

March 11, 2020

Dodet No: W-1324, Sub Ø: March II, 2020 Custoner Hearing Edisit -Bauer Exhibit

To: North Carolina Utilities Commission

From: Mr. and Mrs. Bill Bauer (Residents of Springdale Estates) EXECUT

180 Divot Drive

Canton, NC 28716



Subject: Comments for consideration of the proposed rate hike request by N.C. Utilities Office oringdale Water and Sewer Company, LLC.

1. These comments are provided to expand on and clarify the comments I plants for the proposed rate white the comments I plants for the proposed rate white the comments of the proposed rate white the proposed rate

to make at the Public Hearing concerning the rate hike mentioned above at the Haywood County Courthouse at 6 PM on March 11, 2020.

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- 2. My wife and I have lived at both 2138 Country Club Drive (2009 to 2018) and at 180 Divot Drive (three blocks separation) from 2018 to the present.
- 3. I first had experience with the installation of water, sewer, and rain water systems in 1975 when I began work on a shopping center construction with installation on large size projects. I also worked for an underground installation company and water systems which were tied into water, sewer and rain water control in the city of Sunrise, FL. Thrust blocks were required in ALL public and private water systems. So too should Springdale!
- 4. We have a septic tank and therefore only use the water system.
- 5. Our water bill at the 2138 Country Club Drive address averaged \$30.83 per quarter. Since our move three blocks away to 180 Divot Drive our water bill for the last 18 months has averaged \$78.32 per quarter with the same individuals using the water and no change in usage. This is a 154% increase using the same water delivery system. I checked the water system from the meter to my home and concluded that there was no break between the two.

- 6. I have concluded that the increase was caused by the constant water line failures throughout Springdale and the resulting need to flush and clean the water to a point where we can drink it. Sometimes it takes a few days to a week to completely flush the line.
- 7. I believe that a reasonable increase in water cost is acceptable but an adjustment in rates is not justified until such time as the necessary repairs to the system are made. We have had between 11 and 13 water line breaks or interruptions in the last year; this is unacceptable. We have to purchase drinking water to be ready for the interruptions and are required to do excessive flushing of the lines; often for days until the lines are clear.
- 8. The drawing by Jensen Engineering for their job #89105 dated 3/15/89 for the addition of Phase A titled "Springdale Town Homes" has three different schedules for the installation of "thrust blocks;" one for "plugs," one for "tees," and one for "bends." Further, I have been in touch with people who were involved in the installation who said "some were installed but many were not." This would explain why the failures are occurring.
- 9. I believe a reasonable increase is necessary but conditions which require the Systems to be brought up to standard building practices and requirements must be put in place which does not currently exist. The actual cost of water is not being represented by water companies as it does not include the cost of water which the owners are forced to bear due to the constant purchase of bottled drinking water caused by the water company's inability to provide it in an uninterrupted manor.
- 10. The second argument I have is with the "false equivalent" that water costs in Waynesville are higher and water outside the city even higher due to geographic location. The comparison has nothing to do with the geographic location. Water rates are not higher due to the fact residences are in a rural area but rather because of the population density not the geographical location. It is rather the cost of infrastructure due to the proximity to the water plant and wells. In a city there are more houses per square mile which translates in a greater number of homes tapped into the lines producing

lower costs. In the country outside the city there is a greater amount of pipe with fewer users: i.e. city connections every 25 yards vs. the country with a tap every 50 acres. Springdale water and sewer is a small loop system with greater density making it more like a small city rather than a rural environment. Thus the costs should be more representative of a city where the proximity to the well and treatment facility are located. Thus a "false equivalent!"

11. Carolina Water rates are also posted on the page after Waynesville and Canton. Carolina is not a municipality but rather an outside water company which had been solicited for years to come to Springdale to control the water/sewer company on behalf of Springdale owners (in this case the West Company). Their main objective is to turn over operation to an outside vendor and in order to do this they must get rates dramatically increased. Springdale has been operated for decades without outside intervention by a for profit company. Neither Waynesville nor Canton is for profit.

Respectfully Submitted,

Bill Bauer

180 Divot Drive (Springdale Estates)