

Jean Jewell

From: secretary
Sent: Thursday, June 09, 2016 6:30 PM
To: Jean Jewell; Diane Holt
Subject: FW: PKS-W-15-01
Attachments: 1 - A Letter to the Idaho Public Utilities Commissions regarding Packsaddle Water Systems, Inc. Final.pdf

From: Linda Collier
Sent: Thursday, June 09, 2016 6:29:32 PM (UTC-07:00) Mountain Time (US & Canada)
To: secretary
Subject: PKS-W-15-01

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

RE: Request from Packsaddle Water Systems, Inc.
Packsaddle Creek Estates, Teton County, Idaho
Case No. PKS-W-15-01

Dear Commission Members:

Thank you for the opportunity to provide my comments as it relates to the above referenced case. I am requesting a formal Hearing before removal of IPUC's regulatory oversight, as the Commission has been misinformed. The forgoing information is provided for your consideration:

I request:

1. An extension of the deadline for Public Comments on this case;
2. The Idaho Public Utilities Commission continue regulatory oversight of any water company servicing the community of Packsaddle Creek Estates;
3. A legal review as to the sale of Packsaddle Water Corporation to Packsaddle Water Systems, Inc.
4. An in depth investigation to claims made by the applicant as to the existence of a HOA or anything "like" a HOA;
5. Supporting documentation to any allegations that homeowners of Packsaddle Creek Estates were permitted to vote for their involvement in the new water corporation be provided;
6. Supporting documentation that homeowners and/or Directors were permitted to vote for changes to the terms assumed by the transfer of assets from Packsaddle Estates Water Corporation.
7. A current professional audit of the financial records of Packsaddle Estates Water Corporation and Packsaddle Water Systems, Inc.; including operating expenses, reserves and overpayments.
8. A formal public Hearing by the Commission so that they can hear directly the homeowners wishes to continue to be under the jurisdiction of Idaho PUC.

I attest that:

1. There have never been agreements made with the existing homeowners.
2. No homeowners were given the opportunity to voice their concerns in the set-up of the so-called community run water company, including matters as to the ownership, membership or directors.
3. No homeowners were permitted to vote for their membership in Packsaddle Water Systems, Inc. It was not open to the member's free-will.

4. No homeowners were permitted to vote for or against the continued utilization of the Idaho Public Utilities Commission's (IPUC)
5. There was an informal get together of available homeowners in July 2015 where it was clearly directed that IPUC should continue oversight of any water company servicing our community.
6. The applicant received legal advice from Seller's counsel, which included specific modifications to the Articles of Incorporation that the Packsaddle Water Systems, Inc. needed for the purpose of "opting out" of the regulatory oversight of Idaho Water Utilities Corporation (IPUC).

As background, the issue with the sale of the water company began with the failure of the community's water pump. **On March 30, 2015** the applicant sent an email to select homeowners requesting that they send \$250 immediately for the repair and thereby, bypassing IPUC's requirements. At the request of the originator, this email was then forwarded to other select homeowners by one of the original recipients'.

When we contacted Rhea we were informed that "...she did not need our money because she had already collected enough". Despite this, I was sent a text message by one of the original incorporators asking me if I had sent the money. We elected to go ahead and contribute to the fund raising campaign, because we believed that the unused funds would be applied to our account after all homeowners contributed their fair share. We have not received a refund for our overpayment nor an accounting of the collection to date.

Shortly following this incident, rumors began to circulate that Rhea's health was deteriorating and the need for the community to take control of the water company may be necessary. In June, it was discovered that negotiations between one homeowner and Rhea had been conducted. What was not known at that time was that a new water company had already been organized with two homeowner families as the sole owners.

In July, concerned homeowners got together with the applicant at which time he revealed that he had been in conversations with Rhea and her attorney. He then described, in concept that the already established new water company could be amended and set up in a manner that would give the community control, with voting rights, etc. When asked specifically about IPUC, the only reason provided as to the perceived benefit of removing its regulatory oversight was "bureaucracy" and "it would be easier" [for the new water company to raise rates, etc]. It was overwhelmingly agreed by those present that the new water company would remain under the regulatory oversight of IPUC.

It is my understanding that this application is for the approval of the sale of ownership of Packsaddle Water Corporation to Packsaddle Water Systems, Inc. There was no prior notice to any homeowner in Packsaddle Creek Estates that the application would include a request for the removal of IPUC's regulatory oversight, contrary to the homeowner's wishes.

My concerns stem from the manner in which this new water company has conducted themselves from the onset of its organization. There has never been full disclosure. Even as the applicant's writer described the new water company as a community that "democratically" runs and operates, all actions to date contradict this assertion.

It is for these reasons that this writer requests IPUC investigate the entire transaction, financial records and continue its regulatory oversight of any water company that services the community of Packsaddle Creek Estates.

Respectfully,

Linda Collier
2310 Grandview Drive
Tetonia, ID. 83452

