

**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

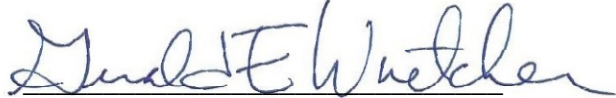
<b>ELECTRONIC APPLICATION OF</b>	)	
<b>MOUNTAIN WATER DISTRICT FOR A</b>	)	<b>CASE NO. 2022-00366</b>
<b>GENERAL ADJUSTMENT OF WATER</b>	)	
<b>RATES</b>	)	

**MOUNTAIN WATER DISTRICT'S RESPONSE TO  
COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION**

Mountain Water District submits its Response to Commission Staff's Third Request for Information.

Dated: July 14, 2023

Respectfully submitted,



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Fax: (859) 259-3517  
gerald.wuetcher@skofirm.com

*Counsel for Mountain Water District*

**CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8, and the Public Service Commission's Order of July 22, 2021 in Case No. 2020-00085, I certify that this document was transmitted to the Public Service Commission on July 14, 2023 and that there is currently no party that the Public Service Commission has excused from participation by electronic means in this proceeding.



*Counsel for Mountain Water District*











## MOUNTAIN WATER DISTRICT

### Response to Commission Staff's Third Request for Information Case No. 2022-00366

Question No. 1

Responding Witness: Connie Allen

- Q-1. Refer to the Application, Exhibit 6, Schedule of Adjusted Operations References, Adjustment H. Confirm all the temporary employees hired during the test year worked exclusively for the water division. If not, provide the allocation percentages between the water and sewer divisions.**
- A-1. **Not all** temporary employees hired during the test period worked exclusively for the water division. One employee was assigned to the sewer division. Approximately 92% of contract services-manpower was allocated to water operations.

Refer to Application, Testimony of Connie L. Allen, P.E., [Exhibit CLA-3](#), which is labeled "Ledger Summary with Utility Splits."<sup>1</sup> On page 3 of this Exhibit, information for Account 6351.08 "contract services – manpower" is listed. This account totals \$245,620.46 for the test period. The water/sewer split for this account is 92% water/8% sewer. A footnote "4" is included. The note for "4" explains the split calculation. The cost-of-service study, which is contained in the Excel workbook "latest MWD main file.xlsx,"<sup>2</sup> pulls the water cost for manpower from the ledger summary. Cell C21 of the spreadsheet labeled "TY expenses" in the workbook is the sum of the water portion of the manpower cost ( $\$245,620.46 \times 91.7\% = \$225,233.96$ ), plus the contract management expense (Account 6361.08 from the ledger summary, all water) of \$8,855.55, for a total of \$234,090 (rounded).

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<sup>1</sup> An Excel version of this exhibit is found in the Spreadsheet labeled "with eq" in the Excel Workbook "MWD ledger summary.xlsx" in the Excel workbook "MWD ledger summary.xlsx" that is contained in the file [Exhibit 17 Cost-of-Service StudyFiles.zip](#). The zip file was filed with Mountain Water District's Application.

<sup>2</sup> This Excel workbook is also contained in the file [Exhibit 17 Cost-of-Service StudyFiles.zip](#).

**MOUNTAIN WATER DISTRICT**

**Response to Commission Staff's Third Request for Information  
Case No. 2022-00366**

Question No. 2

Responding Witness: Carrie Hatfield

- Q-2. Refer to the Application, Exhibit 6, Schedule of Adjusted Operations References, Adjustment I. Provide the latest invoice received for Liability Insurance Expense.**
- A-2. See Attachment 3-2. Please note that the insurance coverage extends to Mountain Water District's water and sewer operations.





**Peoples Premium Finance  
PREMIUM FINANCE AGREEMENT**

600 SW Jefferson  
Suite 204  
Lee's Summit, MO 64063(844) 292-9090 Fax (816) 246-2659

www.peoplespf.com

View your client's account status online

Type of Loan	
<input type="checkbox"/>	Personal
<input checked="" type="checkbox"/>	Commercial
<input type="checkbox"/>	Additional Premium

<b>AGENT / BROKER (NAME AND BUSINESS ADDRESS)</b> (01414209) Peoples Insurance Agency 124 Putnam Street Marietta, OH 45750 (740) 568-4035		<b>BORROWER (NAME AND RESIDENCE OR BUSINESS ADDRESS)</b> Mountain Water District P O Box 3157 Pikeville, KY 41502
<b>PRODUCER CODE</b> A01117		

PAYMENT SCHEDULE							
A	TOTAL PREMIUMS 116,505.01	NUMBER OF INSTALLMENTS 10	AMOUNT OF EACH INSTALLMENT 9,354.85	WHEN PAYMENTS ARE DUE			
				FIRST INSTALLMENT DUE 9/30/2022	INSTALLMENT DUE DATES 30th (Monthly)		
B	DOWN PAYMENT 26,093.46	SCHEDULE OF POLICIES					
		Policy Prefix and Number	Effective Date	Name of Insurance Carrier and Name of Managing General Agent	Type of Coverage	Policy Term	Gross Premium
C	AMOUNT FINANCED The Amount of Credit Provided on Your Behalf 90,411.55	PKG80710770	8/31/2022	C00276-US Specialty Insurance Company [CX:0] [SR]	PKG Ernd. Taxes/Fees Fin. Taxes/Fees	12  2,060.01 0.00	114,445.00
D	FINANCE CHARGE The Dollar Amount the Credit Will Cost You 3,136.95						
E	TOTAL OF PAYMENTS Amount Paid After Making All Scheduled Payments 93,548.50						
F	A.P.R. The Cost of Your Credit as Yearly Rate 7.500%						
TOTAL PREMIUMS MUST AGREE WITH BOX "A" ABOVE >>>>							116,505.01

Quote Number: 894220

**NOTICE TO THE BORROWER:**

If you sign below, you acknowledge receipt of a copy of this Agreement and you agree to the provisions BOTH ON THE FIRST AND THE SECOND PAGE OF THIS AGREEMENT. You further agree that you are appointing LENDER your ATTORNEY-IN-FACT to cancel the policies as outlined in this agreement. The Borrower requests LENDER to pay the premiums on the policies shown in the schedule of policies, less the down payment. In order to help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who obtains a loan. What this means for you: When you apply for a loan, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents if you are a business entity.

