

Exhibit No.: _____
Issue: Public Water District
Facilities

Witness: David G. Krehbiel

Sponsoring Parties: Public Water Supply District
No. 5 of Camden County,
Missouri.

Cedar Glen Condominium
Owners Association, Inc.

Case Nos.: Case No. WA-2019-0185
and SA-2019-0186

PUBLIC WATER SUPPLY DISTRICT NO. 5 OF CAMDEN COUNTY, MISSOURI.

CEDAR GLEN CONDOMINIUM OWNERS ASSOCIATION, INC.

Case Nos. WA-2019-0185
and SA-2019-0186

DIRECT TESTIMONY

OF

DAVID G. KREHBIEL

Camdenton, Missouri
July, 2019

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the Application of Osage Utility)
Operating Company, Inc. to Acquire Certain) Case No. WA-2019-0185
Water and Sewer Assets and for a Certificate of) and SA-2019-0186
Convenience and Necessity)

AFFIDAVIT OF DAVID G. KREHBIEL

STATE OF MISSOURI)
) ss.
COUNTY OF CAMDEN)

I, David G. Krehbiel, of lawful age, and being duly sworn, do hereby depose and state:

1. My name is David G. Krehbiel. I am a consulting engineer for Krehbiel Engineering, Inc.
2. Attached hereto and made a part hereof for all purposes is my direct testimony.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my personal knowledge, information and belief.


David G. Krehbiel

Subscribed and sworn to before me, a Notary Public, this 10 day of July, 2019.

My Commission expires: 6-13-2022


Notary Public

KRIS CHRISTENSEN
Notary Public - Notary Seal
State of Missouri
Commissioned for Camden County
My Commission Expires: June 13, 2022
Commission Number: 14897333

1 DIRECT TESTIMONY

2 OF

3 DAVID G. KREHBIEL

4 CASE NOS. WA-2019-0185

5 **Q. Please state your full name and business address.**

6 A. My name is David G. Krehbiel. My business address is 63 Blair Ave, Camdenton,
7 MO 65020.

8 **Q. By whom and in what capacity are you employed?**

9 A. I am employed by Darren Krehbiel Consultants, LLC, Camdenton, Missouri, as a
10 Consulting Professional Engineer.

11 **Q. Please describe your educational background and employment experience.**

12 A. I obtained a Bachelor of Science Degree in Civil Engineering from the University
13 of Missouri, Columbia in 1961, and returned to that institution to earn my Masters
14 of Science in the same field in 1964. From 1961 to 1964 I worked for Krehbiel
15 Construction Company, Inc. as an Engineer and Corporate Secretary. From 1965
16 to 1969 I acted as President of the Missouri Engineering Corporation. From 1969
17 to 2010 I was employed by Krehbiel Engineering, Inc. of Camdenton, the
18 predecessor of my present employer, either in management capacities or as an
19 engineer with the group. I am licensed by the State of Missouri as a Professional
20 Engineer and Professional Land Surveyor. Among other clients I currently provide
21 consulting engineering services to Public Water District No. 5 of Camden County,
22 Missouri.

23

1 Q. **For which parties are you testifying in this proceeding?**

2 A. I am providing testimony on behalf of Public Water Supply District No. 5 of
3 Camden County, Missouri (“PWSD #5” or “the District”) and Cedar Glen
4 Condominium Owners Association, Inc. (“Cedar Glen”).

5 Q. **What is the purpose of your testimony?**

6 A. I intend to provide the Commission with information on basically three topics.
7 Specifically, I will:

8 (1) Advise the Commission of the proximity of the PWSD #5 service territory
9 to Cedar Glen Condominiums and the certificated service area for Osage
10 Water Company;

11 (2) Explain how and why the Cedar Glen Condominium water system and
12 sewer system can and should be incorporated into the PWSD #5's system
13 for the benefit of both entities; and

14 (3) Discuss in general the benefits of PWSD #5 ownership and operation of the
15 Cedar Glen Condominiums water and sewer system.

16 Q: **Is Cedar Glen Condominiums within the authorized service territory for
17 PWSD#5?**

18 A. No, it is not at this time. However, the Board of Directors of Cedar Glen and the
19 Board of Directors of PWSD #5 have met in a joint session and concur with an
20 annexation of Cedar Glen Condominiums into PWSD #5's service territory. Such
21 an annexation appears to be eminently reasonable because of the nearness of the
22 District boundary to Cedar Glen Condominiums.

23 Q, **What is the proximity of PWSD #5 to Cedar Glen Condominiums?**

1 A. I have attached to my testimony a map prepared under my direction marked as DGK
2 Schedule 1 which, in addition to addressing interconnection specifications I discuss
3 later, I believe will help with an understanding of relevant landmarks. The
4 Commission will notice that the southern boundary of PWSD #5 is the same as the
5 north right-of-way line of U.S. Highway 54 ("Hwy. 54"). The northern boundary
6 of the PSC certificated area for Osage Water Company is the southern right-of-way
7 of the same section of Hwy. 54. Service territories for PWSD #5 and Osage Water
8 Company are separated by only the Hwy. 54 right-of-way but are essentially
9 coterminous.

