



**MOUNTAIN
UTILITY
COMPANY**

Water

Wastewater

Cable TV

Roads

RECEIVED
2011 JAN 24 AM 8:32
IDAHO PUBLIC
UTILITIES COMMISSION

January 15, 2011

Curtis Thaden
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0047

RES-w-11-01

Dear Curtis,

This will confirm that Resort Water Company has no objection to the request by The Spires Water Co. LLC to have Lots 6,7,8,9 & 10 Block E, plus the adjoining un-platted 2.3 acre piece of land, all of the Crystal Springs Subdivision, de-annexed from Resort Water Company's service area and annexed into The Spires Water Co.'s service area.

Our consent to the de-annexation is based upon the assumption and understanding that the Idaho Public Utilities Commission will issue an Order to that effect, and that the official map of Resort Water Company's service area on file with the IPUC will be amended accordingly. Please provide us with a certified copy of the Order in recordable form, once the Order has been entered, and a copy of the revised map when it is available.

It is our understanding that all of the required documents needed for this process to take place have been supplied to the IPUC by The Spires Water Co., including any approvals which may be required by any other agencies which may have jurisdiction over the water services in this area, and that this letter is the final document needed for IPUC to proceed with de-annexation.

Please feel free to contact me with any further questions you may have.

Sincerely,

Tom Trulock
Mountain Utility Company/Resort Water
President
208-255-3046

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Curtis

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Curti

The Spires Water Co., LLC

RECEIVED

Mr. Curtis Thabin
Utility Compliance Investigator
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720 - 0074

November 9, 2010

2010 NOV 12 AM 8:36

RE: Schweitzer's Resort Water Co.
The Spires Water Co.

IDAHO PUBLIC
UTILITIES COMMISSION

Mr. Thabin,

This letter is to request de-annexation of a small parcel of land currently within the Resort Water Company (RWC) service area (**Exhibit A**). This de-annexation is requested in order for this parcel to receive more economical water service from the adjacent Spires Water Co.

This parcel of land consists of 5 platted lots with an allowable dwelling density of 8 units (Crystal Springs Lots 6,7,8,9,10, Block E.) and an unplatted 2.3 acre piece (**Exhibit B**). The new configuration of the respective water companies is shown on **Exhibit C**.

RWC has no water infrastructure in place to serve this parcel, and as it is topographically higher in elevation than can currently be served by RWC, significant capital infrastructure would have to be installed in order to provide service. The new infrastructure includes primary water mains, and a primary pressure booster station. The capital costs of these improvements to RWC's system would be in excess of \$200K, which under RWC's current rate structure, would take 46+ years to recoup. (8 units X \$45 each/month). This does not include any cost for ongoing maintenance or expected replacement of component parts.

The Spires water system can provide water service to this parcel with a simple water main extension from its adjacent property. The landowners, Resort Water Co, and The Spires Water Co are all in agreement that this is the most practical and best approach to provide water service to this parcel (**Exhibit D, a-d**).

We are seeking a letter from The IPUC granting permission to de-annex this parcel from RWC's service area, and an indication of what, if any, additional information or procedure(s) would be required of RWC by The IPUC in order to formally transfer this parcel from the RWC service area to the Spires Water Co service area.

Please address return correspondence to RWC's Director, Mr. Tom Trulock, with a cc to myself as well.

Tom Trulock, Director
Resort Water Co
10,000 Village Lane
Sandpoint, ID 83864
Ph 208/263-9555 Mob 208/290-2614

I appreciate your time and effort on this.