**IF FOR ANY REASON YOU DO NOT RECEIVE YOUR PAYMENT COUPONS OR INVOICE FOR INSTALLMENTS DUE, YOU MUST STILL MAKE YOUR PAYMENTS ON THE ABOVE DATE TO THE ABOVE ADDRESS.**

SIGNATURE OF BORROWER(S) OR DULY AUTHORIZED AGENT OF BORROWER(S)

DATE

**PRODUCERS WARRANTIES AND REPRESENTATIONS:  
THE UNDERSIGNED WARRANTS AND GUARANTEES:**

(1) The Borrower has received a copy of this Agreement, and the Required Federal Truth-In-Lending disclosures for Personal Lines Insurance, if applicable, (2) The policies listed herein are in full force and effect and the information in the schedule of policies and the premiums are correct, (3) The Borrower has authorized this transaction and recognizes the security interest assigned herein, (4) To hold in trust for LENDER any payments made or credited to the Borrower through or to the undersigned, directly, indirectly, actually or constructively by any of the insurance companies and to pay the monies to LENDER upon demand to satisfy the then outstanding indebtedness of the Borrower and that any lien the undersigned now has or hereafter may acquire on any returned premium arising out of the above listed insurance policies is subordinated to LENDER's lien or security interest therein, (5) There are no exceptions to the policies other than those indicated and the policies included on this finance agreement are in full force and effect and comply with LENDER's eligibility requirements, (6) No direct company bill, audit or reporting form policies, policies subject to retrospective rating, or policies subject to minimum earned premiums are included except as indicated, and that the deposit or provisional premiums are not less than the anticipated premiums to be earned for the full term of the policies if policy is subject to a minimum earned premium, it is \_\_\_\_\_. (7) The policies can be cancelled by the Borrower or the Insurance Company on 10 days' notice and the unearned premiums will be computed on the standard short rate or pro rata table except as indicated, (8) A proceeding in bankruptcy, receivership or insolvency has not been instituted by or against the named Borrower or if the named Borrower is the subject of such a proceeding, it is noted on this Agreement in the space in which the Borrower's name and address is placed, (9) To hold Lender, its successors and assigns harmless against any loss or expense (including attorney fees) resulting from these representation or from errors, omissions or inaccuracies of the agent/broker in preparing this agreement, (10) To pay the down payment and any funding amounts received from the Lender under this Agreement to the insurance company or general agent (less commissions), (11) No term or provision of any financed policy requires the lender to notify or get the consent of any third party to effect cancellation of such policy. (12) To promptly notify Lender in writing of any information on the Agreement becomes inaccurate.

SIGNATURE OF AGENT OR BROKER

DATE

Q# 894220, PRN: 092622, CFG: Cambridge test, RT: Peoples Insurance, DD: N/A, BM: ACH, P/F: 0.00 Qtd For: A01117 Original

**U.S. SPECIALTY INSURANCE COMPANY  
PUBLIC RISK  
13403 Northwest Freeway  
Houston, Texas 77040  
RENEWAL CERTIFICATE**

Policy No. **PKG80710770**  
Replacement Number **PKG80610770**

**NAMED INSURED AND ADDRESS:**  
MOUNTAIN WATER DISTRICT  
6332 ZEBULON HIGHWAY  
P.O. BOX 3157  
PIKEVILLE, KY 41502

**AGENT NAME AND ADDRESS:**  
PEOPLES INSURANCE AGENCY, LLC  
PO Box 991  
1999 Winchester Avenue  
Ashland, KY 41105  
**AGENT NO:** 00716

**POLICY PERIOD:** From: **08/31/2022** To: **08/31/2023**  
at 12:01 a.m. Standard Time at your mailing address shown above.

**PAYMENT PLAN:** ANNUAL

**BUSINESS DESCRIPTION:** GOVERNMENTAL SUBDIVISION

In return for payment of the renewal premium, the above numbered policy is renewed for the Policy Period specified above, subject to all the terms, conditions, exclusions and limits of this Policy, except as other specified herein.

<b>THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE FORMS FOR WHICH A PREMIUM IS INDICATED.</b>	
	<b>PREMIUM</b>
Commercial General Liability Coverage Part	\$ <u>INCLUDED</u>
Commercial Employee Benefits Coverage Part	\$ <u>INCLUDED</u>
Commercial Liquor Liability Coverage Part	\$ <u>EXCLUDED</u>
Public Officials Liability Coverage Part	\$ <u>INCLUDED</u>
Employment Practices Liability Coverage Part	\$ <u>INCLUDED</u>
Law Enforcement Liability Coverage Part	\$ <u>EXCLUDED</u>
Commercial Property Coverage Part	\$ <u>INCLUDED</u>
Equipment Breakdown Coverage Part	\$ <u>INCLUDED</u>
Commercial Inland Marine Coverage Part	\$ <u>INCLUDED</u>
EDP Coverage Part	\$ <u>INCLUDED</u>
Commercial Crime Coverage Part	\$ <u>INCLUDED</u>
Commercial Auto Coverage Part	\$ <u>INCLUDED</u>
Commercial Excess Coverage Part	\$ <u>INCLUDED</u>
TRIA Coverage	\$ <u>EXCLUDED</u>
	<b>SUBTOTAL: \$ 114,445.00</b>
	<b>KENTUCKY SURCHARGE FEE: \$ 2,060.01</b>
	<b>TOTAL: \$ 116,505.01</b>

