

EXHIBIT NO.
ISSUE: RATE DESIGN & REVENUE
REQUIREMENT
WITNESS: MAYOR KATHLEEN L.
ROSE
TYPE OF EXHIBIT: REBUTTAL
TESTIMONY
SPONSORING PARTY: CITY OF
RIVERSIDE
CASE NUMBER: WR-2015-0301
DATE PREPARED: FEBRUARY 19,
2016

MISSOURI-AMERICAN WATER COMPANY

WR-2015-0301

DIRECT TESTIMONY OF

MAYOR KATHLEEN L. ROSE

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION

ON BEHALF OF

CITY OF RIVERSIDE

FEBRUARY 19, 2016

1 Missouri-American Water Company

2 WR-2015-0301

3 Direct Testimony of Mayor Kathy Rose

4 **Q. PLEASE STATE YOUR NAME.**

5 A. My name is Kathy Rose.

6 **Q. ON WHOSE BEHALF ARE YOU APPEARING FOR THE PURPOSES OF THIS**
7 **REBUTTAL TESTIMONY TO THE SUPPLEMENTAL DIRECT TESTIMONY?**

8 A. I am appearing on behalf of intervenor City of Riverside (the “City”) for the purposes of
9 offering Rebuttal Testimony to the Supplemental Direct Testimony filed in response to
10 the Commission’s Order directing Filing of Supplemental Direct Testimony, issued on
11 the 3rd day of February 2016. Being within the boundaries of the Platte County Water
12 District (“PCWD”), the City and its residents receive service directly from Missouri-
13 American Water Company (“MAWC”). The City is within the Platte County Water
14 District, and subject to the Platte County water tariff at issue in this case.

15 **Q. PLEASE DESCRIBE YOUR POSITION WITH THE CITY OF RIVERSIDE**
16 **MISSOURI.**

17 A. I am the Mayor of the City.

18 **Q. WHAT IS YOUR INTEREST IN THIS PARTICULAR CASE?**

19 A. As Mayor, I am testifying as a representative of the interests of the citizens of the City of
20 Riverside and the other ratepayers within the Platte County Water District, in order to
21 protect our City’s and District’s citizens, especially those on fixed income from the
22 continuation of increased cost of drinking water.

23 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

1 A. I am offering Rebuttal Testimony to the Supplemental Direct Testimony filed in response
2 to the Commission's Order directing Filing of Supplemental Direct Testimony, issued on
3 the 3rd day of February 2016, in which the Commission directed MAWC to file
4 supplemental direct testimony to offer an adequate response to the Staff of the
5 Commission's a rate structure analysis regarding the following concepts as applicable to
6 water utilities:

- 7 (1) an increase to the customer charge;
- 8 (2) a corresponding decrease in the volumetric charge;
- 9 (3) inclining block rates for residential customers;
- 10 (4) level rates for commercial and industrial customers;
- 11 (5) a modified future test year for consumption;
- 12 (6) a one-way tracker on consumption; and
- 13 (7) a corresponding downward adjustment in Return on Equity.

14 Before offering my view as to rate structure I want to express my support for the
15 proposed rate decrease in the PCWD and strong desire to make sure it is not diluted.
16 Hopefully we will see additional decreases. Since I was elected Mayor in April of 2006,
17 almost 10 years ago, the cost of water has almost doubled in price in the PWCD. MAWC
18 states that the average customer bill has gone from \$38.39 in 2006 to \$66.20 today. See
19 the SCHEDULE MKLR-1R, PCWD Average Usage and Rate History. Of almost equal
20 concern is that they calculate the average usage of a residential customer in the PWCD as
21 using 6500 gallons of water per day, down from an average of 8800 gallons in 2006. See
22 SCHEDULE MKLR-1R. We have serious questions as to how MAWC, Staff and the

1 Office of Public Counsel (“OPC”) arrived at either of those numbers. It would seem
2 more straightforward to simply declare the average usage for a residential customer and
3 the rate per 1,000 gallons. My testimony addresses two issues that are essential to the
4 establishment of just and reasonable rates, rate design and water quality.

5 **Q. WHY THE ISSUE OF RATE DESIGN?**

6 A. The policy decisions this Commission makes in regards to rate design has a significant
7 impact on how residential ratepayers are treated district to district, as well as the impact
8 on those citizens living on a fixed income. The resident ratepayers do not get to ask the
9 government to give them a 9% or 10% raise every year. The true residential ratepayer,
10 homeowner, apartment or duplex resident, is the only ratepayer who does not get to
11 recover their cost of water. It seems a just and reasonable design would take that into
12 consideration and establish a specific rate class for the true residential ratepayer who is
13 responsible for paying their individual water bill. In addition to the unjust and
14 unreasonable situation the true residential ratepayers experience due to the current rate
15 design as to customer classes, it is aggravated by the rate design philosophy of “district
16 specific rate making”. It is unjust and unreasonable in this day and age for a resident to
17 pay a different amount for his water just because he lives in a particular area.

18 MAWC should also be required to communicate in their transmittal letter and public
19 communications the cost of water in each district by simply stating the cost per 1,000
20 gallons used by the true residential customer in the District, instead of the “Average
21 Residential Customer by District” when the average gallon usage changes from one case
22 to the next and then an average bill is referenced with present rate and proposed rate that

1 makes it difficult for the consumer to understand exactly how much the cost of water is
2 going to increase and what it means for her.

3 **Q. HOW WOULD YOU ADDRESS THE ISSUE OF RATE DESIGN?**

4 A. I can only speak to policy, but it seems just and reasonable to create a customer class
5 solely for those residents living in a home, apartment or duplex as they are the only
6 residents without the ability to recapture their water costs. I would also eliminate district
7 specific rate making and have the same cost per gallon of water for every residential
8 customer in the MAWC service territory. Currently PWCD ratepayers are paying almost
9 50% higher than the average customer in St. Louis, over 60% higher than the average
10 customer in Jefferson City, over 70% higher than the average customers in Mexico and
11 Joplin, over 100% higher than the average customer in St. Joseph and over 140% higher
12 than the average customer in Warrensburg. SCHEDULE MKLR-1R. That is not a just
13 and reasonable rate. The residential ratepayer can still pay a just and reasonable rate
14 while the price for a gallon of water is consistent from one resident to the next, without
15 reference to the city in which they live.

16 **Q. WHY THE ISSUE OF WATER QUALITY?**

17 A. The City also believes that the quality of water supplied by MAWC's water distribution
18 system as described by residents in their testimony at the public hearing in Riverside and
19 the testimony is less than desirable. I have attached additional statements of certain
20 residents explaining their concerns. SCHEDULE MKLR-2R, MKLR-3R, MKLR-4R and
21 MKLR-5R. These statements should be considered in determining the final tariff rates. It
22 is hardly just and reasonable to pay the rate the residents of PCWD pay, only to have

1 their appliances ruined by something the distribution system processes. SCHEDULE
2 MKLR-2R, MKLR-3R and SCHEDULE MKLR-4R. It is my understanding that
3 MAWC has been aware of the issue for almost four years and still has not found a
4 solution to the problem. In fact the MAWC is unaware as to the true extent of the
5 problem. Also adequate water pressure in newer subdivisions is concern of our residents.
6 SCHEDULE MKLR-3R, MKLR-4R and MKLR-5R.

7 **Q. DOES THE CITY BELIEVE THAT MAWC SHOULD TAKE FURTHER**
8 **ACTION TO ADDRESS THE CITY'S WATER QUALITY CONCERNS?**

9 A. Yes, the City is very concerned about the water quality issues created by MAWC's water
10 distribution system, and is not satisfied with MAWC's previous responses to this issue.
11 The City believes that MAWC should take every reasonable action to investigate the
12 cause of the quality issue, including proactively surveying their customers to determine
13 how widespread the problem is in the water distribution system. At a minimum, MAWC
14 must take action in good faith in order to address these issues.

