

TETON WATER & SEWER COMPANY

PO Box 786, Driggs Idaho 83422

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IDAHO PUBLIC
UTILITIES COMMISSION

February 18, 2020

Idaho Public Utilities Commission
ATTN Commission Secretary
PO Box 83720
Boise, ID 83720

TTS-W-20-01

Re: Application to Commission to Authorize Debt for Purpose of Well Construction

Dear Commission Secretary:

Please accept this letter as application to the Commission for the purpose of obtaining Commission authorization to assume debt for the purpose of drilling and construction of a new domestic well. The target production of the well is 500 GPM. This Application does not request that additional water be permitted, the well would be a new point of diversion for the Company to obtain the water already permitted by Idaho Department of Water Resources.

It is our understanding that Commission Authorization to assume debt must first be obtained before debt can be secured from a lending institution for construction projects such as the type we are planning.

Given the time-sensitive nature of this Application, we request that this request be processed through Modified Procedure.

General Description of Utility

Teton Water and Sewer Company ("the Company") provides domestic water service to a population of approximately 924 persons in Teton County, Idaho, near the City of Victor, Idaho.

Description of the Security ("Loan")

Although the amount of the Loan is not known at this time due to a variety of factors, including contingency, it is estimated at \$450,000 based on the cost estimates we have received to date as shown below. We would expect the interest rate to be market commercial rates of 7-8% with a loan term of 5 years based on discussions with our bank. We would like to have the loan secured by April 1, 2020 to allow for commencement of drilling of the well in April or May of 2020. All permits are in place with IDWR and DEQ at this time provided the drilling site does not change.

The loan would be secured by the Assets of the Company.

The Loan value is based on the following current attached bids and estimates:

Well Drilling Bid	\$117,776
Pump, Motors, Controls and Appurtenances Bid	\$ 85,811
SCADA Controls Upgrade Bid	\$ 9,262
Control Building Construction Bid	\$133,199
Excavation, Piping, Tie-In Bid	\$ 20,054
Electric Meter/Power Install Bid	\$ 5,919
Teton County Building Permit Estimate	\$ 250
Idaho State Electrical Permit Estimate	\$ 1,000
Water Sampling for Well Estimate	\$ 1,000
Engineering Fees Remaining Estimate	\$ 10,000
DEQ Permit Fees Estimate	\$ 250
Total	\$385,519

There are two reasons why we are specifically terming this an estimate:

- 1) Even with drilling, excavation and construction bids in hand, these are only an estimate. We have no firm knowledge of the depth of the well to achieve the targeted flows, nor do we know that the current and approved location (from Idaho DEQ) is a location that will produce targeted flows. Without this knowledge, estimations of cost are the only method available to the Company at this time.
- 2) It is unknown as to what loan amount lending institutions will approve for a project of this type for our Company. Also, loan terms will not be known until we have time to visit with the lending institutions and submit formal loan applications.

Purpose of the Loan

The Loan will be used for the planning, engineering, permitting, drilling, construction and all associated expenses and fees of a 3rd Well to provide domestic water service to the customers of the Company.

In brief, this Well is required to meet the current and future needs of the Company's domestic water obligations as well as provide for water source redundancy which does not currently exist. For more detailed information as to the necessity of this Well please reference Case No's. TTS-W-17-01 and TTS-W-19-01 and associated documentation and correspondence with the Commission on these cases.

Purpose of the Well and Timing

As mentioned, for detail as to the necessity of the Well, please reference Case No's TTS-W-17-01 as well as TTS-W-19-01. Given the events of the past few years, and given the numerous periods of time last summer where water demand exceeded production capabilities, we believe it is critical to have the new Well constructed and on-line for the 2020 peak demand season.

Proposed Order

The Company requests approval from the Commission to obtain up to \$450,000 in debt, secured by the Company assets, for the purpose of planning, engineering, permitting, construction and all associated expenses and fees of a 3rd Well to provide for domestic water service by the Company to its customers.

The Company also requests that this Application be processed through Modified Procedure.

