

**ACME WATER WORKS, INC.**

**AWW, Inc.**  
**67 Wild Horse Trail**  
**Sandpoint, ID 83864**  
(208) 265-4270 (phone)  
(208) 265-5243 (fax)  
wsmibob@aol.com (e-mail)



RECEIVED

2013 JUN 24 AM 8:45

IDAHO PUBLIC  
UTILITIES COMMISSION

June 1, 2013

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

AWW-W-13-01

**RE: Application for a Certificate of Public Convenience and Necessity**

Commission Secretary:

This letter, along with accompanying information, is intended as an Application for a Certificate of Public Convenience and Necessity for Acme Water Works, Inc. (AWW)

The water system, consisting of two wells, a 200,000 gallons storage reservoir, distribution mains and fire hydrants, services a small 260 equivalent residential units (ERU) on 107 lots located in the area of Schweitzer Mountain Ski Resort, in Township 58N, Range 2W, Section 29, Bonner County, Idaho.

A Certificate Application is enclosed together with the required supplemental information.

No other existing water system located near the requested service area had capacity or could economically serve the area.

We would request the Commission to issue a Certificate of Public Convenience and Necessity (CPCN) authorizing the company to operate as a public utility in the state of Idaho and to serve the geographical area requested.

Small water company (AWW) contact information:

Acme Water Works, Inc.  
Mr. Joel Wahlin – Owner  
(208) 597-0335 (phone)  
[JL\\_Plus5@yahoo.com](mailto:JL_Plus5@yahoo.com) (e-mail)  
Mr. Bob Hansen – primary contact person  
Contact & mailing same as letter head

Application Information:

1. The applicant, Acme Water Works, Inc., business organization is registered under: Corporation.
2. The Corporation is organized in the state of Idaho.
3. The company is registered with the Idaho Secretary of State (ISOS) and is authorized to do business in Idaho.
4. Attached, please find copies of:  
BYLAWS OF ACME WATER WORKS, INC.  
ARTICLES OF INCORPORATION OF ACME WATER WORKS, INC.
5. No, there are no affiliated companies with which the water system shares office space, employees, expenses or provides services to the water system.
6. Attached, please find the legal description for the certificated area to be served included in the copy of:  
PLAT OF SCHWEITZER VILLAGE (Acme Water service area) IN  
SECTION 29, T58N, BM, BONNER COUNTY, IDAHO
7. Attached, please find the WATER SYSTEM OVERALL SITE PLAN, prepared by James A. Sewell and Associates L.I.C., CONSULTING ENGINEERS, showing the location of wells, reservoirs, water lines, valves etc. for the system. AWW does not compete with any public utilities, corporations, or persons. Two other water systems are located in the area of Schweitzer Mountain Resort:
  - Schweitzer Basin Water Company, PWS #ID1090124, located to the North of AWW
  - Schweitzer Mountain Resort, PWS #ID1090123, located to the North of Schweitzer Basin Water Company.
8. Attached, please find the most recent Sanitary Survey, conducted by Panhandle Health District on November 18, 2011.
9. AWW has contracted with Water Systems Management, Inc. (WSM) to manage the day-to-day operations of the system. Mr. Robert Hansen with WSM is the designated responsible-charge operator with other appropriately licensed personnel available as required.
  - ROBERT HANSEN, State of Idaho licenses:  
DWT2-10694 – Drinking Water Treatment Class II  
DWD2-13440 – Drinking Water Distribution Class II  
BAT-530 – Backflow Prevention Assembly Tester
10. Yes, the system is approved by the Idaho Department of Environmental Quality (DEQ) and regulated by the local health district. The DEQ assigned Public Drinking Water System number is PWS #1090254.

11. Attached, please find information showing the water rights license or permit owned by AWW.
12. Basic construction was completed in 2009, including wells, Pumphouse, distribution system, reservoir, pressure regulator valves, and fire hydrants. Due to funding issues some of the distribution system and the systems communication controls have not been completed. At this time there is no scheduled completion date. The system began providing service in 2009.
13. Attached, please find the estimated cost for utility construction and statement of anticipated annual maintenance costs, included in the TECHNICAL, FINANCIAL AND MANAGERIAL REPORT FOR THE SCHWEITZER VILLAGE (AWW) WATER SYSTEM, prepared by: James A. Sewell & Associates, dated June 13, 2008.
14. The applicant proposed to finance new utility construction through new hook-up fees. Note:
  - Completion of existing system construction requirements were anticipated to be financed through the sale of real property (lots). Due to financial circumstances beyond the owner's control, real property is no longer available for this purpose. Banks have foreclosed on existing lots that were to be used to generate capital for construction.
  - New utility construction was also, to be financed through the sale of real property (lots). Due to financial circumstances beyond the owner's control, real property is no longer available for this purpose. Banks have foreclosed on existing lots that were to be used to generate capital for construction.
  - Considering that, not for profit public drinking water systems, i.e.: Counties, Cities, Districts, Associations, etc. raise capital for system upgrades and expansion primarily through hook-up fees, it would certainly seem appropriate that privately owned systems be afforded the same opportunity.
15. The number of customers currently connected to the system is:
  - 20 Residential accounts
    - ✓ 16 Individual condo units
    - ✓ 4 Single family residential units
  - 0 Commercial accountsNOTE:
  - 6 Unserviced, stand-by accounts are also on the system.
16. The number of customers ultimately to be served by the system is:
  - 260 Equivalent Residential Units
  - 0 Commercial accounts
17. Monthly water production data from all sources is not available.
18. Monthly consumption data for the various types of customers currently connected to the water system is not available.

19. Attached, please find a description of proposed rates and charges, along with proposed general rules and regulations for small water utilities.
20. Attached, please find detailed financial information in the form of:
  - 2010 U.S. Income Tax Return
  - 2011 U.S. Income Tax Return
21. Attached, please find a list of current customers and mailing addresses.
22. The customers were informed of this Application for a Certificate of Public Convenience on the June 1, 2013 water invoices. Attached, please find a copy of the June 1, 2013 invoice including the required notification. No changes to the existing rates, already provided to all customers, are being proposed.
23. Samples:
  - a. Bill statement – Attached
  - b. Reminder Notice – Reminders are issued with the next invoice mailing, included in the NOTICE section of the invoice. Termination of Service notice has not yet been developed.
  - c. Final Notice – Termination of Service – Notices have not yet been developed.
  - d. Annual Rules Summary – Attached, General Rules & Regulations for Small Water Utilities.
  - e. Company Tariff – Including General Rules and Regulations - Attached.
  - f. Company Main Extension Rules – See attached, General Rules & Regulations for Small Water Utilities.

If you require additional information please contact Mr. Bob Hansen at: 67 Wild Horse Trail, Sandpoint, ID 83864 – (208) 265-4270, phone or [wsmibob@aol.com](mailto:wsmibob@aol.com), e-mail.

Sincerely,



Joel Wahlin  
Owner

**BYLAWS**  
**of**  
**ACME WATER WORKS, INC.**

**ARTICLE I.**  
**IDENTIFICATION, GOVERNING LAW, AND EFFECTIVENESS**

- 1.1 **Corporate Identification.** This corporation shall be known as Acme Water Works, Inc. (Corporation) and shall be registered with the Idaho Secretary of State and with the secretary of any state in which the Corporation conducts business.
- 1.2 **Governing Law.** The Corporation is formed under the authority of Chapter 1 of Title 30 of the Idaho Code, known as the Idaho Business Corporation Act, and the provisions of these bylaws shall be interpreted under the laws of the State of Idaho.
- 1.3 **Effectiveness.** These bylaws shall be effective upon adoption by the Shareholders.

**ARTICLE II.**  
**OFFICES**

The principal office of the Corporation shall be located in the County of Bonner, Idaho. The Corporation may have such other offices, either within or without the state of Idaho, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

**ARTICLE III.**  
**SHAREHOLDERS**

- 3.1 **Annual Meeting.** The annual meeting of the Shareholders shall be held on **January 15<sup>th</sup>** each year, beginning with the year 2009, at the hour of 10 o'clock a.m., for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting falls on a weekend or on a federal holiday, such meeting shall be held on the next succeeding business day. The Board of Directors may change the date of the

annual meeting by notice in compliance with the notice requirements of Article XII.

- 3.2 **Special Meetings.** Special meetings of the Shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of the holders of not less than 100 percent of all the outstanding shares of the Corporation entitled to vote at the meeting.
- 3.3 **Place of Meeting.** The Board of Directors may designate any place, either within or without the state of Idaho as the place of meeting for any annual meeting or for any special meeting. If no designation is made, the place of meeting shall be the principal office of the Corporation.
- 3.4 **Notice of Meeting.** Written notice stating the place, day and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than one nor more than five days before the date of the meeting, to each Shareholder of record entitled to vote at such meeting. Notice shall be delivered in compliance with Article XII.
- 3.5 **Closing of Transfer Books of Existing Record.** The purpose of determining Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, or Shareholders entitled to receive payment of any dividend, or in order to make a determination of Shareholders for any other proper purpose, the Board of Directors of the Corporation may provide that the stock transfer books shall be closed for a stated period, but not to exceed in any case fifty days. If the stock transfer books shall be closed for the purpose of determining Shareholders entitled to notice of or to vote at a meeting of Shareholders, such books shall be closed for at least one day immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of Shareholders, such date in any case to be not more than one day and, in case of a meeting of Shareholders, not less than one day, prior to the date on which the particular action requiring such determination of Shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of Shareholders entitled to notice of or to vote at a meeting of Shareholders, or Shareholders entitled to receive payment of a dividend, the date on which the notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Shareholders. When a determination of Shareholders entitled to vote at any meeting of Shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.
- 3.6 **Voting Lists.** The officer or agent having charge of the stock transfer books for shares of the Corporation shall make a complete list of the Shareholders entitled to vote at each meeting of Shareholders or any adjournment thereof, arranged in

alphabetical order, with the address of and the number of shares held by each. Such list shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Shareholder during the whole time of the meeting for the purposes thereof.

