

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

The Staff of the Missouri Public Service Commission,	)	
	)	
Complainant,	)	
	)	
v.	)	<u>Case No. WC-2007-0452</u>
	)	<u>and WO-2007-0444</u>
Suburban Water and Sewer Co. and Gordon Burnam,	)	
	)	
Respondents.	)	

**STAFF'S RESPONSE TO RESPONDENTS' OPPOSITION TO STAFF'S  
MOTION TO ORDER SUBURBAN WATER AND GORDON BURNAM  
TO MAKE REASONABLE IMPROVEMENTS**

**COMES NOW** the Staff of the Missouri Public Service Commission, by counsel, and for *Staff's Response to Respondents' Opposition to Staff's Motion to Order Suburban Water and Sewer Company (Suburban) and Gordon Burnam* (collectively Respondents) *to Make Reasonable Improvements* states as follows:

1. On June 5, 2007, the Commission consolidated Staff's Complaint filed under Case No. WC-2007-0452 and OPC's investigation case (WO-2007-0444).<sup>1</sup> This Order specified these two cases were being consolidated "for all adjudicative purposes, including investigation, hearing, and disposition." (at page 3).

2. The same day, Staff filed *Staff's Objection to Consolidation of Case No. WO-2007-0444 and Case No. WC-2007-0452*. One basis for Staff's objections asserted consolidation of the two cases "may result in delay due to the need for the investigation requested by OPC...to be completed" (at page 3, paragraph 10) because "the two cases

---

<sup>1</sup> OPC's application to open the investigation specifically stated the purpose was "to facilitate an investigation regarding a resolution of this matter to ensure that customers are not deprived of safe and adequate service." (at page 1, paragraph 4).

seek substantially different relief.” (*id.*, paragraph 9). Further, Staff outlined that Staff’s Complaint is retrospective in nature, while OPC’s investigation is prospective in that it seeks “to uncover possible solutions to the problems created by the proposed dissolution of Suburban....” (at page 2, paragraph 5).

3. Three days later, on June 8<sup>th</sup>, and only a month and a half ago, Respondents filed Suggestions in Support of Consolidating both cases, requesting Staff’s objection be overruled. Within that filing Respondents asserted:

[A] central issue here is whether or not some of the past and present requirements (including any alleged violations thereof) may affect the continued viability of Suburban’s operations and ability to provide safe and adequate water service.... In addition, **a corollary issue is in what form Suburban’s water system should continue to operate, if at all,** possibly including by a not-for-profit formed by the current customers....

(**emphasis added**) (at page 3, paragraphs 14 and 15).

4. The Commission issued an *Order Overruling Staff’s Objection to Order Consolidating Cases* on June 26, 2007, overruling Staff’s objection to consolidation of these two cases, again, “for all adjudicative purposes, including investigation, hearing, and disposition.” (at page 5 and 6).

5. Now, Respondents argue the opposite of their pleading filed a month and a half ago, by objecting to “the introduction of any evidence bearing on any of the issues set forth in the Staff’s motion” at the hearing and “object to the consideration by the Commission of the motion or any evidence thereon....” (*Opposition* at pg 2, para. 8). This attempt to delay the Commission’s decision by now requesting bifurcation of the consolidated cases that Respondents argued in favor of should not be tolerated, nor allowed. Respondents’ objections should not be sustained.

6. Respondents indicate that the improvements requested by Staff are newly fashioned and brought up by Staff. However, the relief sought is not entirely new to this case as it has been one of the focuses at issue throughout, as illustrated above. Further, evidence presented before the Boone County Circuit Court, on June 29, 2007, at the preliminary injunction hearing<sup>2</sup> specifically addressed suggested improvements for Suburban's water system. Counsel representing Respondents in this case were the same attorneys representing Defendants in the injunction hearing. At that hearing, the Commission called Bob Gilbert, an engineer with Bartlett and West Engineers, to discuss a report he wrote concerning a study of the Suburban water system. (see Attachment A, Bob Gilbert's Report). While being questioned, Mr. Gilbert specifically testified that his study gave estimates for "[t]he demolition of the standpipe and the well that are there." (see Attachment B, Transcript at pg 49, line 4-5). Further, cross-examination by Mr. Harrison, Respondents' counsel herein, questioned Mr. Gilbert on the issue of demolition of the standpipe. (Transcript at pg 55, line 1-13). Respondents' have been and are fully aware of the arguments for potential improvements that the system may need to safely and adequately serve its customers.