Sincerely,

Clay Hutchison
Manager,
The Spires Water Co
Attachments

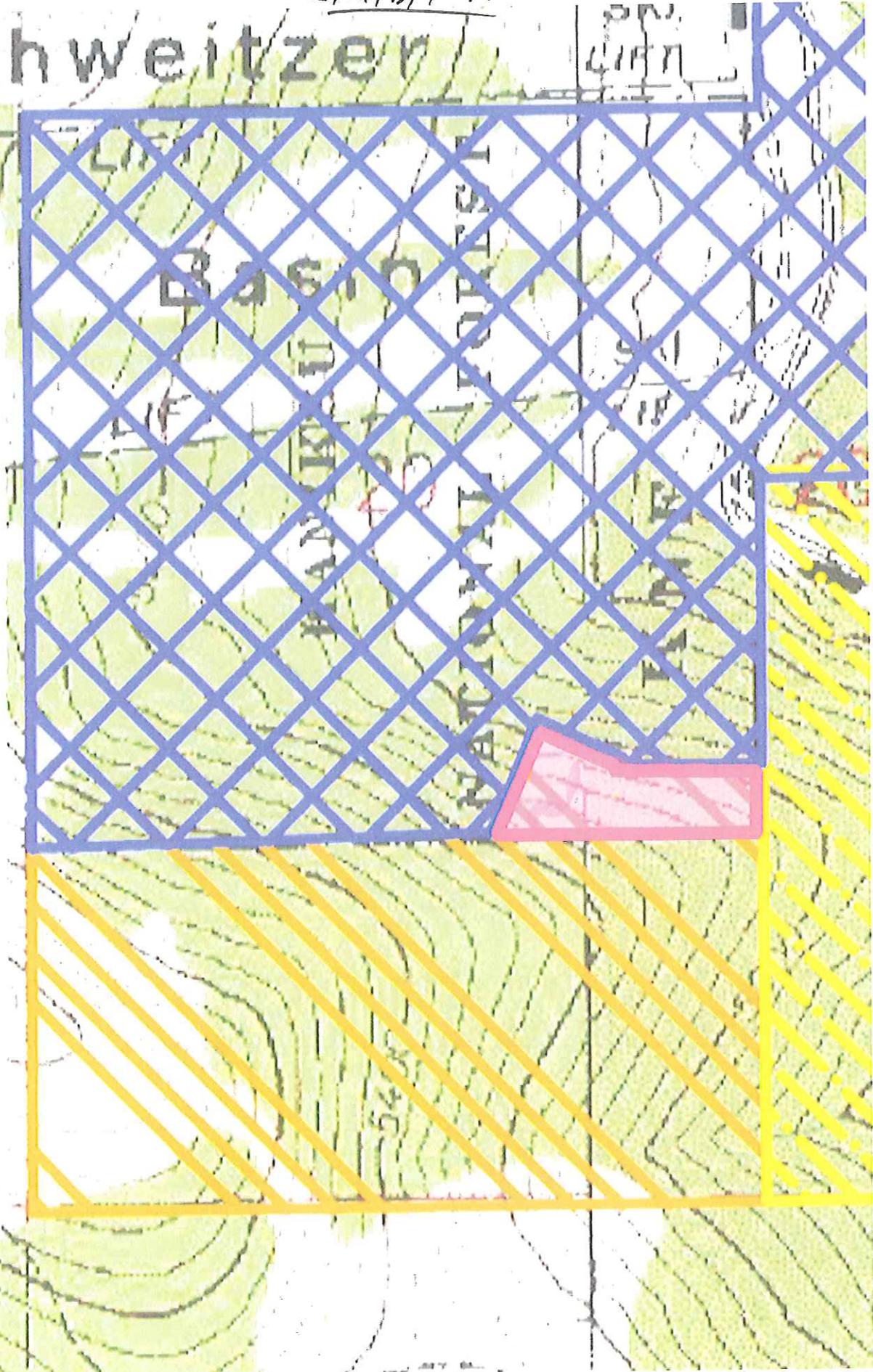
CC: Tom Trulock, Director - RWC

217 Cedar Street • # 284 • Sandpoint, ID 83864
Ph/Mob - 509.995.0480 • e-mail - clay.hutchison@gmail.com

Exhibit A

Schweitzer

Exhibit A



Resort Water Co

Spires Water Co

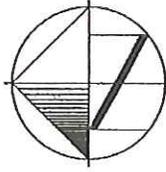


Parcel to be de-anexed from RWC

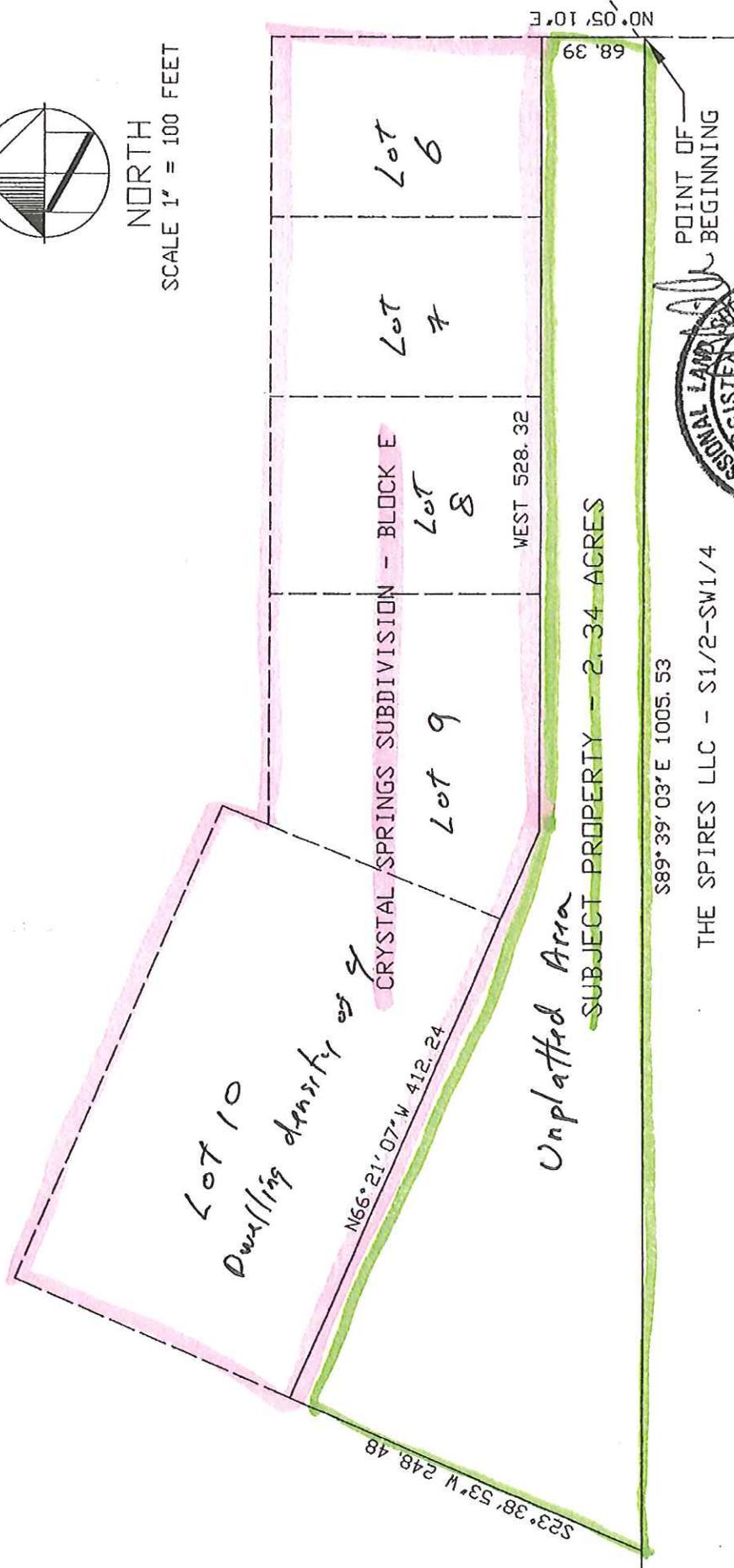
Exhibit B

EXHIBIT B

LOCATED IN A PORTION OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 58 NORTH, RANGE 2 WEST, B.M., BONNER COUNTY, IDAHO



NORTH
SCALE 1" = 100 FEET



LANCE G. MILLER, P.L.S.

PO BOX 1507
SANDPOINT, ID. 83864
(208) 263-1533

LEGAL DESCRIPTION
Parcel of Land to be De-Annexed from
Resort Water Company Service Area

Crystal Springs Subdivision Lots 6-10, Block E
& the
2.34 acre Unplatted Area between Crystal Springs
Subdivision Block E and The Spires, PUD

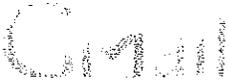
Lots 6, 7, 8, 9, 10, Block E, of Crystal Springs Subdivision, according to the Plat thereof, recorded in Book 4 of Plats, Page 193, records of Bonner County, Idaho;

together with a tract of land located in a portion of the N1/2-SW1/4 of Section 20, Township 58 North, Range 2 West, Boise Meridian, Bonner County, Idaho, more particularly described as follows;

Beginning at the Southeast corner of said N1/2-SW1/4 of Section 20; thence N0°05'10"E along the East line of said N1/2-SW1/4 a distance of 68.39 feet, more or less, to the Southeast corner of Lot 6 of Crystal Springs Subdivision Block E, as recorded in Book 4 of Plats, Page 193, records of Bonner County, Idaho; thence West along the South boundary of said Plat a distance of 528.32 feet; thence N66°21'07"W along said South boundary a distance of 412.24 feet to the Southwest corner of Lot 10 of said Plat; thence S23°38'53"W a distance of 248.48 feet, more or less, to a point on the South line of said N1/2-SW1/4; thence S89°39'03"E along said South line a distance of 1005.53 feet to the Point of Beginning.