15 **Q. BASED ON THE FOREGOING, WHAT RELIEF ARE YOU REQUESTING IN**
16 **RELATION TO THESE ISSUES?**

17 A. The Commission should adopt an alternative rate design plan that is in the public interest
18 and protects the residential users across the state. A rate design proposal should be
19 adopted that would reduce volatility and better protect the residential user from unjust
20 and unreasonable rate increases they have received in the last decade. We would urge the
21 Commissioners to adopt any alternative that would protect the residential users of the
22 state who suffer the most from the unreasonableness of perpetuating the myth of district

1 specific rate-making. The City believes any new rate design should result in water rates
2 applicable to customers located within the PCWD being reduced not only by the amount
3 described in MAWC's materials filed in this case, but should reflect a rate closer to those
4 proposed by MAWC in the 2011 case. We would also request the Commission order a
5 thorough investigation into the water quality issues certain residential customers are
6 experiencing in the PCWD and that the issues as to the quality of the water produced by
7 MAWC's water distribution system should be a factor in determining the final tariff rates.

8 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

9 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

1
2
3
4
5
6
7
8
9

In the matter of Missouri-American)
Water Company's Request for Authority)
to Implement a General Rate Increase) Case No. WR-2015-0301
for Water and Sewer Service Provided)
in Missouri Service Areas)

Affidavit of Mayor Kathleen L. Rose

11 State of Missouri)
12) ss.
13 County of Platte)

Kathleen L. Rose, being first duly sworn, on her oath states:

1. My name is Kathleen L. Rose. I am Mayor of the City of Riverside, Missouri.

2. The above Direct Testimony in question and answer form was prepared by me, or at my direction.

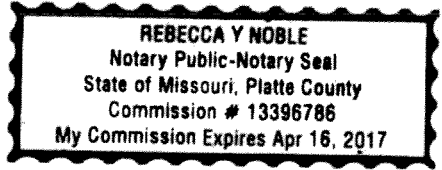
3. I hereby swear and affirm that the aforesaid written direct testimony is true and accurate to the best of my present knowledge, information and belief.

Kathleen L. Rose
Kathleen L. Rose

Subscribed and sworn to before me on this 19th day of February, 2016.

Rebecca Y Noble
Notary Public

My commission expires: April 16, 2017



DATE OF REQ.	DISTRICT	AVG CUST. USAGE	PRESENT RATE	PROPOSED RATE	% INCREASE	ACT. INC. %	PCWD % DIF
12/15/2006 WR-2007-0216	Jefferson City	5,000	\$20.55	\$25.74	25.26%	34.16%	87%
	Joplin	5,700	\$16.29	\$20.40	25.23%	60.83%	136%
	Mexico	4,600	\$23.92	\$29.96	25.25%	30.98%	60%
	Parkville Water	8,800	\$38.39	\$48.08	25.24%	11.80%	
	St. Charles	8,200	\$22.58	\$28.28	25.24%	6.91%	70%
	St. Joseph	4,800	\$22.63	\$28.72	26.91%	33.72%	70%
	St. Louis (quarterly)	23,800	\$61.21	\$76.49	24.96%	9.59%	
	St. Louis (monthly)	7900	\$20.40	\$25.50	24.96%	9.59%	88%
	Warrensburg	5,300	\$18.57	\$23.26	25.26%	18.96%	107%
	Warren County Water	5,300	\$20.33	\$25.45	25.18%	85.44%	89%

3/31/2008

WR-2008-0311	Brunswick	3,500	\$33.48	\$43.91	31.15%	36.62%	22%
	Jefferson City	5,000	\$27.57	\$33.40	21.15%	13.38%	56%
	Joplin	5,500	\$26.20	\$34.62	32.14%	10.95%	64%
	Mexico	4,500	\$31.33	\$37.03	18.19%	17.72%	37%
	Parkville Water	8,000	\$42.92	\$57.16	33.18%	?	78%
	St. Charles	8,000	\$24.14	\$35.36	46.48%		
	St. Joseph	5,000	\$30.26	\$32.80	8.39%	15.76%	42%
	St. Louis (quarterly)	22,500	\$67.08	\$87.57	30.55%	11.54%	
	St. Louis (monthly)	7500	\$22.36	\$29.19	30.55%	37.66%	92%
	Warrensburg	5,000	\$22.09	\$28.45	28.79%	24.49%	94%
Warren County Water	6,500	\$37.70	\$32.76	-13.10%	21.56%	14%	

10/30/2009

WR-2010-0131	Brunswick	3,500	\$45.74	\$60.08	31.35%	35.02%	20.84%
	Jefferson City	5,000	\$31.26	\$35.43	13.34%	?	76.81%
	Joplin	5,500	\$32.58	\$38.41	17.89%	?	69.64%
	Mexico	4,500	\$33.23	\$43.59	31.18%	?	66.33%
	Parkville Water	8,000	\$55.27	\$70.63	27.79%	?	
	St. Joseph	5,000	\$29.59	\$37.97	28.32%	?	86.79%
	St. Louis Metro (quarterly)	22,500	\$74.82	\$91.00	21.63%	26.49%	
	St. Louis Metro (monthly)	7500	\$30.78	\$36.17	17.51%	?	79.56%
	Warrensburg	5,000	\$27.50	\$32.79	19.24%	?	100.98%
	Warren County Water	6,500	\$45.83	\$57.21	24.83%	?	20.60%

6/30/2011

WR-2011-0337	Brunswick	3500	\$61.76	\$29.69	-51.93%	35.02%	-9.38%
	Jefferson City	4000	\$27.37	\$31.53	15.20%	?	104.49%
	Joplin	5000	\$35.85	\$35.21	-1.79%	?	56.12%
	Mexico	4000	\$33.54	\$31.30	-6.68%	?	66.88%
	Parkville Water	6500	\$55.97	\$40.73	-27.23%	?	
	St. Joseph	4500	\$28.48	\$33.37	17.17%	?	96.52%
	St. Louis Metro (quarterly)	22500	\$94.64	\$113.74	20.18%	?	
	St. Louis Metro (monthly)	7000	\$34.35	\$42.57	23.93%	?	62.94%
	Warrensburg	4000	\$24.40	\$31.53	29.22%	?	129.39%
	Warren County Water	5000	\$58.27	\$35.21	-39.57%		-3.95%

7/30/2015

DATE OF REQ.	DISTRICT	AVG CUST. USAGE	PRESENT RATE	PROPOSED RATE	% INCREASE	ACT. INC. %	PCWD % DIF
WR-2015-0301	Brunswick	2500	\$49.18	\$39.89	-18.89%	-20.37%	34.61%
	Jefferson City	4200	\$41.03	\$44.40	8.21%	?	61.35%
	Joplin	4700	\$38.39	\$37.03	-3.54%	?	72.44%
	Mexico	3600	\$38.49	\$41.11	6.81%	?	71.99%
	Parkville Water	6500	\$66.20	\$59.82	-9.64%	18.28%	
	St. Joseph	4400	\$32.36	\$35.68	10.26%	?	104.57%
	St. Louis Metro (quarterly)	19200	\$101.84	\$110.32	8.33%	?	
	St. Louis Metro (monthly)	7100	\$44.26	\$46.73	5.58%	?	49.57%
	Warrensburg	4400	\$27.49	\$35.59	29.47%	?	140.81%
	Warren County Water						

Examination Under Oath Jason Strohm

2/11/2016

1

1 BEFORE THE PUBLIC SERVICE COMMISSION
2 OF THE STATE OF MISSOURI

3
4 In the Matter of Missouri-American
5 Water Company's Request for
6 Authority to Implement a General
7 Rate Increase for File No.
8 Water and Sewer Service WR-2015-0301
9 Provided in Missouri Service Areas

10

11

12 SWORN STATEMENT OF: JASON STROHM

13

14 DATE: February 11, 2016

15

16

17 LOCATION: City Hall
18 Riverside, Missouri

19

20

21 EXAMINER: MR. JOE BEDNAR
 SPENCER FANE
22 304 East High Street
 Jefferson City, Missouri

23

24 COURT REPORTER: Angie Sherwood, RPR, CSR, CCR

25

1 (The proceedings commenced at 6:02
2 p.m.)

3 JASON STROHM,
4 being first duly sworn, testified under oath
5 as follows:

6 EXAMINATION

7 BY MR. BEDNAR:

8 Q. Do you want to state your full name for
9 the record again, Jason.

10 A. Jason L. Strohm, S-T-R-O-H-M.

11 Q. I'm Joe Bednar. Jason, we met before
12 at the hearing. The purpose of tonight, we are
13 having a town hall meeting to identify all the
14 residents in the Parkville Water District, Platte
15 County Water District, it's referred to multiple
16 names, to have an opportunity to further expound
17 to the commission as to the issues and the
18 problems that they have had.

