



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

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

Date: December 8, 2025

Subject: Logan County PSD
IJDC Application - 2025S-2689
Chief Logan State Park Sanitary Sewer Extension 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 wastewater 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. This project will need to be tabled to give time for the PSC to complete the review.
- d. ___ This project should be referred to the Consolidation Committee.

3. Other remarks:

This project will extend sewer service to the Chief Logan campground WWTP and several other locations in the park. This will address the operation and maintenance issues/concerns.

The total cost for this project is \$3,369,000, and Logan County PSD intends to pursue \$100,000 WV IJDC Grant, \$2,000,000 CWSRF Principal Forgiveness, and a \$369,000 Grant from WV Parks and Recreation.

Preliminary Project Ratings:

Public Health Benefits:	0
Compliance with Standards:	5



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

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

Jason R. Frame
OEHS Director

MEMORANDUM

TO: Meredith J. Vance, Director
Environmental Engineering Division

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

DATE: December 1, 2025

SUBJECT: Logan County Public Service District
IJDC Application- **2025S-2689**
Phase 1 Chief Logan State Park Sanitary Sewer Extension
Logan County

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

Project Scope: The project proposes the construction and installation of approximately 13,240 linear feet of 8-inch and smaller diameter gravity sewer line, 81 manholes, 2 stream crossings, surface restoration, and related appurtenances.

The total project cost is **\$3,369,000.00**

Need for the Project: The need for this project was not addressed in the preliminary engineering report.

Concerns: No concerns were noted.

Permits: Permits expected to be required include:

- WV Bureau of Public Health Permit
- WVDEP NPDES Permit
- WV DNR
- USCOE – Huntington District





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: Spencer Fultineer, DWWM

DATE: December 8, 2025

SUBJECT: Logan County PSD
IJDC Application - 2025S-2689
Chief Logan State Park Sanitary Sewer Extension Project

RECOMMENDATION

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

PROJECT DESCRIPTION

Logan County PSD owns and operates a wastewater collection and treatment system which serves approximately 1,595 customers in Logan County. The WWTP is a 1.0 MGD SBR plant with approximately 681,700 GPD of available treatment capacity. This extension project will increase the capacity used at the plant by 50,000 GPD.

This project will extend service to Chief Logan WWTP (WVG551297). This line will also serve the superintendent residence, maintenance shop, park headquarters / museum in the park, Liz Spurlock Amphitheater, Assistant Superintendent residence, the Seng Camp Hollow pool facility, and Seng Camp Hollow activities building.

The proposed total cost for this project is \$3,369,000; and Logan County PSD intends to pursue \$100,000 WV IJDC Grant, \$2,000,000 CWSRF Principal Forgiveness, and a \$369,000 Grant from WV Parks and Recreation. The proposed monthly rate for 3,400 gallons is \$60.42 (2.00% MHI).

NEED FOR PROJECT

The Chief Logan Campground WWTP has been evaluated to have some concerns with costs as well as operation and maintenance. Along with extending sewer service to unserved areas around the Seng Camp Hollow campground, this project will remove the concerns over operating and maintaining the Chief Logan Campground WWTP. Logan County PSD will take over the costs associated with these customers and have the capacity to do so.

DEFICIENCIES/COMMENTS

- Using the Combined Application, the Design, and Total Engineering Fees appear to be within the ASCE Curves.
- An agreement between the Logan County PSD and the West Virginia Department of Natural Resources will be required at a later date.

Preliminary Project Ratings:

Public Health Benefits: 0

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



December 8, 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-2689
Logan County PSD – Sewer Extension (Chief Logan Park)
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: December 8, 2025

PROJECT SPONSOR: **LOGAN COUNTY PUBLIC SERVICE DISTRICT –
(SEWER)**

PROJECT SUMMARY: Logan County PSD is proposing to construction a sewer extension in Chief Logan State Park to provide service to State Park facilities.

