



Alderlake - Tied
for 11/3

Exhibit No. _____ (DD-8)
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STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

Ref.: 4-1253

October 20, 2004

Derek Dorland
Iliad Water Services Inc.
PO Box 20429
Seattle WA 98102

Subject: Alderlake Water System
UW-041830 Assessment Charge
Informal Data Request 1

Dear Mr. Dorland:

The Washington Utilities and Transportation Commission has received your tariff filing. Please provide the following information to allow Staff to fully understand and analyze your filing.

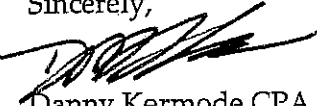
- 1) The Company's letter to its customers dated August 18, 2004, uses the name "Alderlake Water Company." We have no record of any company by that name.
 - a. Please provide evidence of Alderlake Water Company's existence.
 - b. If Alderlake Water Company does not exist please explain why Iliad Water Company uses the name on its letter head and not the Iliad Water Company?
- 2) The August 18, 2004 letter states "The engineer's estimated cost for the improvements is \$166,770.00." Please provide engineer's estimate with any associated documents or workpapers or work product.
- 3) The filed tariff contains the following language, "*Customers choosing [assessment over time] would sign a promissory note... Lender is charging loan origination fee of between three to five percent. Lender is a third party, unrelated to Company.*"
 - a. Please provide name of lending company referred to in tariff and contact name include phone number of contact.
 - b. Please provide all letters, emails or correspondence with lender related to proposed assessment.
 - c. Please provide an example of the proposed promissory note that the company proposes to be signed by the customers.



- d. Please provide any other documents related to loan arrangement with third party lender.
- 4) In reference to "progress billing #1" please provide:
- a. Western Engineering invoice for \$4,542.50
 - i. If invoice just shows summary billing please provide including date, hours, rate, engineer, and detail of work or service provided.
 - b. Copies of Permits/Fees Totaling \$415
 - c. Detail labor charge of \$12,163 please provide dates, hours, rate, detail of work or service provided, and name(s) of employee(s).
 - d. Detail of Subcontract of \$6,925.50 indicating dates, description of work done, rate charged, and name(s) of subcontractor(s) Include copy of original invoice.
 - e. Detail of Per Diem indicating date, reason for Per Diem payment. Please include copy of expense report.
 - f. Please provide support for invoiced Iliad, Inc. engineering for \$1,350 including description of work done, dates, rate charged, and name(s) of engineer(s).
- 5) In reference to "progress billing #2" please provide:
- a. Western Engineering invoice for \$4,564.84. Please pro
 - b. Copies of Permits/Fees Totaling \$415
 - c. Detail labor charge of \$12,163 please provide date, hours, rate, detail of work or service provided. and name(s) of employee(s).
 - d. Detail of Subcontract of \$6,925.50 indicating dates, description of work done, rate charged, and name(s) of subcontractor(s) Include copy of original invoice.
 - e. Detail of Per Diem indicating date, reason for Per Diem payment. Please include copy of expense report.
 - f. Please provide support for invoiced Iliad, Inc. engineering for \$1,350 including description of work done, dates, rate charged, and name(s) of engineer(s).

Thank you for your time in this matter. Please respond by October November 5, 2004. If you have any questions, please call me at (360) 664-1253.

Sincerely,


Danny Kermod CPA
Regulatory Analyst

cc: Richard Finnigan Esq. ✓



Alderlake

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STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

Ref.: 4-1253

December 14, 2004

Derek Dorland
Iliad Water Services Inc.
PO Box 20429
Seattle WA 98102

Subject: Alderlake Water System
UW-041830 Assessment Charge
Informal Data Request 2

Dear Mr. Dorland:

The Washington Utilities and Transportation Commission has received your responses to the prior data request. However after reviewing the information provided Staff needs you to provide additional information, explanation, or clarification.

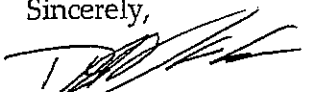
- 1) Data request #1 requested "The engineer's estimated cost for the improvements is \$166,770.00." The data request asked for a copy of the engineer's estimate, which was provided, and associated documents or workpapers or work product (Emphasis provided). The Construction Estimate, according to the document provided, was based on "Water System Plans released by Western Engineers, Inc. on December 13, 2001 and the companion Engineering Report. **Please provide the relevant parts of the referred to Water System Plans with the companion Engineering Report. that was relied on by the engineer in the preparation of the estimate.**
- 2) The Engineering estimate, dated April 21, 2004, implies the Well Drilling is in a prospective nature whereas the documents provided by the Company indicate that the Well Drilling took place in 2001. Please clarify if the Well Drilling referred to in the estimate is prospective or completed.
- 3) Does the owner, Derek Dorland, participate in the management and operation of Iliad Water Services or does he rely on Iliad, Inc.?
- 4) Was Derek Dorland involved in the well deepening project, other than informational meetings, if so describe his involvement.



- 5) Is Derek Dorland involved in the current project to install a chlorine disinfections system, other than informational meetings, if so describe his involvement.
- 6) The Sun Industries Inc. Bid Proposal discusses plans and specifications dated 4/24/2004 and revisions made 5/23/2001 by Western engineers Inc. Please provide the plans and revisions referred to.
- 7) Please confirm that the well deepening portion of the proposal is already completed.
- 8) Please provide current customer count for Cascade Crest and Western Stavis water systems.

If you have any questions, please call me at (360) 664-1253.

Sincerely,


Danny Kermode CPA
Regulatory Analyst

cc: Richard Finnigan Esq. 