7. For brevity's sake, Staff will not re-state all its arguments made in its Motion for Reconsideration of the Commission's Order Granting in Part and Denying in Part Respondent Gordon Burnam's Motion To Dismiss, but incorporates by reference herein that motion's arguments. Staff does restate that depositions were taken on July 16 and 17, one week ago, of Gordon Burnam, Bonnie Burnam, and Paula Belcher. These

---

<sup>2</sup> Case no. 07BA-CV02632, Missouri PSC v. Suburban Water and Sewer Company, Inc., and Gordon Burnam.

depositions resulted in Staff's discovery of information to further support its claim as highlighted in the Motion for Reconsideration.

8. Staff conducted an inspection of Suburban's water system on Friday, July 13, 2007. Staff completed and filed yesterday its investigation report, which contains specific recommendations for all parties to review.

**WHEREFORE**, Staff requests that the Commission deny Respondents' request to overrule Staff's Motion, and deny all other requests therein.

Respectfully submitted,

/s/ Shelley Syler Brueggemann  
Shelley Syler Brueggemann  
Senior Counsel  
Missouri Bar No. 52173

Attorney for the Staff of the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 526-7393 (Telephone)  
(573) 751-9285 (Fax)  
shelley.brueggemann@psc.mo.gov

### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 25<sup>th</sup> day of July 2007.

/s/ Shelley Syler Brueggemann

# BARTLETT & WEST ENGINEERS

SERVICE. THE BARTLETT & WEST WAY.

May 4, 2007

Mr. Gary Woody  
General Manager  
CPWSD No. 1 of Boone County  
1500 N. 7th Street  
Columbia, MO 65201

Re: Bon-Gor Lake Estates Water Service Study

Dear Gary:

We have performed a water service study for the Bon-Gor Lake Estates subdivision as requested at the district's last board meeting on April 12, 2007. It is our understanding that the subdivision's privately owned water system is in need of some repair, primarily focused on the system's water supply and storage. The Public Service Commission has requested that the CPWSD consider assuming ownership and operation of the system or providing wholesale water service to the system. This study summarizes the analysis we have performed to investigate water availability and other issues associated with either the consolidation of the private system with the district's system, or the ability to provide wholesale water service to the private system.

First, our analysis focused on water availability as if the system was provided a master meter connection (a 2" meter is believed to already exist to this subdivision) for wholesale water supply.

## Water Demand

There are 43 residential homes and 108 multi-family dwelling units in the proposed service area. Only the residential homes are being metered currently. Water consumption data was obtained from Vista Homes Management Company's roughly daily meter readings from the well pump at the well house. See Table 1. Flow rates were derived from the meter readings and compared to the surrounding CPWSD water service area in Pressure Zone 7.

Table 1 – Water Usage Demands

Factor	Bon-Gor	CPWSD Zone 7	Difference
Users	151	151	-----
Average per User	0.173 gpm	0.169 gpm	2% higher
Peak per User	0.258 gpm	0.353 gpm	36% lower
Peaking Factor	1.488	2.092	41% lower
Average Demand	26.14 gpm	25.52 gpm	2% higher
Peak Demand	38.90 gpm	53.30 gpm	36% lower

The existing hydraulic computer model for Pressure Zone 7 was modified by adding a connection for the Bon-Gor Lake Estates subdivision at Wade School Road and Cunningham Drive. Three conditions were evaluated and summarized below.

## Peak Demand Condition

A peak demand of 53.3 gpm for Zone 7 was used in the model for the Bon-Gor Lake Estates subdivision to determine if the water system can produce the additional water to the subdivision assuming that peak demand

1719 SOUTHRIDGE DRIVE ■ SUITE 100 ■ JEFFERSON CITY MO 65109-4000

573.634.3181 ■ FAX 573.634.7904 ■ 866.869.8031

WWW.BARTWEST.COM

Attachment A

would reach the demand currently seen in Zone 7. This was a conservative approach as the current peak demand for Bon-Gor is 36% lower than that of Zone 7. The results of the analysis showed that pressures were acceptable throughout Zone 7 with the addition of the Bon-Gor connection. Figure 1 shows the pressures produced in the area surrounding the Bon-Gor connection.