Exhibit D-a



Clay Hutchison <clay.hutchison@gmail.com>

Spires water

Tom Trulock <ttrulock@schweitzer.com>

Wed, May 12, 2010 at 6:54 PM

To: Clay Hutchison <clay.hutchison@gmail.com>

Cc: Jim Lackey <jlackey@schweitzer.com>, "McNee, Scott" <SMcNee@to-engineers.com>, Janet Robnett <janet.robnett@painehamblen.com>

Clay,

We are comfortable with moving forward with your request to serve Crystal Springs Lots 6-10, Block E with water from the Spires water system. What we will need from you are signed written consent letters from the property owners of the affected lots, asking to be removed from RWC's service area, with service to be provided by the Spires Water Company instead. This will allow us to start the process with IPUC, which will need to approve an amendment to RWC's service area deleting these particular lots. We will also expect to be fully reimbursed for all expenses incurred by RWC for the research and completion of this transaction.

Just as an FYI, we have been advised by our consultant that this may trigger renewed interest from IPUC in regulating the Spires and Schweitzer Basin systems.

Tom

I'm out of the office until Monday, 5/17.

Exhibit D-b
The Spires, LLC.

June 26, 2010

Tom Trulock
Resort Water Co.
Schweitzer Mountain Resort
165 Village Lane
Sandpoint, ID 83864

RE: Water Service Crystal Springs, Lots 6, 7, 8, 9, 10, Block E;
And Unplatted 2.3 acre Parcel.

Tom,

The Spires, LLC is the owner of the Crystal Springs, Lots 8, 9, 10, Block E and a 2.3-acre unplatted parcel (Bonner County Parcel # RP 58N02W205200 A) that connects the Crystal Spring Lots 6 – 10, Block E to the land of The Spires, and provides access to these Crystal Springs lots from The Spires.

I am requesting that Resort Water release these lots and the 2.3-acre connector parcel from its water service area, so that water service can be provided from the adjacent Spires Water Co. Attached, are similar request letters from Harold Elofson and Rob Mercer, owners of Crystal Springs Lots 6 & 7, Block E.

As we have discussed, these lots are topographically higher in elevation than all other lots in the RWC service area. In order to receive water service from RWC, pressure considerations will require the construction and maintenance of a complex Booster Pump Station. Obtaining (and maintaining) water service from The Spires Water Co will be considerably more economical than it will be from Resort Water Co.

Attached is a map and legal description of the parcels. I appreciate your time and effort on this, and if you need anything else, please contact me.

Sincerely,

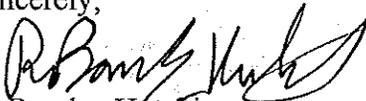

R. Barclay Hutchison,
Manager,
The Spires, LLC
Attachments

Exhibit D-c

June 22, 2010

Tom Trulock
Resort Water Co.
Schweitzer Mountain Resort
165 Village Lane
Sandpoint, ID 83864

RE: Water Service Crystal Springs, Lot 6, Block E

Mr. Trulock,

I am the owner of Crystal Springs, Lot 6, Block E.

I am requesting that Resort Water release this lot from their water service area, so I can receive water service from the adjacent Spires Water Co.

It is my understanding that due to topographical conditions and water pressure considerations, obtaining water service from The Spires Water Co is considerably more economical than from Resort Water Co.

I appreciate your time and effort on this.

Sincerely,



Harold Elofson
Owner
Crystal Springs
Lot 6, Block E.

Exhibit D-d

June 26, 2010

Tom Trulock
Resort Water Co.
Schweitzer Mountain Resort
165 Village Lane
Sandpoint, ID 83864

RE: Water Service Crystal Springs, Lot 7, Block E

Mr. Trulock,

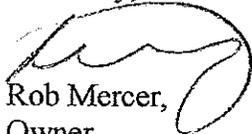
I am the owner of Crystal Springs, Lot 7, Block E.

I am requesting that Resort Water release this lot from their water service area, so I can receive water service from the adjacent Spires Water Co.

It is my understanding that due to topographical conditions and water pressure considerations, obtaining water service from The Spires Water Co is considerably more economical than from Resort Water Co.

