STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF SOUTHWESTERN BARTHOLOMEW WATER CORPORATION OF COLUMBUS, INDIANA, FOR APPROVAL OF (1) THE ISSUANCE OF LONG TERM BONDS, NOTES OR OTHER EVIDENCE OF INDEBTEDNESS, (2) FOR AUTHORITY TO ENCUMBER ITS FRANCHISE, WORKS AND SYSTEM IN CONNECTION WITH SUCH BORROWING, (3) FOR A CERTIFICATE OF AUTHORITY TO ISSUE LONG TERM DEBT, (4) FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR WATER SERVICE, (5) FOR APPROVAL OF A NEW SCHEDULE OF RATES AND CHARGES FOR WATER SERVICE	)	**CAUSE NO: 46269**

SOUTHWESTERN BARTHOLOMEW WATER CORPORATION'S SUBMISSION OF THE VERIFIED DIRECT TESTIMONY OF KIMBERLY "DARLENE" KELLER, WHICH IS PETITIONER'S EXHIBIT 2

Comes now Southwestern Bartholomew Water Corporation, by counsel, and Submits the Verified Direct Testimony of Kimberly "Darlene" Keller.

Respectfully Submitted,

/s/ Peter Campbell King
Peter Campbell King, Attorney for Petitioner

/s/ Mark W. Cooper
Mark W. Cooper, Attorney for Petitioner

Certificate of Service

The undersigned hereby certifies that the foregoing Verified Petition was served this 2nd day of July 2025, by electronic mail and/or U.S. mail, postage prepaid, upon the following counsel of record:

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Petitioner's Exhibit No. 2

VERIFIED DIRECT TESTIMONY

OF

KIMBERLY "DARLENE" KELLER ON BEHALF

OF

SOUTHWESTERN BARTHOLOMEW WATER CORPORATION

CAUSE NO. 46269

1. **Please state your name and business address.**
   Answer – My name is Kimberly "Darlene" Keller, and my business address is 4735 W Carlos Folger Drive Columbus, Indiana 47201.

2. **By whom and in what capacity are you employed?**
   Answer – I am employed by Southwestern Bartholomew Water Corporation ("SWBWC") as the General Manager.

3. **Please describe your education and experience.**
   Answer – I graduated from Hauser Jr. – Sr. High School in 1989. I joined the United States Navy and served from February 1989 – February 1993 with an E-4 paygrade.
   I started working in the water industry in April 2005. I worked for Decatur County Rural Water (*DCRW*) as a distribution laborer. My duties included installing, repairing, and maintaining water mains and service lines, daily sampling, work order processing, oversight of storage tanks and booster stations, operation of various hand tools and equipment, and coordination of job assignments with contractors and suppliers. After attending training and acquiring the required certifications of a DSM and WT2, I was assistant to the Superintendent. In 2010, I became the Superintendent of DCRW and held that position until 2017. My duties as the Superintendent of DCRW were to serve as the water treatment and distribution system manager for a medium class utility and secondary supplier for two adjoining utilities and develop an operating and capital purchase budget for the distribution system. While with DCRW, I was involved in the development and construction of a $4.2 million distribution expansion project including design, Indiana Department of Environmental Management ("IDEM") interaction, permitting, utility coordination, and construction. I also reviewed operational procedures to increase efficiency, determine equipment needs, promote workplace safety, and increase customer satisfaction. On September 5, 2017, I began duties as the General Manager for SWBWC. Prior to joining SWBWC, I was working towards a DSL license. I currently hold WT2, DSL and RTCR Level 2 Assessor Certifications issued by IDEM.

4. Please describe your duties and responsibilities as General Manager of SWBWC.

Answer – I am responsible for the overall day -to- day operations of the company. I oversee the Superintendent of the water treatment and distribution system and the Office Manager, as well as four (4) other full-time employees. I report to and work directly with the SWBWC Board of Directors on financial planning and capital improvements. I am the designated representative of the company in dealing with various agencies.