**FORMS AND ENDORSEMENTS ATTACHED AT POLICY ISSUANCE**

Forms and endorsements applying to this Coverage Part and made a part of this policy at time of issue:  
Refer to AL000103

The Company has caused this policy to be signed by its President and Secretary:



\_\_\_\_\_  
President



\_\_\_\_\_  
Secretary

**MOUNTAIN WATER DISTRICT**

**Response to Commission Staff's Third Request for Information  
Case No. 2022-00366**

Question No. 3

Responding Witness: Carrie Hatfield

- Q-3. Refer to the Application, Exhibit 6, Schedule of Adjusted Operations References, Adjustment J. Provide the latest invoice received for Workers' Compensation Expense.**
- A-3. See Attachment 3-3. Please note that the insurance coverage extends to Mountain Water District's water and sewer operations.





## *Workers' Compensation Insurance*

Quote Date: 08/26/2022

Quote #: Q638462-000

Proposed Policy Period: 10/30/2022 - 10/30/2023

### **Installment Schedule**

<u>Installments</u>	<u>Due Date</u>	<u>Amount Due</u>
Deposit Premium	10/30/2022	\$13,819.00
Installment	12/20/2022	\$6,909.00
Installment	01/19/2023	\$6,909.00
Installment	02/19/2023	\$6,909.00
Installment	03/21/2023	\$6,909.00
Installment	04/19/2023	\$6,909.00
Installment	05/20/2023	\$6,909.00
Installment	06/19/2023	\$6,909.00
Installment	07/20/2023	\$6,914.00

***Please note this Installment Schedule is valid for this quote as written, any change in this quote or its resulting policy is not reflected here in. A \$0 fee will be charged for each installment listed above.***



INSURANCE

***Workers' Compensation Insurance***

Proposed Policy Period: 10/30/2022 - 10/30/2023

Quote # Q638462-000

**Coverage**

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Part I. Workers' Compensation Insurance - Statutory

Part II. Employer's Liability Limit:

\$1,000,000.00	Bodily injury by accident, each accident
\$1,000,000.00	Bodily injury by disease, policy limit
\$1,000,000.00	Bodily injury by disease, each employee

**States Covered**

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KY



## Workers' Compensation Insurance

Proposed Policy Period: 10/30/2022 - 10/30/2023

Quote # Q638462-000

Code	Description	Exposure	Rate	Total
<b>State: KY</b>				
<b>Premium Period: 10/30/2022 - 10/30/2023</b>				
<b>Location: 1</b>				
7520	WATERWORKS OPERATION & DRIVERS	\$1,330,026.00	2.15	\$28,596.00
7580	SEWAGE DISPOSAL PLANT OPERATION & DRIVERS	\$279,085.00	1.81	\$5,051.00
8380	AUTOMOBILE SERVICE OR REPAIR CENTER & DRIVERS	\$1.00	1.95	\$0.00
8810	CLERICAL OFFICE EMPLOYEES NOC	\$524,210.00	0.14	\$734.00
9812	Employers Liability Limits		0.011	\$378.00
9898	Experience Modification Premium		1.99	\$34,411.00
	<b>Total Standard Premium</b>			<b>\$69,170.00</b>
0063	Premium Discount		0.0778	\$5,384.00CR
0900	Expense Constant			\$250.00
9740	Terrorism		0.009	\$192.00
9741	Catastrophe (Other than certified acts of terrorism)		0.018	\$384.00
9687	Kentucky Special Fund Assessment		0.0694	\$4,484.00
Policy Estimated Annual Premium				\$64,612.00
Policy Total Amount Due				\$69,096.00

NOTE: Premium listed is an estimated annual premium based upon submitted payroll exposures.

This proposal shows the premiums for the coverages described, but in no way changes or affects any terms, conditions or exclusions of the policies currently in existence. Proposed premiums shown are based on information furnished to us. If accepted, the coverages in this proposal will commence upon the expiration of any policies currently in effect. Coverage comparisons are available if desired. This proposal will expire 30 days from the quote date or at the requested effective date whichever occurs first. Please note that the premium indicated may be subject to change prior to activating coverage due to state rate approval that may occur after the quote was issued.



***Workers' Compensation Insurance***

Proposed Policy Period: 10/30/2022 - 10/30/2023

Quote # Q638462-000

**IMPORTANT NOTICE REGARDING EXPIRATION OF CURRENT WORKERS' COMPENSATION INSURANCE COVERAGE.**

The current workers compensation insurance coverage provided by Policy Number WCN6004748 is scheduled to expire at 12:01 am on 10/30/2022. In the event this proposal is not accepted and the initial premium for a renewal policy is not received on or before 10/30/2022, your current policy will lapse (expire) at the time and on the date identified above and the lapse (expiration) of workers' compensation insurance coverage will be reported to the appropriate state regulatory body.





## *Workers' Compensation Insurance*

Proposed Policy Period: 10/30/2022 - 10/30/2023

Quote # Q638462-000

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your quote. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury --in consultation with the Secretary of Homeland Security, and the Attorney General of the United States --to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your quote may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$192.00, and does not include any charges for the portion of losses covered by the United States government under the Act.



