

S.F. No. 1436-7-69-5M. 1949A. A-256

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Marine View Heights Homeowners Association

Complainants

vs.

Marine View Heights Incorporation

Respondent

RECEIVED BY FAX ON 4-8-94
HARD COPIES RECEIVED 4-11-94

No. UW-940325

Mailed from Olympia, Wash.

March 11, 1994

From Marine Heights Inc.

RECEIPT IS ACKNOWLEDGED OF

FORMAL COMPLAINT

RECEIVED
RECORDS MANAGEMENT
04 APR - 8 PM 2:11
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

in the above entitled cause.

Dated:

8 Apr, 1994

David Moore
Water System Operator

PLEASE DATE, SIGN AND MAIL

To The Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW, FY-11
Olympia, Washington 98504-8802

Marine View Heights Inc.
PO Box 1745
Moses Lake WA 98837

RECEIVED
RECORDS MANAGEMENT
01 APR - 8 PM 2:11
STATE OF WASH.
WATER AND TRAFFIC
UTIL. COMMISSION

WUTC Secretary

RE: Formal Complaint filed by Marine View Homeowners Association

To whom it may concern;

This letter is in response to the formal complaint filed by Marine View Homeowners association. I hope that this may settle any disputes and I hope to work to get this resolved as soon as possible.

First of all, the Homeowners Association does not represent the opinion of 110 homeowners. I know this for a fact because I am a Homeowner and I Have not requested that they represent me and I have many other people that own homes up there that do not wish to be represented by them either. Second, Marine View Heights Inc. is owned primarily by Fred Barker who owns 80% of the stock in the Inc. James Sahli currently owns 20% of the stock in the Inc. However Mr. Sahli does not actually have any money in the Inc., he helped Mr. Barker to acquire the water company. He therefore has no say in the operation of the daily business of the Inc. Mr. Fred Barker's correct address is 6897 SR. 262 SE, Othello, WA 99344. The Water company provides service to 113 customers at this time.

The following responses are in reference to formal complaint sec. III statement of facts 1-32

#1 James Sahli did in fact buy the water system from Metropolitan Mortgage on Oct. 23,92. James Sahli did not invest one penny in the system he merely let Fred Barker use his name so that Fred could buy the system. James Sahli still does not have a penny in the system and wishes to relinquish his interest to Fred Barker as soon as possible due to the current retrains he cannot do so and therefore he is still part owner of the system in that regard. However he wishes the company to state that he has no interest in the Inc. or in the operation of the water company, the company used him to acquire the water system. He is sorry he got into this and wishes that he could clear this up. Fred Barker is the primary owner of the Inc. and therefore takes responsibility of the consequences of his actions. Jerry Lease is the water system manager. At this time Jerry Lease is currently certified with the State Department of Health for waterworks operator certification as a water distribution manager class 2.

#2 During the months of October 1992 through February 1993 the company did indeed operate without a certified water operator. The company did hire a certified water operator in March of 1993 and he quit because of distance between home and the company's location. Our acting water operator (who is

also the current water operator) was acting in the best interest that he knew at the current time. As to the discrepancies, a) he always ran water for/or about five minutes he did not understand the importance, b) he always handled the container and lid correctly, c) admit filling it with hot water once and then refilled it because he did not have another sample bottle, d) between the tests he did throw his gloves on the dash of the car however he used clean gloves each time he took the next sample because he had a box of gloves.

#3 Admit, the water company did not submit construction documents to Department of Health for the chlorination equipment, however included in the comprehensive water system plan is said documents. The water plan was initially submitted in September of 1993.

#4 Deny, the company always sent out maximum contaminant level notices when the state advised us too.

#5 Admit, the water company did have some samples in them months that did not pass the test however it must be understood that we had some or more good samples at the same time.

#6 Admit, the water company did have some problems with the logistics of operation and failed to take repeat samples, however it must be understood that the State Department of Health is currently investigating possible proceedings on a fine that they imposed on the company for this and other related items.

#7 The water company always took follow-up action, however the company does recognize it did not do all that it could have done to resolve the problems. However at this time we feel the system is being run properly. There are some things that could be improved and we are trying to fix them with the limited income that we have.

#8 Conflicting statement, The water company always has had a minimum level of chlorine in the system.

#9 Admit, the company did not know that it was a requirement at that time and has since instituted a regular monitoring plan.

#10 Deny, the water company took the water system over in good faith that all required samples were taken. It was brought to our attention that the certain tests were not taken and we took the test in June of 93 the results came in July of 93. See enclosed document.

