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MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

WATER AND SEWER DEPARTMENT

DIRECT TESTIMONY

OF

DAVID A. SPRATT

Statt Exhibit No. 105 File Nor - 201 - 0259

INDIAN HILLS UTILITY OPERATING COMPANY, INC.

CASE NO. WR-2017-0259

Jefferson City, Missouri October 2017

1	DIRECT TESTIMONY	
2	OF	
3	DAVID A. SPRATT	
4	INDIAN HILLS UTILITY OPERATING COMPANY, INC.	
5	CASE NO. WR-2017-0259	
6	Q. Please state your name and business address.	
7	A. David A. Spratt, 200 Madison Street, Suite 500, Jefferson City, MO 6510)1.
8	Q. By whom are you employed and in what capacity?	
9	A. I am a Utility Operations Technical Specialist II in the Water an	nd Sewer
10	Department ("Staff") for the Missouri Public Service Commission ("Commission").	
11	Q. Please describe your educational background, work experience, training	, and any
12	cases in which you have previously filed testimony before this Commission.	
13	A. My credentials are attached to this direct testimony as Schedule DAS-d1.	,
14	Q. What is the purpose of your direct testimony?	
15	A. The purpose of my direct testimony is to describe the ongoing need	for water
16	distribution system rehabilitation at Indian Hills Utility Operating Company, Inc. ("Ind	ian Hills"
17	or "Company") and Staff's position on service connection replacements versus repairs.	
18	Q. Please describe the system improvements Indian Hills has made since	acquiring
19	the system?	
20	A. The Company has made a variety of improvements, some to comply	with the
21	Missouri Department of Natural Resources (DNR) guidelines. The Company replaced	the drop
22	pipe and the 25 horsepower (hp) well pump located at well #1. A new 263,000 gallo	n storage
23	tank was installed to replace the old 20,000 gallon storage tank, which did not m	eet DNR

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Direct Testimony of David A. Spratt

"Minimum Design Standards for Missouri Community Water Systems" ("design guide" 1 2 Publication 2489) 1.1.2 (d) (3) (ii) located on page 3 of the publication. The previous tank had 3 outlived its useful life and did not provide sufficient storage. The previous storage tank was 4 buried on three sides which did not meet design guide 7.0.3(d) located on page 168 of the 5 publication. The Company drilled a second well to comply with DNR design guide requirement 6 3.2.1.2 located on page 28 of the publication, which states that a water system serving more than 7 500 people "shall have more than one well". The Company constructed well #3 very similarly to 8 well #1. The well house at well #1 was in great need of repair and was not of sufficient size 9 for the motors and monitoring equipment that have been installed. Each well house was built 10 with a separate room to house the chlorine. Liquid chlorine in drums has to be vented and that 11 gas is highly corrosive. Keeping the chlorine contained can extend the life of the metal inside 12 the well houses. 13 Ο. Please explain your familiarity with the water system at Indian Hills. 14 Α. I have been performing inspections on the water system and responding to 15 customer complaints involving water leaks for approximately five years. 16 Q. Does this system have a problem with water leaks? 17 Yes. Since 2011, there have been at least 40 documented leak complaints called A. 18 in to Staff that have been recorded in EFIS. Some of the leaks are in the water mains but others 19 are in the service connections. 20 Q. What is a service connection? 21 The service connection is section of the pipe connecting the water main to the Α.

22 water meter.

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1	Q. What are the issues with leaks at the service connection?
2	A. The water distribution system is approximately 50 years old. Due to lack of
3	capital improvements on the system, many of the mains, service lines, and service connections
4	are original to the system. Many of the current leaks that the Company has observed show signs
5	of at least one previous repair. The Company and Staff's observations of these leaks indicate
6	that the previous owners' repairs were substandard and made with substandard material and are
7	causing further issues. The Company has presented Staff with a report indicating the number of
8	leaks repaired and service connections replaced since taking over the utility. That report has
9	been attached to this testimony as Schedule DAS-d2.
10	Q. What is the Company's current method for reducing water leaks within the
11	water system?
12	A. The Company believes it is better for system integrity to replace service
13	connections as leaks are discovered rather than repair the service connections.
14	Q. Does Staff agree that replacing service connections is a better alternative than
15	service line repairs?
16	A. Yes.
17	Q. Please explain why Staff agrees with this approach.
18	A. As mentioned above, the service connections installed and/or repaired by previous
19	owners were made with substandard material. Thus the previously repaired connections are
20	unable to withstand the increase in water pressure provided by the Indian Hills due to overall
21	system improvements, discussed above, made by the Company to comply with DNR guidelines.
22	Photos are attached to my direct testimony as Schedule DAS-d3 showing where multiple repairs

Direct Testimony of David A. Spratt

have been made to service connections. It is Staff's opinion that it would be less expensive to
replace a service connection while the ditch is open and the backhoe is on site than to dig in the
same spot numerous times and make minor repairs. The Company has suggested replacing all of
the service connections over a period of time to be able to schedule the work, annualize the cost,
and reduce the number of leaks.

