RECEIVED

OCT 07 2013

PUBLIC SERVICE COMMISSION

Response in the Matter of

Case No 2013-00188

First Request

Garry Wade, District Manager

Sue Carter, Office Manager

Responding

OCT -7 2013

PUBLIC SERVICE
COMMISSION

I Sue Carter, certify that the questions answered by myself in the response to PSC Case No. 2013-00188 are true and accurate to the best of my knowledge, information and belief.

I Garry Wade, certify that the questions answered by myself in the response to PSC Case No. 2013-00188 are true and accurate to the best of my knowledge, information and belief. Darry Wade Date 10-4-13

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RESONSE OF SUE CARTER TO QUESTION NO. 1

1. DIVISION OF WATER REQUIREMENTS 2014

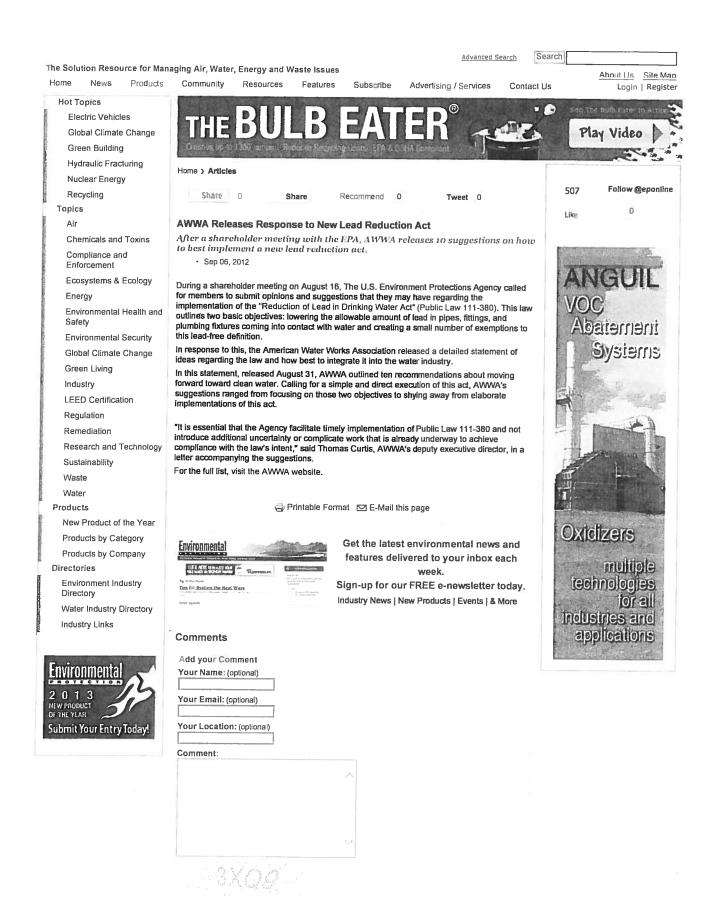
RESPONSE:

Reduction of Lead in Drinking Water Act

Lead Reduction Act

- Congress passed new legislation lowering the lead requirement (less than 0.25% lead) content for solder and adding a "wetted" surface
- Effective in 2014
- May be incorporated into Long Term LCR revisions
- NSF and other certifying authorities involved
- This should be forward-moving legislation and will changed not require that all meters, etc in the system be
- Systems should have a plan in place in advance for implementing this change







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Comments

Add your Comment Your Name: (optional)

- Pipeline Tapping 4" Thru 16"
- Polyethylene Fusion Services 1/2" Thru 36"*
- Sewer Line Air Testing & Leaking Locating
- Trenchless Technology
- Value Added ServicesTM
- Value Lease Program
- Valve And Hydrant Maintenance
- Valve Insertions 4" Thru 12"
- Water Line Chlorinating & Dechlorinating
- Water Line Pressure Testing
- 1. Home
- 2. » Reduction of Lead in Drinking Water Act

Reduction of Lead in Drinking Water Act

The Reduction of Lead in Drinking Water Act was signed into law by the President of the United States on January 4, 2011. The new law takes effect on January 4, 2014. This new law is having a profound impact on the use of waterworks brass in the drinking water industry.

This amendment to the Clean Drinking Water Act will reduce the allowable lead content in any brass products that touch the wetted surfaces in potable drinking water systems. The reduction in lead content is very dramatic, from levels as high as 8 percent down to 0.25 percent.