#### Water Supply and Storage

A review of the CPWSD's water supply and storage capabilities was performed. Well production from Zone 7 is limited, but with the interconnection with Zone 2, there is sufficient well supply. The tanks in Zone 7 have ample capacity to accommodate the peak demand for the addition of Bon-Gor Lake Estates to the system.

#### Static Pressure

Static pressure was modeled to determine the highest pressure the Bon-Gor water system would experience. This simulates the system with the tanks full and no demand (flow) on the system, such as during the early hours of the morning. Additional piping representing the existing water line locations and sizes within the subdivision was added to the model. Figure 2 shows the static pressures within the subdivision ranging between 66 psi and 73 psi. Typically, these pressures would be acceptable with the CPWSD's standard system. However, because of the unknown material and condition of the existing water lines and joints, and that the existing system's pressure is currently about 30 psi (reported in the last board meeting), these static pressures could present the potential for leaks and failure of system components. Should the existing Bon-Gor system be connected to the CPWSD for water supply, we would recommend the system be pressure tested prior to connection, and if necessary, a pressure reducing valve (PRV) could be installed on the existing system to maintain pressures close to those it experiences today.

#### Fire Flow Capabilities

In addition to the peak demand model, fire flows were introduced at the entry point of the subdivision. It was determined that a minimum 250 gpm fire flow could not be achieved with a minimal DNR residual pressure of 20 psi in the water system. Therefore, CPWSD is unable to provide fire protection for the subdivision.

#### Considerations for Upgrading the Bon-Gor System

If the CPWSD were to assume ownership and management of the existing system, it is likely that distribution system upgrades would be needed in the near future. The Bon-Gor system has been in place for approximately 35 years (plan dated 1972), and it is unknown if the system was installed with proper inspection and materials.

A Bon-Gor system upgrade would need to include the water line installations throughout the subdivision as shown in Figure 3 and the items listed in the project cost estimate shown in Figure 4. The total project cost for the system upgrade in 2007 dollars is approximately \$400,000. These items include not only the water line installations, but also the setting of new meters on the front side of the lots (and associated service line extensions), costs for easements to be acquired and recorded, and demolition of the existing standpipe.

If you have any questions please do not hesitate to contact me at this office.

Sincerely,



Bob Gilbert, P.E.

cc: Peggy Whipple, Missouri Public Service Commission  
Attachments

**Bon-Gor Lake Estates  
Well Production**

Date	Reading (gal)	Weekly Production (gal)
1/8/2006	8246000	
1/15/2006	8465710	219710
1/22/2006	8687870	222160
1/29/2006	8900750	212880
2/5/2006	9108050	207300
2/12/2006	9316000	207950
2/19/2006	9508500	192500
2/26/2006	9731680	223180
3/5/2006	9900780	169100
3/12/2006	69890	169110
3/19/2006	261810	191920
3/26/2006	406160	144350
4/2/2006	563570	157410
4/9/2006	740420	176850
4/16/2006	950670	210250
4/23/2006	1122910	172240
4/30/2006	1248660	125750
5/7/2006	1431680	183020
5/14/2006	1708630	276950
5/21/2006	2100740	392110
5/28/2006	2395090	294350
6/4/2006	2736470	341380
6/11/2006	3092900	356430
6/18/2006	3437660	344760
6/25/2006	3782420*	344760
7/2/2006	4170000*	387580
7/9/2006	4498360	328360
7/16/2006	4827760	329400
7/23/2006	5176420	348660
7/30/2006	5499190	322770
8/6/2006	5837210	338020
8/13/2006	6190500	353290
8/20/2006	6510030	319530
8/27/2006	6849930	339900
9/3/2006	7190220	340290
9/10/2006	7560900	370680
9/17/2006	7902060	341160
9/24/2006	8227310	325250
10/1/2006	8534270	306960
10/8/2006	8805450	271180
10/15/2006	9021830	216380
10/22/2006	9232090	210260
10/29/2006	9425020	192930
11/5/2006	9645010	219990
11/12/2006	9840460	195450