Q. Does this conclude your direct testimony?

A. Yes, it does.

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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In The Matter of The Rate Increase Request Of Indian Hills Utility Operating Company, Inc.

Case No. WR-2017-0259

AFFIDAVIT OF DAVID A. SPRATT

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State of Missouri)) ss County of Cole)

COMES NOW David A. Spratt, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Direct Testimony*; and that the same is true and correct according to his best knowledge and belief?

Further the Affiant sayeth not.

David A. Spratt

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12 + 1 day of October, 2017.

Nanna L. Vaugut

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 28, 2019 Commission Number: 1520737

David A. Spratt

I am a Utility Operations Technical Specialist II in the Water & Sewer Department, in the Commission Staff of the Missouri Public Service Commission. I have been employed by the Missouri Public Service Commission since April of 2008. My primary duties include, but are not limited to, utility operation inspection of water and sewer facilities that are regulated by the PSC.

Educational background and Work Experience

I earned a Bachelor of Arts in History and a minor Political Science in 1995 from Lincoln University in Jefferson City, MO. I also earned a Master of Public Administration degree from the University of Missouri – Columbia in 1999. During my time with the PSC I have received the following operator certificates from the Department of Natural Resources: D level drinking water treatment certificate, D level wastewater certificate, and DS-I water distribution. I have inspected numerous water and wastewater treatment facilities. I have also worked on a variety of complaint cases. I testified as an expert witness in case WC-2011-0409.

Leak No.	
_	1648 Lakeshore
_	816 Lakeshore
-	2239 Lakeshore
	2272 Lakeshore
-	2014 Lakeshore
-	1658 Lakeshore
,	474 Lakeshore
	1746 Lakeshore
-	593 Lakeside
	1920 Lakeshore
	Lot 960 on Whitefawn
	2270 Lakeshore
	1936 Lakeshore
	737 Squaw
	826 Lakeshore
	1089 Whitehawk
	1744 Lakeshore
	1524 Lakeshore
-+	1618 Lakeshore
	1339 Lakeshore
	2136 Lonewolf
	2446 Sanchez
	858 Lakeshore
	1306 Lakeshore
25	327 Oak
	1800 Lakeshore Drive
27	1340 Shawnee
	2250 Lakeshore
29	141 Hickory
	1668 Lakeshore
	721 Squaw
	1837 lakeshore
	2014 Lakeshore Drive
	580 Lakeside
35	122 Hickory
36	1683 Lakeshore
37	1868 Lakeshore
38	2210 Lakeshore
39	1156 Pawnee
40	2213 Lakeshore
41	551 Lakeside
42	2142 Whitefawn
43	1896 Lakeshore
	1459 Sequoya
45	1504 Lakeshore
46	1652 Lakeshore
47	1378 Osage
48	1857 Lakeshore
10	47401-1

49 1740 Lakeshore

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Notes

7/11 & 7/19

Schedule DAS-d2 Page 1 of 6

leak in meter pit

Leak in front of property leak in the road

Schedule DAS-d2 Page 2 of 6

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145 851 lakeshore

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99 708 Squaw	leak in ditch
100 2224 lakeshore	
101 1270 Lakehsore	
102 2221 Lakeshore	
103 128 Hickory	
104 2417 Sanchez	
105 1512 Lakeshore	
106 2219 Lakeshore	leak in the road
107 2213 Lakeshore	Leak in the pit
108 738 Squaw	
109 879 Lakeshore	
110 1870 Lakeshore	
111 817 Cochise	leak in meter
112 2222 Lakeshore	
113 914 Lakeshore	
114 1956 Lakeshore	
115 704 Squaw	
116 1608 Sequoya	
117 875 Lakeshore	
118 1516 Lakeshore	leak in meter pit
119 599 Lakeside	leak out by road
120 1786 Lakeshore	
121 821 Cochise	
122 66 Indian Hills	
123 514 Lakeside	leak in meter pit
124 879 Lakeshore	· · ·
125 833 Cochise	leak in street
126 1610 Lakeshore	
127 1976 Lakeshore	
128 1638 Lakeshore	
129 2250 Lakeshore	
130 1212 Lakeshore	
131 592 Lakeside	Leak in meter pit
132 1545 Lakeshore	leak between neighbors
133 765 Squaw	this was a home owner leak and we moved his pit at no cost to him
	because he didn't like his service under his driveway.
	Older gentlemen that we were helping out.
134 721 Squaw	
135 1570 Lakeshore	
136 1980 Lakeshore	
137 474 Lakeshore	
138 539 Lakeside	
139 715 Squaw	
140 1947 Lakeshore	
141 1864 Lakeshore	
142 1856 Lakeshore	
143 1282 Lakeshore	Schedule DAS-d2
144 1058 Whitehawk	Page 3 of 6