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

Ref: 4-1253

May 5, 2005

Derck Dorland
Iliad Water Services Inc.
PO Box 20429
Seattle WA 98102Subject: Alderlake Water System
IJW-041830 Assessment Charge
Informal Data Request 3

Dear Mr. Dorland:

The Washington Utilities and Transportation Commission has received your responses to the prior data request. However after reviewing the information provided Staff needs you to provide additional information, explanation, or clarification.

- 1) In a response, the Company discussed the age of the current two bids. Is the Company considering re-bidding the project since, according to the Company, costs have changed?
- 2) Regarding contractors contacted for the chlorination project:
 - a. Please provide the list of contractors contacted to provide a bid for the project.
 - b. Please provide the Request for Proposal (RFP) sent to contractors on the list.
 - c. Both current bidders are from Seattle, were any local area contractors contacted?
 - d. If no local area contractors were contacted to bid, why not?
- 3) Aerie Construction, Inc. provided the low bid. Confirm Aerie Construction will perform the work. If yes, please provide copy of contract with Aerie Construction.
- 4) A bid from Iliad Inc. was notably absent. Please confirm that Iliad Inc. did not bid and therefore will not perform the installation.
- 5) Also confirm that Sun Industries, the high bid of the two, owned by David Dorland Jr., is not involved in the installation.

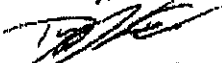
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Rainier View Water Company, Inc.
May 5, 2005
Page 2

- 6) Both bids include the cost of replacing 35 water connections. It is my understanding that replacing service lines is not related to the DOH order for chlorination. Please provide some clarification on this issue.
- 7) Is the source of the "DOH inspection fee" from the consulting engineer? In the letter dated April 21 from Western Engineers, Inc. the engineer estimated a cost of \$1,500. Please provide a reconciliation between the engineer's estimate \$1,500 and the Company's requested \$2,500.

If you have any questions, please call me at (360) 664-1253.

Sincerely,



Danny Kermode CPA
Regulatory Analyst

cc: Richard Finnigan Esq.



Rob McKenna

ATTORNEY GENERAL OF WASHINGTON

Utilities and Transportation Division

1400 S Evergreen Park Drive SW • PO Box 40128 • Olympia WA 98504-0128 • (360) 664-1183

May 23, 2005

Sent Via Facsimile and U S Mail

Richard A. Finnigan
Attorney at Law
2405 Evergreen Pk Dr SW #B-1
Olympia, WA 98502

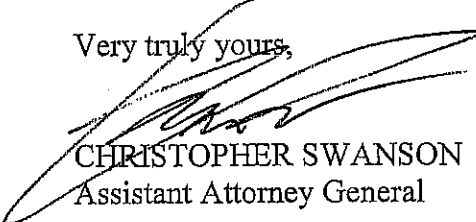
Re: *Iliad Water*
Docket No. UW-041830
WUTC Data Request Nos. 1-8

Dear Mr. Finnigan:

To facilitate the Washington Utilities and Transportation Commission (WUTC or Commission) Staff's examination in Docket No. UW-041830, please provide responses to each of the following requests on separate sheets of paper and repeat the data request at the top of the page on which the response begins. Also, indicate on both the hard copy and any electronic version provided, the date the data response was prepared, the individual who prepared the response, and the telephone number of the preparer.

Please provide an original and two (2) copies of the initial written responses to these data requests in accordance with WAC 480-09-480(5). Please direct all responses to these requests to Chris Swanson, Assistant Attorney General, P.O. Box 40128, 1400 S Evergreen Park Drive SW, Olympia, Washington, 98504-0128. Any questions concerning these data requests should be directed to Danny Kermode at (360) 664-1253.

Very truly yours,



CHRISTOPHER SWANSON
Assistant Attorney General

CGS:kl1



WUTC STAFF DATA REQUEST NO. 1:

In a response to an informal data request, the Company discussed the age of the current two bids. Is the Company considering re-bidding the project since, according to the Company, costs have changed?

WUTC STAFF DATA REQUEST NO. 2:

These requests are regarding contractors contacted for the chlorination project:

- a. Please provide the list of contractors contacted to provide a bid for the project.
- b. Please provide the Request for Proposal (RFP) sent to contractors on the list.
- c. The only two bid provided to Staff are from Seattle, were any local area contractors contacted?
- d. If no local area contractors were contacted to bid, why not?

WUTC STAFF DATA REQUEST NO. 3:

According to the lump-sum bids provided to Staff, Aerie Construction, Inc. provided the lowest bid. Confirm Aerie Construction will perform the work. If yes, please provide copy of contract with Aerie Construction.

WUTC STAFF DATA REQUEST NO. 4:

A bid from Iliad Inc. was notably absent. Please confirm that Iliad Inc. did not bid and therefore will not perform the installation.

WUTC STAFF DATA REQUEST NO. 5:

Confirm that Sun Industries, the high bid of the two bids submitted to Staff, owned by David Dorland Jr., is not involved in the installation.

WUTC STAFF DATA REQUEST NO. 6:


Both bids provided to Staff include the cost of replacing 35 water connections. It is my understanding that replacing service lines is not related to the DOH order for chlorination. Please provide the cost imbedded in the Aerie bid related to the 35 water connections.

WUTC STAFF DATA REQUEST NO. 7:

The Department of Health has approved 35 connections for the Alder Lake system however the Company proposes to allocate the costs over 39 customers. Please explain the apparent disparity.

WUTC STAFF DATA REQUEST NO. 8:

Has the Company attempted or applied for funds from the State Revolving Fund (SRF) from the Washington State Public Works Board to finance the chlorination project?



CHRIS SWANSON
Assistant Attorney General