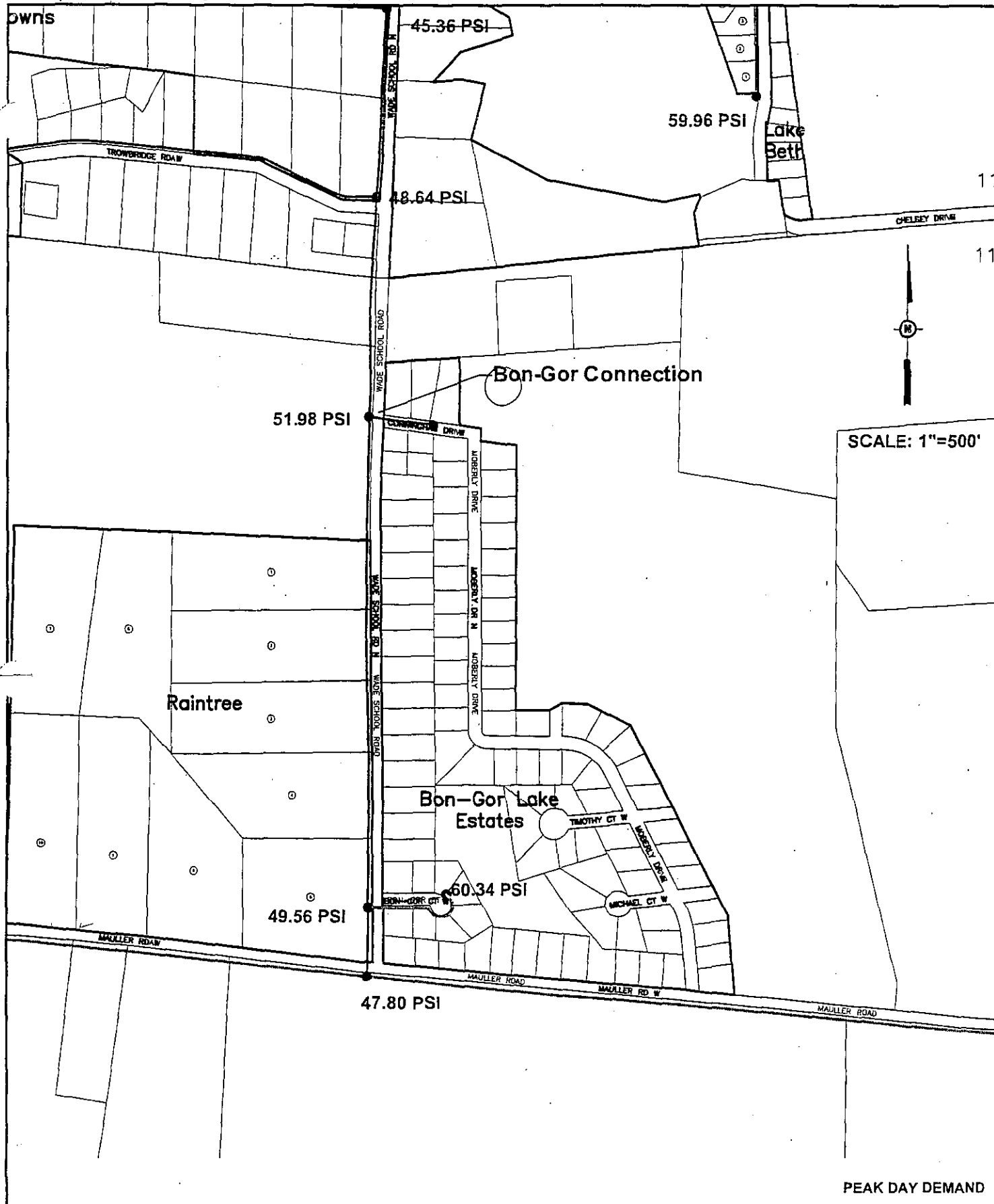
Date	Reading (gal)	Weekly Production (gal)
11/19/2006	32790	192330
11/26/2006	226560	193770
12/3/2006	446870	220310
12/10/2006	642270	195400
12/17/2006	836610	194340
12/24/2006	1038400	201790
12/31/2006	1253900	215500
1/7/2007	1472720	218820
1/14/2007	1717760	245040
1/21/2007	1983710	265950
1/28/2007	2210330	226620
2/4/2007	2416000	205670
2/11/2007	2662890	246890
2/18/2007	2880580	217690
2/25/2007	3083970	203390
3/4/2007	3270300	186330
3/11/2007	3455470	185170
3/18/2007	3641440	185970
3/25/2007	3826510	185070