19 As we know from the hearing, the
20 public hearing that occurred, Missouri-American
21 Water's position is that there is only 2 percent
22 of the customers they think have the problem, but
23 they don't know because they have done no inquiry
24 into their customer base.

25 So that's what we are trying to do

1 here. You were one of the speakers at that
2 hearing. You introduced several exhibits at that
3 hearing, did you not?

4 A. That's correct.

5 Q. Are there any other exhibits or
6 documents, pictures that you would like to be
7 admitted to the record?

8 A. I do, but not with me today.

9 Q. Okay.

10 A. But I have plenty of pictures and
11 history and all that stuff.

12 Q. Okay. So if you wouldn't mind doing
13 that, if you can provide us copies of the rest of
14 the history. You can drop it off here at city
15 hall. And what we will do here is, each person
16 who testifies tonight we are going to attach their
17 affidavit -- basically it becomes an affidavit in
18 questions/answers to the mayor's testimony. The
19 mayor is going to submit formal testimony in the
20 case. And we will read this into -- this will be
21 part of the rebuttal testimony, surrebuttal
22 testimony whenever water quality issues are
23 brought up or rate increases are brought up.

24 But if you want to one more time,
25 just if you can explain when you first identified

1 there was an issue. In a ballpark not -- you
2 know, unless you know the date.

3 A. February 2011 was the first instance
4 that we noticed that there may be something wrong.
5 Our dishwasher clogged, didn't think much of it at
6 the time. Never under our wildest thoughts did we
7 think that it would be the water quality.

8 Sometime later in I believe 2011
9 we had AB May come out because our dishwasher was
10 not working. It wasn't getting sufficient water.
11 The filter was clogged.

12 Q. So the dishwasher again was not
13 working?

14 A. Correct.

15 Q. So we are still with the dishwasher?

16 A. Yes.

17 Q. Okay.

18 A. Shortly thereafter, and I can give you
19 the dates. They are submitted as part of my
20 testimony.

21 Q. Yes. Okay.

22 A. We had them out again. And at this
23 point he said, I don't know, you're using too much
24 detergent, you need to cut back. So we thought,
25 all right, we'll do that. He said I'm also going

1 to clean out your filter again because you have a
2 lot of debris and scale that's blocking the water
3 coming into the dishwasher, which is part of the
4 problem because it's not washing the soap off the
5 door and onto the dishes and everything else.

6 So then he turned to our kitchen
7 faucet and he took the aerator off that. And he
8 pulled that off and it was completely filled with
9 scale and calcium and whatever they want to
10 classify it as.

11 At that point I decided it would
12 be in my best interest to go take a look at the
13 rest of the stuff. Now, we've had issues with our
14 dishwasher and we did not attribute it -- or I'm
15 sorry -- our washing machine but we did not
16 attribute it to the water that was going into the
17 dishwasher. Thought they were completely
18 independent.

19 Our washing machine quit working.
20 It too was not getting sufficient water so we get
21 this error on the front of our front-load washing
22 machine. I can't reset that.

23 So I pulled the washing machine
24 out, took the hot and the cold. That's important
25 because they seemed to think -- their initial

1 thought was it must be because your hot water
2 heater is too high.

3 Q. This is on the washing machine issue?

4 A. This is on the washing machine. So
5 when I pulled the lines off the hot and cold water
6 at the back of the washing machine both of them
7 were clogged. That's why it's not getting any
8 water. But I can't reset the computer within the
9 washing machine. So we had to have two valves
10 replaced in our washing machine.

11 Q. So who told you that it was because the
12 water was too hot or the water heater was too hot?

13 A. That would have been Missouri-American
14 Water the first time they came out. They checked
15 it and it was, and always has been, set to
16 whatever the manufacturer's recommended
17 temperature is.

18 Q. That was the hot water heater
19 downstairs?

20 A. That's correct.

21 Q. Okay. Now, when you talk about the
22 valves being clogged, can you give a little more
23 description. What do you mean by clogged? I
24 think you submitted some pictures, did you not?

25 A. I did, and I have many more. The

1 scale. There is little screens on the back of our
2 washing machine and they were completely packed
3 full of the scale. Well, what happened was some
4 of that scale ultimately made it through and the
5 valves on the back of the washing machine were no
6 longer functioning because they were covered in
7 the scale. So we had to replace those.

8 Q. What did you do with the dishwasher?
9 Did you have to replace anything in the
10 dishwasher?

11 A. We put in a dishwasher. In
12 February 2012 we redid our basement, finished our
13 basement, and this is where stuff really starts to
14 click. We put in a new refrigerator, a sink, and
15 a dishwasher in our basement. When we had the
16 plumber put the pipes in for a sink and he cut
17 into those pipes like a -- I'm going to say a
18 2-inch piece of scale and I don't know how to
19 describe it other than gunk came out of the pipe.
20 So he was like holy sh**.

21 Q. How old is your house?

22 A. It was built in 2005. So it was seven
23 years old at the time.

24 Q. Not an old house?

25 A. No. So that's when it all started to

1 click. We went ahead and put the stuff in, the
2 dishwasher, sink, and all that stuff, but that's
3 when I started hammering away on Missouri-American
4 Water that you have got to get out here and fix
5 this because I have new appliances and now you're
6 going to wreck those.

7 Q. Yes.

8 A. Catching on. So they came back and
9 they flushed my hot water heater. My -- the
10 plumber was there and I came home from work. When
11 he started and realized how bad it was, I called
12 Missouri-American Water and had Mike McMillan come
13 out.

14 Mike McMillan came out and
15 witnessed it. We cleaned out the hot water
16 heater. Initially we couldn't even get the valve
17 off because it was stuck. So we had to replace
18 the valve, cleaned out the hot water heater. We
19 filled up three 1-gallon bags of debris out of our
20 hot water heater. I gave one to the plumber, I
21 gave one to Mike McMillan, and I kept one.
22 Unfortunately I threw mine away because after so
23 long it's just taking up space, but
24 Missouri-American Water should still have that. I
25 believe they still have our records.

1 So now we're back to it must be
2 your hot water heater, which kind of set me off at
3 that point because I know for a fact that my
4 refrigerator is no longer working because it keeps
5 clogging. The filters clog. It's coming through
6 the cold water lines.

7 Q. Yes.

8 A. The hose bib outside clogged. So I'm
9 calling repeatedly almost on a weekly basis to
10 have them come out and flush out my lines.

11 Q. When did this start? What year did you
12 start calling them weekly?

13 A. Oh, this would have been 2012. I'm
14 going to say March, April, May, June, July,
15 August, September. It went on and on. Then
16 eventually I just quit. They told me that they
17 were going to make it right and then Mike McMillan
18 disappeared and the plumber that was servicing the
19 entire neighborhood, for some reason he couldn't
20 come back out. No idea why.

21 Q. And he was servicing on behalf of
22 Missouri-American, not for you?

23 A. Yes.

24 Q. Okay. And that was in what month in
25 2012?

1 A. I'm going to say that was probably June
2 or July of 2012.

3 Q. And so what representative did you deal
4 with from Missouri-American after that?

5 A. I can't remember the new guy's name,
6 but I dealt with Jody Johnson, Wally Williams,
7 Lisa Adams. There is an individual from St. Joe
8 that would come down occasionally. I can't
9 remember his name.

10 Q. How often were they at your house after
11 the fall of 2012?

12 A. After the fall of 2012 it was
13 intermittent because we did all we could do. In
14 one of the emails that I submitted it shows that
15 they acknowledge that it was their fault and their
16 problem and they are trying to resolve it, but
17 that didn't do anything other than for them to
18 say, yeah, it's a problem, we're working it out.
19 Can you come clean out my lines? Yeah, we'll send
20 somebody over there. The communications just kind
21 of got spread out over time and eventually it just
22 kind of fell off the table.

23 Since that time I have to clean
24 out my aerators every week. I invite people
25 regularly to come over and watch it because it's

1 one thing to hear it from somebody. It's another
2 thing to actually see it. So I do that every week
3 now. I've been doing that since 2012, early 2012.