5. What is the purpose of your testimony in this case?

Answer – In collaboration with SWBWC employees, consultants, and its Board, to provide factual and technical support for SWBWC proposed Capital Improvement Program ("CIP") and documentation for the proposed Extension and Replacement Plan (E&R Plan") as well as support approval of CIP, Financing, Rates and Charges, and supporting adjustments.

6. Ms. Keller, what have you done to prepare to give testimony in this Cause?

Answer – I have reviewed previous orders from the IURC concerning SWBWC's rate increase cases, schedule of rates increases. I have reviewed testimony provided by the previous General Manager and all current witnesses. I have also consulted with the Board of Directors, Legal Counsel, Superintendent, Rate and Engineering Consultants and Office Manager. I have also reviewed the testimonies of the other SWBWC witnesses in this Cause.

7. Ms. Keller, will you have Attachments to this testimony?

Answer – Yes, several.

8. Please identify and describe those attachments.

Attachment 2A – Quotation dated June 13, 2024, for 5/8" residential Neptune meters price by skid purchase and individual pricing.

Attachment 2B – Quotation dated August 8, 2024, for 1" and 1 ½" Neptune meters, and a MRS920 Data Collector without a laptop. Data box for radio read meters.

Attachment 2C – A window sticker created by the dealership May 5, 2024, showing the MSRP for a new Toyota Tacoma pick -up service truck.

Attachment 2D – Best Buy estimate cost for three (3) new IPADS for Superintendent and each of the field personnel.

Attachment 2E – Quotation dated August 5, 2024, for system wide upgrade to outdated SCADA system.

Attachment 2F – Proposal #4443 dated August 26, 2024, for Booster Station Pump PLC's upgrade.

Attachment 2G – Office Computer Replacements – Estimate to update outdated software and computers.

Attachment 2H – Heating and Air Conditioning Units – Estimate to replace the current office furnace and air conditioning unit which are over ten (10) years old and need replacement.

Attachment 2I- Water Loss Reports from 2016- 2023 – see attached - Water Loss Audit Reports.

2I-1 – 2016 Water Loss Audit

2I-2 – 2017 Water Loss Audit

2I-3 – 2018 Water Loss Audit
2I-4 – 2019 Water Loss Audit
2I-5 – 2020 Water Loss Audit
2I-6 – 2021 Water Loss Audit
2I-7 – 2022 Water Loss Audit
2I-8 – 2023 Water Loss Audit

Attachment 2-J – Board Approved Wage and Salary for 2025
Attachment 2K – GIS Equipment
Attachment 2L – Locking Hydrant Mechanisms – Quotation per Locking Hydrant Mechanism with padlocks.
Attachment 2M – Quotation for one (1) Locator Wand and one (1) 30 count box of line marking Smart Balls.
Attachment 2N – Indiana Department of Transportation DES# 2100568 project notification.
Attachment 2O – SWBWC Savings Incentive Match Plan – Simple IRA.
Attachment 2P – Ion Exchange Softener Resin Replacement Quote.
Attachment 2Q – Customer Notification of request for rate relief.
Attachment 2R -- Hardcore Construction – estimate for relocation of 700S/SR58
Attachment 2S – Cost to Test Water Master Meters.

9. Please describe SWBWC and its system.

Answer – SWBWC is a not-for-profit public water utility incorporated June 15, 1965, in the State of Indiana. The Articles of Incorporation can be located at the Bartholomew County Recorder's office Book 30 Page 229. The principal place of business is located at 4735 West Carlos Folger Drive, Columbus, Indiana 47201. SWBWC is governed by a 5- member board of directors who are elected by the members each June at an annual meeting. The Board of Directors terms are for 3 years on a rotating basis. Much of the infrastructure for SWBWC was installed in 1966/1967. SWBWC purchases 100% of the water it currently sells from the City of Columbus Utilities. SWBWC softens the water by Ion Exchange prior to pumping into the system. SWBWC has two (2) Water Treatment Plants, seven (7) storage tanks of various sizes and types, four (4) booster pump stations, and over 150 miles of pipe varying in size.