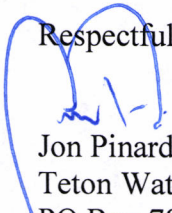
Proposed Public Notice

Although we request that this Application be processed by Modified Procedure, in the event Public Notice is required, we have enclosed a Proposed Notice for review and comment by the Commission.

Filing Fee

It is understood that a Filing Fee must be paid in the amount of \$1,000.00 to the Commission. The Company is prepared to pay this Fee at the time required by the Commission.

Respectfully Submitted,



Jon Pinardi
Teton Water and Sewer Company
PO Box 786
Driggs, Idaho 83422
Office (208) 354-0256

PROPOSED LANGUAGE – FEBRUARY 18, 2020

**TETON WATER AND SEWER COMPANY, LLC., NOTICE OF FILING APPLICATION
FOR AUTHORIZATION TO SECURE DEBT FOR CONSTRUCTION OF DOMESTIC
WELL**

Teton Water and Sewer Company, LLC, filed an application with the Idaho Public Utilities Commission ("Commission") on February 18, 2020, Case No. TTS-W-20-01, requesting that the Commission grant it permission to secure debt for the purpose of construction of a new well. The new well would provide for a new point of diversion to obtain water already permitted to the Company under its existing water rights with the Idaho Department of Water Resources.

The proposed well is necessary so that the Company can continue to provide reliable water to its current and future customers. All necessary permits required for the construction of the well are in effect from the Idaho Department of Water Resources and Idaho Department of Environmental Quality. This notice is solely for the purpose of obtaining the authorization from the Commission to obtain debt for the purpose of construction.

The request for Authorization to Secure Debt is subject to public review and a Commission decision, which it may accept, modify or reject in whole or in part. A copy of the Application is on file and available for inspection at the Idaho Public Utilities Commission, 472 W. Washington Street, Boise, Idaho, and the Company's offices located at: 3940 Grand St, Driggs Idaho 83422.

The Application is also available on-line at the Commission's website:
<http://www.puc.state.id.us/FILEROOM/water/water.htm>.

You can also file a comment on the Application via the Commission's website at:
<http://www.puc.state.id.us/comments-complaints/choose%20form.htm>. Additionally, you can mail comments to:

Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074; or

Teton Water and Sewer Company, LLC
P.O. Box 786
Driggs, Idaho 83422

In any comments filed with the Commission and also sent to the Company the Case No. of this matter, Case No. TTS-W-20-01, should be included.

Sincerely,

Teton Water and Sewer Company, LLC

Option 1 -- TETON SPRINGS WELL # 3 - 500 gpm target capacity - 10 inch Production Casing

REF	Description	Estimated Qty	Units	Unit Cost	Total
	Well Drilling and Testing / 600 feet estimated total depth				
4.02	Mobilization/Demobilization	1	LS	6500	6500
4.03	16 inch nominal drilling for Surface Casing	40	LF	144	5760
4.03	12 inch nominal drilling for 10 inch casing	260	LF	96	24960
4.03	7-7/8 inch open hole drilling	300	LF	80	24000
4.04	14 inch Surface Casing	40	LF	85	3400
4.05	10 inch Production Casing	302	LF	58	17516
4.06	Well Development	16	HR	300	4800
4.07	Rig Time (pre-approved by Engineer)	8	HR	300	2400
4.08	Mob/Demob test pump- 500 gpm capacity @ TDH of 300 FT	1	LS	18000	18000
4.09	Test Pumping	48	HR	150	7200
4.10	Cement Seal	1	LS	3500	3500
	TOTAL DRILLING AND TESTING				\$ 117,776

Notes: 1. See Supplementary Specifications for Well Drilling, Development and Testing
2. See attached Well Schematic

WELL DRILLER NAME:

 Renny Vollmer

Buchanan Well Drilling Inc.