4 During that time span,
5 Missouri-American Water acknowledged that there
6 was a problem on their end and they bought seven
7 or eight water filters for our refrigerator. What
8 would happen is, is it would clog that line, water
9 would come in, it would crack the filter, and then
10 I'd have water running down the back of my
11 refrigerator out on to the floor and underneath.

12 So my filters supposedly were
13 supposed to last I think it's 90 days on those as
14 well but they don't. So we have to replace them
15 30-, 40 bucks a pop pretty regularly. I would say
16 every couple of months.

17 Q. Have you kept all your financial
18 records of how much you have spent?

19 A. I have a -- no, but I have a pretty
20 good idea. I have it all documented and receipts.

21 Q. Yes, if you could bring that by city
22 hall as well.

23 A. I do have, you know, the receipts from
24 the people coming out to repair the dishwasher. I
25 have service records from people coming out for

1 refrigerator, why the filters were cracking.

2 Fortunately at the time most of
3 those things were covered under warranty. The
4 refrigerator was still covered under warranty.
5 But we have replaced the faucets in the kitchen.
6 We have faucets in our house that do not work
7 right now and I refuse to fix them. There is no
8 reason for me to spend money on something that
9 ultimately is going to fail because of this issue.

10 I have toilets. The backs of my
11 toilets I have to clean out regularly as well. I
12 don't know the actual name but I'll call them the
13 guts. Those get clogged with sediment and debris
14 and scale so the back of the toilet won't fill up
15 and you can't flush it. So I have to take those
16 off which is a nightmare and clean those out as
17 well.

18 I probably have pictures. Every
19 few months I probably still take pictures.

20 Q. Okay.

21 A. There's been occasions where
22 Missouri-American Water would stop by like, hey,
23 we heard there's an issue in the neighborhood, do
24 you happen to have any of the, you know, yeah, I
25 have the bucket of crap that came out from last

1 week, here it is, and I give it to them.

2 Q. When they are checking somebody else's
3 house?

4 A. Yes, yes, to see if it's the same
5 thing, so on, so forth.

6 I've been told a thousand
7 different reasons as to why it's happening. I
8 have not been told what they're actually going to
9 do about it.

10 Q. Okay.

11 A. Started with construction. Well, the
12 first thing was the hot water heater. The hot
13 water, that I had it too high. When I proved to
14 them that it was coming out of my cold water and
15 the back of my toilets, sprinkler, refrigerator,
16 they said it must be construction in the area
17 that's breaking apart the lining of the pipes.
18 Okay. There is your second one. There is ongoing
19 construction in our neighborhood. I don't believe
20 that is the cause since so many other people are
21 experiencing it.

22 Q. What do they do to check that? I mean
23 if there's pipes broken that would be -- I would
24 think they would be leaking and at some point it
25 would become noticeable in the neighborhood,

1 right?

2 A. Correct. I think that they're
3 insinuating that the scale that lines the inside
4 of the pipe it goes through is kind of breaking
5 off and being pushed into people's houses. That's
6 the way that I understood it.

7 I was told that it was my PEX
8 piping, that it's because of some sort of
9 interaction with the PEX being plastic or whatever
10 it is, that pipe is not -- there is some sort of
11 interaction that's causing it not to stick but
12 instead just get pushed out in particles. That,
13 too, I have a hard time believing because quite
14 frankly I think every house since 2008 would have
15 that same issue but that was their last excuse.

16 I've mentioned that they've come
17 out and they flushed out the hydrants down the
18 street from my house to try and push the stuff
19 out.

20 Wally Williams at one point, you
21 know, point blank said, yeah, I know, it's still
22 going on, there's nothing we can do about your
23 house right now. We can still see it in the
24 street. And that's documented in my
25 communications.

1 I had asked why they haven't just
2 put a filter on my main line. If you are out
3 there at the tap and you are going to go look at
4 the meter all the time, why can't you put a filter
5 right there before it comes into my house. That's
6 about the time when communication really stopped
7 where it was we'll come out, we'll give you a
8 call, but we wouldn't hear back.

9 Q. Okay.

10 A. Two days ago I was searching and I
11 found Mike McMillan's email address and he
12 responded to me and he said, yes, I no longer work
13 there. I work for another company over in I want
14 to say Kearney or Liberty. He is supposed to give
15 me a call back. He is aware of everything that's
16 going on and that I'd like to talk to him.

17 He was extremely cordial and
18 understanding of the issues at hand but from what
19 I understood his hands were tied with what they
20 could actually do. That may be the reason why
21 he's not there. I mean I don't think he had to go
22 out and buy us filters knowing that there's an
23 issue. I don't think that they had to put an
24 inline filter on my house if there wasn't an
25 issue.

1 I have given them the filters
2 from -- and this is important again because they
3 put the end line filter on my house. I did not.
4 They were trying to stop the debris from entering
5 my house so they put that on.

6 I've given them the filters from
7 the house. They go back and say, yes, we have a
8 lot of scale, that's really calcium and whatever.
9 So they would take those and they would test it.

10 They provided two filters at the
11 time. Now, I'm again on the hook for replacing
12 those once a month in lieu of every three months
13 which is when they are supposed to be replaced.
14 Those are like 16 bucks a pop. It's not a big
15 deal, but it's not going to solve the issues that
16 we're currently experiencing.

17 Q. Right.

18 A. Aside from that, I would be more than
19 willing and happy to let somebody at any point in
20 time come out to my house for cleaning, evidence,
21 or whatever.

22 Q. I think it'd be helpful -- you talk
23 about how you clean the pipes, the aerators, to
24 get that on video so we can use that, demonstrate
25 that to the commission.

1 A. I have pictures on my phone right now.
2 The Department of Natural Resources and
3 Missouri-American Water were at our house last
4 week. They were looking strictly for bio matter,
5 bacteria in the water. They were concerned about
6 the debris that's coming through the pipes.

7 I was at work unfortunately and I
8 said, okay, they need to pull the aerators off so
9 they can see what they're actually dealing with.
10 It was of no concern to them. They were more
11 concerned about a Flint, Michigan type water
12 concerns I guess.

13 But I did take pictures
14 immediately following that of the aerators that I
15 cleaned out. And it's again sickening when you
16 think about the fact that they were just there and
17 they just took off.

18 Q. Did they take a water sample?

19 A. They did. They did. And I have the
20 results of that and I can provide those to you as
21 well.

22 Q. Okay. What do they say?

23 A. Nothing out of the ordinary, but it's
24 also signed by Lisa Adams who works for
25 Missouri-American Water.

1 Q. There is not one from DNR?

2 A. No. I found that a little peculiar.

3 Q. Yes, it is.

4 A. If you're going to come do a water
5 test, why are you having Missouri-American Water
6 sign?

7 Q. Right, right. And DNR said that
8 Missouri-American was going to test the water, not
9 them?

10 A. They were all present at the testing.

11 Q. Okay. I would like that as soon as
12 possible. If you want to email it to me tomorrow.

13 A. I may have it on my phone. If I do
14 I'll mail it to you.

15 Q. Is that person from DNR, the director?

16 A. Yes. Signed by Lisa K. Adams who I
17 dealt with in the past. She is an employee of
18 Missouri-American Water.

19 Q. Very good. Appreciate that. And I
20 agree with you.

21 A. Fox guarding the hen house.

22 Q. All right. I'll review that. That
23 helps.

24 A. It's a PDF at the bottom.

25 Q. So I think I may follow up with you,

1 but make sure all the exhibits are organized and
2 then do a chronology. Going off of four years is
3 remarkable to not have any type of solution at
4 this time.

5 A. It's been largely ignored. That's the
6 thing so...

7 Q. Now, who else in your neighborhood are
8 you aware has the same problem or similar?

9 A. Oh, I would have to give you names.
10 But I mean if you look at my -- our Thousand Oaks
11 Facebook page you will find a list of people
12 there.

13 Q. What's the address of the Thousand Oaks
14 Facebook page?

15 A. Oh, geez.

16 Q. See if I can "like" it right now on my
17 phone.

18 A. Residents of Thousand Oaks,
19 KC/Parkville. If you do a search by water I think
20 you could probably pull up a lot of my history as
21 well. Brian Martin, Rachel Hillex-Nystaad, Marian
22 Austin, Deborah Chatfield, Jenny Calvert, Chris
23 O'Day Mauzey, M-A-U-Z-E-Y, Brooke Shroer, John
24 Scheidt, S-C-H-E-I-D-T.