Water Treatment Plant #1 was constructed in 1967 and has three (3) high service pumps with an 864,000 gpd capacity. Water Treatment Plant #2 was constructed in 2002 and has two (2) high service pumps with a 1 MGPD capacity. Each plant location consists of two (2) ion exchange softeners. SWBWC has seven (7) full-time employees, the General Manager, Superintendent, Office Manager, two (2) Customer Service Representatives, and two (2) Field Service Employees. SWBWC currently serves over 3,200 customers in Bartholomew and Brown Counties. SWBWC serves approximately twelve (12) commercial customers, twenty (20) government customers, with the majority being three thousand two hundred (3,200) residential customers.

10. Did any of SWBWC'S recent IURC Rate orders impose specific requirements on SWBWC?

Answer – Yes.

11. Please identify those orders and describe the specific requirements.

Answer –SWBWC's most recent rate Order in Cause No. 44754, approved on August 24, 2016, stated that beginning in calendar year 2016, SWBWC must file an annual report with the Commission and the OUCC. The report was to be filed from 2016 – 2020. The reports were required to contain water distribution leak survey results, description of any main replacements because of the leak survey results, and the result of any water loss analysis produced from the AWWA water audit software. These reports were filed.

12. Please describe SWBWC'S proposed CIP.

Answer – The CIP was initially started when SWBWC completed a previous project in 2023, which included, reinforced water mains, a new two hundred thousand (200,000) gallon water storage tank, and backflow prevention at both water treatment plant locations. With this project behind SWBWC, Commonwealth Engineering Inc. (CEI) was asked to complete a 5-year plan. The staff met with CEI and discussed the needs of the system. It became apparent that important improvements were needed. The CIP consists of several needed projects, replacement of outdated below ground Booster Stations, upgrades to remaining Booster Stations, storage rehabilitation, stand-by power, softener upgrades and replacements, as well as Main Pressure Reducing Valve replacement, and Master Meters. Doug Prather, Superintendent SWBWC, and Darren Wells, Engineer with CEI and myself have worked closely on identifying the needs of SWBWC. Engineer Darren Wells has provided the engineering detail of the CIP in the Preliminary Engineering Report ("PER"), which is filed with his testimony.

13. Are all the projects set forth in the CIP necessary for SWBWC to continue to provide adequate water service for its customers?

Answer – Yes.

14. Is the cost of the CIP reasonable in amount?

Answer – Yes.

15. Does SWBWC have the funds on hand to accomplish the CIP?

Answer – No, SWBWC must borrow the funds.

16. Please describe the borrowing proposed by SWBWC in this Cause.

Answer – The detail of the borrowing is described in the testimony of SWBWC'S Rate Consultants, Mr. Ben Foley, and Ms. Tracy Wyne. The benefits of the proposed borrowing are described in the testimony of SWBWC'S Board Vice President, Joseph L. Lohmeyer.

17. Does SWBWC propose a 5-year Extensions and Replacements ("E&R") Plan included in this Cause?

Answer – Yes.

18. Please describe the components of the proposed Extensions and Replacements Plan.

Answer –

A. Meter Replacement Program – Meters should be replaced on a 10-year rotation which is the normal life cycle of the meters. SWBWC fell behind on its standard meter replacement program largely because of supply chain issues and urgent maintenance priorities. The current

meter replacement program began in 2021 to catch up on overdue replacements. As of 12/31/2024 approximately 1870 meters have been changed out to radio read. Approximately 90% of the remaining meters to be replaced are over 10 years old, which makes the meters beyond the normal life cycle of ten (10) years. SWBWC is experiencing meter failures due to the age of the current meters which results in unaccounted for water and lost revenue. Switching the meters to a radio read system versus a manual allows the meters to be read with far less employee time, fewer adjustments from misreading the meters, data download capabilities, and less likely to be estimated due to inclement weather. These meters can also be downloaded to show customer daily usage, as the meter will store 96 days of data. Switching the system to radio read meters will allow for the meters to be read in a timelier manner, providing customer usage to be compared to the master meter readings for leak detection in each area. Due to the age and failure rate of the remaining meters, SWBWC plans to have an accelerated meter replacement program completed by year-end 2028. There are approximately 1370 - 5/8" meters, 1 - ¾" meter, 30 – 1", 2 – 1 ½" meters, and 2 – 3" meters remaining to be replaced. SWBWC installs Neptune R-900I meters. Quotes are attached for the current pricing of the 5/8", 1" and 1 ½" meters in attachments 2A and 2B. Even with improvement in supply chain issues from COVID, there are still some delays in receiving the meters.