10 Cedar Glen Condominiums is located approximately 1,000 feet south of the Hwy.
11 54 right of way. Let me add that although DGK Schedule 1 maps out water system
12 interconnection between the Condominiums and the District it should be
13 emphasized that PSWD #5 is statutorily authorized to provide both water and sewer
14 service within its service territory.

15 **Q. If PWSD #5 were to annex Cedar Glen Condominiums into the District's**
16 **service territory would you recommend an interconnection between the two**
17 **water systems?**

18 A. Yes, definitely. In my estimation such an interconnection is quite feasible and
19 would be highly appropriate.

20 **Q. Please explain how that interconnection can be made.**

21 A. Directing the Commission's attention once again to DGK Schedule 1, the two water
22 systems can be interconnected with installation of approximately 2,170 lineal feet
23 of 8 inch PVC pipe. This pipe will cross under Hwy. 54 by installing a larger steel

1 bored encasement pipe. The distance to cover is less than half a mile and it appears
2 to me that installation of this line would not be hampered by any unusual site
3 conditions. A connection utilizing the appropriate appurtenances, i.e. valves,
4 couplings, etc., would be installed at each well site. The well sites are shown on
5 DGK Schedule 1.

6 **Q. You mentioned earlier that this proposed interconnection was highly**
7 **appropriate. Please explain why you think so.**

8 A. Speaking strictly from a regulatory perspective, this interconnection will bring both
9 systems unquestionably into compliance with rules and regulations adopted by the
10 Missouri Department of Natural Resources pertaining to backup facilities.
11 According to Department of Natural Resources (“MoDNR”) *Minimum Design*
12 *Standards for Missouri Community Water Systems*, Section 3.2.1.2. b:

13 All public water systems that require continuous service and
14 serve 500 or more people shall have more than one well and shall
15 be capable of meeting design average day demand with the
16 largest producing well out of service or an alternate approved
17 source of water capable of meeting the design or actual average
18 day demand.

19
20 MoDNR calculates that there are 3 persons to a condominium unit and by that
21 measure there are 500 or more people at Cedar Glen being served by one well. The
22 water system at Cedar Glen Condominiums will require that second source of water
23 which the interconnection to the District can supply. The water source in Cedar
24 Glen in turn would provide the backup to PWSD #5’s system.

1 **Q. As part of the District’s annexation of Cedar Glen Condominiums would you**
2 **expect it also to assume ownership and operation of the sewer system serving**
3 **the Condominiums.**

4 A. Yes, certainly, and District ownership and operation of those assets would be in the
5 long term best interest of the condominium unit owners. I realize that the
6 wastewater facilities serving the Condominiums need significant improvement at
7 this time but in my opinion, the cost savings generally achieved by the District’s
8 efficiencies of scope and scale, along with its own set of contractors and
9 maintenance personnel, can make those improvements at a cost much lower than
10 that anticipated by Osage Utility Operating Company (“Applicant”) and maintain
11 a rate for service, combined with the rate for water service, that would be below
12 \$80 per month per customer. That combined rate is dramatically less than what the
13 Applicant projects in subsequent years of ownership of the Osage Water Company
14 assets.

15 **Q. Can you generally describe what, in your opinion, are the benefits unit owners**
16 **in Cedar Glen Condominiums would derive from District ownership and**
17 **operation of the water and sewer systems serving the Condominiums?**

18 A. The District, as compared to the Applicant, is positioned to provide the most cost
19 effective means of providing both water and sewer service to the unit owners. The
20 District has the operation and maintenance staff in place. Management, billing,
21 legal and engineering staff are in place. The staff that are in place have shown that
22 they can operate the system in a responsive and professional manner at low cost.
23 The District operates as a not-for-profit entity in accordance with state statutes;

1 therefore, it strives to minimize its reliance on professional services. A general
2 observation is that many of the upgrades to the facilities at the Condominiums can
3 be accomplished by local service vendors charging on an hourly basis. It is my
4 opinion that the cost of the proposed interconnection discussed in my testimony
5 earlier, which will enhance storage and pressure issues, plus provide a redundant
6 water supply which the Applicant did not account for, will compare favorably with
7 Applicant's detailed cost estimates when the Applicant supplies the detailed
8 breakdown and figures for the upgrades. I will also mention that upon annexation
9 of the Condominiums into the District, unit owners qualify to run for positions on
10 the board of directors and participate in the governance of the District. In this way
11 they will have a more direct voice in the operation, management, and prices paid
12 by customers, of the District.

13 **Q. Does this conclude your direct testimony?**

14 A. Yes.

Water System Interconnection

Cedar Glen and PWSD No. 5

Legend
(none)

PWSD NO. 5

CONNECTION TO EXISTING WELL

ROAD CROSSING - US HIGHWAY 54

INSTALL 2,170 FEET OF 8-INCH PVC WATERLINE

CONNECTION TO EXISTING WELL

CEDAR GLEN

Google Earth

© 2018 Google

1000 ft

DGK Schedule 1