## Encova 360° Team Approach

### Account Management:

- Post-sale and day-to-day servicing of all accounts
- Liaison for client, broker and Encova Insurance
- Orientation and On Boarding
- Account/claim reviews
- WC practices and RTW training
- Benchmarking claim performance
- Medical Provider Selection Assistance
- Vendor Management

### Loss Control Services:

- On-site Risk Assessment
- Documented Workplace Safety Recommendations
- OSHA Approved Safety Training
- National Safety Council Approved Training
- Free Access to Extensive Safety Video Library
- Web Based Safety Resources
- Industry Experienced Safety Specialists

### Claims Services:

- Twenty four (24) Hour Contact
- Cost Reduction Programs
  - Case Management Services
  - Medical Cost Containment
  - Procedure/Bill Review by Medical Specialists
  - Return to Work/Rehabilitation Services
  - Medical Provider Selection Assistance
  - Vendor Management
- Special Investigative/Fraud Units
- Pro-Active Claims handling
- Specialized Services

### Litigation Management:

- Reduce frequency and extent
- Panel counsel
- Litigation strategy
- Savings to policyholders

### Underwriting Services:

- Competitive Coverage and Pricing Options
- Prompt Response to Coverage Questions
- Flexible Premium Payment Options
- Small and Large Deductible Programs
- Association Safety Discount Programs
- Dividend Programs
- Incurred Loss Retrospective Rating Programs
- Premium Finance Availability
- Specialized Team Approach

### Audit Services:

- On-Site Payroll and Classification Verification
- Telephonic and Mail Audit Options
- Recordkeeping Assistance
- Class Dispute Resolution Assistance
- Detailed Audit Results Statement
- Extensive Classification Consultation Resource
- Industry Experienced Premium Auditors

**MOUNTAIN WATER DISTRICT**

**Response to Commission Staff's Third Request for Information  
Case No. 2022-00366**

Question No. 4

Responding Witness: Kevin Lowe

**Q-4. Refer to the Application, Exhibit 9, Usage and Revenue Data.**

- a. Provide the usage data by customer classifications.**
- b. Provide the minimum bill data by customer classifications without usage included, this should be the meter charge only.**
- c. Provide the minimum bill data by customer classifications without the meter charge included, this should be the usage data only of the minimum bill.**

- A-4.
- a. See Attachment 3-4. An Excel version of this attachment is embedded in this document and is also filed separately with this response.
  - b. See Attachment 3-4. Mountain Water District assumes that “meter charge” refers to customer charge as referenced in Ms. Allen’s testimony and cost-of-service study. Ms. Allen determined customer charges for each of the proposed customer classifications. (See Testimony of Connie L. Allen, Exhibit CLA-17 (Average Unit Costs). Ms. Allen recommended five rate classifications: Single-Family, Multi-Family, Commercial, Industrial, and Public Authority. Mountain Water District proposes to use four rate classifications: Residential, Commercial, Industrial, and Public Authority. The rates for multi-unit customers served through a single meter are billed at the residential rate. Customer bills are determined based on the average gallons used per unit at the current rate schedule times the number of units in the multiple-unit facility. Accordingly, a multi-unit customer would be charged a customer charge for each unit served through the single meter. Ms. Allen recommended a customer charge of \$11.32 for multi-unit residential customers. Based upon the Mountain District’s proposed rates, a multi-unit customer would be charged a customer charge of \$7.76 for each unit served through the single meter.
  - c. See response to Question 3-4b.

## USAGE ANALYSIS

RESIDENTIAL 3/4-INCH METER						
	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	OVER 10,000	TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$7.76)	9,278	-	-	-	-	-
FIRST 2,000 MINIMUM BILL	65,559	73,293,660	73,293,660	-	-	73,293,660
NEXT 8,000 GALLONS	107,785	426,219,270	215,570,000	210,649,270	-	426,219,270
OVER 10,000 GALLONS	4,695	84,456,760	9,390,000	37,560,000	37,506,760	84,456,760
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$7.76)	187,317	583,969,690	298,253,660	248,209,270	37,506,760	583,969,690
RESIDENTIAL 1-INCH METER						
	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	OVER 10,000	TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$7.76)	10	-	-	-	-	-
FIRST 5,000 MINIMUM BILL	57	142,090	142,090	-	-	142,090
NEXT 5,000 GALLONS	12	78,550	60,000	18,550	-	78,550
OVER 10,000 GALLONS	9	175,090	45,000	45,000	85,090	175,090
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$7.76)	88	395,730	247,090	63,550	85,090	395,730
RESIDENTIAL 2-INCH METER						
	BILLS	GALLONS	FIRST 20,000	OVER 20,000		TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$7.76)	13	0	0	0		0
FIRST 20,000 MINIMUM BILL	-	0	0	0		0
OVER 20,000 GALLONS	-	0	0	0		0
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$7.76)	13	0	0	0		0
COMMERCIAL 3/4-INCH METER						
	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	OVER 10,000	TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$12.94)	1,396	0	0	0	0	0
FIRST 2,000 MINIMUM BILL	5,959	4,888,000	4,888,000	0	0	4,888,000
NEXT 8,000 GALLONS	5,234	21,689,010	10,468,000	11,221,010	0	21,689,010
OVER 10,000 GALLONS	537	13,301,650	1,074,000	4,296,000	7,931,650	13,301,650
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$12.94)	13,126	39,878,660	16,430,000	15,517,010	7,931,650	39,878,660
COMMERCIAL 1-INCH METER						
	BILLS	GALLONS	FIRST 5,000	NEXT 5,000	OVER 10,000	TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$12.94)	80	-	-	-	-	-
FIRST 5,000 MINIMUM BILL	152	295,350	295,350	-	-	295,350
NEXT 5,000 GALLONS	86	665,860	430,000	235,860	-	665,860
OVER 10,000 GALLONS	143	2,744,830	715,000	715,000	1,314,830	2,744,830
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$12.94)	461	3,706,040	1,440,350	950,860	1,314,830	3,706,040
COMMERCIAL 2-INCH METER						
	BILLS	GALLONS	FIRST 20,000	OVER 20,000		TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$12.94)	55	-	-	-		-
FIRST 20,000 MINIMUM BILL	213	1,857,710	1,857,710	-		1,857,710
OVER 20,000 GALLONS	136	16,822,220	2,720,000	14,102,220		16,822,220
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$12.94)	404	18,679,930	4,577,710	14,102,220		18,679,930
COMMERCIAL 3-INCH METER						
	BILLS	GALLONS	FIRST 30,000	OVER 30,000		TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$12.94)	11	-	-	-		-
FIRST 30,000 MINIMUM BILL	15	56,230	56,230	-		56,230
OVER 30,000 GALLONS	49	15,681,190	1,470,000	14,211,190		15,681,190
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$12.94)	75	15,737,420	1,526,230	14,211,190		15,737,420
COMMERCIAL 4-INCH METER						
	BILLS	GALLONS	FIRST 50,000	OVER 50,000		TOTAL
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$12.94)	-	-	-	-		-
FIRST 50,000 MINIMUM BILL	15	149,800	149,800	-		149,800
OVER 50,000 GALLONS	21	5,486,710	1,050,000	4,436,710		5,486,710
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$12.94)	36	5,636,510	1,199,800	4,436,710		5,636,510