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146 1073 Whitehawk	
147 1947 Lakeshore	
148 514 Lakeside	
149 1578 Lakeshore	
150 1856 Lakeshore	
151 2509 Alleghany	
152 1618 Lakeshore	
153 1659 Whitehawk	
154 2034 Big Bear	water seeping from around meter pit
155 721 Squaw	leak in the meter pit. Called in by Robert Petry on 1/21, 1/23, 1/27
156 366 Walnut	
157 753 Squaw	Called in as 760 Squaw with leak by the driveway
158 2006 Lakeshore	
159 1056 Whitehawk	called in as 1070 Whitehawk
160 117 Hickory	
161 713 Squaw	
162 2006 Lakeshore	
163 593 Lakeside	leak going in their yard. Called in by Dolan on 2/4/17, 2/9/17 and Rita May on 2/7/17, 2/8/17
164 1638 Lakeshore	Leak coming from across the road to his front house.
165 1743 Lakeshore	leak between meter and road
166 1342 Shawnee	
167 1683 Lakeshore	leak for the fifth time
168 756 Squaw	Called in by Scott Denney 2/10 and Colin Frost on 2/13/17 and Mark Avery on 2/27/17
169 1067 White Hawk	Leak called in by Josh Rawson as a busted water main.
170 2269 Lakeshore	by Don Kalista as leak in front of house on 2/28, 3/1, 3/2 and Kelly
	Christenson on 3-2-17
171 1679 Lakeshore	water leak called in by Bob Grady
172 853 Lakeshore	
173 1342 Shawnee	Tom Bond and he might have a water leak on 3/10/17 and 3/15 that no one has come by
174 593 Lakeshore	called in by Dolan at 597 on 2/23/17, 2/28/17, 3/3/17 as leak from up the
	road and by Rita May on 2/27/17 and Christine Rinck on 3-9-17 four times
175 1628 Sequoya	Robert Gray and neighbor has a leak and leaking into yard
176 851 Lakeshore	Al Brandl on 851 Lakeshore
177 1866 Lakeshore	Bob Voss and leak in his front yard. Yard feels spongy
178 580 Lakeside	Carol Kumbera on 3/29 to report leak and 4/5/17 and has been calling for a weak now and 4/11/17
179 1644 Sequoya	Robert Gray and there are two bad leaks
180 1169 Pawnee	Ronald Mueller and water is running and needs to turn off 4/13/17 twice
181 1322 Lakeshore	William lee and leak from the street
182 1244 Lakeshore	Frank K and water leak in his yard 4/20 and 4/24
183 1370 Lakeshore	
184 1320 Lakeshore	Michael King and leak is funning down driveway from street on 4/27 & 5/16
185 1201 Lakeshore	
186 1378 Osage	Don Eichberger and leak is coming from across the road
187 1322 Lakeshore	William Lee and leak from across the road Schedule DAS-d2
188 763 Squaw	Jeanette Pitman with water leak bubbling up from the street and Karen Page 4 of 6 Bell on 4-5-17 & William Bell on 4/26

