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

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

Date: September 15, 2026

Subject: Mannington Public Service District
IJDC Application - 2026W-2815
O'Dell Knob Water System Improvements - Bingamon Subsystem

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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 include an emergency generator at the PSD office, a 90 GPM booster station with an emergency generator, replace/upgrade deficient water lines, extend waterline to serve 2 new customers, update telemetry, an excavator and utility trailer for water line maintenance, and 300 new water meters for installation by the PSD.

The proposed total cost for this project is $4,500,000, and the PSD intends to pursue a $500,000 WVIJDC grant, a $1,500,000 DWTRF Principal Forgiveness Loan, a $1,000,000 DWTRF loan (0.75%, 0.25% admin fee, 30 years), and a USACE grant of $1,500,000. The proposed monthly rate will be $91.90 (1.80% MHI) for 3,400 gallons.

The project will need to seek a Total Engineering Fee waiver. Further discussions will be necessary as the project progresses regarding the installation of the water meters if DWTRF funding will be used for this portion of the project.

<u>Preliminary Project Ratings:</u>

Public Health Benefits:	20
Compliance with Standards:	0

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MEMORANDUM

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

FROM: Mason Belt, Engineer Trainee, DWWM

DATE: September 4, 2026

SUBJECT: Mannington Public Service District
IJDC Application - 2026W-2815
O'Dell Knob Water System Improvements - Bingamon Subsystem

RECOMMENDATION

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

PROJECT DESCRIPTION

The Mannington Public Service District (PSD) is located in Marion County, WV. The PSD owns and operates three separate water subsystems, one being the Bingamon area subsystem. This distribution system operates under Public Water System Identification Number PWSID# 3302512. In 2025, Mannington PSD served 519 residential customers and 5 commercial customers. The PSD purchases all water from the City of Mannington which purchases all water from the City of Fairmont. The Bingamon subsystem's distribution network consists of water main, 3 pump stations, 2 water storage tanks with a total capacity around 166,000 gallons, valves, hydrants, devices of service, and all necessary appurtenances.

The proposed project will replace deficient waterlines, increase pressure at 2 residences, increase the scale of telemetry in the subdivision, provide the PSD with new equipment for waterline maintenance, extend service to 2 unserved customers, and provide customers throughout the PSD's subdivisions with new meters as needed. The project will include a natural gas backup generator at the PSD office in Mannington, a 90 GPM constant run booster station with a natural gas backup generator, approximately 33,000 LF of water line ranging in diameter from 2-6", approximately 1,200 LF of ¾" service tubing, telemetry at 2 pump stations and 2 storage tanks that lack it, an excavator and utility trailer for water line maintenance, and 300 new water meters for installation by the PSD.

The proposed total cost for this project is $4,500,000, and the Mannington PS intends to pursue $500,000 in WVIJDC grant funding, a $1,500,000 DWTRF Principal Forgiveness Loan, a $1,000,000 DWTRF Loan (0.75%, 0.25% admin fee, 30 year), and a USACE reimbursement funds of $1,500,000. The proposed monthly rate will be $91.90 (1.80% MHI) for 3,400 gallons.

NEED FOR PROJECT

Two constant run pump stations towards the southern end of the Bingamon subsystem are without a generator, have no storage tank, and are at the end of their useful life. The PSD office in Mannington experiences many power outages and could use a backup generator. Water lines in the area experience leaks. Additionally, a 2023 DHHR Sanitary Survey found minor deficiencies including unaccounted water loss in excess of 15%. One cross country water line is susceptible to breaks and is difficult to access. Two houses near one of the existing water storage tanks experience low pressure due to elevation differences. Two new, unserved customers have requested service due to inadequate supply of well water. Telemetry isn't present in several areas of the system including pump stations and tanks that are several miles from the PSC office. The PSD is in need of an excavator and utility trailer to better maintain the system. The PSD needs to replace 300 older, less accurate water meters throughout their subsystems.