\*Readings estimated by interpolation

average week (gal) 263,510  
peak week (gal) 392,110  
peaking factor 1.488

Customers 151  
Avg Demand per User (gpm) 0.173  
Peak Demand per User (gpm) 0.258  
Avg Demand (gpm) 26.142  
Peak Demand (gpm) 38.900

CPWSD No. 1 User Rates  
Avg Demand per User (gpm) 0.169  
Peak Demand per User (gpm) 0.353  
peaking factor 2.092  
Avg Demand (gpm) 25.519  
Peak Demand (gpm) 53.303



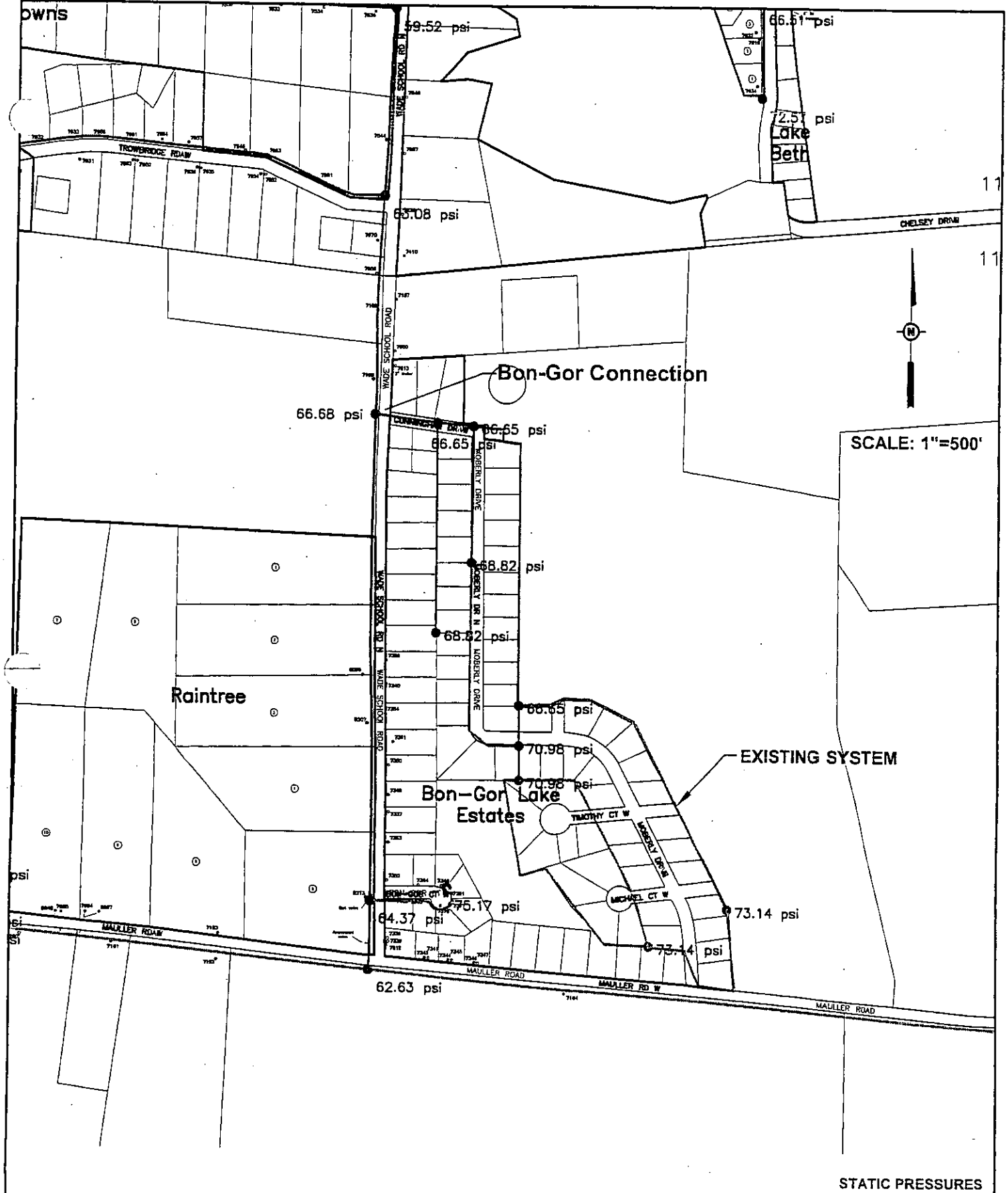
**BARTLETT & WEST**  
ENGINEERS  
PHONE (573) 634-3181