Team E.J. Prescott, a leading supplier of waterworks brass products, stands ready to help you put a plan in place to go lead free well in advance of the 2014 deadline. Company leadership has established an April 2, 2012 deadline for its compliance with this new law.

Solid planning will help assure a smooth transition!

Download our brochure or give us a call at 1-800-356-8605 for more information or to place an order.

Time is running out! Be ready with EJ Prescott products:

- Red Hed
- Credit Application
- Jobs
- Contact & Locations
- Team Site
- Know How
- Upcoming Events
- In-house Training Services
- Suppliers

2. INVOICE FOR METER PURCHASE NOVEMBER 2012

RESPONSE:

Invoice for meter purchase in November 2012 is included along with an invoice for meter purchase in June 2013, to show the difference in cost of meters to meters meet the lead reduction act.



G & C SUPPLY CO., Inc.

WATER, SEWER & GAS DIVISION SIGNS & SAFETY DIVISION FIRE, RESCUE AND SAFETY EQUIPMENT

P.O. Drawer 459—1105 Hwy 77 Atwood, TN 38220 (731)662-7193 or (800)238-3836 Fax: (731)662-7219

Bill To:

ALLEN COUNTY WATER DISTRICT P.O. BOX 58 SCOTTSVILLE, KY 42164 INVOICE

INVO	ICE						
64839	6483999						
Invoice Date	Page						
11/29/2012 11:49:28	1 of 1						
ORDER N	UMBER						
15008	326						

Ship To:

ALLEN COUNTY WATER DISTRICT 109 PLUM STREET SCOTTSVILLE, KY 42164

Customer ID: 5933

PO Number				Term Description Net Due Date Net 30 12/29/2012		Disc Due Date		Discount Amount	
						12/29/20	12/29/2012		0.00
Order Date Pick Ticket No		t No	Primary Salesrep Name			Taker			
11/26/2012 12:31:18 3504464			4	Jeff Wallace			NBRYANT		
	Quantities	1	Status Key B == Backorder D == Direct	Item ID		Unit	4	Unit	Extended Price
Ordered	Shipped	Remaining	C = Canceled P = In Production	Item Description			Price		Frice

Delivery Instructions: CALL DAY BEFORE DELIVERY MUST HAVI

TEST RESULTS

Carrier: OUR TRUCK

Tracking #:

5/8X3/4 AMCO WATER METER - US GAL

200 200

C7BPUPP-0607

EA

31.5000

6,300.00

POLY TOP- POLY BTM

SERIAL

Total Lines. 1

SUB-TOTAL:

6,300.00

TAX:

0.00

hank You!! We Really Appreciate Your Business! FED. I. D. 620912993

AMOUNT DUE:

6,300.00

) Better Serve You - We Now Accept Visa, MasterCard, American Express, Discover and Debit Cards

DEC - 3 2019

 $\{ (x_i, x_i) \mid (x_i) \in \{(x_i, x_i) \mid (x_i) \in \mathcal{X}_i \} \}$

G & C SUPPLY CO., Inc.

WATER, SEWER & GAS DIVISION SIGNS & SAFETY DIVISION

P.O. Drawer 459—1105 Hwy 77 Atwood, TN 38220 (731)662-7193 or (800)238-3836 Fax: (731)662-7219

Bill To:

ALLEN COUNTY WATER DISTRICT P.O. BOX 58 SCOTTSVILLE, KY 42164 INVOICE
6507939
Invoice Qate Page
7/30/2013 09:24;40 1 of 1
ORDER NUMBER
1/522223

Ship To: ALLEN COL

ALLEN COUNTY WATER DISTRICT 109 PLUM STREET SCOTTSVILLE, KY 42164

Customer ID: 5933

PO Number				Term Description	Disc Due Da	te Discou	Discount Amount		
0487				Net 30	8/29/2013	8/29/2013		0.00	
Order	Date	Pick Ticke	et No	Primary Sai	Taker				
6/18/2013 07:59:04 3529522				Jeff Wallace			NBRYANT		
	Quantities		Status Key B = Backorder	Item ID				Extended	
Ordered	Shipped	Remaining	D = Direct C = Canceled P = In Production	Item Description		Unit	Unit Price	Price	
180		OUR TRUCE 90	В	PMN02US-PP-0607 5/8 X 3/4 ZENNER MU			38.5000	3,465.00	
Total	l Lines: 1			POLY TOP, POLY E	BOTTOM SERIAL		TOTAL:	3,465.00 0.00	
i nk You! Better Ser	! We Reall ve You - W	y Apprecia Ve Now Acc	te Your Busi ept Visa, Ma	iness! FED. I. D. 620912 sterCard, American Exp	2993 ress. Discover and De	AMOUN		3,465.00	