- 3.7 **Quorum.** A majority of the outstanding shares of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of Shareholders. If less than a majority of the outstanding shares are represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Shareholders to leave less than a quorum.
- 3.8 **Proxies.** At all meetings of Shareholders, a Shareholder may vote in person or by proxy executed in writing by the Shareholder or by his duly authorized attorney-in-fact. Such proxy shall be filed with the secretary of the Corporation before or at the time of the meeting. A meeting of the Board of Directors may be had by means of a telephone conference or similar communications equipment by which all persons participating in the meeting can hear one another.
- 3.9 **Voting of Shares.** Each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of Shareholders.
- 3.10 **Voting of Shares by Certain Holders.** Shares standing in the name of another corporation may be voted by such officer, agent or proxy as the bylaws of such corporation may prescribe or, in the absence of such provision, as the board of Directors of such corporation may determine. Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of a trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name. Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name, if authority so to do be contained in an appropriate order of the court by which such receiver was appointed. A Shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred. Shares of its own stock belonging to the Corporation shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

- 3.11 **Amending Articles of Incorporation.** The right to amend the Articles of Incorporation shall be reserved to the Shareholders. The Shareholders may only amend the Articles of Incorporation by a resolution adopted by the Board of Directors. An amendment to the Articles of Incorporation shall require a vote of the majority of shares outstanding.
- 3.12 **Informal Action by Shareholders.** Unless otherwise provided by law, any action required to be taken at a meeting of the Shareholders, or any other action which may be taken at a meeting of the Shareholders, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Shareholders entitled to vote with respect to the subject matter thereof.

#### **ARTICLE IV. BOARD OF DIRECTORS**

- 4.1 **General Powers.** The business and affairs of the Corporation shall be managed by its Board of Directors. The Board shall have the follow powers:
- 4.1.1 **All Authorized Acts.** Apply any and all other power, authority and discretion given a corporate board under the laws of the state of Idaho, as long as such statutory authority is not otherwise inconsistent with the provisions of this instrument or the Articles of Incorporation.
- 4.1.2 **Appoint Agents and Attorneys.** The Board may employ agents and attorneys as necessary or desirable for the proper administration of the Corporation or for any litigation, controversy or uncertainty which may arise in connection with the Corporation.
- 4.1.3 **Business Property and Assets.** Acquire, purchase, sell, convey or trade business property, real and personal, including without limitation, goodwill, contracts, and receivables
- 4.1.4 **Develop Land.** Subdivide or otherwise develop land held by the Corporation including but not limited to the authority to obtain permits and approvals necessary to accomplish such development.
- 4.1.5 **Disclaim Interest In Property.** Disclaim in whole or in part any interest in property.
- 4.1.6 **Endorse US Government Checks.** Execute, receive, endorse and collect the proceeds of checks payable to the Corporation or the Corporation's order and drawn on the Treasury of the United States.
- 4.1.7 **Engage in Legal Proceedings.** Prosecute, defend or participate in any legal action as principal or otherwise. This power shall include, without limitation, actions for attachment, execution, eviction, foreclosure,



indemnity, arrest, and any other proceeding for legal, equitable or injunctive relief.

- 4.1.8 **Engage or Dismiss Employees.** Engage and dismiss employees, all upon such terms as the Board shall think fit for the efficient administration of the Corporation.
- 4.1.9 **Insure the Corporation.** Obtain such insurance as the Board determines is necessary to protect the Corporation estate against liability with respect to third persons.
- 4.1.10 **Lend Funds.** Lend funds on terms and conditions determined by the Board.
- 4.1.11 **Make Distribution.** Make or delay distribution of income or assets to the Shareholders.
- 4.1.12 **Make Gifts.** The Board shall have discretion to make charitable gifts.
- 4.1.13 **Manage Financial Accounts.** Open, maintain and close bank, brokerage, or similar accounts. The authority with respect to all such accounts shall include the authority to make deposits, transfers, and withdrawals.
- 4.1.14 **Manage Personal Property.** Purchase, receive, take possession of, lease, sell, assign, endorse, exchange, release, mortgage and pledge personal property or any interest in personal property.
- 4.1.15 **Manage Real Estate Transactions.** Purchase, take possession of, lease, sell, convey, exchange, mortgage, release and encumber real property or any interest in real property.
- 4.1.16 **Manage Securities.** Purchase, sell, assign, collect, redeem, transfer, or exercise any voting or other rights for stocks, bonds, mutual funds, brokerage accounts, other securities and any kind of US government bond including Series E, Series EE, Series H and Series I bonds.
- 4.1.17 **Pay and Settle Claims.** Pay, contest, or settle any claim by or against the Corporation by compromise, arbitration or otherwise and to release, in whole or in part, any claim belonging to the Corporation.
- 4.1.18 **Pay Taxes.** Perform any and all necessary acts with respect to federal and state taxation. This power includes, but is not limited to the following authority: (a) to prepare, execute, and file any tax return or document required by any federal or state government or taxing authority; (b) to represent the Corporation before any office of the Internal Revenue Service with respect to all Internal Revenue tax matters for any past or future tax periods, including audits, conferences and litigation; (c) to receive confidential information respecting the Corporation; (d) to receive, endorse and collect checks in payment of any refund of Internal Revenue

tax, penalties, or interest, and execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund; (e) to execute consents extending the statutory period for assessment or collection of taxes; (f) to execute any agreements under the Internal Revenue Code; (g) and to delegate authority or substitute another representative for such tax matters; (h) to establish exempt and non-exempt sub-trusts where necessary for the purpose of minimizing or eliminating generation-skipping transfer taxes.

- 4.1.19 **Public Entities.** Make and amend applications, and represent the Company before federal, state and county regulatory agencies or boards including, without limitation, the Idaho Department of Environmental Quality, Idaho Department of Water Resources, and the Idaho Public Utilities Commission.
- 4.1.20 **Rate Setting.** Establish and amend customer rate schedules and related fees.
- 4.1.21 **Receive Money.** Request, demand, recover, collect, endorse, and receive all moneys, debts, accounts, gifts, bequests, dividends, annuities, rents, and payments due the Corporation.
- 4.1.22 **Repair Property.** Make ordinary or extraordinary repairs, alterations or improvements in buildings or other Corporation property including but not limited to demolition.
- 4.1.23 **Rules and Regulations.** Establish and amend customer Rules and Regulations for connection and operation of the water system.
- 4.1.24 **Sign for the Corporation.** Sign, acknowledge and deliver written instruments as may be necessary or desirable in the exercise of the powers granted herein.
- 4.2 **Number, Tenure and Qualifications.** The number of Directors of the Corporation shall be fixed by the Board of Directors, but in no event shall it be less than two unless there is only one Shareholder, in which case the Board of Directors may consist of a sole Director. Each Director shall hold office until the next annual meeting of Shareholders or until the Director's successor has been elected and qualified, whichever last occurs.
- 4.3 **Regular Meetings.** A regular meeting of the Board of Directors shall be held without notice immediately after, and at the same location as the annual meeting of Shareholders. The Board of Directors may provide, by resolution, the time and place for additional regular meetings of the Board without notice other than such resolution.

- 4.4 **Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting of the Board of Directors called by them. Notice shall be given in compliance with Article XII and shall state the purpose of the meeting.
- 4.5 **Quorum.** A majority of the number of Directors fixed by Article 4.2 shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.
- 4.6 **Manner of Acting.** The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.
- 4.7 **Action without a Meeting.** Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if a consent in writing, setting forth the action so to be taken, shall be signed before such action by all of the Directors.
- 4.8 **Vacancies.** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors, unless otherwise provided by law. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any Directorship to be filled by reason of an increase in the number of Directors may be filled by election by the Board of Directors for a term of office continuing only until the next election of Directors by the Shareholders.
- 4.9 **Compensation.** By resolution of the Board of Directors, each Director may be paid his expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as Director or a fixed sum for attendance at each meeting of the Board of Directors or both. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore.
- 4.10 **Presumption of Assent.** A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

- 4.11 **Deadlock, Resolution by Sale.** If Directors are deadlocked, the Board of Directors shall refer the matter to Shareholders at a special or annual Shareholders meeting. If Shareholders are deadlocked, a Shareholder(s) may attempt to resolve the matter by share purchase. A Shareholder (the offeror) may put his or her entire interest in the Corporation to another Shareholder (the offeree) at a stated price. Upon notice of the put, the offeree shall have three (3) options: (a) purchase the shares at the put price; (b) put all of his shares to the offeror at the equivalent share value of the offeror's put price plus at least \$100.00; or (c) decline to purchase or sell. If the offeree declines to purchase and refuses to sell, then the offeree shall be deemed to have voted in accord with the offeror in the matter causing the deadlock. Likewise, if the offeror declines to purchase at the offeree's counter price and refuses to sell, then the offeror shall be deemed to have voted in accord with the offeree in the matter causing the deadlock. A put shall be given by written notice within 10 business days of the declaration (actual or constructive) of the deadlock and in accordance with the notice provisions of Article XII. Failure to timely send notice of a put shall relieve the receiving Shareholder of his or her duty to respond. A Shareholder timely receiving a put shall respond within 10 business days of notice in like manner. Where puts are exchanged, the offeror and offeree shall have 10 business days from a put notice to respond. Failure to timely respond shall be deemed as a refusal to purchase or sell.