As mentioned above, the deployment of AMR meters is very useful for leak detection. For example, Grandview is an area identified as Routes 7 and 8 for the meter readers. AMR meters have been fully deployed on these routes. Grandview Booster station supplies this area. Only customers that are served by this master meter are on these routes. The area was able to be sectioned off which allowed SWBWC to see what was pumped daily through this station and then monthly to compare pumping versus customer usage. This has allowed several leaks to be found and repaired in this area. Since 2021, SWBWC has been able to better identify and repair leaks in the Grandview area. 2024 - 5 leaks found and repaired, 3 overflows of tank, 2023 – 3 leaks found and repaired, 2022 – 10 leaks found and repaired, 1 overflow of tank, 2021 – 6 leaks found and repaired.

Attachments 2A and 2B quotes are the current pricing of the 5/8" ($285.00 each if purchased in bulk, $370.00 purchased individual), 1" ($568.57 each), and 1 ½" ($911.43 each) customer meters. Attachment 2B also includes the quote for a new MRX Model reading unit at a cost of ($11,600.00). This unit captures the readings from the meters. The annual Extensions & Replacement requirement for the meter replacement program is $90,178.

B. Service Truck Replacement – SWBWC has a fleet of three Toyota Tacoma 4-wheel drive service trucks. There is a truck assigned to the Superintendent and to each of the two (2) field employees. The expected life cycle of the trucks is ten (10) years. SWBWC's experience has shown that after ten (10) years in service maintenance costs increase and reliability suffers. The trucks are scheduled to be replaced on a 10 -year rotation basis with the oldest one being replaced first. Four - wheel drive trucks are a necessity for the terrain that SWBWC serves. Attachment 2C is the Monroney Sticker with the pricing of $46,524.00 for a new Toyota Tacoma four – wheel drive service truck. In past practice of purchasing work vehicles, the Toyota trucks

have proven to be more cost effective and offered the required truck packages. The annual Extensions & Replacement requirement for the replacement of service trucks is $13,957.

As discussed in Q21 – Q 24, SWBWC has plans to hire an assistant superintendent. Our current fleet of service trucks will need to be expanded to include one for the new position. We have in our Extensions & Replacement requirement $9,304 to purchase the new truck and to provide for the replacement in ten (10) years.

C. IPAD Replacement for Field work and Meter Reading – One IPAD is provided for each of the three (3) field personnel. The IPADs are used for meter reading, SWBWC GIS system (Ziptility) access and other field work. The IPADs are used for field work such as watermain line location correction, meter location, documenting leaks with line size, pipe material, material used for the repair(inventory), customer information, and so that line locates for contractors and other utilities can be documented in real time. Attachment 2D has the current replacement cost from Best Buy in the amount of $2,499.00 each. The IPADs have an average useful life cycle in field service of two (2) years. The annual Extensions & Replacement amount is $3,749.

D. SCADA System Replacement – The SCADA (Supervisory Control and Data Acquisition) is the communication link of the Distribution and Water Treatment system. The current SCADA system that was replaced in 2017 is outdated. The radios have become extremely expensive with difficulty in finding replacements. SWBWC is planning on replacing the SCADA System with a cellular based system. The current radio system has communication issues (failures) when the tree leaves bloom. This interrupts vital communications in the system. Cellular based communication can prevent interruptions throughout the system. Attachment 2E is the current quote for this replacement with Toric Engineering (SWBWC current SCADA provider) at a cost of $410,233.00. This quote has been reviewed by the electrical engineers at CEI via SWBWC Engineer Darren Wells and determined to be reasonable. The SCADA system should have a useful life cycle of eight (8) years. The annual Extensions & Replacement requirement is $51,279.