BON-GOR LAKE ESTATES  
WATER SERVICE STUDY  
CPWSD NO. 1 OF BOONE COUNTY

PN 7011.356  
MAY 2007

FIGURE  
**1**



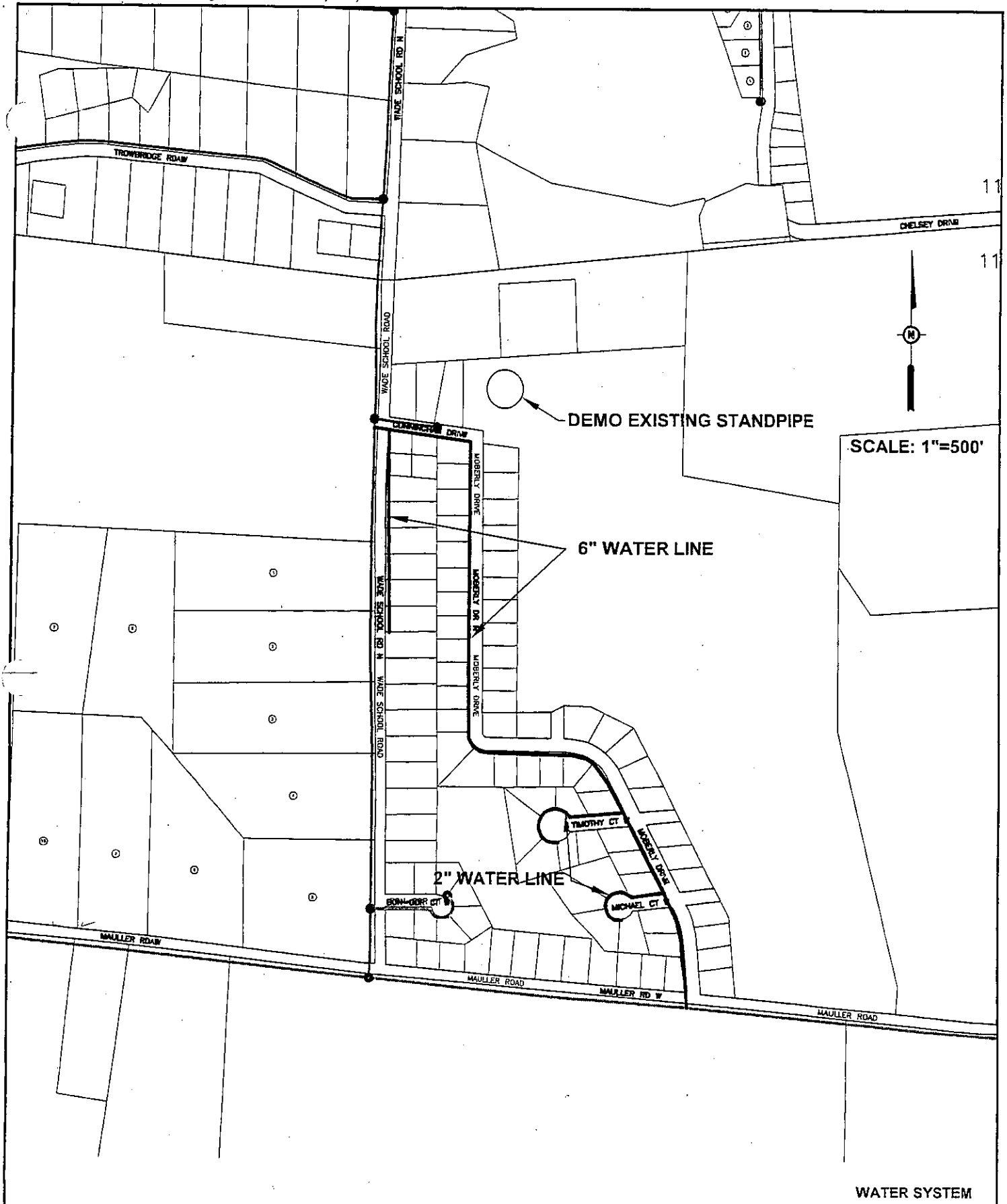


**BARTLETT & WEST**  
ENGINEERS  
PHONE (573) 634-3181

BON-GOR LAKE ESTATES  
WATER SERVICE STUDY  
CPWSD NO. 1 OF BOONE COUNTY

PN 7011.356  
MAY 2007

FIGURE  
**2**



WATER SYSTEM  
UPGRADES

**BARTLETT & WEST**  
ENGINEERS  
PHONE (573) 634-3181

BON-GOR LAKE ESTATES  
WATER SERVICE STUDY  
CPWSD NO. 1 OF BOONE COUNTY

PN 7011.356

MAY 2007

FIGURE

**3**

**Figure 4**  
**Opinion of Probable Project Cost**  
**CPWSD No. 1 of Boone County**  
**May 2007**

**Bon-Gor Lake Estates Water Line Upgrade**

Item	Description	Estimated Quantity	Unit	Unit Price	Extension
1	6" CL200 PVC Water Line	3,800	LF	\$ 11.00	\$ 41,800.00
2	2" CL200 PVC Water Line	800	LF	\$ 8.00	\$ 6,400.00
3	6" CL200 Restrained Joint PVC Water Line, Open Cut	120	LF	\$ 20.00	\$ 2,400.00
4	2" PE Service Line with 4" SDR 35 PVC Encasement	1,190	LF	\$ 16.00	\$ 19,040.00
5	2" Ball Valve with Pack Joint & Valve Box	17	EA	\$ 450.00	\$ 7,650.00
6	3/4" PE Service Line	8,600	LF	\$ 7.00	\$ 60,200.00
7	12" Steel Encasement (Bore) with 6" CL200 Restrained Joint PVC Water Line	100	LF	\$ 150.00	\$ 15,000.00