Formerly Andrew Well Drilling

P.O. Box 3176

Idaho Falls, ID 83403

(208) 522-2794

Estimate

Date: February 18, 2020
Q20-0110

Teton Springs Water and Sewer
C/O Jon Pinardi
Driggs, Idaho 83422

208-201-4798

Email : jpinardi@silverstar.com

REFERENCE: New Well #3 Pump and Controls

Qty	Per	Description	Unit Cost	AMOUNT
1	ea.	Franklin 550ST75 75 Hp Pump	\$6,307.00	\$6,307.00
1	ea.	75 Hp 460 Volt 3 phase Franklin Sand Fighter 8" Motor	\$14,600.00	\$14,600.00
310	ft.	Heavy Duty 0-3 with GRD Submersible Pump Cable	\$13.50	\$4,185.00
2	ea.	6" Ductile Iron Flomatic Check Valves with BOP	\$1,142.00	\$2,284.00
294	ft.	6" T&C Galvanized Sch 40 Steel Pipe	\$32.00	\$9,408.00
1	ls	Misc. Pump Parts in Well	\$450.00	\$450.00
1	ea.	Maas Pitless Adapter	\$10,312.00	\$10,312.00
1	ls	Well House Piping	\$4,350.00	\$4,350.00
1	ea.	75 Hp 460 Volt 3 phase Franklin Sub Monitor Pump Panel	\$7,525.00	\$7,525.00
1	ea.	4" Flow Meter	\$3,900.00	\$3,900.00
1	ea.	Blue and White Chem Pump	\$1,100.00	\$1,100.00
1	ea.	Frosta Filter	\$11,390.00	\$11,390.00
1	ea.	Estimate on Freight	\$1,500.00	\$1,500.00
1	ls	Labor 2 Men	\$8,500.00	\$8,500.00
Sub total				\$85,811.00
Terms: 1/2 Down , Balance on delivery				
Total Estimate				\$85,811.00

THANK YOU FOR CHOOSING BUCHANAN WELL DRILLING

Teton Communications, Inc.

545 Utah Circle
Idaho Falls, ID 83402

Phone # 208-522-0750 Fax # 208-525-3400

tcit@tetoncommunications.com



Project Quote

Date	Quote No.
1/13/2020	TH-TS SCADA

Customer Name / Info	
Teton Water and Sewer (Teton Springs Scada) 3940 Grand Street Driggs, Idaho 83422	
Contact #3 Cell	Jon 208-201-4798
C3 Phone / Fax	
C3 E-mail	

Salesman Name	Tony Hafla
Saleman E-Mail	tony@tetoncommunications.com

Project Description
New RTU

Qty	Item	Description	Price	Amount
		Supply the parts and labor to upgrade the Teton Springs SCADA system for a new RTU at a new well location. Modify the lookout program to show the new RTU I/O and test for proper operation.		
1	1708 RTU Package	Zetron 1708 RTU complete with: Steel Nema Enclosure, Backup Battery, UHF Radio, Lightning Arrestor, Hookup Cables, 40' Coax, Yaggi Antenna, and Antenna Support Pipe/Tripod. For the lift station location.	4,500.00	4,500.00T
2	NEMA Heater	Heater for SCADA System Nema Enclosure, 110Vac.	375.00	750.00T
2	Current Sensor - 35 A...	35 Amp Current Transducer for use in SCADA Systems.	228.20	456.40T
		Material Subtotal		5,706.40
		Labor Estimate		
2	Travel To / From Driggs	Charges for the use of a TCI Vehicle to Travel from Idaho Falls to Driggs and back to Idaho Falls. IF to Driggs - Round Trip 148 Miles @ \$.75 per mile / (2.5 Hours Travel)	111.00	222.00
5	Travel Rate T & M	Tech - Hourly Contract Labor Rate when Traveling.	80.00	400.00
5	Travel Rate	Install - Hourly Contract Labor Rate when Traveling.	55.00	275.00
8	Out of Shop T&M Rate	Tech - Out of Shop - Hourly Non-Contract Labor Rate.	105.00	840.00
8	Out of Shop Install R...	Install - Out of Shop - Hourly Labor Rate.	72.00	576.00
10	In Shop T&M Rate	Tech - In Shop - Hourly Non-Contract Labor Rate.	90.00	900.00
		Labor Subtotal		3,213.00

Terms	Net 30	Subtotal	\$8,919.40	Sales Tax (6.0%)	\$342.38
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Signature:

Grand Total

\$9,261.78



WITH THE GRAIN
CUSTOM • CRAFTED • BUILDING & DESIGN

With The Grain, LLC

4245 Leigh Lane,

Alta, WY 83414

307.576.5760 | fax: 307.576.5761

www.buildwiththegrain.com

Estimate for Well Pump House

February 13, 2020

Jon,

Below is an estimate for 12' x 20' pump house. This is an estimate based on our conversations and I also referenced current plans received via email from you on January 24th 2020 and old plans I received via email from you on January 15th 2020.