PROPOSED FUNDING: CWSRF Grant	\$ 2,000,000
IJDC Grant	1,000,000
WV Parks and Recreation Grant	<u>369,000</u>
Total	\$ 3,369,000

CURRENT/PROPOSED

RATES:	\$60.42	3,400 gallons
	\$71.08	4,000 gallons

Application No.2025S-2689

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

FINANCIAL: Nathan Nelson

1. Current rates (\$60.42 for 3,400 gallons) are above the rate attributable to 1.25% (\$37.76), 1.5% (\$45.31) and 1.75% (\$52.86) of the Median Household Income (MHI), and the same as the rates attributable to 2.0% (\$60.42) of the MHI.
2. Using Scenario 1, the preferred funding package consisting of a CWSRF Grant in the amount of \$3,000,000, an IJDC Grant of \$1,000,000 and a WV Parks and Recreation contribution of \$369,000, proposed rates (\$60.42 for 3,400 gallons) will provide a cash flow surplus of \$260,870 and debt service coverage of 186.50%.
3. Using the Scenario 2 alternate loan package of \$3,369,000 (in uncommitted funds) at 5% for 40 years (paid back over 38 years),

proposed rates (\$68.52 for 3,400 gallons) will provide a cash flow surplus of \$231,401 and debt service coverage of 158.97%.

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, 2024, and the applicant's cash flow statement submitted with the application.
- C. It should be noted that the applicant requested a waiver of the Rule 42 Exhibit requirement since the project is proposed to be entirely grant funded.
- D. The \$60.42 (3,400 gallons) rates became effective for service rendered on and after May 6, 2024. The District made a Going Level adjustment for this increase by increasing the Per Books revenues by the same percentage of the rate increase (52.8%).
- E. A portion of this project was as reviewed in June, 2021 (2021S-1983). The project was filed by the WVDNR for and extension at Chief Logan State Park. The total project cost for that portion was \$921,334.
- F. Staff notes that the sponsor's application lists a \$100,000 IJDC grant in its preferred funding scenario. Staff has confirmed that the actual amount of the IJDC grant is \$1,000,000.
- G. 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.
- H. 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: Logan County PSD is proposing to extend sewer service to multiple areas in Chief Logan State Park. The proposed project scope includes: 81 manholes, 3 drop manhole connections, 9 cleanouts, 200 LF of 4-inch PVC sewer main, 40 LF of 6-inch PVC sewer main, 12900 LF of 8-inch PVC sewer main, 300 LF of 8-inch DIP sewer main, 8 wye (8"x4") fittings, 1 wye (8"x6") fitting, 2 connections to existing manholes, 40 LF of 12-inch steel casing (bore & jack), 80 LF of 16-inch steel casing (bore & jack), 2 stream crossings, 500 LF of Type "C" Trench restoration, 200 LF of Type "B" Trench restoration, 40 tons of full width asphalt overlay, mobilization, erosion and sediment control, preconstruction video, and all necessary appurtenances. The estimated construction cost is \$2,760,000 (includes 15% construction contingency), and the estimated total project cost is \$3,369,000 (includes 5% project contingency).

Need: The PER does not clearly indicate a need to extend sewer service to Chief Logan State Park's facilities. However, the PER does state that the WV DNR had a prior project to upgrade the campground's WWTP, and that the WV DEP requested alternatives be evaluated due to various concerns with costs, and operation and maintenance. Additionally, the PER states that the campground WWTP was eliminated from the prior project, but the PER does not state why the WWTP was removed. It is understood that the project may have experienced a Bid Overrun, but no details are provided.

Customer Density: *Although the IJDC Application indicates 8 new customers, and the PER states 8 areas/facilities will be served, the only new customer is Chief Logan State Park.* Based upon the estimated total project cost of \$3,369,000, and proposing to serve 1 new customer (Chief Logan State Park), the cost to extend sewer service is \$3,369,000. The project is proposed to be 100% grant and contribution funded; therefore, the proposed borrowing is \$0.

Cost per Customer: Based upon the estimated total project cost of \$3,369,000 (includes contingency), and proposing to serve 1 new customer, the cost to serve each new customer is \$3,369,000. However, the cost per customer in terms of proposed borrowing is \$0, as the proposed funding is 100% grant.