## USAGE ANALYSIS

PUBLIC AUTHORITY 3/4-INCH METER							
	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	OVER 10,000	TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$28.75)	126	-	-	-	-	-	
FIRST 2,000 MINIMUM BILL	678	335,310	335,310	-	-	335,310	
NEXT 8,000 GALLONS	175	722,460	350,000	372,460	-	722,460	
OVER 10,000 GALLONS	23	567,290	46,000	184,000	337,290	567,290	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$28.75)	1,002	1,625,060	731,310	556,460	337,290	1,625,060	
PUBLIC AUTHORITY 1-INCH METER							
	BILLS	GALLONS	FIRST 5,000	NEXT 5,000	OVER 10,000	TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$28.75)	15	-	-	-	-	-	
FIRST 5,000 MINIMUM BILL	69	150,820	150,820	-	-	150,820	
NEXT 5,000 GALLONS	32	227,200	160,000	67,200	-	227,200	
OVER 10,000 GALLONS	35	1,382,950	175,000	175,000	1,032,950	1,382,950	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$28.75)	151	1,760,970	485,820	242,200	1,032,950	1,760,970	
PUBLIC AUTHORITY 2-INCH METER							
	BILLS	GALLONS	FIRST 20,000	OVER 20,000		TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$28.75)	10	-	-	-		-	
FIRST 20,000 MINIMUM BILL	98	584,270	584,270	-		584,270	
OVER 20,000 GALLONS	123	9,223,480	2,460,000	6,763,480		9,223,480	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$28.75)	231	9,807,750	3,044,270	6,763,480		9,807,750	
PUBLIC AUTHORITY 3-INCH METER							
	BILLS	GALLONS	FIRST 30,000	OVER 30,000		TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$28.75)	12	-	-	-		-	
FIRST 30,000 MINIMUM BILL	9	167,010	167,010	-		167,010	
OVER 30,000 GALLONS	15	1,357,250	450,000	907,250		1,357,250	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$28.75)	36	1,524,260	617,010	907,250		1,524,260	
PUBLIC AUTHORITY 4-INCH METER							
	BILLS	GALLONS	FIRST 50,000	OVER 50,000		TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$28.75)	-	-	-	-		-	
FIRST 50,000 MINIMUM BILL	17	350,000	350,000	-		350,000	
OVER 50,000 GALLONS	7	482,000	350,000	132,000		482,000	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$28.75)	24	832,000	700,000	132,000		832,000	
PUBLIC AUTHORITY 6-INCH METER							
	BILLS	GALLONS	FIRST 100,000	OVER 100,000		TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$28.75)	13	-	-	-		-	
FIRST 100,000 MINIMUM BILL	33	1,516,000	1,516,000	-		1,516,000	
OVER 100,000 GALLONS	3	330,000	300,000	30,000		330,000	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$28.75)	49	1,846,000	1,816,000	30,000		1,846,000	
INDUSTRIAL 2-INCH METER							
	BILLS	GALLONS	FIRST 20,000	OVER 20,000		TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$50.03)	-	-	-	-		-	
FIRST 20,000 MINIMUM BILL	12	102,000	102,000	-		102,000	
OVER 20,000 GALLONS	-	-	-	-		-	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$50.03)	12	102,000	102,000	-		102,000	
INDUSTRIAL 4-INCH METER							
	BILLS	GALLONS	FIRST 50,000	OVER 50,000		TOTAL	
ZERO USAGE BILLS (SUBJECT ONLY TO CUSTOMER CHARGE OF \$50.03)	-	-	-	-		-	
FIRST 50,000 MINIMUM BILL	-	-	-	-		-	
OVER 50,000 GALLONS	12	8,139,000	600,000	7,539,000		8,139,000	
TOTAL (ALL SUBJECT TO CUSTOMER CHARGE OF \$50.03)	12	8,139,000	600,000	7,539,000		8,139,000	
MULTIPLE METERS BILLED AT 3/4-INCH METER							
	BILLS	SERVICES BILLED	GALLONS	FIRST 2,000	NEXT 8,000	OVER 10,000	TOTAL
ZERO USAGE BILLS (EACH SERVICE SUBJECT TO METER CHARGE OF \$7.76)	118	257	-	-	-	-	-
FIRST 2,000 MINIMUM BILL	341	888	384,020	384,020	-	-	384,020
NEXT 8,000 GALLONS	1,702	3,997	8,728,230	3,404,000	5,324,230	-	8,728,230
OVER 10,000 GALLONS	425	3,850	20,676,720	850,000	3,400,000	16,426,720	20,676,720
TOTAL (EACH SERVICE SUBJECT TO METER CHARGE OF \$7.76)	2,586	8,992	29,788,970	4,638,020	8,724,230	16,426,720	29,788,970

