



Christine O. Gregoire

ATTORNEY GENERAL OF WASHINGTON

Utilities and Transportation Division

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July 18, 1994

Mr. Steve McLellan, Secretary
Washington Utilities and
Transportation Commission
P.O. Box 7250
1300 S. Evergreen Park Drive S.W.
Olympia, Washington 98504-7250

RE: Marine View Heights Homeowners Association
v. Marine View Heights Inc.,
Docket No. UW-940325

Dear Mr. McLellan:

Please accept for filing the original and nineteen copies of a Stipulation Agreement signed via facsimile by Marion G. Snelson, Representative, for the complainant in the above matter, and Frederick R. Barker, Jr., for the respondent.

Very truly yours,

ANN E. RENDAHL
Assistant Attorney General

Enclosure
cc: Parties of Record

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RECORDS MANAGEMENT
ON JUL 19 PM 5:05
UTILITIES AND TRANSPORTATION
COMMISSION

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

DOCKET NO. UW-940325

MARINE VIEW HEIGHTS HOMEOWNERS)
ASSOCIATION,)
)
Complainants,)
)
vs.)
)
MARINE VIEW HEIGHTS INCORPORATION,)
)
Respondent.)
_____)

STIPULATION
AGREEMENT

STIPULATION AGREEMENT

Pursuant to WAC 480-09-470, the parties to this proceeding do hereby agree and stipulate to the following:

1. Proposed Rate Increase:

On December 1, 1992, the complainants were notified that the Marine View Heights Incorporation (the company) would increase water rates by fifty percent effective January 1, 1993. The complainants contacted the Washington Utilities and Transportation Commission (Commission) to protest the rate increase, and attended the Commission's January 27, 1993, open meeting. At that meeting, the Commission suspended the rate increase for further investigation. On July 14, 1993, the Commission approved the company's request to withdraw their rate increase.

2. Distribution of Water Exceeding MCL for Coliform Bacteria:

The company distributed water exceeding the maximum contaminant level (MCL) for coliform bacteria, in violation of WAC 246-290-310(3), in the following months: December 1992, and January, March, April, and July through December of 1993. The company is currently in compliance with WAC Chapter 246-290.

3. Failure to Take Routine or Repeat Samples:

The company failed to take routine and/or repeat coliform samples at the required frequency for the months of October and December 1992, January through March 1993, and July 1993 in violation of WAC 246-290-300(2) and 246-290-480(2). The company is currently in compliance with these rules. It was the responsibility of Grant County to take samples in October of 1992. In July of 1993, United Parcel Service failed to deliver the sample to the laboratory within 24 hours.

4. Failure to Take Follow-up Action:

The company failed to take follow-up action when the water distributed by the system exceeded the maximum contaminant level for coliform bacteria as required by WAC 246-290-320(1). The Department of Health (the Department), through Departmental Order 90-013, has imposed penalties upon the company for these violations.

5. Building Moratorium:

Due to the issuance of Departmental Order No. 90-013, there has been a moratorium on the issuance of septic tank and building permits in the Marine View Heights area since June 30, 1993. By letter dated July 5, 1994, to the Grant County Health District, the Department has changed the status of the company's operating permit from the red to yellow category, and notified the County that the Department has no further objections to the expansion of the water system.

6. Failure to Supply Adequate Water Quantity:

The company failed to supply an adequate water quantity during high usage months as required by WAC 246-290-420. The system ran out of water twice in August 1993, and on June 20, June 30, and July 8, 1994. Elements in hot water heaters burned out due to water tanks draining. The reservoir is designed to hold 300,000 gallons but is only used to approximately one third (1/3) of its capacity. However, the float switch in the tank has been raised in an effort to remedy this problem.

7. Failure to Notify New Customers of Inadequate Water Quality:

The company failed to notify new customers of inadequate water quality before or the time service began as required by WAC 246-290-330(h). The company was not aware of such regulation.

8. Failure to Comply with Rules Concerning Billing:

The company failed to indicate the date the bill becomes delinquent and notice of means by which a customer can contact the nearest business office of the utility as required by WAC 480-110-101. These violations occurred from November of 1992 through January of 1993, and February of 1994. The company provided handwritten due dates on notices from March through May of 1994. The company had computer problems in 1994, but this problem has now been corrected.

9. Failure to Provide Customer Guide:

The company failed to provide complainants with a guide detailing the rights and responsibilities of a utility customer or with a bill insert, on an annual basis, by which to request a guide by return mail as required by WAC 480-110-041. The company never received a request by an agency and thereby was unaware of this requirement. The company has since instituted a yearly program to do this.

10. Failure to Provide Proper Notice of Disconnection:

The company did not provide the proper written notice of disconnection served on some complainants; notices left on doors did not list a shut off notice date or shut off date; notices mailed did not list eight business days as the shut off date as required by WAC 480-110-071. The company has never shut these complainants off, but only threatens to do so. The company did not

provide proper notice of disconnection. The company was not aware of the regulation. The Commission notified the company after it became aware of the improper disconnection notice. The company now provides proper time intervals on its disconnection notices.

11. Threat in violation of Tariff Rule 7:

Dan Marinelli, a member of the Marine View Heights Homeowner's Association, wrote a letter to the company requesting that his water be shut off for the winter. The company does not recollect receiving this letter. There was a dispute over the bill Mr. Marinelli received from the company. Mr. Marinelli did not want to pay his bill. The company verbally threatened to dig up Mr. Marinelli's pipes to disconnect and to charge a \$300 service connection fee instead of a \$20 reconnection charge as required in the company's Tariff Rule 7. The customer was very upset at this and called Diana Otto at the Commission. Ms. Otto called the company and advised them of their error. This error has since been corrected.

12. Installation of Chlorinator:

The company informed the complainants in a December 1992 Notice to Water System Users that a chlorinator had been installed. However, that chlorinator was inadequate and had to be replaced in January, 1993. The chlorinator did not have sufficient head pressure to overcome the wellhead. The company thought it was a malfunction of the pump and replaced it. The company later found

that the particular pump was not sufficient. The company has since replaced it with a chlorine pump that is more than sufficient for the job.

13. Misrepresentation to Customers Concerning Flushing of System:

The company misrepresented to the complainant's in a November 29, 1993 Notice to Water System Users that the company was chlorinating and flushing the system. On December 3, 1993, the certified water operator was asked if the system had been flushed. When he replied no, he was asked how they were going to flush the system. The operator replies, "I'm not sure, Fred told me to put (write) that on there."

EXECUTED this ____ day of July, 1994.

Marion G. Snelson,
Representative,
for Complainant Marine
View Heights Homeowner's
Association

Frederick R. Barker, Jr.
for Respondent Marine
View Heights, Inc.

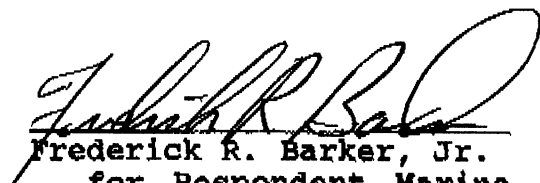
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View Heights Homeowner's
Association


Frederick R. Barker, Jr.
for Respondent Marine
View Heights, Inc.

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