25 Q. I am still trying to find it. If I go

1 to new group or create group.

2 A. You know what? I'm not a Facebook type
3 of fella. I have a hard time, I guess.

4 Q. So Residents --

5 A. Residents of Thousand Oaks. You should
6 be able to find it. If you have to request access
7 I can probably provide it for you. I have to find
8 out who the administrator is.

9 Q. That's a closed group. So my request
10 has been sent.

11 A. Okay.

12 Q. So let them know. Anything else I
13 should know? Anything else you want to add at
14 this point?

15 A. No, other than, you know, between you
16 and I, and you're aware of this because I filed
17 that's why I filed my formal protest --

18 MR. BEDNAR: We can go off.

19 (The proceedings concluded at
20 6:25 p.m.)

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, Angie Sherwood, a Registered Professional Reporter, certify that I appeared at the date and location hereinbefore set forth, that I recorded stenographically the entire proceedings had on said date and location, and that the foregoing is a true, correct, and complete transcript of my said stenographic notes.

Witness my hand and seal on February 18, 2016.

Angie Sherwood
Certified Court Reporter
KS #1309, MO #814

Examination Under Oath Mary Churchill

2/11/2016

1

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American
Water Company's Request for
Authority to Implement a General
Rate Increase for File No.
Water and Sewer Service WR-2015-0301
Provided in Missouri Service Areas

SWORN STATEMENT OF: MARY CHURCHILL

DATE: February 11, 2016

LOCATION: City Hall
Riverside, Missouri

EXAMINER: MR. JOE BEDNAR
SPENCER FANE
304 East High Street
Jefferson City, Missouri

COURT REPORTER: Angie Sherwood, RPR, CSR, CCR

1 (The proceedings commenced at 6:37
2 p.m.)

3 MARY CHURCHILL,
4 being first duly sworn, testified under oath
5 as follows:

6 EXAMINATION

7 BY MR. BEDNAR:

8 Q. State your name for the record.

9 A. Mary Churchill.

10 Q. And where do you live, Mary?

11 A. 4542 Verona Drive, Riverside.

12 Q. And that's in the Montebella
13 subdivision?

14 A. Montebella subdivision, yes.

15 Q. And you came tonight to talk about some
16 of the water quality issues that your husband
17 testified to in the hearing, correct?

18 A. Right.

19 Q. And if you would -- so we're just --
20 the purpose here is to add supplemental testimony
21 to the record that will be an exhibit to the
22 mayor's testimony.

23 A. Okay.

24 Q. As you know and you are aware, at the
25 hearing, public hearing, different people

1 testified.

2 A. Right.

3 Q. We want to make sure there weren't
4 others out there that would also like to testify
5 in order to try to make sure the commission
6 understands the breadth of the problem.

7 A. Okay.

8 Q. So what type of problems are you having
9 at the house in regards to the water quality?

10 A. In regards to the water quality we're
11 having an ongoing buildup of calcium deposit, we
12 think. That is what the water company has told us
13 it is.

14 We have with another neighbor
15 requested a water quality check with the DNR.
16 They have not done it yet but are going to come
17 out.

18 Q. When did you request it?

19 A. This past week.

20 Q. Okay. You called directly to DNR to do
21 that?

22 A. Yes, Sue Johnson did, the other
23 neighbor that was here.

24 Q. Was there another neighbor here, too?

25 A. Stacy Bundy.

1 Q. Okay.

2 A. And I think her husband is out there
3 also.

4 Q. Okay. So how have you identified that
5 you have had this buildup in your lines?

6 A. Well, we lost water pressure. We were
7 getting no water pressure. And actually over the
8 last two or three years our appliances were
9 breaking down. Our kitchen faucet, our
10 dishwasher. We have high-pressure flush toilets.
11 We thought there was something wrong with our
12 appliances. So we spent a good deal of time
13 replacing, repairing, calling manufacturers,
14 working with them. And everything was new because
15 we just moved into the subdivision.

16 And, finally, we figured out that
17 every water line into the house has got all this
18 clogging of this calcium deposit.

19 Q. Okay.

20 A. So this is white-y, yellowish stuff.
21 And so the water company came in, they flushed the
22 lines from the street to the house. They flushed
23 all -- a number of the lines in the house, the
24 ones that they could access relatively easily.
25 They flushed the hot water heater. And they got

1 deposit out of everything, everything.

2 Q. Wow. And when did they do this?

3 A. Oh, gee. This was done -- I don't
4 remember the exact date. I'd have to look it up.

5 Q. Generally.

6 A. In the last couple of months.

7 Q. Okay. How old is your house?

8 A. We are going on six years.

9 Q. Okay.

10 A. We were the third family in the
11 Montebella subdivision and the Bundys were in
12 right before us so...

13 Q. Okay. It's a beautiful subdivision.

14 A. It is. I love the subdivision. I love
15 the area. I love being in Riverside.

16 Q. You just want better water.

17 A. And, you know, we didn't realize there
18 was all this other stuff going on. But this has
19 been very frustrating because it doesn't appear
20 that there's a solution.

21 Q. So what other neighbors? Can you
22 identify anybody else or heard from anybody else
23 that's having problems?

24 A. We've talked to other neighbors. Many
25 of them have said that they have got -- they don't

1 have a problem, we do have a problem, we put water
2 softeners in, they seem to be working okay.

3 I think the biggest problem is
4 that we are the first ones in so we are getting
5 the biggest share of the problems. I think the
6 stuff has built up.

7 Q. Built up over time.

8 A. So what's going to happen along the --
9 I think there's -- oh, gosh, there were probably
10 only eight of us in there for the first 18, 16,
11 20, 18 months because the market went down the
12 tubes. Now recently there is all this building.
13 So the subdivision has just increased in size a
14 lot in the more recent months.

15 But a number of them have said
16 they went ahead and put water softeners in. The
17 water company, the plumber that they sent out,
18 that the water company sent out to flush the
19 lines, we asked about a water filtration system or
20 water softening system. And he said probably
21 wouldn't do any good, that this calcium stuff
22 would just clog that up.

23 Q. Okay. And what was his name? Do you
24 know?

25 A. Gosh, I don't know. My husband dealt

1 with him directly. He had to be out of town
2 tonight unfortunately.

3 Q. Do you have a record of that at home
4 you think?

5 A. Yeah, we should have a record. We
6 should have paperwork on that at home.

7 Q. This is something I was going to ask
8 you. Is there any records that you didn't have
9 the opportunity to enter into evidence at the
10 hearing that we can here. If you want to talk to
11 your husband when you get home.

12 A. Yeah, let me ask him in terms of that.
13 Let me jot that down as the paperwork from the
14 water company plumbers.

15 And then I do have this past
16 year's previous bills. This is different from
17 the -- this is the usage stuff.

18 Q. Okay.

19 A. You'll see that the winter months we're
20 using -- we have this really high water usage.

21 Q. That's October, November.

22 A. I mean it should be -- if we're going
23 to have high usage, it should be during sprinkler
24 season. Now, granted we had a lot of rain this
25 year so we didn't use as much water as we normally

1 do sprinkling. How do you justify that kind of
2 water usage in October, November, and December? I
3 mean -- and it's a lot of water. There is just
4 the two of us. There's nothing that changed in
5 those months other than we always go out to
6 Colorado in November. So there's 10 days of
7 November we're never even home.

8 Q. Almost 8,500 gallons of water.

9 A. That's what it says. You know, where
10 is it going?

11 Q. Yes.

12 A. It makes no sense to me. And I have
13 talked to several other people, several other
14 people, and they hadn't even checked. I mean I
15 hadn't. I pay my bill and didn't pay any
16 attention. And then when somebody brought it up
17 at the meeting last week I went home and I had
18 this year's bills handy because it's tax time.

19 Q. Well, in August of 2014 they had you
20 using almost 13,000 gallons of water.

21 A. Yeah. Now, that probably -- there was
22 probably a sprinkler system going on but we've
23 never had the sprinkler system leaking.