8	6" Gate Valve & Box, Complete	8	EA	\$ 600.00	\$ 4,800.00
9	6"x6" Tapping Sleeve, Valve & Box, Complete	1	EA	\$ 2,000.00	\$ 2,000.00
10	4"x4" Tapping Sleeve, Valve & Box, Complete	1	EA	\$ 1,800.00	\$ 1,800.00
11	6" Nipple - Ductile Iron Anchor Coupling	8	EA	\$ 250.00	\$ 2,000.00
12	Tap New Water Line	72	EA	\$ 500.00	\$ 36,000.00
13	Set Water Meter, Reconnect to Both New Service Line and Existing Service Line	72	EA	\$ 670.00	\$ 48,240.00
14	Ductile Iron Fittings	14	EA	\$ 250.00	\$ 3,500.00
15	Concrete Thrust Blocking	30	CY	\$ 150.00	\$ 4,500.00
16	End Clean Out	3	EA	\$ 800.00	\$ 2,400.00
17	1" Surface Rock	300	Ton	\$ 16.00	\$ 4,800.00
18	Turf Repair - Seed, Mulch & Fertilize - Yard Mix	13,320	LF	\$ 3.00	\$ 39,960.00
19	Demolition of Existing Standpipe	1	LS	\$ 20,000.00	\$ 20,000.00
				<b>Sub Total</b>	<b>\$ 322,490.00</b>
				Contingencies (10%)	\$ 32,249.00
				<b>Total Opinion of Probable Construction Cost</b>	<b>\$ 354,739.00</b>
				Engineering Design and Construction Contract Administration	\$ 40,000.00
				Easements	\$ 2,500.00
				Legal Costs - Contract Review	\$ 2,000.00
				<b>Total Opinion of Probable Project Cost</b>	<b>\$ 399,239.00</b>