## **ARTICLE V. OFFICERS**

- 5.1 **Number.** The officers of the Corporation shall be a President and a Secretary/Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors, including a Chairman of the Board. In its discretion, the Board of Directors may leave unfilled for any such period as it may determine any office except those of President and Secretary/Treasurer. Any two or more offices may be held by the same person, except for the offices of President and Secretary/Treasurer, which may not be held by the same person unless there is only one Director serving on the Board of Directors. Officers may be Directors or Shareholders of the Corporation.
- 5.2 **Election and Term of Office.** The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Shareholders. If the election of officers does not occur at such meeting, the election shall be held as soon thereafter as practicable. Each officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

- 5.3 **Removal.** Any officer or agent may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights, and such appointment shall be terminable at will.
- 5.4 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.
- 5.5 **President.** The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He shall, when present, preside at all meetings of the Shareholders and of the Board of Directors, unless there is a Chairman of the Board in which case the Chairman shall preside. He may sign, with the Secretary or any other proper officer of the Corporation who is so authorized by the Board of Directors, certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. In addition, and in general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- 5.6 **Vice President.** In the absence of the President or in event of his death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If there is more than one Vice President, each Vice President shall succeed to the duties of the President in order of rank as determined by the Board of Directors. If no such rank has been determined, then each Vice President shall succeed to the duties of the President in order of date of election, the earliest date having the first rank.
- 5.7 **Secretary.** The Secretary shall:
- (a) Keep the minutes of the proceedings of the Shareholders and of the Board of Directors in one or more minute books provided for that purpose;
  - (b) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;
  - (c) Be custodian of the corporate records and of the seal of the Corporation, if the Board of Directors authorizes the use of a corporation seal;
  - (d) Keep a register of the post office address of each Shareholder which shall be furnished to the Secretary by such Shareholder;
  - (e) Sign with the President

certificates for shares of the Corporation, the issuance of which shall have been authorized by resolution of the Board of Directors; (f) Have general charge of the stock transfer books of the Corporation; and (g) In general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

- 5.8 **Treasurer.** The Treasurer shall: (a) Have charge and custody of and be responsible for all funds and securities of the Corporation; (b) Receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these Bylaws; and (c) In general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such sureties as the Board of Directors shall determine.
- 5.9 **Salaries.** The salaries of the officers shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Director of the Corporation.

## **ARTICLE VI. INDEMNITY**

The Corporation shall indemnify its Directors, officers and employees as follows:

- (a) Every Director, officer, or employee of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be made a party, or in which he may become involved, by reason of his being or having been a Director, officer, employee or agent of the Corporation or any settlement thereof, whether or not he is a Director, officer, employee or agent at the time such expenses are incurred, except in such cases wherein the Director, officer, or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interests of the Corporation. (b) The Corporation shall provide to any person who is or was a Director, officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a Director, officer, employee or agent of the corporation, partnership, joint venture, trust or enterprise, the indemnity against expenses of suit, litigation or other proceedings which is specifically permissible under applicable law. (c) The Board of Directors may, in its

discretion, direct the purchase of liability insurance by way of implementing the provisions of this Article.

## **ARTICLE VII. CHECKS, DEPOSITS, CONTRACTS, AND LOANS**

- 7.1 **Checks.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- 7.2 **Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.
- 7.3 **Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.
- 7.4 **Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

## **ARTICLE VIII. CERTIFICATES FOR SHARES, ISSUANCE, AND THEIR TRANSFER**

- 8.1 **Certificates for Shares.** Certificates of shares shall not be required.
- 8.2 **Issuance of Shares.** The Board of Directors by resolution may issue shares in the Corporation not in exceeding the number of shares authorized in the Articles of Incorporation. Such issuance shall be entered on the stock transfer books of the Corporation.
- 8.3 **Transfer of Shares.** Transfer of shares of the Corporation shall be made only on the stock transfer books of the Corporation by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney so authorized by power of attorney duly executed and filed with the Secretary of the Corporation. The person in whose name shares stand on the books of the Corporation shall be deemed by the Corporation to be the owner thereof for all purposes. Provided, however, that upon any action undertaken by the Shareholders to elect S Corporation status pursuant to Section 1362 of the

Internal Revenue Code and upon any Shareholders agreement thereto restricting the transfer of said shares so as to disqualify said S Corporation status, said restriction on transfer shall be made a part of the bylaws so long as said agreement is in force and effect.

#### **ARTICLE IX. FISCAL YEAR**

The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December each year.

#### **ARTICLE X. DIVIDENDS**

The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law.

#### **ARTICLE XI. CORPORATE SEAL**

At the discretion of the Board of Directors, the Corporation may adopt a corporate seal, circular in form and shall have inscribed thereon the name of the Corporation and the State of incorporation and the words, "Corporate Seal". No seal shall be necessary to make any contract or undertaking valid.

#### **ARTICLE XII. NOTICE**

- 12.1 **Notice Requirements.** The following are the requirements of effective notice:
- 12.1.1 **Written.** Notice shall be written.
  - 12.1.2 **Address of Record.** Notice shall be delivered to the recipient's address of record with the Company. In this regard, it is the affirmative duty of each Director (Shareholder) to provide the Company at all times with current mailing addresses (physical and email) and a current fax number.
  - 12.1.3 **Means of Delivery.** Notice may be delivered as follows: (a) hand delivered to the intended recipient; (b) placed in the United States Mail marked "Certified Mail, Return Receipt Requested" with postage prepaid;



(c) delivered by facsimile (fax) transmission; or (d) delivered by electronic mail (email).

12.1.4 **Date of Delivery.** Notice shall be deemed delivered when received by the recipient or transmitted by one of the means set forth above, whichever shall first occur.

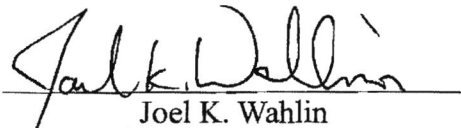
12.1.5 **Effectiveness.** Notice shall be deemed effective if (a) the sender (or agent) certifies by affidavit personal delivery upon the intended recipient; (b) as to delivery by United States Mail, the receipt is returned as having been delivered or is marked "Refused," "Addressee Unknown," "Unable to Forward," or other similar designation or notation; (c) as to delivery by fax, the sender can produce written proof of successful transmission showing the date and time of transmission and the recipient's fax phone number; or (d) as to delivery by email, the sender can produce written proof of transmission to the intended recipient's email address by an Internet Service Provider or by electronic acknowledgment of receipt by the recipient.

12.2 **Waiver of Notice.** Whenever notice is required to be given to any Shareholder or Director, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at a meeting shall be deemed a waiver of notice of said meeting unless attendance is for the sole purpose of objecting to effective notice.

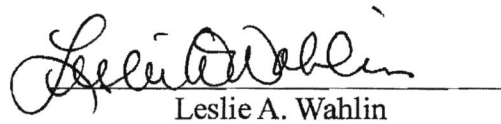
### ARTICLE XIII. AMENDMENTS

These Bylaws may be altered, amended, repealed, restated, or new Bylaws adopted by resolution of the Board of Directors and adoption by a majority of the Shareholders at the annual meeting or at a duly noticed special meeting of the Shareholders.

THESE BYLAWS are certified to have been adopted by the Shareholders of the Corporation on this 21 day of MAY, 2008.

  
Joel K. Wahlin

Shareholder

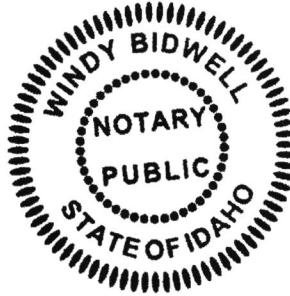
  
Leslie A. Wahlin

Shareholder

STATE OF IDAHO )  
COUNTY OF BONNER ) SS.

On this 21 day of May, in the year of 2008, before me, a Notary Public for the state of Idaho, personally appeared **Joel K. Wahlin**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

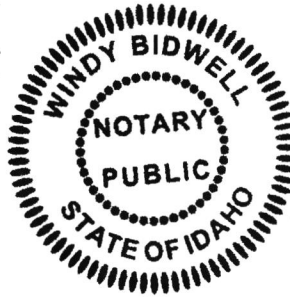
(Sign) Windy Bidwell  
NOTARY PUBLIC  
Residing at: Sandpoint  
My commission expires: 3/12/13



STATE OF IDAHO )  
COUNTY OF BONNER ) SS.

On this 21 day of May, in the year of 2008, before me, a Notary Public for the state of Idaho, personally appeared **Leslie A. Wahlin**, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

(Sign) Windy Bidwell  
NOTARY PUBLIC  
Residing at: Sandpoint  
My commission expires: 3/12/13



FILED EFFECTIVE

2008 FEB 29 AM 10:36

ARTICLES OF INCORPORATION  
OF  
ACME WATER WORKS, INC.

SECRETARY OF STATE  
STATE OF IDAHO

The undersigned, in order to form a corporation under the provisions of the Idaho Business Corporation Act, submits the following articles of incorporation to the Idaho Secretary of State.

ARTICLE I.  
NAME OF CORPORATION

The name of the corporation shall be Acme Water Works, Inc. (hereinafter referenced as "Company").

ARTICLE II.  
AUTHORIZED SHARES

The Company is authorized to issue one thousand (1,000) shares of stock.

ARTICLE III.  
REGISTERED AGENT

The Board of Directors shall designate a registered agent. The initial registered agent shall be WILLIAM M. BERG, whose address (registered office) is c/o Berg & McLaughlin, Chtd, 708 Superior Street, Ste B, Sandpoint ID 83864.

ARTICLE IV.  
INCORPORATOR

The incorporator is JOEL K. WAHLIN whose address is 142 Nancy Road, Sandpoint ID 83864.

ARTICLE V.  
COMPANY MAILING ADDRESS

The initial Company mailing address is 142 Nancy Road, Sandpoint ID 83864.

IDAHO SECRETARY OF STATE  
02/29/2008 05:00  
CK: 1479992 CT: 172099 BH: 1102030  
1 @ 100.00 = 100.00 CORP # 2  
1 @ 20.00 = 20.00 EXPEDITE C # 3

177309

**ARTICLE VI.  
INITIAL DIRECTORS**

The initial Directors are:

Joel K. Wahlin, 142 Nancy Road, Sandpoint ID 83864.

Leslie A. Wahlin, 142 Nancy Road, Sandpoint ID 83864.