24 Q. Right.

25 A. I mean it's just a huge quantity of

1 water for two people.

2 Q. Right.

3 A. Especially when you see those high ones
4 for the months of, you know, for November or
5 December. I mean it's -- it just doesn't make --
6 and I mean we go down to -- my son has a lake home
7 in Pomme de Terre. So we are down there most
8 weekends, a lot of weekends. Not most but a lot
9 of weekends so...

10 Q. Well, because you look at August of
11 2015 you are at 5,100 gallons?

12 A. We did not run the sprinkler system
13 this summer.

14 Q. Last summer 2014.

15 A. Last summer before we did. We didn't
16 run the sprinkler system in November. I can tell
17 you that or October.

18 Q. Yes, to have that kind of water usage.
19 That's unbelievable.

20 A. Because we blow it out and shut it
21 down.

22 Q. Right. Okay.

23 A. So I mean the usage. We are not the
24 only ones. When that guy talked about it, it was
25 like -- the concern is that there is just so many

1 different points about this water company that are
2 concerning.

3 Q. Yes. Let's walk through them. That's
4 why we are here.

5 A. Their bill increase, you know, which --
6 and the high cost concerns me. The guaranteed
7 profit concerns me. But the one that really
8 concerns me is they're allowing periodic rate
9 increase without any kind of auditing or this or
10 that.

11 I mean that's like giving a
12 utility company, anybody, any company, or
13 corporation a license to steal as far as I'm
14 concerned. I mean from my understanding the water
15 company has requested a rate increase for like six
16 years running. This is a convenient statement,
17 unless I am misunderstanding what they are asking,
18 so that they don't have to ask for rate increase.
19 They just increase rates. I already feel like we
20 have no control over what's going on anyway.

21 The rate zones. When we asked the
22 water company last week, a week ago, why they were
23 redistricting the way that they were and I am
24 either stupid or I mean I couldn't understand
25 what --

1 Q. What their logic was?

2 A. What their logic was in terms of -- I
3 mean they talked about water usage. You know,
4 they had these little maps. And I was more
5 confused than when I started.

6 Q. And you are referring to the handout
7 they gave at the hearing?

8 A. Yes. I didn't really have a chance to
9 look at this before the meeting. So it was -- I
10 went home and read it and was looking at it and
11 I'm going, well, none of this makes sense. Then
12 they are saying, okay, well, but look, we are
13 decreasing your rate but you are already still --
14 when they decrease it, we're still highest on the
15 list.

16 I mean, yeah, a lot of concerns.
17 We have issues with sewer rates since we moved in
18 there. It has been screwy -- I mean because we
19 went up to Platte County the first year we lived
20 here.

21 Q. Did you?

22 A. Yeah. And there was -- because we were
23 having problems with the billing service. And I
24 don't remember what they all were now.

25 Q. Right.

1 A. I know my husband again he went up
2 there and talked to them. And then they -- and
3 that was when they were on the old system of
4 billing and now they are on a different system of
5 billing. So that, the problems they have with
6 that have changed but that's still, you know, high
7 rates.

8 So anyhow the problems we've had
9 with the calcium deposits, bottom line it made us
10 more concerned about all these other problems and
11 aware of.

12 The other thing that concerned me
13 about this water company was that they said, okay,
14 we're publicizing this, we're opening this up for
15 meetings at, you know, 11:00 in the middle of the
16 business day. Who can come to those kind of
17 meetings if you work? And most people do. I mean
18 it was like -- and it really wasn't publicized.
19 They claimed that they -- it was put out in the
20 mail. I don't know that I ever got it or if it
21 was stuck in a water bill or something, I never
22 saw it. So I mean I'm not sure communication is
23 all that great.

24 Q. Grass roots?

25 A. But anyhow, yeah, our concerns aren't a

1 lot of them, but a big concern is this calcium
2 issue, number one, safety. And, number two, we
3 are talking thousands and thousands of dollars of
4 ongoing problems with appliances and toilets and
5 water lines. There is a lot of water lines in a
6 house.

7 Q. Have you replaced any appliances?

8 A. We have gone through two dishwashers.
9 Our refrigerator right now, the little computer
10 system doesn't work on it to control our
11 temperature. And that's \$700 to fix. So we are
12 living with it.

13 Whether this is caused by the
14 clogging or not, we're finding out this stuff is
15 causing problems. We had a manufacturer
16 completely replace the garbage disposal. We took
17 it out, put in a new one. And again I don't know
18 if it was caused by clogging problems or not. It
19 seems to be -- I think this is why we were having
20 all these problems.

21 We're having problems with our
22 high-flush, high-pressure flush toilets. I mean
23 we have spent all this money when we bought this
24 home and trying to go environmentally, you know.
25 And but you -- this clogging, this sediment, we

1 have been told that's a problem with our toilets.

2 So the showers. The shower heads,
3 replacing shower heads all the time in every
4 shower. And we only use one shower rarely so...

5 But the kitchen faucet, we are on
6 our third \$700 faucet. You know, we did that
7 touch-to-touch technology.

8 Q. Oh, wow.

9 A. Those are expensive. And so now we are
10 off -- we had the third one replaced. The company
11 Delta sent us a different one to try. But again
12 now that we are realizing that -- we had gone to
13 the manufacturer thinking there was a problem with
14 the product, but we now know it was always
15 clogging up and causing all these different
16 issues.

17 So everything needs to be flushed
18 out. Of course, it's difficult to get to the
19 water lines in the washer, washing machine. And
20 you just run our tub in our bathroom and let the
21 water drain out and you will have sediment all
22 over the bottom of the tub. It's really not fun
23 to take a bath with that.

24 Q. You don't want to take a bath?

25 A. You don't want to take a bath, no. So

1 there again you are sitting with a big whirlpool
2 tub that you don't want to use.

3 I mean it's just -- and we don't
4 have children. If I had kids and was having to
5 put them in this water and stuff I think I would
6 be really worried, especially for bathing. You
7 know, is it doing something to their skin or not.

8 Q. Yes. What is it?

9 A. I mean the water company did say it's
10 calcium.

11 Q. Okay.

12 A. We said, our response is but how do we
13 know? Which is why we are getting the water
14 tested. We are not drinking it right now. We are
15 buying, bottled water, which we do have filters on
16 everything but I'm not sure that's doing the job
17 either.

18 Q. Yes, with this type of problem --

19 A. It's everywhere.

20 Q. It's like a cancer.

21 A. And one week in the kitchen faucet the
22 water pressure is gone. We have to pull it and
23 clean it. Then we get our water pressure back.
24 But one week.

25 Q. And how long has this been going on?

1 A. Oh, gosh. This started probably about
2 two to three years ago. But again we didn't
3 realize that's what it was. It's taken us that
4 long to finally figure out, oh, my gosh, look at
5 all this crud building up.

6 Q. How long have you been working with
7 Missouri-American Water and talking to them about
8 the problems?

9 A. Just the last few months.

10 Q. Just the last few months.

11 A. Yeah.

12 Q. And do you all have a Facebook page,
13 too, for your neighborhood on this issue or just
14 general?

15 A. We have a general Montebella Facebook
16 that I put out the information from the meeting.
17 Not every -- I don't know that every neighbor does
18 it but there is a Facebook but a large number of
19 them do.

20 Q. Have other neighbors gone on and said
21 they had a problem, too?

22 A. Other neighbors have said they had a
23 problem. A number of them said they have put in
24 water softening systems and they seem to feel that
25 they are working okay.

1 Q. Could I join that Facebook group, your
2 Montebella Facebook group?

3 A. Yeah. I don't know how you do it
4 though.

5 Q. Do you know what the name of it is?

6 A. It's Montebella. Pam Lombardo I
7 believe is -- let me send a message to her.

8 Q. Is it all one word or separate?

9 A. I don't know for the Facebook page
10 whether she has it down as two. The subdivision
11 is two words, Montebella, but I don't know if she
12 has got it down as one or two.

13 Q. Okay.

14 A. Do you have an email and I can have
15 her -- I'll have her email you and see. They are
16 keeping it as private to residents.