E. Booster Station Pump PLC Upgrade – The current installed pump controls (PLC) at two (2) Booster Pump Stations are outdated and parts are becoming obsolete. These PLC replacements are in Grandview and State Road 58 EFI Booster Stations and not part of the CIP. This replacement is not part of Toric Engineering -SCADA replacement. Attachment 2F is the current pricing of $63,857.00 for both replacements received from Engineering Solutions Midwest, Inc. The PLCs should be replaced on a 10-year average which reflects the life cycle of the PLC panel. The annual Extensions & Replacement requirement for this item is $6,386.

F. Office Computer Replacements – SWBWC has 5 computers deployed in its office. The office computer system is configured as a network. These computers are used to operate the company, (billing, customer service, payroll, accounts payable, GIS, etc.). The cost to replace all five of the office computers is $11,233.58 as described in Attachment 2G. The computers have a useful life cycle of five (5) years. The annual Extensions & Replacement requirement for office computers and a server is $3,085.

G. INDOT/County Watermain Relocation from Public Right -of- Way (ROW)– Certain SWBWC watermains lay in State Right of Way and County Right of Way. INDOT and County Road projects can require the relocation of SWBWC watermains or other facilities. These projects are unknown until plans are confirmed on each project. In areas where SWBWC has watermains located in private easement, the cost of relocation is reimbursable to SWBWC. Many customer service and transmission lines are located in public right-of-way which would require SWBWC to relocate lines at its own cost. SWBWC has been notified by the Indiana Department of Transportation (INDOT) of an upcoming project, DES# 2100568 in which SWBWC facilities will require relocation at SWBWC's cost. The proposed date in the notice from INDOT for contracts to be ready was April 16, 2025. This notice is identified as Exhibit 2-N. The anticipated cost of such known INDOT watermain relocation is $40,000.00. The project involves the relocation of 800' of 3" watermain estimated at $50.00 per foot. This is a reasonable estimate of the cost based on my over 20 years' experience working in the rural water industry and receiving information from Rick Miller, Hardcore Construction. Hardcore Construction is a well-established local excavation contractor which has successfully completed several projects for SWBWC. See Attachment 2-R.

The annual Extensions & Replacement requirement for this item is $8,000.

H. HVAC UNIT for SWBWC Office – The SWBWC office has a HVAC system which consists of a Gas furnace and an Air Conditioner. The quote is for a 96% efficient 60, 000 BTU Heil gas furnace and a Heil 3-ton, 36,000 BTU air conditioner unit. The replacement cost for the Furnace is $4,078.60 and the A/C Unit is $5,107.00, for a total project cost of $8,099.30 based on the estimate from Peter's Heating and Air Conditioning which is Attachment 2H. Replacing the units at the same time brings down the cost. The expected useful life of the HVAC system is ten (10) years, which is the average life cycle of such equipment. The annual Extensions & Replacement requirement for this equipment is $810.

I. Customer Requested Main Extensions – Main extensions are governed by the Rules of the Commission on Water Main Extensions which are set forth in 170 IAC 6-1.5 et seq. ("Rule"). When an applicant requests a main extension, SWBWC determines the main size, if right-of-way is required, permit acquisitions, and contractor estimate for installation. If the applicant agrees to the cost of extension, and pays their portion, SWBWC must also pay its portion of the main extension cost. Based on past records (annual audits and IURC Reports) SWBWC has a three (3) year average of two (2) residential line extensions per year. For 2024, the Extension Allowance for a 5/8" residential meter is $2,096.64 (Average monthly bill for 5,000 gallons per month of $58.24 x 12 Months = $698.88 x 3 Years = $2,096.64). SWBWC has no control over the number of extensions or subsequent connections to main extensions. SWBWC is compelled to make cash payments for assets not chosen or planned for by SWBWC. Any unplanned expenditures for a not-for-profit utility have been proven difficult, especially with no means to accumulate extra cash flow.

The annual amount for this Extensions & Replacement requirement is $4,193.

J. SWBWC purchased equipment to assist SWBWC personnel in the GIS mapping process of the SWBWC system. With use of an IPAD, which will allow SWBWC employees to input data directly into the GIS application (Ziptility), as Ziptility and Trimble are fully integrated. Exhibit 2K is a quote from Seiler Geospatial for the Trimble GPS. The GPS will allow SWBWC employees to provide daily input into the GIS system as they do their daily field work. A GIS pole unit is an employee handheld pole with a receiver on top to identify infrastructure by GPS coordinates. GPS pole units versus handheld units have the capability to connect to more satellites in any direction, allowing the location to be documented more accurately, which increases and enhances productivity.