**ARTICLE VII.  
PURPOSE OF CORPORATION, SERVICE and RATES**

The Company is initially organized to engage in the business of providing domestic water to private users for beneficial use as a "small water company" consistent with Rule 31.36.01, Idaho Administration Procedures Act. In connection with the provision of water, the Company's rates shall be just and reasonable and its service adequate and efficient. The Company shall not discriminate or provide preferential rates or service contrary to Section 61-315, Idaho Code, and as such provision may be amended from time to time. In addition, the Company may engage in any other lawful business activity.

**ARTICLE VIII.  
TYPE OF CORPORATION**

The Company shall elect to operate as a subchapter S Corporation pursuant to § 1362 of the Internal Revenue Code.

**ARTICLE IX.  
MANAGEMENT**

Company management shall be vested in the Board of Directors. The Board of Directors shall be elected by the shareholders at the annual meeting. The shareholders are limited to (a) electing Directors; (b) adopting and modifying the Bylaws; and (c) modifying the Articles of Incorporation.

**ARTICLE X.  
BOARD OF DIRECTORS**

The Company shall have no less than two (2) Directors unless one hundred percent (100%) of the shares are held by a single shareholder, in which case there may be one (1) Director. The Board shall meet no less often than annually.

**ARTICLE XI.  
OFFICERS**

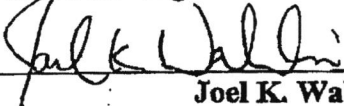
The Board of Directors shall elect the Officers. There shall be a President and a Secretary. The Bylaws may specify additional officers.

**ARTICLE XII.  
INDEMNIFICATION**

The Company shall indemnify its Officers and Directors from personal liability as the word "liability" is defined Section 30-1-850(5), Idaho Code. The terms of indemnification shall be consistent with the standards for liability set forth in Section 30-1-831, Idaho Code. Directors shall be liable to the Company for unlawful distributions as set forth in Section 30-1-833, Idaho Code. The Company, acting through its Board of Directors, may indemnify employees, agents, trustees and other personnel operating for or on behalf of the Company. No Officer, Director, or other person shall benefit from indemnification where the action or failure of action constituted (a) an intentional infliction of harm on the corporation or its shareholders, or (b) was an intentional violation of criminal law.

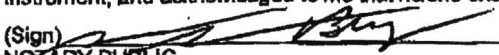
**ARTICLE XIII.  
MODIFICATION**

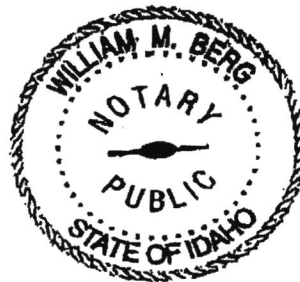
These Articles may be amended upon (a) a resolution of the Board of Directors; (b) adoption of the resolution by the Shareholders at a duly called meeting of the Shareholders; and (c) by the vote of a majority of the shares present and voting, or voted by proxy at said duly called meeting.

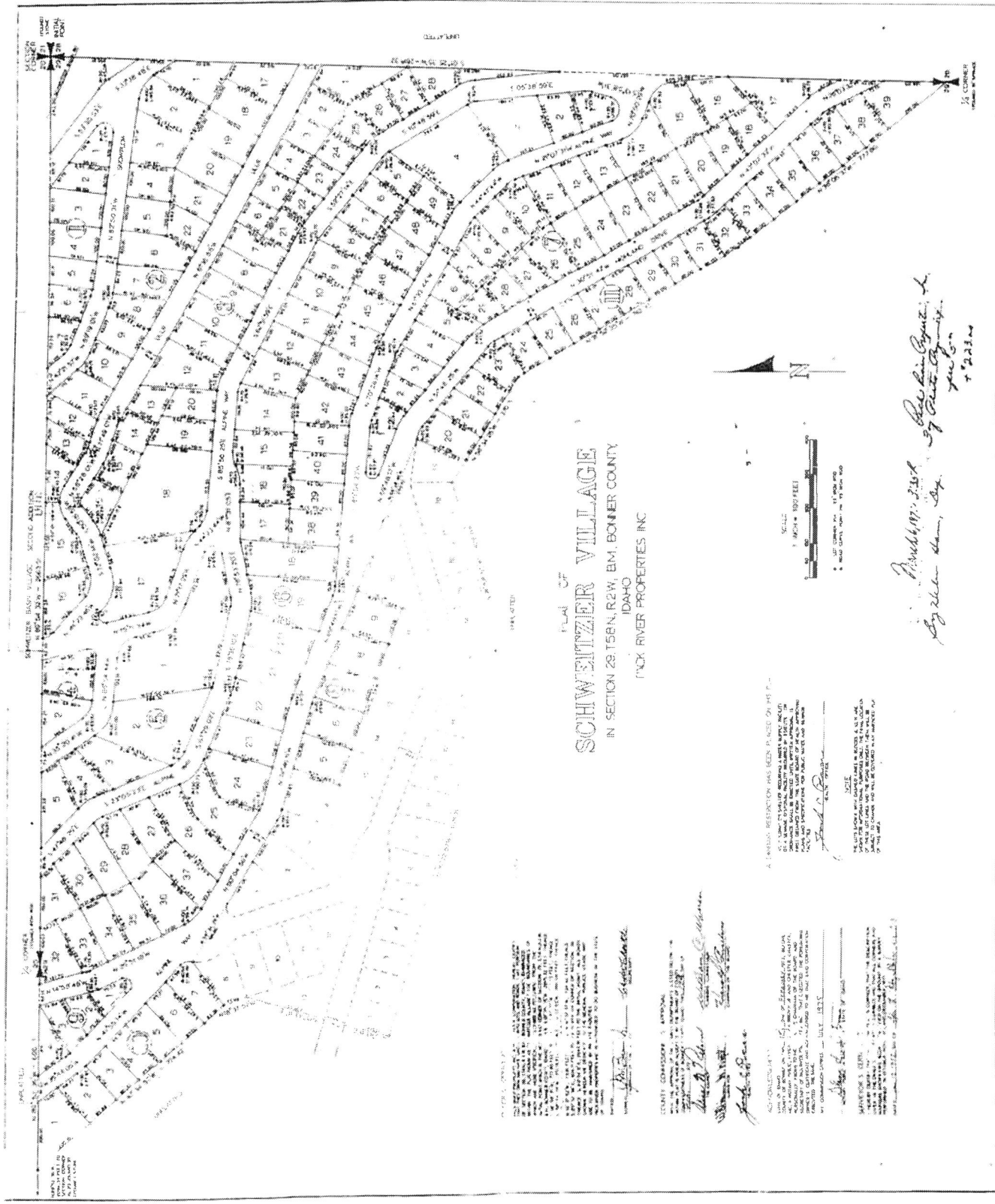
  
\_\_\_\_\_  
Joel K. Wahlin  
Incorporator

STATE OF IDAHO )  
COUNTY OF BONNER ) ss.

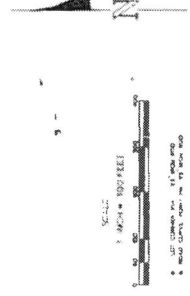
On this 29 day of FEB, in the year of 2008, before me, a Notary Public for the state of Idaho, personally appeared Joel K. Wahlin, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

(Sign)   
NOTARY PUBLIC  
Residing at: 5106 W. 12th  
My commission expires: 11/14/08





PLAT OF  
**SCHWETZER VILLAGE**  
 IN SECTION 28, T56N, R27W, E1M, BONNER COUNTY,  
 IDAHO  
 TUCK RIVER PROPERTIES, INC.



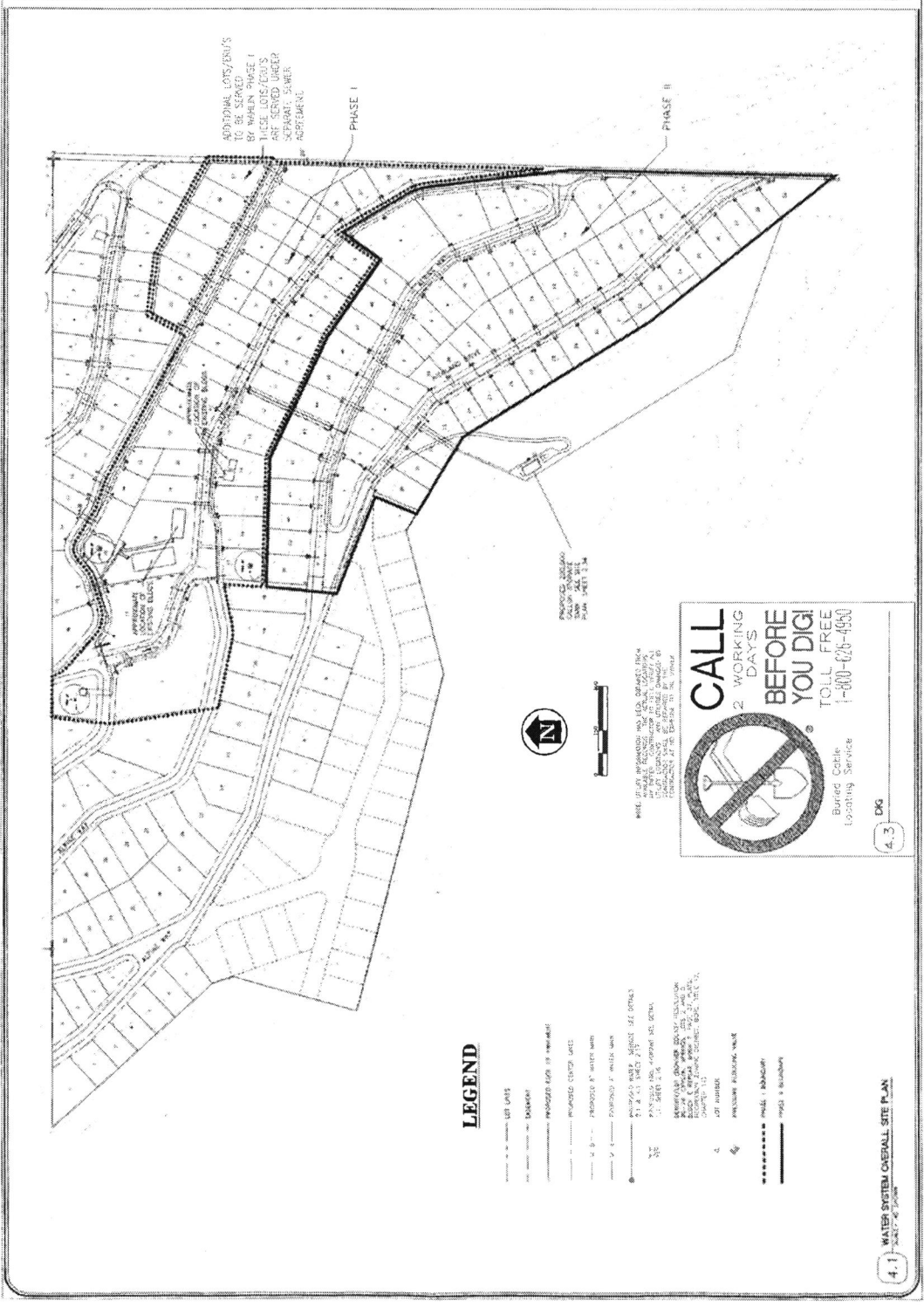
A PRELIMINARY RESERVATION HAS BEEN PLACED ON THIS PLAT FOR THE USE OF THE TUCK RIVER TRAIL. THE TRAIL SHALL BE LOCATED AS SHOWN ON THE PLAT AND SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY. THE TRAIL SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY. THE TRAIL SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY.