17 Q. Yes, just for purposes of information
18 for the rate case here.

19 A. Yes, exactly. So let me -- I'll go
20 home and send her a message.

21 Q. Okay. That would be great.

22 A. See if she would contact you and let
23 you know how to kind of join.

24 Q. That way or if somebody can go on
25 and -- you know, one question I would ask is those

1 people who have changed to water softeners start
2 tracking them. Who are they, where do they live,
3 their address. Because as you said, if it's a
4 short-term issue because you have been there
5 longer, if it has caught up with you or not, or
6 they don't know what to look for.

7 A. Exactly.

8 Q. What else have they checked? Are they
9 as thorough and have you gone through the
10 questions so that it's more than just not feeling
11 like you haven't washed off?

12 A. And Sue said because she went -- since
13 we were having all our problems, they took their
14 faucets apart and she is getting a dark sediment.
15 We don't have a dark sediment or whatever. They
16 don't want you to use the word sediment I guess.
17 I'm not sure why. Probably because it has to do
18 with dirt is my guess.

19 Q. Probably a good guess.

20 A. But anyhow it sounds like there is a
21 number of -- I was really disappointed they didn't
22 show up tonight because it sounds like there are a
23 large number of neighbors that do have problems
24 and issues one way or the another.

25 Q. Yes. So what I had hoped to be able to

1 get is just identify who they are and the extent
2 of the problem. And if they want to be
3 confidential, that's fine, but if I need to get
4 ahold of them or a commissioner needs to, because
5 the question will be from the company is it an
6 isolated problem? Is it anecdotal? Or is it
7 illustrative of a bigger problem?

8 A. Right. Well, and I also know that
9 Thousand Oaks, they have got people over there
10 having issues.

11 Q. Right.

12 A. And I think somebody said Riss Lake is
13 having them.

14 Q. Yes, I heard that as well. So the more
15 people we can have that will identify what they
16 have.

17 A. Right.

18 Q. And I don't want anybody to make
19 anything up or exaggerating.

20 A. Right. It sounds like it's a lot
21 bigger problem than most of us are assuming. Went
22 into this thinking it was just us, you know, like
23 we started out thinking.

24 Q. Hard water issue?

25 A. Well, we didn't even think water. We

1 were thinking it was appliances. They don't make
2 things like they used to.

3 Q. Anything else?

4 A. No. I hope that does it.

5 Q. Okay. Well, thank you very much.

6 A. Thank you.

7 (Discussion off the record.)

8 A. Well, this is just something that
9 happened last week at the meeting. The gal that
10 was the head of it, said she was president of
11 something for the water company, the one that was
12 the main spokesperson.

13 Q. Yes.

14 A. Well spoken, that type of thing. She
15 said, just made a reference to I think things are
16 going to be much better now that Scott is running
17 or is in charge of stuff.

18 Q. Oh.

19 A. Now, I'm just inferring that there is
20 problems within this company beforehand and they
21 have brought in new management or what. I mean
22 it's just from --

23 Q. Yes. I don't know.

24 A. You know what I'm saying?

25 Q. I hear what you're saying though.

1 A. Okay.

2 Q. I hear what you're saying.

3 A. So --

4 Q. It could go a couple of different ways.

5 A. So it sounds like something, there has
6 been stuff going on.

7 Q. Yes. It's unusual that a problem like
8 this, this calcium scaling has gone on for four
9 years and nobody has a solution yet or really is
10 aware of the extent. Seems to me like the least
11 they could do is do an inquiry of all the
12 neighbors, a questionnaire.

13 A. Yes.

14 Q. Start there.

15 A. And, you know, it's one thing because,
16 you know, they said, well, it's part of the
17 processing that's naturally -- calcium is
18 naturally in the stone and all that. Yeah, but to
19 the point where it clogs everything up that you
20 can't -- you know, your residential, your own
21 personal infrastructure is nonusable and
22 destroying expensive stuff.

23 Q. So if you could, all the documentation
24 you have I would like copies of. I don't need
25 your water bill. If you also have some type of a

1 summary description of personal costs of
2 appliances, replacements --

3 A. Okay.

4 Q. -- pipes, faucets, all that and what it
5 cost to repair. Others that you haven't expended
6 yet. Have that and drop that off as well.

7 A. All right. That will take a little bit
8 of time to get everything pulled together but --

9 Q. That's fine.

10 A. -- we'll do that.

11 MR. BEDNAR: Thank you very much.

12 (The proceedings concluded at
13 7:00 p.m.)

14

15

16

17

18

19

20

21

22

23

24

25

1 C E R T I F I C A T E

2

3 I, Angie Sherwood, a Registered
4 Professional Reporter, certify that I appeared at
5 the date and location hereinbefore set forth, that
6 I recorded stenographically the entire proceedings
7 had on said date and location, and that the
8 foregoing is a true, correct, and complete
9 transcript of my said stenographic notes.

10 Witness my hand and seal on February
11 18, 2016.

12

13

14

15 Angie Sherwood

16 Certified Court Reporter

17 KS #1309, MO #814

18

19

20

21

22

23

24

25

Examination Under Oath Tyson Bundy

2/11/2016

1

1 BEFORE THE PUBLIC SERVICE COMMISSION
2 OF THE STATE OF MISSOURI

3

4 In the Matter of Missouri-American

5 Water Company's Request for

6 Authority to Implement a General

7 Rate Increase for

File No.

8 Water and Sewer Service

WR-2015-0301

9 Provided in Missouri Service Areas

10

11

12 SWORN STATEMENT OF: TYSON BUNDY

13

14 DATE: February 11, 2016

15

16

17 LOCATION: City Hall

18

Riverside, Missouri

19

20

21 EXAMINER: MR. JOE BEDNAR
 SPENCER FANE
22 304 East High Street
 Jefferson City Missouri

23

24 COURT REPORTER: Angie Sherwood, RPR, CSR, CCR

25

1 (The proceedings commenced at 7:08
2 p.m.)

3 TYSON BUNDY,
4 being first duly sworn, testified under oath
5 as follows:

6 EXAMINATION

7 BY MR. BEDNAR:

8 Q. How are you doing?

9 A. Good.

10 Q. I'm Joe Bednar.

11 A. Hey, Joe.

12 Q. And your name?

13 A. Tyson Bundy.

14 Q. Okay. And how do you spell your last
15 name, Tyson?

16 A. B-U-N-D-Y.

17 Q. I think I explained a little bit of why
18 I am here tonight. We are in the midst of a rate
19 case with Missouri-American.

20 A. No. I didn't know exactly why. I
21 thought they were preparing something.

22 Q. I've been hired by the city to
23 represent the City of Riverside. We had what was
24 called an intervention where Missouri-American
25 Water Company has to go to the Public Service

1 Commission to ask for a rate increase, if they
2 want a rate increase.

3 And then it's open to the public
4 to intervene. You have to make a case of why you
5 should intervene. And the City of Riverside has
6 intervened the last four cases in the last ten
7 years because of the exorbitant rates, the
8 increases that we have seen for such a small
9 district.

10 So in the course of the public
11 hearing last week that was held here at city hall,
12 one of the issues that came up was water quality,
13 calcification, scaling in some of the homes
14 causing damages to appliances. So the mayor
15 thought it would be a good idea to have a town
16 hall meeting tonight for those who couldn't make
17 that earlier hearing. And if people wanted to add
18 statements on the record, we're going to add this
19 testimony to her testimony as an exhibit to make
20 sure the commission is aware of the extent of the
21 problem as best as we can advise them.

22 A. All right. I wasn't here last week.
23 My wife came. It's my turn today. She told me it
24 was my turn today.

25 Q. I know how that works. Have you been

1 having issues with --

2 A. Yes. So what I had told the council is
3 we moved in in December of '08. One of the first
4 residents in Montebella.

5 Q. Great subdivision by the way.

6 A. Yes, I love it. It's great, great
7 neighbors. But the water pressure today is
8 noticeably lower than it was when we moved in. I
9 am not sure what the reason was for that so I
10 posed some questions to the council. I wasn't
11 sure if it was just the number of users down the
12 line. If the main wasn't sized properly. If the
13 elevation of the subdivision wasn't accounted for
14 in the water system design. Something. Or the
15 calcium buildup causing issues.

16 That's been a complaint of the
17 other residents. I live on the same street as
18 Mary who was in here previously and some other
19 people. I've had calcium come through, had to
20 clean out the faucets. I had to replace a couple
21 of faucets, not to the degree some other people
22 have.

