

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

ILIAD WATER SERVICE, INC.

Respondent.

DOCKET UW-150311

**TESTIMONY OF  
RICHARD J. KOOPMANS  
ON BEHALF OF  
ILIAD WATER SERVICE, INC.**

**June 30, 2015**

1 **Q. Please state your name and give your business address.**

2 A. My name is Richard Koopmans. My business address is 15 Oro Beach Drive, Oroville, WA  
3 98844.

4 **Q. What is your profession?**

5 A. I am a certified public accountant or CPA. I have been in practice as a CPA for 48 years.

6 **Q. Are Iliad, Inc. and Iliad Water Services, Inc. clients of yours?**

7 A. Yes. I have worked with both companies for many many years.

8 **Q. Is it common for the construction of water treatment facilities to have a fixed price  
9 contract?**

10 A. Yes. The danger of doing an open price is that you have no idea what the final cost will be  
11 when you start the project. A fixed price contract assures the water system owner that they  
12 know exactly what they are getting into. In essence, it shifts the risk of cost overruns from  
13 the water system owner to the contractor.

14 **Q. Iliad Water Services, Inc. was asked to provide further verification of the cost of the  
15 treatment facilities in this matter and asked Iliad, Inc. for further support. Iliad, Inc.  
16 produced a job ledger report. Is that unusual?**

17 A. No. It is not at all unusual to have a job ledger report which tabulates the cost of a project so  
18 that the contractor can be aware of profit or loss on each particular project.

19 **Q. What is your opinion about the accounting for labor and materials for this project?**

20 A. It appears to me that the accounting for labor and materials for this project have been  
21 accounted for appropriately and are within the standards for generally accepted accounting  
22  
23  
24  
25  
26

1 principles. The job ledger report is a subsidiary ledger of the general ledger and meets those  
2 standards.

3 **Q. Does that conclude your testimony at this time?**

4 **A. Yes.**

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26