*Handwritten:* Mark W. 2154  
 37 38 39 40  
 12234

**NOTICE TO CONTRACTORS:**  
 THE PLAT IS SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY FOR THE TUCK RIVER TRAIL. THE TRAIL SHALL BE LOCATED AS SHOWN ON THE PLAT AND SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY. THE TRAIL SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY.

**NOTICE TO BUYERS:**  
 THE PLAT IS SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY FOR THE TUCK RIVER TRAIL. THE TRAIL SHALL BE LOCATED AS SHOWN ON THE PLAT AND SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY. THE TRAIL SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY.

**NOTICE TO LESSEES:**  
 THE PLAT IS SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY FOR THE TUCK RIVER TRAIL. THE TRAIL SHALL BE LOCATED AS SHOWN ON THE PLAT AND SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY. THE TRAIL SHALL BE SUBJECT TO THE NECESSARY EASEMENTS AND RIGHTS OF WAY.



**LEGEND**

- LOT LINES
- DRAINAGE
- PROPOSED SEWER LINE
- PROPOSED WATER MAIN
- PROPOSED 12" WATER MAIN
- PROPOSED 15" WATER MAIN
- PROPOSED 20" WATER MAIN
- PROPOSED 30" WATER MAIN
- PROPOSED 42" WATER MAIN
- PROPOSED 60" WATER MAIN
- PROPOSED 90" WATER MAIN
- PROPOSED 120" WATER MAIN
- PROPOSED 150" WATER MAIN
- PROPOSED 210" WATER MAIN
- PROPOSED 300" WATER MAIN
- PROPOSED 420" WATER MAIN
- PROPOSED 600" WATER MAIN
- PROPOSED 900" WATER MAIN
- PROPOSED 1200" WATER MAIN
- PROPOSED 1500" WATER MAIN
- PROPOSED 2100" WATER MAIN
- PROPOSED 3000" WATER MAIN

**CALL BEFORE YOU DIG!**  
 2 WORKING DAYS  
 BEFORE YOU DIG!  
 TOLL FREE  
 1-800-678-4950

Buried Cable Locating Service

4.3

(4.1) WATER SYSTEM OVERALL SITE PLAN  
 SCALE: AS SHOWN



**Public Health**  
Prevent. Promote. Protect.  
**Panhandle Health District**

# Panhandle Health District

*Healthy People in Healthy Communities*

**Environmental Health**  
8500 N Atlas Road  
Hayden, Idaho 83835  
Phone: 208-415-5200  
Fax: 208-415-5201  
[www.phdl.idaho.gov](http://www.phdl.idaho.gov)

November 18, 2011

Bob Hansen  
Water Systems Management Inc.  
67 Wild Horse Trail  
Sandpoint, ID 83864

Subject: Sanitary Survey of PWS #1090254, Acme Water Works

Dear Mr. Hansen:

Thank you for taking the time to assist with the sanitary survey PHD performed on the Acme Water Works Water System on October 21, 2011. Attached, you will find the drinking water supply report for the water system which includes a list of the deficiencies, additional requirements and/or recommended improvements for your system.

**Please consult with PHD regarding the deficiencies identified in this written notification. Upon agreement between the public water system and PHD, please provide a written corrective action plan to PHD that addresses the deficiencies. This consultation with PHD shall be completed within 30 days of receiving this written notification. This request is Pursuant to IDAPA 58.01.08.323.**

#### Significant Deficiencies

1. The broken electrical conduit alongside the well casing must be repaired and sealed.

#### Deficiencies

1. A smooth nosed sample tap must be provided on the well discharge line the next time material modifications occur in the pump house.
2. The reservoir overflow screen must be replaced with a 24 mesh non-corrodible screen.

#### Additional Requirements


1. The proper controls must be installed for the well pumps to provide automatic filling of the reservoir.
2. The air relief and PRV vaults must be sealed to avoid accumulation of water and debris.
3. It was not confirmed if an operation and maintenance manual has been completed for the water system. If not already, an operation and maintenance manual must be completed, including daily operating instructions, operator safety procedures, location of valves and other key system features, parts list and parts order form, and information for contacting the water system operator and other system contacts.

Prior to any future modifications or expansion to the existing water supply system, plans and specifications must be submitted to the DEQ for review and approval.



If you have any questions or comments regarding this survey, please do not hesitate to contact me at (208) 415-5208.

Sincerely,

A handwritten signature in cursive script that reads "Jamie Barton".

*Jamie Barton*  
*Sr. Environmental Health Specialist*

**Enclosures:** Survey Photos

## Panhandle Health District Drinking Water Supply Report

**System:** Acme Water Works

**PWS#:** 1090254

**Date of Survey:** October 21, 2011

**County:** Bonner

**System Representative Present at Survey:** Bob Hansen, DO

**Surveyed by:** Jamie Barton, PHD

**Source:** Groundwater

**Population/Connections:** 25/17

**Water System Type:** Transient Non-Community

The Acme Water Works water system, located on Schweitzer Mountain in Bonner County, Idaho, was constructed during the spring and summer of 2008 designed to serve 260 residences on 107 lots in the Schweitzer Village subdivision. Currently the water system serves only 17 seasonal connections and is classified as a transient, non-community public drinking water system. Schweitzer Mountain has very few year round residents, and because of its location and primary use as a recreation area, it is unlikely that the number of permanent residents will increase significantly. The residences are primarily vacation homes and short term rentals, with the peak occupancy during winter holiday weeks and weekends.

The initial sanitary survey of the water system was conducted October 21, 2011, evaluating the source, pump house, reservoir, distribution system, and the PWS file contents.

### Source

The water system is currently served by a 6-inch cased well, well #1, drilled September 13, 2002 to a total depth of 220 feet. The well is located on a designated well lot; Lot 1, Block 4, within the Schweitzer Village subdivision. It appeared that surface water runoff may flow in the direction of the well head and it is recommended crowning be completed around the well head.

The well casing extends 2 feet above the surface, fitted with a watertight vented well cap, to 98 feet below ground surface and has a 54 foot aqua grout surface seal. The well production is estimated to be around 30 gallons per minute. At the time of the survey, the electrical conduit alongside the well casing was observed to be broken and must be repaired.



Well #1 and pump house



Broken conduit



Well #2

A second well, well #2, was drilled August 17, 2006 to a total depth of 210 feet but at this time is not physically connected. The well is located on a designated well lot; Lot 16, Block 3. It is strongly recommended this well be physically connected for system redundancy, however further

test pumping may be necessary to determine capacity. In addition, due to the small streams in close proximity to the well, a microscopic particulate analysis would be required to rule out the possibility of surface water influence.

A third well was drilled but did not produce adequate water and will not be developed.

Wells 1 and 2 have had the full round of initial sampling completed for IOC's, SOC's, and VOC's with the results being either non-detect or well below the maximum contaminant levels. The only result showing concern was the Langlier Index for both wells indicating the source water to be highly corrosive. The water system should consider providing corrosion control.

### **Pump House**

The pump house has a locking door; and adequate light, heat, ventilation, and floor drainage. The floor drain reportedly discharges to daylight, however the location of where it daylights was not located at the time of the survey. Contained in the pump house are the pump controls, flow to waste line, Hershey flow meter, and a Well Mate pressure tank riding on the system.

Water was observed to be flowing out the flow to waste line with the gate valve in the closed position. This would indicate the gate valve to be leaking. The gate valve should be replaced to avoid creating an ice dam when temperatures drop below freezing. A smooth nose sample tap is not provided on the well discharge line and must be supplied the next time material modifications occur in the pump house. Currently a source sample may be obtained from the flow to waste line. It is recommended the discharge line supports be painted to resist rusting.



Flow to waste line and flow meter



Flow to waste valve leaking

### **Storage**

A 200,000 gallon concrete reservoir, located off Highland Drive above the subdivision, provides water storage and pressure for the water system. The system is not yet automated, thereby requiring the well pump to be manually turned on to fill the tank. The proper controls must be installed for the well pumps to provide automatic filling of the reservoir. This is especially important should an emergency situation occur, such as a fire flow event. The owner of the system is checking the levels of the reservoir regularly to report to the operator when it is necessary to turn on the well pumps.