This quote includes 3 GPS pole units at a total cost of $3,822.24 and an annual Catalyst10, 3-4" accuracy subscription of $2,275.00. This is Adjustment 11 of the Rate Study Report. The GPS pole units have an expected life cycle of five (5) years.
To effectively utilize the GIS data application and to build an overall system map through the GIS, the Board of Director's have hired as an independent contractor as a GIS Coordinator to build the GIS mapping system for SWBWC. The GIS Coordinator has expertise in building system maps which includes inputting and reviewing employee data who are learning to use the GIS application (Ziptility).
The annual amount for this Extensions & Replacement requirement is $764.

K. Locking Hydrant and Padlock Mechanisms deters unauthorized water use and tampering with the hydrants. Using these devices will decrease the cost of repairs by preventing hydrant tampering and will reduce unaccounted for water loss. This is identified as Exhibit 2-L.
The annual amount for this Extension & Replacement requirement is $3,082.

L. Locate wand and locate marker smart balls allow for field personnel to locate watermains and valves electronically by detecting the digital signal from the smart balls that are buried with the watermain. The prompt location of mains and valves can reduce the repair time and cost of watermain repairs. Such prompt repairs can significantly reduce lost water. One (1) locate wand - $7,544.75, One (1) box 30 count - $589.00 times 20 boxes = $11,780.00. Total cost- $19,324.75. This is identified as Exhibit 2-M.
The annual amount for this Extensions & Replacement requirement is $1,945.

M. SWBWC's water treatment plants operate on an ion exchange system. Ion exchange resin has a lifespan of approximately ten (10) years depending on factors such as type of resin (cation or anion), particle size, storage conditions, regeneration, and operations. SWBWC has a total of four (4) Ion Exchange units between both the SWBWC treatment plants. See attachment 2P.
The annual Extensions & Replacement requirement is $12,209.

The project engineer from CEI provides testimony and engineering justification for additional Extensions and Replacement items listed in the PER as "Short-Lived Assets. The description and anticipated cost of these components of the Extensions and Replacement requirement can be

found in the testimony of Darren Wells and found at page 6-9, table 6-5, Annual Short – Lived Assets of the PER.

19. Ms. Keller, can you offer additional detail and support for certain adjustments set forth in SWBWC's Rate Consultants, Mr. Ben Foley/Ms. Tracy Wyne's Rate Study?

Answer – Yes.

20. Please do so.

Answer – I have provided information to Tracy Wyne, CPA, for the purpose of review and support of Rate Study Adjustment 8 which deals with an expense adjustment to SWBWC's employee IRA Contribution Plan. Exhibit 2O represents the Board of Directors adopted policy for the employee Simple IRA Contribution Plan.

21. Is SWBWC facing the impending loss of a long-time, key employee?

Answer – Yes. SWBWC's current Superintendent, Douglas Prather, will be retiring in the near future. Doug has been an employee of SWBWC since 1976. Doug has an extensive and unique knowledge of SWBWC's large rural system, various pressure zones and countless operating nuances. In order to ensure managerial and operational continuity, SWBWC must plan for Doug's replacement before his retirement. There is much operational knowledge that needs to be transferred to a new Superintendent. This transfer is imperative for the smooth transition in leadership of the company. This transition can only be practically accomplished by Doug training his replacement on the job.

22. What is SWBWC's plan to deal with the impending retirement of its long-time Superintendent?

Answer - SWBWC plans, and has committed, to hire an Assistant Superintendent to be trained by the current Superintendent as his replacement.

