

9/12/2014

To: David W. Danner, Commissioner Chairman
Philip B. Jones, Commissioner
Jeffrey D Goltz, Commissioner
Mark Vasconi, Director Regulatory Services
Gene Eckhardt, Assistant Director
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

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2014 SEP 15 AM 8:15
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

From: Maurice Kurtz
Chairman of the Board
Newaukum Water System, Inc.
PO Box 1287
Enumclaw, WA 98022-1287

Dear Directors and Commissioners:

Enclosed is a copy of the letter that has been sent to Jim Ward, Regulatory Analyst, requesting release of Newaukum Water System, Inc. from UTC jurisdiction based on the fact we should not be controlled as outlined in WAC 480-110-2255 Para (2)(e) & (f). We are a small limited non-profit corporation, of 23 water connections, that needs the flexibility to manage our own corporation without outside control. We are financially strapped by the UTC, but are still required to meet all Washington health and reporting requirements. A small non-profit corporation cannot meet the financial and health requirements under the same rules that apply to systems that have a large numbers of rate payers to support the expenses. We are asking for your support and approval of this request.

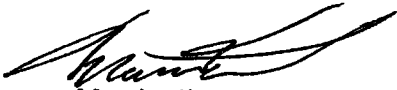
Our water billing rates, under our current bylaws, are supported by a membership approved annual budget and cannot be changed by the board of directors, without the approval of the membership.

Some of the items that are of concern for our system that cannot be addressed under the current UTC restraints of financial income are:

- 1) We should have automatic backup power to always maintain the required minimum system pressure during PSE power outages.
- 2) We should have insurance.
- 3) We should have a reserve financial fund for emergency repairs.
- 4) We need to replace a leaking main line flush valve that is wasting water. Estimated cost \$800 to \$1000.
- 5) We need to replace part of the security fencing around the pump house. Cost estimate \$1200 from a local firm.

Your attention and approval of this request would be greatly appreciated. If you have questions concerning this request, Please do not hesitate to call or send me an email.


Sincerely,



Maurice Kurtz
Chairman of the Board
Newaukum Water System, Inc.

253-939-5739
myktz@yahoo.com

Encl: 1

Cc:  Jim Ward
NWS Board of Directors
Derek Pell, Department of Health

September 10, 2014

To: Mr. Jim Ward, Regulatory Analyst
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

From: Newaukum Water System Board of Directors
PO Box 1287
Enumclaw, WA 98022-1287

Subject: Newaukum Water System; Inc. release from UTC Control

Dear Mr. Ward:

This letter is a formal request for the Utilities and Transportation commissioners to remove the Newaukum Water System, Inc., (NWS) from regulation by the UTC. This corporation was put under the UTC's jurisdiction despite the fact that NWS, a not-for-profit corporation, is not a public corporation. Furthermore, our corporation is a limited corporation that cannot sell or make water connections to any property that is not one of the original 27 lots surveyed as the Bill Noah subdivision, consisting of the Newaukum Country Estates on 183rd Ave SE and the nine lots on 181st Ave SE, Auburn, WA 98092. A copy of the plat map is attached for your information.

The bylaws of the corporation limit the water usage to these 27 lots. Furthermore, based on the water system's storage capacity, the Washington State Department of Health currently limits the number of these lots that can be served to 23. This demonstrates that Newaukum Water System is a limited corporation for the benefit of its small number of lot owners.

The adoption of the current bylaws by the lot owners established a five person Board of Directors to manage the Newaukum Water System. Jim Ward of the UTC staff has received a copy of these bylaws. These five board members must be lot owners and not more than one member of a joint lot ownership may serve on the board at one time. There is a chairman elected as the executive officer by the board from the five members.

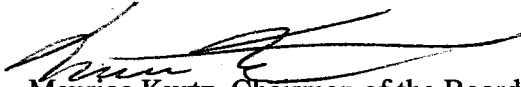
The NWS Board of Directors is not aware of any public interest that would require the UTC to continue its regulation of the NWS. Therefore, the NWS Board of Directors requests that the UTC commissioners release the Newaukum Water System from its jurisdiction.

Attached are letters signed by 19 lot owners in support of the position of the NWS Board of Directors.

It is requested that the UTC Board of Commissioners release Newaukum Water System, Inc. from UTC control by October 10, 2014.

Sincerely,

Newaukum Water System Board of Directors



Maurice Kurtz, Chairman of the Board- myktz@yahoo.com, 253-939-5739



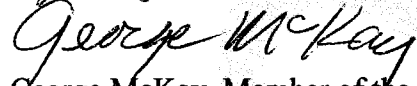
Ed Johnson, Vice Chairman of the Board



Walter Ayers, Secretary/Treasurer of the Board



Jerry Brownell, Member of the Board



George McKay, Member of the Board

Attachments: 19 Lot owner letters

1 Plat Map of Newaukum Water System lots