The reservoir is equipped with two access manhole openings, properly screened vents, and an overflow. The access manholes are at least 4 inches above the reservoir roof; with a water tight, overlapping, and locking cover. The overflow discharges over a large rock bed to avoid issues

with erosion. The overflow does need to be provided with a 24 mesh screen or other method acceptable to DEQ; a larger screen is currently in place and is collecting debris.



**Reservoir**



**Reservoir access**



**Overflow screen**

It is recommended the reservoir be inspected annually for integrity and silt buildup, and cleaned once every five years or as necessary. Due to the seasonal use of the water system and the potential for stagnant water to become an issue, it is also recommended the water system flush the reservoir annually.

### **Distribution**

The distribution system is comprised of 8-inch ductile iron, 8-inch PVC, and 4-inch PVC and is not looped. An air relief valve is located in a vault adjacent to the reservoir. Main line pressure reducing valves (PRV) are located in vaults; one at Alpine Way and one at Ullr Drive, to maintain the system pressure between 40 psi and 100 psi.

The air relief vault access has a significant unintended opening near the surface that would allow surface water and debris into the vault. This must be sealed to avoid accumulation of water and debris. The vault was not accessed during the survey; however the lid was removed and water flow could be heard that likely indicates a leak. The floor drain appears to be working as there did not appear to be any standing water in the vault. An inspection conducted by Sewell and Associates in 2009 stated the valve appeared to be non-functioning and leaking water. This must be inspected and corrected to ensure the air relief valve is functioning properly. In addition, the air relief valve must have a screened vent pipe extending 12-inches above ground.

The Ullr Drive PRV vault was not inspected during the survey. The Alpine PRV vault lid was removed and pictures taken. The vault access needs to be sealed; a large unintended opening was observed which would allow surface water runoff and debris into the vault.



**Unintended opening at Alpine vault**

It is recommended that all valves in distribution be exercised regularly and the water mains flushed annually. Dead end water mains are required to be flushed at least semiannually. Fourteen fire hydrants are located throughout distribution that may be used in the flushing plan.

As a transient system, a formal cross connection control program is not required but is strongly recommended. The water system operator is trained in cross connection control.

### **Monitoring**

The water system will be required to collect one routine coliform sample per quarter and develop a total coliform sample plan that represents the entire distribution system. A copy of the sampling plan must be submitted to PHD to be kept in the water system's file. The water system is also required to monitor for nitrate annually and nitrite once every nine years. Sample schedules will begin January 1, 2012.

### **Financial & Managerial Capacity**

Acme Water Works will eventually be required to register with the Idaho Public Utilities Commission. Each water user pays a water fee of \$48.00 per month.

The designated licensed operator for Acme Water Works is Bob Hansen with Water Systems Management Inc.

### **Compliance**

A written corrective action plan that addresses the deficiencies and additional requirements listed below must be submitted to PHD following consultation with PHD. The consultation with PHD must be completed within 30 days of receiving this written notification.

#### Significant Deficiencies

1. The broken electrical conduit alongside the well casing must be repaired and sealed.

#### Deficiencies

1. A smooth nosed sample tap must be provided on the well discharge line to facilitate drawing sanitary source water samples.
2. The reservoir overflow screen must be replaced with a 24 mesh non-corrodible screen.

#### Additional Requirements

1. The proper controls must be installed for the well pumps to provide automatic filling of the reservoir.
2. The air relief and PRV vaults must be sealed to avoid accumulation of water and debris.
3. It was not confirmed if an operation and maintenance manual has been completed for the water system. If not already, an operation and maintenance manual must be completed, including daily operating instructions, operator safety procedures, location of valves and other key system features, parts list and parts order form, and information for contacting the water system operator and other system contacts.

Recommendations

Addressing the following recommendations would bring the water system into optimal compliance:

1. Protect the well from unauthorized access.
2. Paint the discharge line supports in the pump house to resist rusting.
3. Replace the gate valve on the flow to waste line to eliminate leaking.
4. Inspect the reservoir annually for integrity and silt buildup, and clean once every five years.
5. Flush reservoir at least annually to avoid stagnant water issues.
6. Exercise all valves in distribution regularly.
7. Flush the distribution mains at least annually.
8. Implement a cross connection control program.

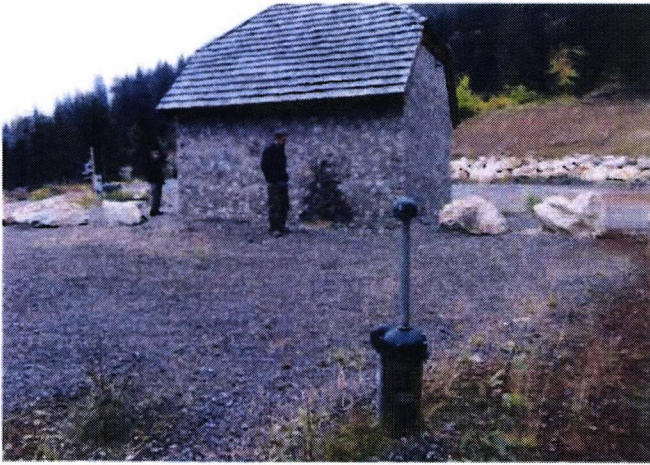


---

*Jamie Barton, Sr. Environmental Health Specialist*

November 18, 2011

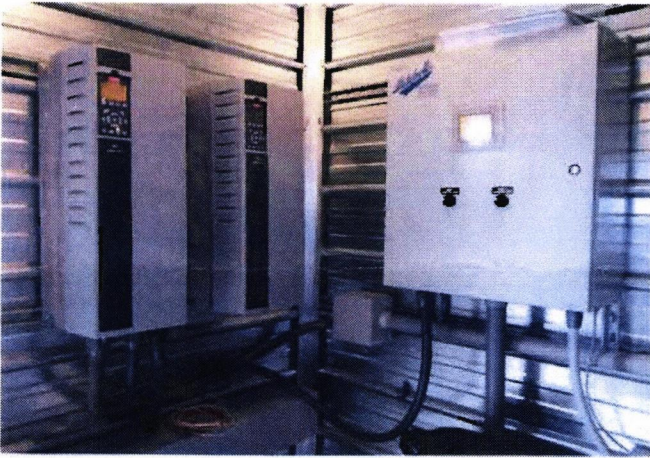
*Date*



Well and Pumphouse



Broken conduit



Pump controls



Pipe gallery



Pressure tank



Flow meter and flow to waste line



Flow to waste valve leaking



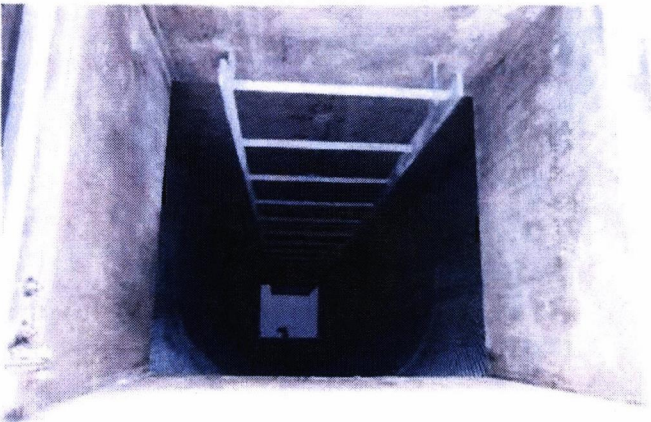
Well #2 - not hooked up



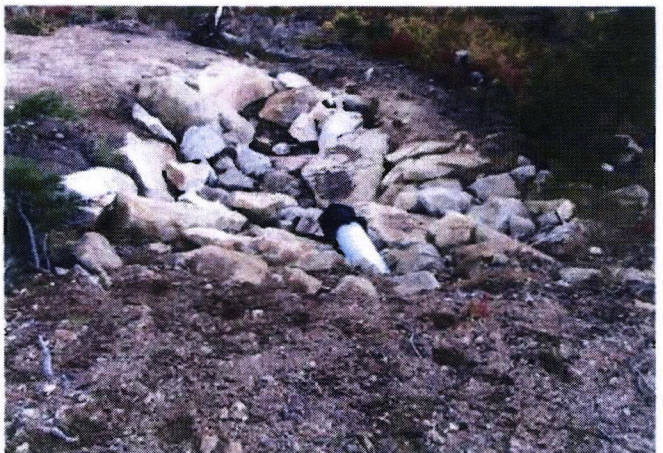
Reservoir



Reservoir access

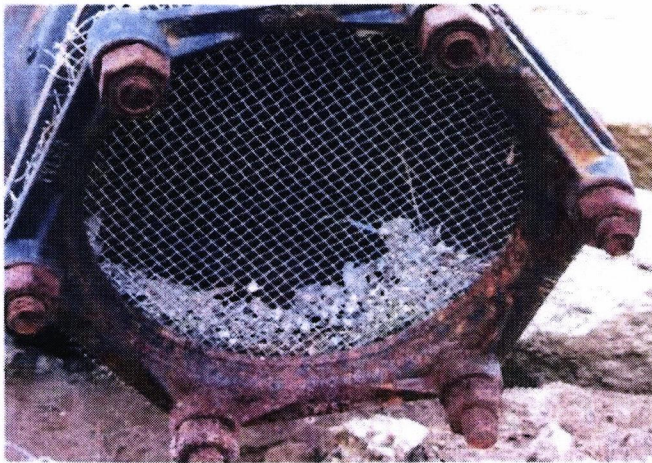


Looking in reservoir



Reservoir overflow





Overflow screen



Air relief vault



Vault access



Alpine PRV vault



PRV vault access



STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
**APPLICATION FOR PERMIT**