#11 Deny, the water company took the water system over in good faith that all required samples had been taken. It was brought to our attention that the certain tests were not taken and we took the test in June of 1993 the results of these tests came in July of 1993. See enclosed document.

#12 Conflicting interest between Fred Barker and Craig Riley resulted in less than effective management.

#13 The water system is adequate as per prior construction documents submitted before MVH Inc. assumed the water system however new state requirements require the water company to update the water system plan. The new plan has been submitted and awaiting approval from the Department of Health. The recommended changes will be made at that time.

#14 The water system did have a low period in August according to a homeowner. According to the engineers report every thing is as "OK'd" by the state prior to our acquiring the system.

#15 Due to the process to complete a water system plan we could not complete a final draft until December of 93. There was a draft completed in September however due to some flaws it was sent back to fix some discrepancies in the design. The water system plan is still in the review process and we are waiting for a response.

#16 Deny, MVH Inc. has not made any improvement or changes other than install a chlorinator. The water system operator is only doing daily maintenance.

#17 Deny, MVH Inc. is not aware of any new customers on the system.

#18 Deny, Marine View Heights Inc. has a business address of 6897 SR. 262 SE Othello WA and the water company has given the customers four phones by which they could reach the company, 346-2464 is the active business phone number. There is almost always someone there to answer the phone, 346-2487 is the system managers home phone number if he is not at 346-2464 he is usually at home, 766-6168 is a new number that the company acquired for this same reason it is a pager number that the system manager has at all times. It is also possible to reach the system manager at 346-2447 that is the phone number for the business building where MVH Inc. is located and they can get a message to me with no difficulties.

#19 The invoices all have a due date on them. In February we did have a few that did not have a due date on them, although that was caused by a computer error we just received a new program and we did experience some errors. We now have the "BUGS" out and should not have any more problems.

#20 This problem is not a concern of the engineer so we do not feel that this of any consequence.

#21 The MVH Inc. handed out some to customers and will be giving them all to customers that attend the meeting on April 30, 1993.

#22 The MVH Inc. does not know what this statement is in reference to.

#23 Deny, MVH Inc. dug up a water service connection for a customer so he could fix his water line in his house. The company had customer call the 800 DIG number he called and they marked the area. When the company dug up the telephone line was not in the place where the utility marked it. Also the customer said "not to worry about it because he had 'Linebacker' service on his bill." The company did not damage the line to our knowledge (the customer never said there was a problem with it.) MVH Inc. has easements and did not dig up too much of the property.

#24 The company bills all customers regardless of any circumstances. MVH Inc. cannot collect from some individual because of difficult circumstances however the company is perusing other means of collections.

#25 Deny, followed the water company tariff as outlined. The company does recognize any discrepancies in our shut off program, however we need more information to address properly.

#26 Deny, MVH Inc. needs more information to address.

#27 The company did indeed install a chlorinator in December, however that chlorinator was inadequate and had to replace it in January.

#28 Admit, the system was not flushed because there is not means to flush the system. However we did chlorinate to a desirable level.

#29 The MVH Inc. does not advise the water customers to buy bottled water and if they wish to do so it is entirely their decision. The water is good water.

#30 MVH Inc. cannot tell them what to do with their time or money it is entirely their option. It has been brought up to our attention that Marine View Heights Homeowners Association is spending allot of money because they wish to take the system over.

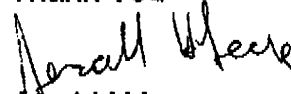
#31 The water system is as built. MVH Inc. bought the system from Met-West and the system design was done by another entity we cannot determine if it is built "as is," however with a survey of the system we can determine that it is very close to the system plan. Except for two frostfree hydrants that were removed by the individual land owners before the MVH Inc. bought the system.

#32 Please define "Professional Business Practices" so that the company can hire the proper individual to do the job.

MVH Inc. is trying to organize a meeting with all the homeowners to inform them of all the problems that we are experiencing and to explain why it is taking so much time to complete everything that is required of us. We hope that through this meeting we can get all the homeowners involved in the community in as much that we can resolve any differences between MVH Inc. and all the homeowners. We plan to have at least one of our engineers at the meeting to address any engineering problem that they may have also to help explain the status of the system. We also have invited Washington Utilities and Transportation Commission and Washington State Department of Health to attend the meeting so that we can get all the problems out in the open and hopefully resolved.

Also please be advised that most of the complaints that contained in the formal complaint is already being addressed by Washington State Department of Health and we feel that the homeowners are trying to institute some kind of double jeopardy.

Thank You



Jerald H Lease

Water System Manager
Certified Water Operator