Excavation - \$5,200

Concrete - \$3,150

Electrical - \$20,560

Building materials - \$23,600

Insulation - \$965

Trusses - \$1,800

Roof - \$6,000 – note: estimated fire treated cedar shakes based on plans from email dated 1/15/2020

Labor - \$44,550

Landscape allowance - \$10,000

Sub-total – 115,825

General conditions – 3% of sub-total – \$3,475

Builder fee – 12% of sub-total - \$13,899

TOTAL ESTIMATE - \$133,199.00

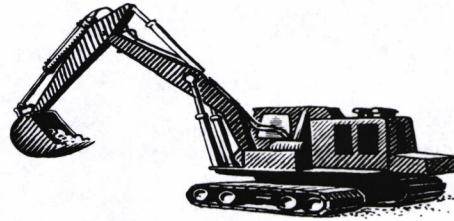
Jon, I'm considering this to be a worst-case cost scenario but also assuming that we don't run into any unforeseen circumstances, i.e. groundwater...Please let me know if you have any questions or need more detail for inclusions or exclusions.

Talk soon,

Kurt Mitchell

303.588.5760

Fax: 208-787-9078



2/4/2020



JOB ESTIMATE

Project ID:

035687

ASSEMBLY	INSTALL/RETIRE	QUANTITY	ASSEMBLY DESCRIPTION	ASSEMBLY COST
4/0AL-15	EXISTING	1,941	PRIMARY CABLE 4/0 15 KV	
UM33-25	EXISTING	1	MULTI-PH PAD MOUNT SECTIONALIZIN	
UM6-1-1/0	EXISTING	1	TERMINATOR ELBOWS 1/0	
UM6-1-4/0	EXISTING	1	LOAD BRK ELBOW TERMINATOR 4/0	
UM6-34	EXISTING	1	ARREST DIST URD 10KV ELBOW	
UM6-4-200	EXISTING	1	TERMINATOR MOD LBC 4, 200A	
1/0AL-15	INSTALLED	140	PRIMARY CABLE 1/0 15KV 220 MIL	882.10
4/0Q-USE	INSTALLED	45	SECONDARY 4/0 USE QUAD 600V	354.71
BASE PERMANENT	INSTALLED	1	BASE PERM	500.00
CC 3	INSTALLED	1	CONSUMER CONDUIT 3"	20.54
UG17	INSTALLED	1	3PH RADIAL PAD MOUNT TRNSF	1,778.48
UM1-5NCL	INSTALLED	1	PAD TRANS FIBERGLASS LARGE	914.99
UM1-7NCL	INSTALLED	1	GROUND SL ASSMBLY NON-CONCRET LG	1,126.76
UM48-2	INSTALLED	1	GROUND FOR PAD MOUNT MULTI-PH TR	169.41
UM6-1-1/0	INSTALLED	6	TERMINATOR ELBOWS 1/0	1,502.64
UM6-34	INSTALLED	3	ARREST DIST URD 10KV ELBOW	427.96
UM8-4N	INSTALLED	1	MTR INSTAL, UG SOURCE	

Total Cost of Construction:

7,697.59

DEDUCTED FROM CONSTRUCTION

UG17	INSTALLED	1	3PH RADIAL PAD MOUNT TRNSF	-1,778.48
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Residential Credit: 0.00

Commercial Credit: 0.00

Irrigation Credit: 0.00

Miscellaneous Adjustment: 0.00

AMOUNT DUE FROM MEMBER: 5,919.11