To appropriate the public waters of the State of Idaho

1. Name of Applicant Joel & Leslie Wahlin Phone 208-265-4167  
Mailing address 513 Euclid Avenue Sandpoint, ID 83864

2. Source of water supply Groundwater which is a tributary of N/A

3. Location of point of diversion is Township 58N Range 2W Sec. 29, in the NW  $\frac{1}{4}$ ,  
NE  $\frac{1}{4}$ , Govt. Lot \_\_\_\_\_, B.M., \_\_\_\_\_ County;

additional points of diversion if any: \_\_\_\_\_

4. Water will be used for the following purposes:

- Amount .89 for Municipal purposes from Jan 1 to Dec 31 (both dates inclusive)  
(cfs or acre-feet per annum)
- Amount \_\_\_\_\_ for \_\_\_\_\_ purposes from \_\_\_\_\_ to \_\_\_\_\_ (both dates inclusive)  
(cfs or acre-feet per annum)
- Amount \_\_\_\_\_ for \_\_\_\_\_ purposes from \_\_\_\_\_ to \_\_\_\_\_ (both dates inclusive)  
(cfs or acre-feet per annum)
- Amount \_\_\_\_\_ for \_\_\_\_\_ purposes from \_\_\_\_\_ to \_\_\_\_\_ (both dates inclusive)  
(cfs or acre-feet per annum)
- Amount \_\_\_\_\_ for \_\_\_\_\_ purposes from \_\_\_\_\_ to \_\_\_\_\_ (both dates inclusive)  
(cfs or acre-feet per annum)
- Amount \_\_\_\_\_ for \_\_\_\_\_ purposes from \_\_\_\_\_ to \_\_\_\_\_ (both dates inclusive)  
(cfs or acre-feet per annum)

5. Total quantity to be appropriated is (a) .89 and/or (b) \_\_\_\_\_  
cubic feet per second acre feet per annum

6. Proposed diverting works:

a. Describe type and size of devices used to divert water from the source 6" Water Line

b. Height of storage dam N/A feet; active reservoir capacity \_\_\_\_\_ acre-feet; total  
reservoir capacity \_\_\_\_\_ acre-feet

c. Proposed well diameter is 6" inches; proposed depth of well is 150 feet

d. Is ground water with a temperature of greater than 85°F being sought? No

e. If well is already drilled, when? N/A; Drilling firm \_\_\_\_\_;  
Well was drilled for (well owner) \_\_\_\_\_; Drilling Permit No. \_\_\_\_\_

7. Time required for completion of works and application of water to proposed beneficial use is 1 years (minimum 1 year)

8. Description of proposed uses (if irrigation only, go to item 9):

a. Hydropower; show total feet of head and proposed capacity in kW. N/A

b. Stockwatering; list number and kind of livestock. N/A

c. Municipal; show name of municipality. Schweitzer Village Subdivision - Wahlin

d. Domestic; show number of households. N/A

e. Other; describe fully. \_\_\_\_\_

9. Description of place of use:

- a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below. See instructions for standard symbols.

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
58N	2W	29	M	M		M													

Total number of acres to be irrigated \_\_\_\_\_


10. Describe any other water rights used for the same purposes as described above. N/A

- 11. a. Who owns the property at the point of diversion? Joel & Leslie Wahlin
- b. Who owns the land to be irrigated or place of use? Joel & Leslie Wahlin
- c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing: \_\_\_\_\_

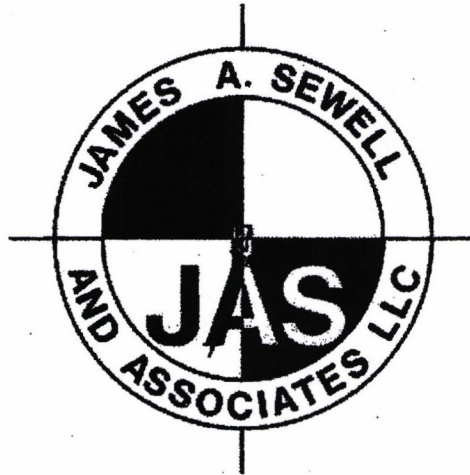
12. Remarks: The lot that the proposed well site is to be located on will be owned by a Homeowner's Association after it has been formed.

13. MAP OF PROPOSED PROJECT REQUIRED - Attach an 8½"x11" map clearly identifying the proposed point of diversion, place of use, section #, township & range. (A photocopy of a USGS 7.5 minute topographic quadrangle map is preferred.)

BE IT KNOWN that the undersigned hereby makes this application for permit to appropriate the public waters of the State of Idaho as herein set forth.

  
Signature of Applicant (and title, if applicable)

Received by \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_ Preliminary check by \_\_\_\_\_  
 Fee \$ \_\_\_\_\_ Received by \_\_\_\_\_ # \_\_\_\_\_ Date \_\_\_\_\_  
 Publication prepared by \_\_\_\_\_ Date \_\_\_\_\_ Published in \_\_\_\_\_  
 Publication approved \_\_\_\_\_ Date \_\_\_\_\_



**TECHNICAL, FINANCIAL AND MANAGERIAL REPORT  
FOR THE  
SCHWEITZER VILLAGE WATER SYSTEM**

NOW KNOWN AS

ACME WATER WORKS, INC.

Prepared by: James A. Sewell & Associates  
1205 Highway 2, Suite 101  
Sandpoint, Idaho 83864

Date: June 13, 2008

AWW - CPCN APPLICATION - Checklist Item #13

**TABLE OF CONTENTS**

Cover Sheet.....1

Table of Contents.....2

Introduction.....3

Element I.....3

Element II.....5

Element III.....6

Element IV.....7

Element V.....7

Element VI.....7

Element VII.....8

Element IX.....9

Element X.....10

Element XI.....12

Appendices.....13

- A – Site Plan
- B – Deeds, Easements, Plat
- C – Water Right Application, Permit, Well Drillers Report
- D – Water Usage Demand Calculations
- E – Minimum Backflow Prevention
- F – Water System Flow Schematic, WaterCAD Analysis
- G – USGS Topographical Map
- H – Company Documents (Articles of Incorporation, Bylaws, etc)

## **Introduction**

The purpose of this technical, financial and managerial plan is to outline the procedures and requirements to be followed to adequately operate The Schweitzer Village Water System as well as to layout the financial, technical, and managerial capacity of the system. This document is to provide additional information to the company documents. The Schweitzer Village development is to consist of ±107 lots, approximately 15 miles northwest of Sandpoint, Idaho. The development site is located within T58N, R2W, Section 29 B.M. as shown on the USGS topographic map in Appendix G. Construction of the development is expected to commence in the summer of 2006. A flow schematic of the water system is presented in Appendix F. As shown on the flow schematic and on the site plan in Appendix A, the proposed water system is to consist of three groundwater wells (designated Well #1, Well #2 and Well #3 respectively) to pump into a 200,000 gallon water storage tank with the wells pumping on an alternating basis. The storage tank is sized to provide a 1,500 GPM fire flow to the fire hydrants within the development for two hours. Well #1 has been constructed with 4 inch casing. Well #2 has been constructed with 6 inch casing. Well #3 is a proposed well that will be constructed with a 6" casing. The well pumps are to meet the Maximum Day Demand (MDD) of 60 GPM.

The distribution system is to consist of 8" AWWA C900 PVC water mains to distribute potable water to the individual services. The pressure within the main is to be controlled by a main line pressure reducing valve. The pressure reducing valve will keep the system pressure in the range of min 40 psi to maximum 100 psi.

## **ELEMENT I - SYSTEM OWNERSHIP AND MANAGEMENT**

### **Water System Ownership**

The water system is owned by Acme Water Works, Inc. a for profit organization. The developer will be responsible for the construction of the system. The developer information is as follows:

Joel Wahlin  
142 Nancy Road  
Sandpoint, ID 83864  
(208) 265-4167

### **Plats**

A copy of the subdivision plat for the development is included in Appendix B.

### **Water System Operator**

The developer will be responsible for the water system until water system construction is complete. Upon completion of construction, Acme Water Works will be responsible for appointing a water system operator to take on the responsibility for the operation and maintenance of the system. At the time that the tenth service connection is connected to the system, an Idaho Department of Environmental Quality (DEQ) certified operator will be required to oversee the operation and maintenance of the water system. Acme Water Works will contract with a certified operator to take over the management of the system. Until this occurs, an independent licensed operator from the local area will be contracted to operate and manage the water system.

### **Bylaws, Covenants, etc.**

The Articles of Incorporation are to include the Bylaws, and the Conditions, Covenants, and Restrictions (CC&Rs) for the community. These Articles have been prepared and are included with this report. The Articles of Incorporation will specify that the Acme Water Works is the legal owner of the water system and as such, is legally responsible for the operation of the system. In addition, the CC&Rs are to specify that the Acme Water Works is fully responsible for the proper operation and maintenance of the system as well as for compliance of the system with all DEQ and Panhandle Health District Requirements. These requirements include the employment of a DEQ certified operator to maintain and operate the system after the tenth service is connected.

### **Consolidation**

The development is located near the Schweitzer Mountain Ski area. There are currently two water system, Mel Bailey's Water System and the Schweitzer Mt Water System that serve the ski area. Due to topographical conditions and water storage issues, it was determined that the most feasible way to provide safe drinking water for lot owners would be through the creation of a separate water system.

### **Organizational Function**

The Articles of Incorporation are to specify that the water system operator is to report to Acme Water Works during their annual meetings to discuss the operation and maintenance activities of the system during the last year, pending repairs and replacement items, and other aspects of the system that need to be addressed by the Association. Interim meetings between the operator and the Acme Water Works Board

Joel Wahlin – Schweitzer Village Technical, Financial & Managerial Report

06-13-08

Page 4 of 17

AWW - CPCN APPLICATION - Checklist Item #13

are to be held as needed. Acme Water Works will work with the operator to maintain an organized system of legal, financial, and regulatory records for the water system.

### **Change of Ownership**

As discussed, legal ownership of the water system is to be transferred from the developer to Acme Water Works at the time water system construction completion. Acme Water Works will be formed at the time the Articles of Incorporation are recorded. The water system is being developed from out-of-pocket monies by the developer and no water system revenues currently exist. Water system revenues will not exist until Acme Water Works has taken over the water system and subdivision lots are sold. Therefore, no impact to system revenues will occur during the transfer of the system to Acme Water Works. Acme Water Works will be responsible for collecting water use fees from residents of the subdivision. A preliminary fee schedule is presented in Element 11. The water rights to the water system will be transferred with the transfer of legal ownership to Acme Water Works.