DEFICIENCIES/COMMENTS

- Using the Combined Preliminary Application, the Total Engineering Fees appear to be above the ASCE 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

August 24, 2026

Mark Sarver, Chair
Water Development Authority, 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-2815
Cowen PSD – Water 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:

__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:	August 21, 2026
PROJECT SPONSOR:	**MANNINGTON PUBLIC SERVICE DISTRICT – (WATER)**
PROJECT SUMMARY:	Mannington PSD is proposing to make improvements to its existing water distribution system and extend water service to 2 potential customers.

PROPOSED FUNDING:

DWTRF Principal Forgiveness	$1,500,000
DWTRF Loan (.75%, .25% AF, 30 yrs.)	1,000,000
IJDC Grant	500,000
USACE Grant	1,500,000
Total	$ 4,500,000

CURRENT RATES:

$82.79	3,400 gallons
$97.40	4,000 gallons

PROPOSED RATES:

$91.90	3,400 gallons
$108.12	4,000 gallons

Application No.2026W-2815

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

FINANCIAL: William Nelson

1. Current rates ($82.79 for 3,400 gallons) are above the rates attributable to 1.25% ($63.89), and 1.5% ($76.67) of the Median Household Income (MHI), but below the rates attributable to 1.75% ($89.44) and 2.0% ($102.22) of the MHI. Increasing current rates to 1.75% and 2.0% of the MHI would provide additional revenues of $61,372 and $179,251 respectively.

2. Using Scenario 1, the preferred funding package consisting of DWTRF Principal Forgiveness of $1,500,000, a DWTRF Loan of $1,000,000 at .75%, with a .25% Administrative Fee, for 30 years, an IJDC Grant of $500,000, and an USACE Grant of $1,500,000, proposed rates ($91.90 for 3,400

gallons) will provide a cash flow surplus of $14,383 and debt service coverage of 171.13%.

3. Using the Scenario 2 alternate loan package of $4,500,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years), proposed rates ($112.59 for 3,400 gallons) will provide a cash flow deficit of $38,022 and debt service coverage of 125.91%. An additional 3.6% (for a total of $116.64 for 3,400 gallons) increase in proposed rates will be required in order to provide a cash flow surplus of $978 and debt service coverage of 135.56%.

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 Rule 42 Exhibit submitted with the application.

   C. Staff notes the Applicant used the MHI for the West Augusta District of Marion County of $61,332 from the 2025 U.S. Census. Staff accepted this MHI for its analysis.

   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. Staff notes the Cash Flow Analysis provided by the project sponsor reflects a going level deficit. Thus, the District needs to carefully evaluate its current financial position and may need to immediately file for a rate increase unless its operating costs have significantly decreased.

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: Mannington PSD is proposing to make improvements to its existing water distribution system and extend water service to 2 potential customers. The proposed project scope includes: mobilization, demobilization, pre-construction video, emergency back-up generator (with automatic transfer switch) at PSD office, a 90 GPM constant run booster pump station (with emergency back-up generator & automatic transfer switch), 3 tie-ins for new 2-inch or 4-inch water lines to existing waterlines, 26000 LF of 4-inch PVC water main pipe, 4400 LF of 2-inch PVC water main pipe, 2400 LF of 4-inch HDPE water main pipe, 12 gate valves, 300 LF of 3/4-inch open cut polyethylene service tubing, 900 LF of 3/4-inch open moled polyethylene service tubing, sixty-two (62) 5/8x3/4 meter setting (including reconnection to existing service line), a 3/4-inch pressure reducing and leak detection meter assembly, three (3) 3/4-inch automatic air release valves, two (2) 2-inch hidden flushing hydrant, 240 LF of 15-inch to 18-inch culvert, decommissioning 2 existing booster stations, excavator, utility trailer, 300 water meters (installed by PSD), and necessary appurtenances. The estimated construction cost is $3,328,000 (includes 10% construction contingency), and the estimated total project cost is $4,500,000 (includes 3.35% project contingency).