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189 704 Squaw	Cliff with two leaks
190 760 Squaw	Scott Denney leak in front of his house on the road
191 1676 Lakeshore	Marshall Harrell and leak in the street
192 2634 Seminole Road	Terry L and leak from area around pit
193 1 Indian Hills	Leak in ditch along highway - Could not find a leak. Vac truck and seemed
	to dry up. Will let sit for a while
194 1743 Lakeshore	leak between meter and road
195 1800 Lakeshore	Melanie Spiff on 5/30 & 6/1/17 leak around meter
196 2209 Lakeshore	
197 2206 Lakeshore	Eugene Seemes - leak at vacant lot
198 209 Hickory	Matthew Harris - leak at meter
199 2658 Seminole	
200 853 Cochise	Greg Dart - leak in meter 5/30 & 6/6 & 6/12
201 1996 Lakeshore	leak in street
202 644 Lakeshore	
203 2014 Lakeshore	Scott Rockafellow on 5/31 leak in street and Gary Bood on 6/2/17
204 2809 Highway DD	Leak on his property
205 547 Lakeside	leak around meter
206 1980 Lakeshore	leak in road
207 721 Squaw	Robert Petry and leak between meter and street & 6/12 & 6/20
208 549 Lakeside	Weingart and leak by mailbox
209 1739 Lakeshore	Ron R and leak by the water meter
210 1878 Lakeshore	Christine Mahon (1875) leak in front of 1878 & 6/12
211 1778 Lakeshore	Virginia Hoeken - leak up by the road
212 665 Lakeshore	John Lowry - leak around 665 area
213 859 Lakeside	David Patton - leak in street
214 1726 Lakeshore	Kenneth Mcclellan - leak in the street
215 1996 Lakeshore	David May - leak in called 2 weeks ago and waiting on service
216 2167 Lonewolf	Robert Bommel - water coming down ditch from meter
217 2645 Seminol	Christ Ford - leak out at meter 6/19 & 6/27
218 1644 Sequoya	Wanda Reeves - leak above the house 7/7 & 7/10 & Michelle Cason - 7/7
219 1868 Lakeshore	Bob Schwartze - leak in front of house
220 1397 Lakeshore	Mike Jackson - leak in front of house
221 1600 block lakeshore	Mike Jackson - leak at 1600 block 7/8 & Robert Gray on 7/10
222 1164 Pawnee	operator found - fix leak at meter pit
223 2200 Sanchez	Jody - leak has turned to fountain 7/10 & 7/12 but she called it 2440 Sanchez
224 715 Squaw	Jerry Harris - leak in street 7/10 & 7/17 & Jim Rothberg leak in lateral
	7/16 & Lois Henderson on 7/17
225 2509 Alleghany	Operator found - replace leaking service with new meter
226 857 Cochise	Susan Holt - leak is bubbling 7/12 & 7/15 Replace service
227 1348 Shawnee	Eldon Jones - leak at meter
228 1 Indian Hills	John Baumann - minor leak in Highway DD ditch.
229 2167 Lonewolf	Robert Bommel - Water leak
230 1380 Osage Road	Don Eichberger - leaking for several days and previous hasn't fixed problem
231 777 Squaw Road	Tina Kumbera - meter is leaking.
232 8 Indian Hills	Contractor found - replace water service
233 470 Lakeshore	Contractor found - replace water service Schedule DAS-d2
234 580 Lakeside	Carol Kumbera - leak on service line 7/24 & Debbie Dolan on 7/28 Page 5 of 6
235 875 Lakeshore	Mary Beth Huffmann - leak on service line out of street

236 1382 Osage	Sharon Haydon - leak right by meter
237 630 Lakeshore	Amos Pogue - Leak in this area
238 2456 Sanchez	replaced service

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#	Address	Total Service Line Replacement List
1	Address	2229 Lakeshore
2		2215 Lakeshore
3		2008 Lakeside
4		1926 Lakeside
5		1908 Lakeshore
6		1874 Lakeshore
7		1872 Lakeshore
8		1862 Lakeshore
9		1860 Lakeshore
10		1862 Lakeshore
11		1860 Lakeshore
12		1862 Lakeshore
13		1860 Lakeshore
14		1795 Lakeshore
15		1752 Lakeshore
16		1732 Lakeshore
17		1730 Lakeshore
18		1727 Lakeshore
19		1724 Lakeshore
20		1723 Lakeshore
21		1716 Lakeshore
22		1715 Lakeshore
23		1646 Lakeshore
24		1631 Lakeshore
25		1560 Lakeshore
26		1533 Lakeshore
27		1509 Lakeshore
28		1363 Lakeshore
29		1236 Lakeshore
30		917 Lakeshore
31		862 Lakeshore
32		860 Lakeshore
33		847 Lakeshore
34		804 Lakeshore
35		636 Lakeshore
36		632 Lakeshore
37		607 Lakeshore
38		585 Lakeshore 583 Lakeshore
39		583 Lakeshore
40		575 Lakeshore
41 42		575 Lakeshore
42		525 Lakeshore 502 Lakeshore
43		428 Lakeshore
44		420 Lakeshure

Schedule DAS-d2 Page 6 of 6

BRITLE WATER MANN FALLY GLUE ON SADDLE SCRVICE CONVECTIONS

Schedule DAS-d3 Page 1 of 4