23. What steps have been taken to that end?

Answer – The Board of Director requested that I prepare a job description for an Assistant Superintendent position. In doing so, I identified the following work duties that would assist a new Assistant Superintendent in preparing to transition to the Superintendent position upon the retirement of our current Superintendent. Those duties include:

A. Assist the Superintendent with the daily upkeep, maintenance, repair and proper operations of the Distribution System and Water Treatment Plants.
B. Maintain Distribution and Treatment license requirements per the Indiana Department of Environmental Management.
C. Assist in resolving customer complaints (leaks, pressure, usage)
D. Assist with meter reading when additional workforce is necessary.
E. Assist with work orders when required when additional workforce is necessary.
F. Assist Superintendent in maintaining the SCADA computer system.
G. Assist Superintendent in recording data, submitting monthly required reports, sampling, and sampling results.

H. Maintain records of leaks in the GIS system (Ziptility) to include precise GPS coordinates, leak type, estimated cost associated with repair, estimated water loss, photos before and after, and any other related data.
I. Maintain GIS (Ziptility) system. This includes maintaining asset inventory with asset details (age, material, and condition), updating customer information monthly.
J. Maintain GPS and locating equipment.
K. Assist with the annual manual reading of all customer meters throughout the Distribution System.
L. Administer and maintain records of flow tests for a minimum of five (5) percent of customer meters each year.
M. Oversee annual maintenance and recording of Master Meter testing and inspection.
N. Oversee and direct with valve and hydrant exercising annually. This includes valve box clean-outs, and hydrant painting.

I have made an initial inquiry with the current GIS/Ziptility Coordinator regarding the Assistant Superintendent position. I have also had contact with Gordon Meyer, Circuit Rider for the Alliance of Indiana Rural Water, regarding distributing information concerning this position throughout the rural water industry. This position has been listed on the Alliance of Indiana Rural Water website (inh2o.org) along with SWBWC website (swbwc.com).

24. What costs will be associated with the hiring of an Assistant Superintendent?

Answer - The estimated annual compensation package is approximately $74,000.00 per year for Assistant Superintendent. The proposed compensation is consistent with the rural water industry standards based on my previous 20 plus years of experience serving rural water customers.
This expense is shown in the Rate Study Adjustments 6, 7, 8, and 9 prepared by Ms. Tracy Wyne of Sherman, Barber & Mullikin.

25. Has the Board of Directors reviewed the compensation structure for employees of SWBWC?

Answer – Yes. The Board of Directors approved the 2025 wage and benefits for current employees represented in Attachment 2-J. The Board of Directors approved the wage and benefit compensation plan for the current employees. The plan includes 4% for the Superintendent and the Office Manager, 3% for the field and customer service employees. The Board of Directors approved an incentive-based increase for the General Manager, ranging from 0% to 15%, depending on the Board's analysis of the General Manager's performance. The Board of Directors also includes the Health Insurance premium payments for each employee, minus the required 10% employee contribution. The Board of Directors allows a Health Reimbursement Account (HRA) because of the high deductible for the health insurance ($2,250.00 in network, $4,400.00 out of network). Pursuant to the policy, the Board of Directors allows reimbursement for employee paid medical claims up to $1,500.00. The Board of Directors has approved annual Christmas gifts in the following amounts:
General Manager - $750, Superintendent and Office Manager - $650, and field and customer service representatives - $500.00.

26. Does SWBWC regularly monitor its lost water?

Answer-Yes. Based on recent lost water reviews, the Board is concerned about the level of SWBWC's lost water.

27. What steps have the Board directed you to take involving lost water matters?

Answer –The Board of Directors reviewed and approved the proposed plan consisting of ten (10) steps. As a first step of the water loss prevention plan, the Board of Directors determined it was important to hire a GIS Coordinator to accurately map the infrastructure of SWBWC. The Board of Directors has also directed all employees to utilize the GIS program (Ziptility) and to keep the program up to date.