   Need: The PER indicates that a "…cross country water line…" has experienced breaks and notes accessibility is difficult when repairs or maintenance are required. The PER describes 2 houses located near the existing Hilltop water storage tank experience low water pressure. The PER notes 2 homes along County Route 46/1 do not have adequate supply of well water and have requested water service. The PER also indicates: the Mannington water office experiences power outages, telemetry is needed (southern end of Bingamon, existing Flat Run pump station, and existing Logansport water storage tank), the need for an excavator and utility trailer to "…maintain the water system…", and the replacement of 300 "…less accurate meters."

   Customer Density: Based upon the provided 2-inch water main pipe quantities (4,400 LF), the proposed water main extension extends approximately 0.83 mile to serve 2 potential customers. However, part of this pipe quantity is to serve existing customers near the Hilltop Tank. Therefore, the estimated pipe quantity to serve the 2 potential customers is approximately 3,000 LF, and is equivalent to 4 customers per mile. However, only 2 potential customers are identified.

Cost per Customer: Based upon the estimated total project cost of $4,500,000, and having approximately 526 (524 existing + 2 potential) customers, the cost per customer will be approximately $8,556. The cost per customer in terms of proposed borrowing is $1,902, as the proposed funding is 77.8% grant.

3. Project Alternatives: The PER evaluated two (2) alternatives, which both alternatives included extending water to 2 potential customers, replacement of the “cross-country” waterline, replacement of “deficient water lines”, and decommissioning constant run booster stations. Alternative #1 included a smaller booster station, and a 54,000-gallon water storage tank; while Alternative #2 included a larger booster station and no water storage tank. The PER indicates that Alternative #2 is the “preferred alternative” as it “…addresses all of the needs for the project…”.

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 $2,400, due to increases related to generator expenses, and telemetry.

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 $744,000, which is equal to 22.36% of the construction cost of $3,328,000 (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 water quality or quantity details of any private wells and springs, or provide any indication of the current water services at the proposed customers.

MANNINGTON PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2815
August 24, 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		743,676	833,082	-		833,082
Other Operating Revenue		13,711	15,203	-		15,203
SB 234 Annual Working Cash Collections		73,496	74,016	-		74,016
Interest Income & Other Misc.		5,371	5,371	-		5,371
Total Cash Available		836,254	927,672	-		927,672
OPERATING DEDUCTIONS						
Operating Expenses		587,967	592,131	-		592,131
Taxes		18,794	18,794	-		18,794
Total Cash Requirements Before Debt Service		606,761	610,925	-		610,925
Cash Available for Debt Service	(A)	229,493	316,747	-		316,747
DEBT SERVICE REQUIREMENTS						
Principal & Interest	(B)	147,744	184,999	93	(1)	185,092
Other Debt		11,790	11,790	-		11,790
Reserve Account @ 10%		6,524	10,250	9	(2)	10,259
Renewal & Replacement Fund (2.5%)		20,772	29,830	(8,623)	(3)	21,207
Total Debt Service Requirement		186,830	236,869	(8,521)		228,348
SB 234 Cash Working Capital		73,496	74,016	-		74,016
Remaining Cash		(30,833)	5,862	8,521		14,383
Percent Coverage	(A) / (B)	155.33%	171.22%			171.13%
Average rate for 3,400 gallons		$ 82.79	$ 91.90	$ -		$ 91.90
Average rate for 4,000 gallons		$ 97.40	$ 108.12	$ -		$ 108.12

MANNINGTON PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2815

Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1

Staff Adjustments

	Adjustment Description		$	Increase <Decrease>
(1)	**Principal & Interest**	**Per Staff Analysis**	**185,092**	**93**
		Per Application with Project	**184,999**	

The difference in P&I is related to Staff's calculation of a loan of $1,000,000 for 30 years at .75%.

