the upgraded waterline is necessary to provide water to the extension area.
   - The PER does not discuss water quality or quantity details of any private wells and springs, or provide any indication of the current water services at the proposed customers.

GREEN VALLEY-GLENWOOD PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2810
July 6, 2026

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		2,419,011	3,534,675	(256,872)	(1)	3,277,803
Other Operating Revenue		59,618	59,618	-		59,618
SB 234 Annual Working Cash Collections				256,872	(2)	256,872
Interest Income & Other Misc.		39,703	39,703	-		39,703
Total Cash Available		2,518,332	3,633,996	-		3,633,996
OPERATING DEDUCTIONS						
Operating Expenses		1,911,650	2,054,973	-		2,054,973
Taxes		77,237	80,252	-		80,252
Total Cash Requirements Before Debt Service		1,988,887	2,135,225	-		2,135,225
Cash Available for Debt Service	(A)	529,445	1,498,771	-		1,498,771
DEBT SERVICE REQUIREMENTS						
Principal & Interest	(B)	764,039	764,039	-		764,039
Other Debt		-	18,078	-		18,078
Reserve Account @ 10%		61,650	61,650	-		61,650
Renewal & Replacement Fund (2.5%)		62,958	90,850	(7,414)	(3)	83,436
Total Debt Service Requirement		888,647	934,617	(7,414)		927,203
SB 234 Cash Working Capital		238,956	256,872	-		256,872
Remaining Cash		(598,158)	307,282	7,414		314,697
Percent Coverage	(A) / (B)	69.30%	196.16%			196.16%
Average rate for 3,400 gallons		$ 41.80	$ 57.15	$ -		$ 57.15
Average rate for 4,000 gallons		$ 48.24	$ 65.95	$ -		$ 65.95

GREEN VALLEY-GLENWOOD PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2810

Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1

Staff Adjustments

	Adjustment Description		$	Increase <Decrease>
(1)	**Operating Revenues**	**Per Staff Analysis**	**3,277,803**	**(256,872)**
		Per Application with Project	**3,534,675**	

Adjust revenues in accordance with PSC General Order 183.11.

(2)	**SB 234 Annual Working Cash Collections**	**Per Staff Analysis**	**256,872**	**256,872**
		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**	**83,436**	**(7,414)**
		Per Application with Project	**90,850**	

Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.

GREEN VALLEY-GLENWOOD PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2810
July 6, 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		2,419,011	3,702,929	(256,872)	(1)	3,446,057
Other Operating Revenue		59,618	59,618	-		59,618
SB 234 Annual Working Cash Collections				256,872	(2)	256,872
Interest Income & Other Misc.		39,703	39,703	-		39,703
Total Cash Available		2,518,332	3,802,250	-		3,802,250
OPERATING DEDUCTIONS						
Operating Expenses		1,911,650	2,054,973	-		2,054,973
Taxes		77,237	80,252	-		80,252
Total Cash Requirements Before Debt Service		1,988,887	2,135,225	-		2,135,225
Cash Available for Debt Service	(A)	529,445	1,667,025	-		1,667,025
DEBT SERVICE REQUIREMENTS						
Principal & Interest	(B)	764,039	933,571	1,296	(3)	934,867
Other Debt		-	18,078	-		18,078
Reserve Account @ 10%		61,650	61,650	17,083	(4)	78,733
Renewal & Replacement Fund (2.5%)		62,958	95,056	(7,414)	(5)	87,642
Total Debt Service Requirement		888,647	1,108,355	10,964		1,119,319
SB 234 Cash Working Capital		238,956	256,872	-		256,872
Remaining Cash		(598,158)	301,798	(10,964)		290,833
Percent Coverage	(A) / (B)	69.30%	178.56%			178.32%
Average rate for 3,400 gallons		$ 41.80	$ 60.86	$ -		$ 60.86
Average rate for 4,000 gallons		$ 48.24	$ 70.23	$ -		$ 70.23

GREEN VALLEY-GLENWOOD PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2810

Attachment B
LOAN PACKAGE
SCENARIO 2

Staff Adjustments

	Adjustment Description		$	Increase <Decrease>
(1)	**Operating Revenues**	**Per Staff Analysis**	**3,446,057**	**(256,872)**
		Per Application with Project	**3,702,929**	
	Adjust revenues in accordance with PSC General Order 183.11.			
(2)	**SB 234 Annual Working Cash Collections**	**Per Staff Analysis**	**256,872**	**256,872**
		Per Application with Project	**-**	
	Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.			
(3)	**Principal & Interest**	**Per Staff Analysis**	**934,867**	**1,296**
		Per Application with Project	**933,571**	
	The difference in P&I is related to Staff's calculation of a loan of $2,881,500 for 40 years (paid over 38 years) at 5%.			
(4)	**Reserve Account @ 10%**	**Per Staff Analysis**	**78,733**	**17,083**
		Per Application with Project	**61,650**	
	Staff assumed a 10% reserve on the new debt.			
(5)	**Renewal & Replacement Fund (2.5%)**	**Per Staff Analysis**	**87,642**	**(7,414)**
		Per Application with Project	**95,056**	
	Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

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

west virginia department of environmental protection

Division of Water and Waste Management
601 57th Street, SE
Charleston, WV 25304-2345
Telephone: 304-926-0495
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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: June 18, 2026

SUBJECT: Infrastructure Preliminary Application for the Green Valley-Glenwood PSD (2026W-2810): Hurricane Ridge Water Extension in Mercer County, WV.

We have reviewed the above referenced project application information. The Green Valley- Glenwood PSD discharges its backwash to its site, which is covered under WV/NPDES Permit No. WVG640171 and expires July 18, 2028.

If the Green Valley- Glenwood 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 Green Valley- Glenwood 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 sand blasting. If it is determined that the paint is not hazardous, the Green Valley- Glenwood 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