3. Project Feasibility: The PER indicates that the proposed scope is part of a 2-Phase Sewer Extension, and Phase II includes extending sewer service to the Lodge, Recreation Center, Conference Center, and 3 cabins. Although the proposed scope for Phase I (as described in this review) appears to be technically feasible and poses little technical risk, the topography is extreme to extend service for Phase II. Both Phases, include a proposed scope of work resulting in a public utility having sewer mains, connections, and other buried assets within the property of a WV State Park (not abutting a public right-of-way). Additionally, a major consideration of this project is the intermittent/seasonal use of the Park's facilities, which will result in months of low flow, or no-flow, situations and minimal revenue recovery during these months.
4. Project Alternatives: The PER evaluated two (2) alternates: Alternate 1 – Do Nothing; and Alternate 2 – Logan County PSD Sewer Extension. The PER states that Alternate 2 was selected by Logan County PSD.
5. Consolidation: There are no consolidation opportunities presented by this project.
6. Operation and Maintenance (O&M) Expenses: The PER indicates that annual O&M Expenses are anticipated to increase by \$5,500. The increase in annual O&M is related to gravity line maintenance, administrative and billing, and transportation expenses.
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 \$373,000, which is equal to 13.51% of the construction cost of \$2,760,000 (includes 15% construction contingency).

8. Deficiencies/Comments:

- Although the Application indicates 8 new customers, it is understood that all the proposed “customers” are facilities owned, operated, maintained, and situated on property owned by WV State Parks, or WV DNR. Additionally, it is understood that the Park is provided water service through a master meter, which is the known Point of Service for water. Therefore, although there are multiple existing Park facilities, there is only 1 customer.
- The proposed sewer extension only provides service to WV State Park’s facilities, and proposes to utilize \$3,000,000 of State Grant Funding to directly, and only, benefit the Chief Logan State Park facilities. Additionally, the cost to serve the State Park is \$3,369,000.
- Typically, the Point of Service is located at or near the customer’s property line. However, the proposed scope of work includes a public utility’s buried assets being within the boundary of a WV State Park, and (at a minimum) the Utility would need a User Agreement that defined the Point, or Points, of Service throughout the proposed alignment to clearly define where the Park would be responsible for operation and maintenance.
- Typically, a sewer service extension to serve multiple facilities located on a property owned by a single owner, is financed and constructed by a property owner, or developer, and the constructed assets may (in some cases) be turned over to the Utility through a formal/legal Agreement.
- It is understood that other WV State Parks utilize individual package type sewer treatment systems, and utilize contracted operators to maintain the treatment facilities, while park maintenance staff may maintain sewer mains and services.
- It is also understood that the WV DNR provides a budget for the WV State Parks, and recently provided financial assistance (funding) to several WV State Parks, including Chief Logan, to make water and sewer infrastructure improvements and upgrades.
- The PER indicates that there have not been any public meetings. Therefore, there are concerns related to existing Logan County PSD customers not being informed of the proposed project. Although the project is proposed to be 100% Grant Funded, the O&M of the proposed

sewer mains, manholes, etc. would be funded by all of Logan County PSD customers.

- The PER indicates that a Phase II Chief Logan Sewer Extension is proposed to extend sewer service from the Seng Camp Hollow Campground (end of Phase I [this] project) to the Chief Logan Lodge, Conference Center, Recreation Center, and 3 cabins. It is worth noting that the topography has extreme changes in grade between the Campground and Conference Center, and the distance between these points is approximately 2 miles. Therefore, the scope proposed for the Phase II project raises technical concerns.
- The PER did not include an evaluation of WV State Parks financing and constructing the proposed gravity sewer extension and then turning that new collection system over to Logan County PSD.

LOGAN COUNTY PUBLIC SERVICE DISTRICT - SEWER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2689
December 8, 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	1,456,034	1,456,034	(79,822) (1)	1,376,212
Other Operating Revenue	1,041	1,041	-	1,041
SB 234 Annual Working Cash Collections			79,822 (2)	79,822
Interest Income & Other Misc.	23,984	23,984	-	23,984
Total Cash Available	1,481,059	1,481,059	-	1,481,059
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	638,576	638,576	-	638,576
Taxes	13,427	13,427	-	13,427
Total Cash Requirements Before Debt Service	652,003	652,003	-	652,003
Cash Available for Debt Service (A)	829,056	829,056	-	829,056
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	444,531	444,531	-	444,531
Other Debt	-	-	-	-
Reserve Account @ 10%	9,401	9,401	-	9,401
Renewal & Replacement Fund (2.5%)	37,771	37,771	(3,340) (3)	34,431
Total Debt Service Requirement	491,703	491,703	(3,340)	488,363
SB 234 Cash Working Capital	79,822	79,822	-	79,822
Remaining Cash	257,531	257,531	3,340	260,870
Percent Coverage (A) / (B)	186.50%	186.50%		186.50%
Average rate for 3,400 gallons	\$ 60.42	\$ 60.42	\$ -	\$ 60.42
Average rate for 4,000 gallons	\$ 71.08	\$ 71.08	\$ -	\$ 71.08