(2)	**Reserve Account @ 10%**	**Per Staff Analysis**	**10,259**	**9**
		Per Application with Project	**10,250**	

Staff assumed a 10% reserve on the new debt.

(3)	**Renewal & Replacement Fund (2.5%)**	**Per Staff Analysis**	**21,207**	**(8,623)**
		Per Application with Project	**29,830**	

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

MANNINGTON PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2815
August 24, 2026

LOAN FUNDING 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		743,676	1,037,254	40,000	(1)	1,077,254
Other Operating Revenue		13,711	15,475	-		15,475
SB 234 Annual Working Cash Collections		73,496	74,100	-		74,100
Interest Income & Other Misc.		5,371	5,371	-		5,371
Total Cash Available		836,254	1,132,200	40,000		1,172,200
OPERATING DEDUCTIONS						
Operating Expenses		587,967	592,802	(1,307)	(2)	591,495
Taxes		18,794	18,794	-		18,794
Total Cash Requirements Before Debt Service		606,761	611,596	(1,307)		610,289
Cash Available for Debt Service	(A)	229,493	520,604	41,307		561,911
DEBT SERVICE REQUIREMENTS						
Principal & Interest	(B)	147,744	390,437	24,086	(3)	414,523
Other Debt		11,790	11,790	-		11,790
Reserve Account @ 10%		6,524	11,926	21,276	(4)	33,202
Renewal & Replacement Fund (2.5%)		20,772	29,830	(2,512)	(5)	27,318
Total Debt Service Requirement		186,830	443,983	42,850		486,833
SB 234 Cash Working Capital		73,496	74,100	-		74,100
Remaining Cash		(30,833)	2,521	(1,543)		978
Percent Coverage	(A) / (B)	155.33%	133.34%			135.56%
Average rate for 3,400 gallons		$ 82.79	$ 112.59	$ 4.05		$ 116.64
Average rate for 4,000 gallons		$ 97.40	$ 132.46	$ 4.77		$ 137.23

MANNINGTON PUBLIC SERVICE DISTRICT - WATER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2025
APPLICATION NO: 2026W-2815

Attachment B
LOAN FUNDING PACKAGE
SCENARIO 2

Staff Adjustments

Adjustment Description			$	Increase <Decrease>
(1)	**Operating Revenues**	**Per Staff Analysis**	**1,077,254**	**40,000**
		Per Application with Project	**1,037,254**	

Staff projected that an additional $40,000 in revenues would be needed to achieve 115% debt service coverage and a positive cash flow surplus.

(2)	**Operating Expenses**	**Per Staff Analysis**	**591,495**	**(1,307)**
		Per Application with Project	**592,802**	

To remove DWTRF administrative fee that will not be incurred with this scenario.

(3)	**Principal & Interest**	**Per Staff Analysis**	**414,523**	**24,086**
		Per Application with Project	**390,437**	

The difference in P&I is related to Staff's calculation of a loan of $4,500,000 for 40 years (paid over 38 years) at 5%.

(4)	**Reserve Account @ 10%**	**Per Staff Analysis**	**33,202**	**21,276**
		Per Application with Project	**11,926**	

Staff assumed a 10% reserve on the new debt.

(5)	**Renewal & Replacement Fund (2.5%)**	**Per Staff Analysis**	**27,318**	**(2,512)**
		Per Application with Project	**29,830**	

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

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Harold D. Ward, Cabinet Secretary
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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: August 26, 2026

SUBJECT: Infrastructure Preliminary Application for the Mannington PSD (2026W-2815): O'Dell Knob Water System Improvements in Marion County, WV.

We have reviewed the above referenced project application information. Water for The Mannington PSD is provided by the City of Mannington Water Treatment Plant. No NPDES permit modification is necessary.

If the Mannington 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 Mannington PSD should contact Mr. Brad Wright or a member of his staff at (304)-926-0499, extension 43894 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 Mannington 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