I:\7000\7011\7011.356\Report\PreImCost Opinion Bongor.xls]2007 Estimate

**IN THE BOONE COUNTY CIRCUIT COURT  
THIRTEENTH JUDICIAL CIRCUIT, DIVISION I  
Honorable Gene Hamilton, Judge**

MISSOURI PUBLIC SERVICE COMMISSION,	)	
	)	
Plaintiff,	)	
	)	Case No. 07BA-CV02632
vs.	)	
	)	
SUBURBAN WATER AND SEWER COMPANY,	)	
INC., and GORDON BURNAM,	)	
	)	
Defendants.	)	

**TRANSCRIPT OF HEARING ON PETITION FOR PRELIMINARY INJUNCTION**

On June 29, 2007, the above-entitled cause came on for hearing before the Honorable Gene Hamilton, Judge of Division I of the Thirteenth Judicial Circuit, at Columbia.

The Plaintiff was represented by its attorneys, Ms. Jennifer Heintz, Assistant General Counsel, and Ms. Peggy A. Whipple, Chief Litigation Attorney, Missouri Public Service Commission, Governor Office Building, 200 Madison Street, P. O. Box 360, Jefferson City, Missouri 65102.

The Defendants were represented by Mr. Thomas M. Harrison and Mr. Matthew Volkert, Van Matre, Harrison, and Volkert, P.C., 1103 East Broadway, Suite 101, Columbia, Missouri 65201.

The Intervenor, Office of the Public Counsel, was represented by Ms. Christina Baker, Assistant Public Counsel, Governor Office Building, 200 Madison Street, P. O. Box 2230, Jefferson City, Missouri 65102.

1 and to meet the District's locations, too. The meters are all  
2 in the back yards in this case. And so this estimate includes  
3 setting new meters in front.

4 The demolition of the standpipe and the well  
09:55AM 5 that are there. And so kind of a comprehensive estimate for  
6 bringing it to what the District usually sees.

7 Q. Okay. So this is basically building a whole new  
8 system up from scratch. Is that a fair statement?

9 A. Basically, yes.

09:56AM 10 Q. Okay. And if we put aside the cost of constructing  
11 an entirely new system, what minimum improvements would, in  
12 your opinion, would need to be made before Consolidated No. 1  
13 could safely supply water to the Suburban system?

14 A. In terms of being able to supply the water, again,  
09:56AM 15 the recommendation in the report of a pressure-reducing valve  
16 at the entry point to the system is recommended. Obviously,  
17 to supply the water to the system, there needs to be meters on  
18 all of the units so that it's understood what is being  
19 supplied and can be tracked.


09:56AM 20 One of the concerns and information contained in  
21 the report is that the only data that we really had to do a  
22 report was the pump meter on the well. Basically, there are  
23 no meters on every single home.

24 So the only data that we had was what comes out of  
9:57AM 25 the ground and then try to convert that to average supply and

# REPORTER'S CERTIFICATE

I, Ann K. Sprague, Certified Court Reporter for Division I of the Thirteenth Judicial Circuit Court of Missouri, at Columbia, do hereby certify that I was present on June 29, 2007, and reported all of the proceedings in the case of Missouri Public Service Commission, Plaintiff, vs. Suburban Water and Sewer Company, Inc., and Gordon Burnam, Defendants Case No. 07BA-CV02632. I further certify that the foregoing pages contain a true and accurate transcript of those proceedings.

Transcript completed this 13th of July, 2007.

  
Ann K. Sprague CCR 492, RPR, CSR  
Official Court Reporter  
Thirteenth Judicial Circuit  
Division I