LOGAN COUNTY PUBLIC SERVICE DISTRICT - SEWER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2689

Attachment A
PREFERRED FUNDING PACKAGE
SCENARIO 1

Staff Adjustments

<u>Adjustment Description</u>		\$	Increase <Decrease>
(1) Operating Revenues	Per Staff Analysis	1,376,212	(79,822)
	Per Application with Project	1,456,034	
Adjust revenues in accordance with PSC General Order 183.11.			
(2) SB 234 Annual Working Cash Collections	Per Staff Analysis	79,822	79,822
	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	34,431	(3,340)
	Per Application with Project	37,771	
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.			

LOGAN COUNTY PUBLIC SERVICE DISTRICT - SEWER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2689
December 8, 2025

**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 \$
<u>AVAILABLE CASH</u>				
Operating Revenues	1,456,034	1,651,143	(79,822) (1)	1,571,321
Other Operating Revenue	1,041	1,041	-	1,041
SB 234 Annual Working Cash Collections			79,822 (2)	79,822
Interest Income & Other Misc.	23,984	23,984	-	23,984
Total Cash Available	1,481,059	1,676,168	-	1,676,168
<u>OPERATING DEDUCTIONS</u>				
Operating Expenses	638,576	638,576	-	638,576
Taxes	13,427	13,427	-	13,427
Total Cash Requirements Before Debt Service	652,003	652,003	-	652,003
Cash Available for Debt Service (A)	829,056	1,024,165	-	1,024,165
<u>DEBT SERVICE REQUIREMENTS</u>				
Principal & Interest (B)	444,531	639,473	4,787 (3)	644,260
Other Debt	-	-	-	-
Reserve Account @ 10%	9,401	9,401	19,973 (4)	29,374
Renewal & Replacement Fund (2.5%)	37,771	42,649	(3,340) (5)	39,309
Total Debt Service Requirement	491,703	691,523	21,419	712,942
SB 234 Cash Working Capital	79,822	79,822	-	79,822
Remaining Cash	257,531	252,820	(21,419)	231,401
Percent Coverage (A) / (B)	186.50%	160.16%		158.97%
Average rate for 3,400 gallons	\$ 60.42	\$ 68.52	\$ -	\$ 68.52
Average rate for 4,000 gallons	\$ 71.08	\$ 80.61	\$ -	\$ 80.61

LOGAN COUNTY PUBLIC SERVICE DISTRICT - SEWER
CASH FLOW ANALYSIS
YEAR ENDED: June 30, 2024
APPLICATION NO: 2025S-2689

Attachment B
LOAN FUNDING PACKAGE
SCENARIO 2

Staff Adjustments

<u>Adjustment Description</u>			\$	Increase <Decrease>
(1)	Operating Revenues	Per Staff Analysis Per Application with Project	1,571,321 1,651,143	(79,822)
Adjust revenues in accordance with PSC General Order 183.11.				
(2)	SB 234 Annual Working Cash Collections	Per Staff Analysis Per Application with Project	79,822 -	79,822
Account for SB 234 (2015) funding pursuant to PSC General Order 183.11.				
(3)	Principle and Interest	Per Staff Analysis Per Application with Project	644,260 639,473	4,787
To account for the difference in Staff's calculation of a loan of \$3,369,000 for 40 years (paid back over 38 years) at 5%.				
(4)	Reserve Account @ 10%	Per Staff Analysis Per Application with Project	29,374 9,401	19,973
Staff assumed a 10% reserve on the new debt.				
(5)	Renewal & Replacement Fund (2.5%)	Per Staff Analysis Per Application with Project	39,309 42,649	(3,340)
Staff used 2.5% of the projection of "Operating & Other Revenues" as the basis of the renewal & replacement fund.				