## USAGE ANALYSIS

WHOLESALE CUSTOMERS						
	Gallons					
MARTIN COUNTY WATER DISTRICT	127,600					
MINGO COUNTY PUBLIC SERVICE DISTRICT	2,216,900					
NOLIN PUBLIC SERVICE DISTRICT	-					
ELKHORN CITY	55,526,900					
<b>TOTAL</b>	<b>57,871,400</b>					
Mountain Water District Usage						
*NOT BILLED	BILLS	GALLONS	FIRST 2,000	NEXT 8,000	OVER 10,000	TOTAL
ZERO USAGE BILLS	131	0	0	0	0	0
FIRST 2,000 MINIMUM BILL	103	55,870	55,870	0	0	55,870
NEXT 8,000 GALLONS	12	43,310	24,000	19,310	0	43,310
OVER 10,000 GALLONS	49	2,664,390	98,000	392,000	2,174,390	2,664,390
<b>TOTAL</b>	<b>295</b>	<b>2,763,570</b>	<b>177,870</b>	<b>411,310</b>	<b>2,174,390</b>	<b>2,763,570</b>

\*MWD Usage is for tracking purposes only; it is not billed

\*\*Total Bills for each class and meter size would receive a customer charge if such a charge is proposed and authorized

\*\*\*First Usage Block for each customer class does not include bills for which no usage was recorded for the billing period; for total number of bills assessed a minimum bill, add zero usage block and First Usage Block (Minimum Bill)

## MOUNTAIN WATER DISTRICT

### Response to Commission Staff's Third Request for Information Case No. 2022-00366

Question No. 5

Responding Witnesses: Tammy Olson/David Taylor

- Q-5. Refer to the Application, Exhibit 20, Proposed Water Infrastructure Improvement Surcharge. Items 1–6 propose a “System Wide Customer Service Line Replacement,” with replacement of 750 service lines per year for 3 years. Provide further details regarding Mountain District’s proposed replacement of the service lines, including confirmation that Mountain Water is proposing only to replace service lines from its main water line to the customers’ meters.**
- A-5. Mountain Water District was formed through the merger of four water districts in Pike County in 1986. At the time of this merger, it inherited infrastructure that was already several decades old. It has been the District’s goal over the years to maintain the system in the best working order. Through its leak detection efforts, the District has found that a large portion of its water losses are from service line leaks occurring between the main and the meter base. The proposed surcharge will, among other things, provide the District with funding to continue to address this issue by replacing existing service lines from the main line to the customer’s meter base with service lines composed of newer and stronger materials. These replacements will reduce water loss and permit the District’s water distribution system to operate more efficiently and in a more cost-effective manner. As shown in Attachment 3-5, Item No. 13 and Item No. 14, the District intends to hire additional staff and purchase vehicles, equipment, and tools necessary for the creation of a separate work crew whose primary responsibility will be to make the proposed service line replacements. The District proposes to replace approximately 750 service lines from the main to the customer’s base each year for three years. (Items 1 through Item 6 of the District’s surcharge proposal does not involve the replacement of any water mains, only service lines.) This action will result in the replacement of approximately 13.6 percent of the District’s existing service lines, will represent significant progress toward achieving the District’s goal of replacing all the District’s aging and deteriorating service lines, will significantly reduce the District’s water loss, and lead to a more sustainable financial future for the District. At the end of the three years, the District will evaluate the effect of this project on water loss and distribution system efficiency and will report the results of this evaluation to the Public Service Commission within 90 days of the close of the three-year period.

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	ITEM	DESCRIPTION	IN-HOUSE CONST.	CONTRACTOR OR VENDOR	COST ESTIMATE
1 THRU 6	SYSTEM WIDE CUSTOMER SERVICE LINE REPLACEMENT	PROPOSE TO REPLACE APPROX. 750 SERVICE LINES PER YEAR FOR A THREE YEAR PERIOD. A TOTAL OF 2,250 CUSTOMER SERVICE LINE TO ASSIST IN COMBATING WATER LOSS	X		\$285,298.50
7	STONE BACKFILL	STONE UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		COST ESTIMATE BASED ON CONTRACTOR PURCHASE OF A SMALL DUMP TRUCK IN-HOUSE WILL ASSIST IN LOWERING THE COST OF THE STONE BACKFILL	\$270,000.00
8	PAVEMENT REPLACEMENT	PAVEMENT REPLACEMENT UTILIZED IN CUSTOMER SERVICE LINE REPLACEMENT		X	\$270,000.00
9	WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMETRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING, INSTALL 6' BARBED WIRE SECURITY FENCING TO PROTECT EQUIPMENT, PREVENT THEFT, DETER DOMESTIC TERRORISM, HYDROSEEDING, AND PERFORM TANK ACCESS ROAD MAINTENANCE	X		\$284,640.00
10	BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM	INSTALL TELEMETRY TO MONITOR TANK LEVELS FOR LEAKS OR LINE BREAKS, CONTROL TANK LEVELS TO AVOID OVERFLOWING	X		\$64,500.00
11	BOOSTER PUMP STATION REPLACEMENT	LONG FORK, GRAVEYARD, FOREST HILLS	X		\$190,000.00
12	PRESSURE REDUCING VALVE STATION REPLACEMENT	WIDOW'S BRANCH, BLACKBERRY #2, LYNNTROUGH, DORTON PITSTOP	X		\$60,000.00
13	STAFF - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, BASED ON A 40 HOUR WORK WEEK	SYSTEM WIDE	X		\$590,523.04
14	VEHICLES / EQUIP. - 1 3500 SERIES UTILITY TRUCK, 1 MINI-EXCAVATOR, 1 DUMP TRUCK, 1 SMALL DOZER, 4 1500 SERIES TRUCKS, 1 UTV SIDE BY SIDE, 1 TOWABLE AIR COMPRESSOR, 1 2 1/2" HAMMER BORE, 3 PULL BEHIND TRAILERS, MISC. HAND TOOLS & EQUIPMENT	SYSTEM WIDE		X	\$572,500.00
15	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETITIVE LEAKS - BURNING FORK		X	\$207,010.00
16	WATER MAIN LINE REPLACEMENT - CONTRACTOR	REPETITIVE LEAKS - US 460 (OASIS PAVN SHOP)		X	\$212,090.00
17	MISCELLANEOUS EASEMENTS / PERMITS	MISCELLANEOUS EASEMENTS / PERMITS		X	\$25,000.00

