



**KRJ, Inc.**

**dba KRJ Utilities**

P O Box 2369 ♦ Swansboro NC 28584  
Phone: 919.827.8055

OFFICIAL COPY

Oct 10 2018

10-Oct-2018

N C Utilities Commission  
Raleigh NC

Via e-file

In Re: Quarterly Report on Progress  
W-1075 sub 12

Pursuant to Provision 14, page 31, of Order entered in the above docket on 6-Aug-2018, we submit the following report concerning progress in improvement of production of Southern Trace Well 1.

As the Commissioners in attendance were advised during the hearings associated with our rate increase filing, a quote had been acquired from one of the better known contractors to remediate well 2 at Southern Trace. That quote was higher than the cost of design, installation, testing and permitting of a replacement well. Further, that quote contained absolutely no guarantee of any level of success in the endeavor.

The issue of installation of a replacement well, although a potential, is complicated by the need to secure a protective easement about a new well location on the same well lot and the topography of the well lot. Both present significant challenges that may be avoided if well remediation can be affected economically.

A second contractor was contacted, and a quote requested. their remedial procedure was very similar to the first contractor. To our dismay, that quote exceeded the first by nearly 50-percent.

A third contractor was contacted. Their procedure is significantly different from the first two, as was their quote which was for a cost that KRJ considers reasonable in comparison to replacement of the well, other constraints notwithstanding.

I have been given the authority to proceed with retention of a suitable contractor, liaison with Public Water Supply on the matter and any specific requirements that they may have, and scheduling the work.

We have advised that contractor, Charles R Underwood, of our plan to utilize their services, requested a formal agreement for execution, the probable time frame for the work (after discretionary usage has subsided). KRJ will advise the customers by both mail and e-mail (those who we have been successful in obtaining e-mail addresses for) in advance of the work and e-mail update of the work progress to the customers we can and to the HOA Board who has been cooperative in conveying information to the customers via whatever electronic communication channels they have available to them.

We will continue to provide updates to the Commission, as required in the order, as the work is prosecuted and results quantified.

Respectfully

James R. Butler, Manager