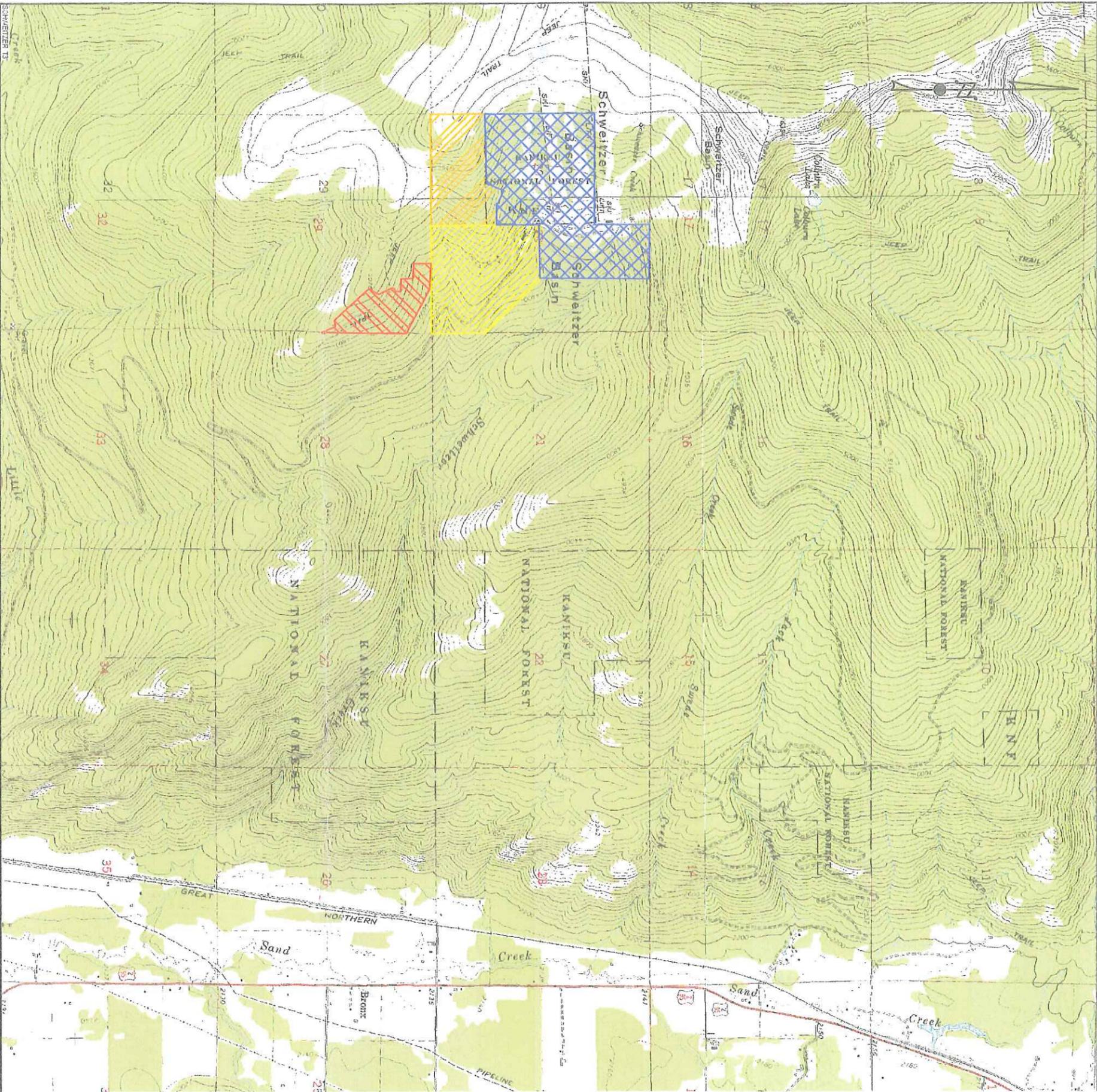
I appreciate your time and effort on this.

Sincerely,



Rob Mercer,
Owner
Crystal Springs
Lot 7, Block E.

Exhibit C



NOT TO SCALE

- SCHWEITZER BASIN WATER CO. 
- SPIRES WATER CO. 
- ACME WATER WORKS 

- RESORT WATER CO. CURRENT SERVICE AREA 

Exhibit C

**RESORT WATER COMPANY
VICINITY MAP**

T-O ENGINEERS

ENGINEERS • SURVEYORS • PLANNERS
 WEST 280 PRAIRIE AVENUE • COEUR D'ALENE, IDAHO 83815
 PHONE: 208-762-3644 • FAX: 208-762-3708
 E-FILE: VICINITY.DWG DATE: 07/27/10 JOB: 05086