Allen Co Ma

3. BIDS FROM CONSOLIDATED PIPE & SUPPLY

RESPONSE:

The quotation from Consolidated Pipe and Supply is included, along with the quotation from G & C Supply to show both companies charge the same price for the meters.

CONSOLIDATED PIPE AND SUPPLY CO., INC. CUSTOMER QUOTE

768 INTERSTATE DRIVE BOWLING GREEN KY 42101

Quote Nbr: 097992 000 Quote Date: 2/21/2013

Page

(25)

0023 - MARK RIVERS MAIN 270-393-8311 FAX 270-393-8451

Job: HERSEY/MUELLER SYSTEMS METER

QUOTE

Engineer: N/A

Bid Date:

2/21/2013

quote

383616 - ALLEN COUNTY WATER DISTRICT P O BOX 58 SCOTTSVILLE KY 42164 0058

Good Until:

6/30/2013

Line	Qty	Item	Size/Wall/Description		Price	/	Extended Price
1	2.0		2 MUELLER MVR DIRECT READ MTR		535.00	EA	1,070.00
			**OR:				
3	2.0		2 MUELLER 572 DI POSITIVE DISPLACEMENT METER		500.00	EA	1,000.00
4	3.0	205338	1 HERSEY 452IIS P/L CIB USG MTR	250	154.00	EA	462.00
5	195.0	252641	5/8X3/4 HERSEY 420 SG CB COMPOSITE BODY		38.50	EA TO	7,507.50

Terms: NET 30 DAYS

Thank you for the opportunity to quote on your requirements. If we can be of further assistance, please do not hesitate to call.

Shipment: FOB Ship Point with full freight allowed

PLEASE CALL WITH ANY QUESTION.

THANKS,

MARK RIVERS

OFFICE #270-393-8311

CELL #270-392-8338

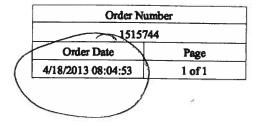
FAX #270-393-8451

E-FAX #205-488-9459

EMAIL: MRIVERS@CONSOLIDATEDPIPE.COM

WWW.CONSOLIDATEDPIPE.COM

QUOTATION



Bill To:

ALLEN COUNTY WATER DISTRICT P.O. BOX 58 SCOTTSVILLE, KY 42164

Ship To:

ALLEN COUNTY WATER DISTRICT 109 PLUM STREET SCOTTSVILLE, KY 42164

(270) 622-3040

		PO Num	ıber		Ship Route		Tal	ker			
					UTLY		NBRYANT				
Quantities			Status Key B = Backorder Item		em ID		T				
dered	Remaining	Status of Balance	D = Direct C = Canceled P = In Production	Item Description			Unit Size	Unit Price	Extended Price		
		Deliv	THE RESERVE OF THE PERSON NAMED IN	CALL DAY BE	FORE DELIVERY						
6	6			PMN02US-PP-0607 5/8 X 3/4 ZENNER MULTI-JET METER - USG POLY TOP, POLY BOTTOM SERIAL#			4	38.5000	231.00		
6	6	.,	•		607 ER WATER METER LY BOTTOM SERI		1	39,2500	235.50		
otal Li	nes: 2						SUL	B-TOTAL:	466.50		
								TAX:	0.00		
							AMOU	NT DUE:	466,50		

4. ADVERTISEMENT FOR BIDS FOR 20 OR 30 METERS

We do not advertise in the local paper because there are not any supply companies closer than Bowling Green. Our local paper publishes once a week and only in Allen County.

We call several suppliers and get quotes to get the best price.

5. A. FARTHEST DISTANCE FROM SHOP

B. BASE MILEAGE

RESPONSE TO QUESTION NO. 5---A. AND B.

