

Exhibit No. ___ (DPK-5)
Docket No. UW-060343
Witness: Danny P. Kermode

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

ILIAD WATER SERVICE, INC.,

Respondent.

DOCKET NO. UW-060343

EXHIBIT TO RESPONSE TESTIMONY OF

DANNY P. KERMODE

**ON BEHALF OF STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Staff Schedule of Costs of 2004 Chlorination Project
in Docket UW-041830*

October 4, 2006

Iliad Water Services, Inc.
Alder Lake Water System

Exhibit ___ (DPK-5)

Staff Adjustments of Costs of 2004 Chlorination Project

UW 1830

| Line No. | (A) Description | (B) Per Co. | (C) Adjustment | (D) (B) - (C) Staff | (E) Adjustment Reason |
|----------|--|----------------|-------------------|---------------------------|-----------------------------|
| 1 | | | | | |
| 2 | Engineering | \$ 7,384 | | \$ 7,384 | |
| 3 | DOH Review Fee | 603 | | 603 | |
| 4 | MPA Testing | 1,600 | (1,600) | | Not related to Chlorination |
| 5 | Labor MPA Testing | 2,144 | (2,144) | | Not related to Chlorination |
| 6 | MPA Test | 116 | (116) | | Not related to Chlorination |
| 7 | Iliad Mark-up | 447 | (447) | | Not related to Chlorination |
| 8 | Well Drilling | 6,052 | (6,052) | | Not related to Chlorination |
| 9 | Iliad, Inc. (well outage costs) | 12,781 | (12,781) | | Not related to Chlorination |
| 10 | Clearing utility right-a-way, locating | | | | |
| 11 | valves, main water line etc. | 3,500 | | 3,500 | |
| 12 | | | | | |
| 13 | Construction cost (bid) | 68,020 | | 68,020 | |
| 14 | Electrical | 1,000 | | 1,000 | |
| 15 | DOH Inspection fees | 2,400 | (900) | 1,500 | Adjust to Eng Estimate |
| 16 | | | | | |
| 17 | Contingency | 5,770 | (5,770) | | Not known and Measurable |
| 18 | | \$ 111,817 | \$ (29,810) | \$ 82,007 | |
| 19 | | | | | |
| 20 | Sales Tax @ 8.6% | 9,190 | | 7,217 | 8.8% * Ln 15 |
| 21 | Total Costs | \$ 121,007 | | \$ 89,224 | |
| 22 | | | | | |
| 23 | Financing and underwriter fees | 6,367 (d) | (785) | 5,582 | 6.26% fee * line 18 |
| 24 | | | | | |
| 25 | Total Project Cost | \$ 127,374 | \$ (30,595) | \$ 94,805 | Line 21 + Line 23 |
| 26 | | | | | |