Additional steps include:

A. Customer Meter Replacement - Estimated cost of $450,890.00. See answer 18, A for this Extensions and Replacement item.
B. Manually inspect all meter pits annually.
C. Master Meters – Install 15 Master Meters $257,000.00 total. (part of the debt funded CIP,$17,133.00 each)
D. Master Meters– Inspected every five years Estimate cost $3,000.00 annually based on previous inspections. (15 Master Meters at $1,000.00 each.) See Attachment 2S.
E. Locking Hydrant Mechanisms and Padlocks – Estimate cost of $31,500.00. (Hydrant locking mechanism $137.45, padlocks $15.50 each.) See answer 18, K for this Extensions and Replacement item.
F. Locate Wand and "smart balls" – Estimated Cost $19,324.75 – ($7,544.75 -1 Locator, $589.00 per 1 - 30 count box (20 boxes - $11,780.00). See answer 18, K for this Extensions and Replacement item, Attachment 2-M.
G. GIS/GPS – Equipment Cost - $6,097.24. ($3,822.24, Annual Subscription Cost - $2,275.00,) GIS Coordinator – Estimated Annual Cost - $33,000.00 – ($38.00 per hour, $0.70 per mile.) See answer 18 J for this Extensions and Replacement item.
H. Every billing cycle review customer billing data – This is currently performed by existing office staff and supported by current hourly wages.
I. Customer Meter Testing – Meter testing is currently being performed when unusual usage occurs, a leak is suspected or requested by the customer. The Superintendent performs the test on the meter and is supported by current wages.

28. Ms. Keller, why would a GIS Coordinator help address the lost water issue?

Answer - Currently, the only data that is in the SWBWC GIS system are customer meters, valves, hydrants, and main lines. The main lines are from an overlay map that CEI created and are not accurate in the current GIS System as there is a difference in mapping tools. There is extensive infrastructure input that the GIS Coordinator would need to manually enter in the GIS and continue to maintain the system. Among the infrastructure items are Booster Stations, Treatment Plants, Storage Tanks, MPRV Pits, System Valves, and leaks. All these items need data input such as date of installation, horsepower of pumps, types of pumps, storage capacity essentially creating an Asset Management Plan for SWBWC. SWBWC utilizes Ziptility for the GIS System.

SWBWC currently does not have the workforce to provide the necessary GIS work. The more accurate that the GIS System can become, the more protection SWBWC has from contractor damage to the watermains. Updating and maintaining the GIS System could help in tremendous savings of repair cost, purchased water, contractor locate request, and water loss by

implementing this GIS program. The future goal is SWBWC completing its own locates in-house versus contracting for this service.

29. Ms. Keller, recognizing the importance of a GIS Coordinator to a robust lost water reduction plan, what has the Board done?

Answer – On February 10, 2025, the Board voted to hire Mr. Josh Hawley to begin duties as an independent contractor to serve as the SWBWC GIS Coordinator. The terms approved by the Board include sixteen (16) hours per week at thirty-eight dollars ($38.00) per hour for a total of eight hundred thirty-two (832) hours per year and reimbursements of seventy cents ($0.70) per mile. This added expenditure was deemed by the Board to be prudent and wise because Mr. Hawley is an experienced rural water operator and will gain extensive knowledge of SWBWC's system, working hand in hand with longtime SWBWC Superintendent, Doug Prather. The cost of the GIS Coordinator is reflected in Ms. Wyne's Rate Study Adjustment No. 11.

30. Will SWBWC'S customers be notified of SWBWC'S request for rate relief as required by 170 IAC 6-1-18 (c)?

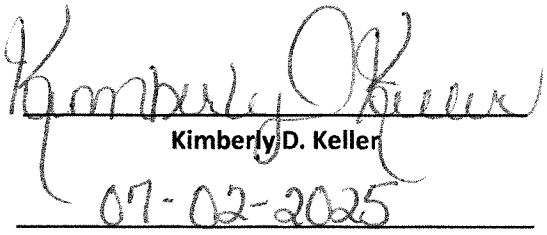
Answer – Yes. A notice complying with 170 IAC 6-1-18 (c) will be sent to each SWBWC customer within forty-five (45) days of the filing for a change in base rate schedules. The notification will also appear on SWBWC'S website and will be posted in SWBWC's office. A copy of the proposed customer notice is attached as Attachment 2Q. SWBWC will submit supplemental testimony confirming the customer notice was provided as described above.

31. Does that conclude your Direct Testimony?

Answer - Yes

VERIFICATION

I hereby swear or affirm, under the penalties for perjury, that the foregoing statements are true and correct to the best of my knowledge and belief.



Kimberly D. Keller

07-02-2025

Date