The distance from the shop to the end of service area is approximately 25 miles in most instances. It is further in other instances. The reason we used 25 miles is because we don't just go straight to the end of a service area, we may go 10 miles out and have to turn down another road and go another 10 to 12 miles and turn down another road and go further. Allen County is a farming county and there is some distance between houses and properties.

Also, when we set services, we don't always just set one service. We may set one on the east side of the county and then have to travel to the west end of the county, which would be about 40 miles or more there before we bring the equipment back to the shop.

Sometimes it may take an average of 32.5 miles or more, so we just used the end of our service area for the distance and the travel time of 25 miles.

This is answering both a. and b. parts to this question.

6. A. INSTALLATION LABOR EXPENSE

B. CLERICAL AND OFFICE LABOR EXPENSE

RESPONSE:

a. We based installation labor cost on the oldest employee because he is the only one that does that particular job on a daily basis. His rate of pay was at that time, \$18.06, so we rounded down to \$18.00.

Our employees got a raise in July, that brings our oldest employees to \$18.60 per hour. If we take the four highest wage rates and average them , we get \$17.92 an hour, rounding up to \$18.00

b. All the office employees, except for the manager, do the same job. Field employees are not necessarily doing the same job daily.

7. METER CONNECTION/RECONNECT

RESPONSE:

The distance from the shop to the end of service area is approximately 25 miles in most instances. It is further in other instances. The reason we used 25 miles is because we don't just go straight to the end of a service area, we may go 10 miles out and have to turn down another road and go another 10 to 12 miles and turn down another road and go further. Allen County is a farming county and there is some distance between houses and properties.

We send our people out with several work orders at the same time. One may be on the east side of the county and then have to travel to the west end of the county to do another reconnect or connection, which would be about 40 miles or more there before they return to the shop.

Sometimes it may take an average of 32.5 miles or more, so we just used the end of our service area for the distance and the travel time of 25 miles.

RESPONSE OF SUE CARTER TO QUESTION NO. 8

8. PERCENT OF WAGE CONTRIBUTIONS

RESPONSE:

- A. 100 % of wages for Social Security
- B. 100% of wages for Medicare
- C. 100% of wages for Defined benefit pension plan

RESPONSE OF SUE CARTER TO QUESTION NO. 9

9. INSURANCE COVERAGE

RESPONSE:

Allen County Water District provides life insurance, health insurance and dental insurance for all employees.

Allen County Water District pays 100% of the cost of insurance coverage provided to employees.

10. INSTALLATION EQUIPMENT EXPENSE JUSTIFICATION

RESPONSE:

a. The rate of \$75.00 was determined because of the rate of Backhoe hiring in this area. To pay get backhoe work done in this Area is estimated to be \$150. an hour in this county.

Not to overly charge our customers, we determined that half of that cost would be fair.

 As Allen County Water District owns all equipment to install a meter service, we provide the fuel cost, insurance cost, and maintenance to keep the equipment running and up to date.

Fuel cost running anywhere from \$3.99.9 to over \$4.25.9 per gallon, cost of tires being approximately \$1600. plus for a set of 4 for the backhoes, and keeping the other equipment running and maintained on daily basis.

RESPONSE OF GARRY WADE TO NO. 11

11. OVERTIME PAY TO EMPLOYEES DUE TO SERVICES NEEDED

RESPONSE:

Reconnections and service calls are required after normal working hours at different times in order to keep our customers in water without interruption or check out a problem someone has called in to have checked or to reconnect a service that has been disconnected due to nonpayment.

RESPONSE OF GARRY WADE TO NO. 12

12. COST OF 1 INCH AND LARGER METER CONNECTIONS

RESPONSE:

Tariffs were set at the price we charge for 1 inch and 2 inch meter services in 1990 and have not been changed since that time.

Some meter services 1" and 2" take longer to set than others due to rock, boring under roads or cutting roads. We have actually set meter services of this size in the past that have taken over a day to drill through the rock to cross the road to set the meter.

We based the flat rate on the actual time it takes to set an average meter service of 1" or larger. Some customers would be paying a lot more for a meter service than others due to the longer time and extra materials it would take to set them.

If we charged by actual cost of installing a 1" or larger meter service, the cost would be different to different customers and we feel that the average cost of this type of meter service is a fair way to charge for 1" and larger. If a meter service takes longer than it normally does, we do not charge the customer any more than the average cost.