23 But, you know, it's not great.
24 It's a nuisance more than anything. Hasn't cost
25 me a lot of real money but I have to change all

1 the toilet flaps. It's a six-year-old house and
2 it seems like something you shouldn't have to do
3 to that young of a house.

4 Q. How much do you think you have spent?

5 A. Oh, I mean maybe 200 bucks.

6 Q. No major appliances yet?

7 A. No. No major appliances yet. We
8 bought a new washer and dryer but that was -- I
9 don't believe it was caused by anything from the
10 water. We wanted a new one. The others were
11 still fine.

12 Q. Front loader.

13 A. The water on our icemaker I think is
14 okay but it comes out really, really slow out of
15 the door. I don't know if that's supposed to be
16 that way or not. It goes through such a small
17 line to get there.

18 You know, my problems aren't as
19 extensive as the other people that testified
20 tonight, but it's a problem. It is a nuisance.
21 You know, more than anything to me it's the
22 pressure bothers me the most.

23 Q. Okay. Anything else?

24 A. Yeah. The water usage, what I told the
25 council didn't seem to align as you would expect

1 it to seasonally. You would expect to spike with
2 summer watering the lawn. There is spikes in the
3 winter months that don't jive with anything that I
4 can tell.

5 So I questioned on how, you know,
6 they read the meters and if they projected costs
7 versus doing actual readings or what they do. And
8 then if the calcium issues were possibly affecting
9 the meters was a question I raised. I didn't
10 know.

11 The mayor from Platte Woods
12 testified after me and talked about the snow
13 actually affecting their meters and they read two
14 or three times higher when there was snow on the
15 ground because of the type of meters they had.

16 These are things to investigate in
17 your case. It does seem to me to pay more for
18 your sewer bill than your water bill seems wrong.
19 I'm one of the 105 --

20 Q. How did that happen?

21 A. -- doesn't pay the city. We pay the
22 other guy.

23 Q. You have no idea how that happens.

24 A. Just the magic demarcation line. It's
25 just what territory is considered there and I

1 understand how stuff comes about. It just doesn't
2 seem right.

3 Q. Okay. Anything else?

4 A. That was it.

5 MR. BEDNAR: All right. I
6 appreciate it. Thanks for taking the time.

7 (The proceedings concluded at
8 7:14 p.m.)

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, Angie Sherwood, a Registered Professional Reporter, certify that I appeared at the date and location hereinbefore set forth, that I recorded stenographically the entire proceedings had on said date and location, and that the foregoing is a true, correct, and complete transcript of my said stenographic notes.

Witness my hand and seal on February 18, 2016.

Angie Sherwood
Certified Court Reporter
KS #1309, MO #814

Examination Under Oath

Ray Uhl

2/11/2016

1

1 BEFORE THE PUBLIC SERVICE COMMISSION
2 OF THE STATE OF MISSOURI

3

4 In the Matter of Missouri-American

5 Water Company's Request for

6 Authority to Implement a General

7 Rate Increase for

File No.

8 Water and Sewer Service

WR-2015-0301

9 Provided in Missouri Service Areas

10

11

12 SWORN STATEMENT OF: RAY UHL

13

14 DATE: February 11, 2016

15

16

17 LOCATION: CITY HALL

18 Riverside, Missouri

19

20

21 EXAMINER: MR. JOE BEDNAR
22 SPENCER FANE
23 304 East High Street
 Jefferson City Missouri

24 COURT REPORTER: Angie Sherwood, RPR, CSR, CCR

25

1 (The proceedings commenced at 7:02
2 p.m.)

3 RAY UHL,
4 being first duly sworn, testified under oath
5 as follows:

6 EXAMINATION

7 BY MR. BEDNAR:

8 Q. Would you state your full name for the
9 record.

10 A. Ray L. Uhl.

11 Q. How do spell your last name?

12 A. U-H-L.

13 Q. U-H-L. And you are here tonight.

14 We're talking to folks about issues that they may
15 have with the Missouri-American Water Company rate
16 case.

17 A. Yes.

18 Q. So we haven't talked before tonight,
19 have we?

20 A. No, no, we have not.

21 Q. So why don't you just go ahead and tell
22 me what your concerns are.

23 A. Main concern was the water pressure. I
24 live at 4524 Northwest Apache Drive and the water
25 pressure there ever since we moved - that was in

1 probably about 1998 - it's never been real good.
2 It's just -- in the summer like you go to wash
3 your car or something there is no power, no
4 pressure really. You know, just low pressure to
5 probably sum it up without elaborating, just low
6 pressure.

7 Q. Okay. And so in what neighborhood is
8 that?

9 A. Indian Hills. It's the newer addition
10 of Indian Hills built and developed around '96 I
11 guess through '98, in there.

12 Q. So how old is your house then?

13 A. Yeah, probably about 15, 20 years old.

14 Q. Okay.

15 A. All of them are in there. I think it's
16 phase 3 they called it. Jim Pedley did the
17 developing down in there.

18 Q. Okay. And so you've had -- has the
19 water pressure always been an issue?

20 A. Yeah, it has. Just because like I have
21 a house in Kansas City, Kansas, and it will blow
22 your hands off.

23 Q. Really?

24 A. I mean it's just good water pressure.
25 Just different places you have been to people's

1 houses, Kearney, somewhere, you wash your hands
2 and everything, you just feel that pressure there.
3 Here even though it comes out there is not that
4 pressure. It's hard to explain but you know what
5 I mean.

6 Q. Have you talked to the company about
7 it?

8 A. No. This is the first I've brought it
9 up, yes. That's one of the main reasons I did
10 come down because they were having the meeting and
11 thought, well, this might be a good time to
12 express that. This is working out better yet.

13 Q. And so any other neighbors complain
14 about it as well?

15 A. I think Mr. Stottery out there had
16 talked about his wasn't real good. And I don't
17 visit a whole lot with a lot of the other ones.
18 You know, hi, how are you, but to not really get
19 into those issues. He is right next door to me.
20 So probably, you know.

21 Q. And are you on a hill? Bottom of the
22 hill?

23 A. Actually you come down into the lower
24 part of the cul de sac. So it would be in the
25 lower part.

1 Q. Lower part, okay.

2 A. I don't know if you are familiar with
3 it. Like you come down Pawnee. Then you take the
4 left and go down into the little small cul de sac
5 there and then you go right on down. And way on
6 down the very bottom and I set up on the hill down
7 there around the cul de sac.

8 Q. Anything else you want to talk about?

9 A. No. That's about it. I would say
10 that's the main issue.

11 And then I guess just wondering
12 why as long as we're talking about it, why that
13 sewer charge is so much higher and how we got tied
14 up in that. And then I got where they want to put
15 a 20 percent increase in and that just seems a
16 little high. Myself, and again I don't know, but
17 I think they work on -- I'll just say they have
18 got a pot and if New York needs something, this
19 state needs something, they work out of that. And
20 so if Riverside -- I mean if somebody is saying --
21 I'll just say Minnesota spent 50 million, well
22 they might have to dig down here to Riverside to
23 get that.

24 I probably don't have that
25 100 percent, but that's sort of, you know, how I

1 understood that from one of the other meetings we
2 had. Whether that's good, bad, or indifferent, I
3 don't know.

4 Q. What do you do for a living?

5 A. I'm retired. I was an accountant for
6 an oil company for 30 years.

7 Q. Your income doesn't go up 20 percent a
8 year?

9 A. No. Now, with things like my savings
10 is probably going to go down 20 percent a year.
11 You have your IRAs. I mean I understand things,
12 but that just seemed a little excessive all at
13 once, you know, they mentioned that. So I don't
14 know. Like I say, I'll leave that to the powers
15 to be to decipher.

16 Q. That's right. I appreciate it very
17 much.

18 A. You bet.

19 (The proceedings concluded at
20 7:06 p.m.)

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

I, Angie Sherwood, a Registered Professional Reporter, certify that I appeared at the date and location hereinbefore set forth, that I recorded stenographically the entire proceedings had on said date and location, and that the foregoing is a true, correct, and complete transcript of my said stenographic notes.

Witness my hand and seal on February 18, 2016.

Angie Sherwood
Certified Court Reporter
KS #1309, MO #814