ESTIMATED COST \$3,031,561.54  
 10% CONTINGENCY \$303,156.15  
 TOTAL ESTIMATED COST \$3,334,717.69



MOUNTAIN WATER DISTRICT  
 PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST PER ITEM	COST ESTIMATE
<b>1</b>	<b>150 - 3/4" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	3/4" X 4" BRASS SERVICE SADDLE	EA	100	\$34.15	\$3,415.00	
B	3/4" X 6" BRASS SERVICE SADDLE	EA	75	\$50.90	\$3,817.50	
C	3/4" X 8" BRASS SERVICE SADDLE	EA	50	\$70.00	\$3,500.00	
D	3/4" X 10" STEEL SERVICE SADDLE	EA	25	\$47.75	\$1,193.75	
E	3/4" COMPRESSION CORPORATION STOP	EA	150	\$34.75	\$5,212.50	\$25,378.25
F	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	11,250	\$0.45	\$5,062.50	
G	3/4" SERVICE LINE INSERT	EA	300	\$0.89	\$267.00	
H	3/4" BRASS COUPLING	EA	150	\$19.40	\$2,910.00	
<b>2</b>	<b>200 - REPLACEMENT OF DETERIORATED 3/4" METER BASE W/ REGULATOR &amp; METAL LID</b>					
A	3/4" COMPLETE METER BASE W/ LID	EA	200	\$422.18	\$84,436.00	\$84,436.00
<b>3</b>	<b>1,950 - 3/4" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	3/4" 250 PSI POLYETHYLENE SERVICE LINE	LF	146,250	\$0.45	\$65,812.50	
B	3/4" SERVICE LINE INSERT	EA	3,900	\$0.89	\$3,471.00	\$107,113.50
C	3/4" BRASS COUPLING	EA	1,950	\$19.40	\$37,830.00	
<b>4</b>	<b>75 - 1" CUSTOMER SERVICE LINE TOTAL REPLACEMENT FROM MAINLINE TO THE BASE</b>					
A	1" X 4" BRASS SERVICE SADDLE	EA	40	\$34.15	\$1,366.00	
B	1" X 6" BRASS SERVICE SADDLE	EA	20	\$50.90	\$1,018.00	
C	1" X 8" BRASS SERVICE SADDLE	EA	10	\$70.00	\$700.00	
D	1" X 10" STEEL SERVICE SADDLE	EA	5	\$47.75	\$238.75	
E	1" COMPRESSION CORPORATION STOP	EA	75	\$52.50	\$3,937.50	\$12,815.50
F	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
G	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	
H	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>5</b>	<b>75 - 1" CUSTOMER SERVICE LINE REPLACEMENT</b>					
A	1" 250 PSI POLYETHYLENE SERVICE LINE	LF	7,500	\$0.50	\$3,750.00	
B	1" SERVICE LINE INSERT	EA	150	\$0.96	\$144.00	\$5,555.25
C	1" BRASS COUPLING	EA	75	\$22.15	\$1,661.25	
<b>6</b>	<b>2" ENCASMENT FOR CREEK CROSSINGS</b>					
A	2" POLYETHYLENE SERVICE LINE	LF	20,000	\$2.50	\$50,000.00	\$50,000.00
<b>7</b>	<b>STONE BACKFILL</b>					
A	\$55345 FOR STONE BACKFILL IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.23 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	\$270,000.00
<b>8</b>	<b>PAVEMENT REPLACEMENT</b>					
A	\$55,300 FOR PAVEMENT IN 2021 FOR 531 WATER LINE REPAIRS AVERAGING \$104.14 PER REPAIR	EA	2,250	\$120.00	\$270,000.00	\$270,000.00

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE	
<b>9 WATER STORAGE TANK TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>							
A	TELEMTRY W/ LCD INTERFACE & SOLAR PANELS TO MONITOR & CONTROL WATER STORAGE TANKS	EA	15	\$2,776.00	\$41,640.00		
B	MODEM	EA	15	\$600.00	\$9,000.00		
C	BATTERY	EA	15	\$200.00	\$3,000.00		
D	OVERSIZE SOLAR PANELS / LARGER POWER TRANSMITTER	EA	6	\$1,000.00	\$6,000.00		
E	MISCELLANEOUS PARTS	LS	15	\$1,000.00	\$15,000.00	\$284,640.00	
F	6' BARBED WIRE SECURITY FENCING W/ DOUBLE GATE	EA	15	\$11,000.00	\$165,000.00		
G	TANK ACCESS ROAD MAINTENANCE	COST WILL BE COVERED UNDER ITEM NO. 14					
H	HYDROSEEDING	EA	15	\$3,000.00	\$45,000.00		
<b>10 BOOSTER PUMP STATION TELEMETRY SYSTEM - STANDARDIZING SYSTEM</b>							
A	TELEMTRY W/ LCD INTERFACE TO MONITOR & CONTROL BOOSTER PUMP STATIONS	EA	15	\$3,400.00	\$51,000.00		
B	MODEM	EA	15	\$600.00	\$9,000.00	\$64,500.00	
C	MISCELLANEOUS PARTS	LS	15	\$300.00	\$4,500.00		
<b>11 BOOSTER PUMP STATION REPLACEMENT</b>							
A	LONG FORK	LS	1	\$55,000.00	\$55,000.00		
B	GRAVEYARD	LS	1	\$55,000.00	\$55,000.00	\$190,000.00	
C	FOREST HILLS	LS	1	\$80,000.00	\$80,000.00		
<b>12 PRESSURE REDUCING VALVE STATION REPLACEMENT</b>							
A	WIDOW'S BRANCH	LS	1	\$15,000.00	\$15,000.00		
B	BLACKBERRY #2	LS	1	\$15,000.00	\$15,000.00	\$60,000.00	
C	LYNN TROUGH	LS	1	\$15,000.00	\$15,000.00		
D	DORTON PITSTOP	LS	1	\$15,000.00	\$15,000.00		
<b>13 STAFF</b>							
A	STAFF TO PERFORM PROJECTS IN-HOUSE - 4 LABORERS @ \$14.00 PER HOUR, ALL BENEFITS INCLUDING 26.95% RETIREMENT, ALONG WITH A 3% SALARY INCREASE IN THE 2ND AND 3RD YEAR, <b>BASED ON A 40 HOUR WORK WEEK</b>	EA	4	\$147,630.76	\$590,523.04	\$590,523.04	
<b>14 VEHICLES / EQUIPMENT</b>							
A	3500 SERIES UTILITY TRUCK	EA	1	\$75,000.00	\$75,000.00		
B	MINI-EXCAVATOR	EA	1	\$55,000.00	\$55,000.00		
C	PULL BEHIND TRAILER	EA	1	\$6,500.00	\$6,500.00		
D	4500 SERIES DUMP TRUCK	EA	1	\$75,000.00	\$75,000.00		
E	SMALL DOZER	EA	1	\$100,000.00	\$100,000.00		
F	PULL BEHIND TRAILER	EA	1	\$35,000.00	\$35,000.00		
G	1500 SERIES PICKUP	EA	4	\$40,000.00	\$160,000.00	\$572,500.00	
H	UTILITY SIDE BY SIDE	EA	1	\$17,500.00	\$17,500.00		
I	PULL BEHIND TRAILER	EA	1	\$3,000.00	\$3,000.00		
J	TOWABLE AIR COMPRESSOR	EA	1	\$30,000.00	\$30,000.00		
K	2 1/2" HAMMER BORE	EA	1	\$5,500.00	\$5,500.00		
L	MISCELLANEOUS HAND TOOLS & EQUIPMENT	LS	1	\$10,000.00	\$10,000.00		

**MOUNTAIN WATER DISTRICT  
PROPOSED WATER INFRASTRUCTURE IMPROVEMENT SURCHARGE**

ITEM NO.	PROJECT DESCRIPTION	UNIT	QUANTITY	COST PER ITEM	TOTAL COST	COST ESTIMATE
15	<b>WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - BURNING FORK</b>					
A	4" SDR 17 PVC CL 250 WATERLINE	LF	3,750	\$30.00	\$112,500.00	
B	CONNECT TO EXISTING 4" WATER MAINLINE	EA	2	\$2,750.00	\$5,500.00	
C	4" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$2,500.00	\$5,000.00	
D	3/4" CUSTOMER SERVICE LINE RECONNECTS	EA	20	\$2,000.00	\$40,000.00	\$207,010.00
E	ENGINEERING DESIGN	LS	1	\$22,820.00	\$22,820.00	
F	ENGINEERING INSPECTION	LS	1	\$21,190.00	\$21,190.00	
16	<b>WATER MAIN LINE REPLACEMENT / REPETITIVE LEAKS - US 460 (OASIS PAWN SHOP)</b>					
A	8" DUCTILE IRON PIPE CL 350 WATERLINE	LF	2,600	\$50.00	\$130,000.00	
B	CONNECT TO EXISTING 8" WATER MAINLINE	EA	2	\$3,000.00	\$6,000.00	
C	8" GATE RESILIENT WEDGE GATE VALVE, MJ, 250 PSI	EA	2	\$3,000.00	\$6,000.00	
D	JACK & BORE FOR 8" DUCTILE IRON PIPE CL 350 WATERLINE PRICE INCLUDES THE WATERLINE	LF	100	\$250.00	\$25,000.00	\$212,090.00
E	ENGINEERING DESIGN	LS	1	\$23,380.00	\$23,380.00	
F	ENGINEERING INSPECTION	LS	1	\$21,710.00	\$21,710.00	
17	MISCELLANEOUS EASEMENTS / PERMITS	LS	1	\$25,000.00	\$25,000.00	\$25,000.00
<b>NOTE: THIS IS AN ESTIMATE THAT COULD FLUCTUATE UPWARD ANY TIME DUE TO MATERIAL PRICING, EQUIPMENT PRICING, VEHICLE PRICING, CONTRACTOR PRICING, EASEMENTS, ADDITIONAL PROFESSIONAL OR CONTRACTOR SERVICES, ETC.</b>						
				TOTAL ESTIMATED COST	\$3,334,717.69	\$3,031,561.54
				10% CONTINGENCY	\$303,156.15	
				TOTAL ESTIMATED COST	\$3,334,717.69	\$3,334,717.69
				TOTAL ESTIMATED COST	\$3,334,717.69	\$3,334,717.69
				CURRENT CUSTOMER COUNT	16,520	
				TERM MONTHS	36	
				TOTAL COST PER CUSTOMER	\$201.86	
				ANNUAL COST PER CUSTOMER	\$67.29	
				MONTHLY COST PER CUSTOMER	\$5.61	