### **Employee Policies and Procedures**

This system is not large enough to feasibly employ more than one part-time system operator. The implementation of a formal employee plan is not feasible for this system.

### **Attorney and Engineer**

The design engineering firm for The Schweitzer Village Water System is:

James A. Sewell and Associates  
1205 Highway 2, Ste 101  
Sandpoint, ID 83864  
(208) 236-4160  
Contact: Eric J. Eldenburg, P.E. & Jeff Jensen, E.I.T.

The attorney is:

William M. Berg  
708 Superior Street, Suite B  
Sandpoint, Idaho 83864

### **Fiscal Controls**

A business checking account has been created for Acme Water Works, Inc and all revenues for the water system shall be incorporated into this account. Funds from within this account are not to be used for an unrelated purpose. Acme Water Works will be responsible for filing all required tax returns, performing any required audits on the system, obtaining any liability insurance, and for the management and control of all fiscal matters regarding the water system.



## **ELEMENT II - SERVICE AREA AND FACILITES**

The site plan within Appendix A acts as a preliminary operational plan for the system and shows the location of all proposed water connections and major water system components. The boundary of the water system service area is the legal boundary of the subdivision itself.

### ELEMENT III - COMPONENT INVENTORY AND CAPITAL REPLACEMENT PLANNING

A component inventory containing the major system components, their expected replacement cost, and the expected service life of the component is presented in Table 1 below.

Component Inventory and Capital Replacement Plan										
Item	Quantity	Unit	Unit Price	Total Amount	Total Amount w/10% Reserve	Expected Life (yrs)	Expected Year of Replacement	Annual Cost	Monthly Cost	Individual Cost per Month
6" Well	3	EA	\$12,000	\$36,000	\$39,600	50	2058	\$792.00	\$66.00	\$0.62
5 HP Well Pump	3	EA	\$3,500	\$10,500	\$11,550	10	2018	\$1,155.00	\$96.25	\$0.90
Well Pump Control Panel	1	EA	\$2,000	\$2,000	\$2,200	10	2018	\$220.00	\$18.33	\$0.17
Concrete Storage Tank	1	EA	\$130,000	\$130,000	\$143,000	50	2058	\$2,860.00	\$238.33	\$2.23
Pump House	1	EA	\$15,000	\$15,000	\$16,500	60	2068	\$275.00	\$22.92	\$0.21
Pump House Valves and Piping	1	EA	\$4,000	\$4,000	\$4,400	40	2048	\$110.00	\$9.17	\$0.09
1" Water Meters	107	EA	\$750	\$80,250	\$88,275	30	2038	\$2,942.50	\$245.21	\$2.29
4" C900 PVC Distribution Pipe and Repairs	8,750	LF	\$30.00	\$262,500	\$288,750	50	2058	\$5,775.00	\$481.25	\$4.50
4" C900 PVC Transmission Line and Repairs	2,400	LF	\$20.00	\$48,000	\$52,000	50	2058	\$1,056.00	\$88.00	\$0.82
8" Gate Valves	22	EA	\$300	\$6,600	\$7,260	30	2038	\$242.00	\$20.17	\$0.19
4" Gate Valves	5	EA	\$300	\$1,500	\$1,650	30	2038	\$55.00	\$4.58	\$0.04
Fire Hydrants	17	EA	\$1000	\$17,000	\$18,700	30	2038	\$623.33	\$51.94	\$0.49
Replace Pump House Roof	528	SF	\$5.00	\$1,500	\$1,650	30	2038	\$96.80	\$8.07	\$0.08
<b>Totals</b>				<b>\$612,990</b>	<b>\$674,289</b>			<b>\$16,147.63</b>	<b>\$1,345.64</b>	<b>\$12.58</b>

**Assumptions**

- 1) Year of System Start-Up = 2008
- 2) 3.0% Average Annual Inflation Assumed
- 3) Individual Cost Based on 107 Total Users

**Table 1. Component Inventory and Capital Replacement Plan**

The unit replacement costs in Table 1 include a 10% reserve and assume that all 107 lots are contributing to the system revenues. An average annual inflation rate of 3.0% was assumed for the calculations.

#### **ELEMENT IV - SYSTEM WATER USAGE**

The forecasted residential water system demands used for the preliminary design of the water system were derived using a water system analysis performed for Schweitzer Mt in the year 2002, based on data collected during the years 1995-2002 and with a method promulgated by the Washington State Department of Health (DOH) as outlined in the DOH publication "Water System Design Manual". Using the 2002 water analysis, it is anticipated that the ADD for the system will be about 84 gallons per day (GPD) per equivalent residential unit (ERU). The MDD is anticipated to be about 315 GPD/ERU and the PHD approximately 154 GPM. These values are to be checked with actual source and service meter records to be taken during the operation of the system. The full system demand calculations are presented in Appendix D with the results of a steady state analysis performed on the system using WaterCAD v5.0 software. The results of the steady state analysis indicate that the system will be able to provide the required ADD, PHD, and fire flow for the system with the 8 inch PVC distribution main shown on the site plan.

## **ELEMENT V - DOCUMENTATION OF WATER RIGHT AND INITIAL QUALITY MONITORING**

An application for water right for the system has been submitted to the Idaho Department of Water Resources. A municipal groundwater diversion rate of 0.89 CFS (399.4 GPM) has been applied for. A copy of the water right application is included in Appendix C. The wells are to be disinfected and tested for the following constituents after installation:

1. Phase 2 and 5 SOCs, VOCs, and IOCs
2. Corrosivity
3. Radiochemical Contaminants
  - gross alpha
  - radium 228
  - radium 226
4. Nitrate
5. Coliform Bacteria
6. Lead and Manganese

In addition, the distribution system is to be disinfected and tested for coliform bacteria after completion of construction.

## ELEMENT VI - MONITORING AND COMPLIANCE PLANS

A baseline monitoring program, according to the schedule in Table 2, will be implemented to ensure conformance of the water system with current water quality regulations. The follow up monitoring program shown below in Table 3 will be followed when contaminants are detected during baseline monitoring. Both monitoring programs are subject to revisions at the request of the DEQ.

BASELINE MONITORING		
Contaminant	Sample Frequency	Sample Location
Total Coliform	Monthly	One Sample Within Pumphouse. One Sample at Each Hydrant.
Nitrates	One Sample Per Year	One Sample Within Pumphouse
Inorganic Compounds	One Sample Every Three Years	One Sample Within Pumphouse
Volatile Organic Compounds	One Sample Every Three Years	One Sample Within Pumphouse
Synthetic Organic Compounds	One Sample Every Three Years	One Sample Within Pumphouse
Lead & Copper	Twice per Year	In-House Taps
Radiochemical Contaminants	Every Three Years	One Sample Within Pumphouse

Table 2. Baseline Monitoring

FOLLOWUP MONITORING		
Contaminant	Sample Frequency	Sample Location
Total Coliform	Contact DEQ	One Sample Within Pumphouse. One Sample at Each Hydrant.
Nitrates	One Sample Every Three Months Above 5 mg/l	One Sample Within Pumphouse
Inorganic Compounds	One Sample Every Three Months	One Sample Within Pumphouse
Volatile Organic Compounds	One Sample Every Three Months	One Sample Within Pumphouse
Synthetic Organic Compounds	One Sample Every Three Months	One Sample Within Pumphouse
Lead & Copper	Contact DEQ	In-House Taps
Radiochemical Contaminants	Contact DEQ	One Sample Within Pumphouse

Table 3. Follow Up Monitoring

Samples are to be sent to a DEQ certified laboratory for testing with a copy sent to the water system operator.

**ELEMENT VII - OPERATION AND MAINTENANCE**

The purpose of the operation and maintenance plan is to identify preventative maintenance responsibilities and to keep the system within compliance of current drinking water regulations. A certified water system operator must be in place to oversee the operation and maintenance of the water system. Idaho State regulations require that the owners of a public water system have at least one DEQ certified operator who is in charge of the operation and maintenance activities of the system when the system serves ten or more residential connections. The operator is also responsible for the implementation and operation of the system's cross-connection control program. A routine maintenance schedule to be followed by the system operator is presented in Table 4 below.

MAINTENANCE SCHEDULE (ROUTINE AND PREVENTATIVE)	
Function	Frequency
Read and Record Source Flow Meter Value	Daily
Verify Waterline Pressure is Within Designated Pressure Range at Pumphouse (40-100 PSI)	Weekly
Read and Record Pump Run Time Meters	Weekly
Check Pumphouse Piping and Walk Distribution System - Check for Cross-Connections and Other Irregularities	Every 6 Months
Flush System at Extremities	Every 6 Months
Exercise all System Valves	Annually
Disinfect Distribution System	Annually
Perform Water Quality Monitoring	Per Water Quality Monitoring Program and DEQ Requirements

**Table 4. Maintenance Schedule**

Table 5 presents a list of supplies which should be kept at the site for use as needed.

STANDBY SUPPLIES AND EQUIPMENT	
Type of Supplies/Equipment	Supplier
Standby Well and Booster Pump (Optional)	Ferguson Enterprises
Miscellaneous PVC Fittings and Couplers Sized for the System	Any Hardware Store
Miscellaneous PVC Piping Sized for the System	Any Hardware Store
Pipe Wrench	Any Hardware Store
Valve Key for Gate Valves with 2" Operator Nut	Consolidated Supply

**Table 5. Standby Supplies and Equipment**

## **ELEMENT IIX - CROSS-CONNECTION CONTROL**

A cross-connection program is to be implemented and followed by the water system operator in order to prevent the intrusion of contaminants into the water system due to a physical connection between the water system and a source containing non-potable liquids, solids, or gasses. Common non-potable sources include irrigation systems, swimming pools and auxiliary water supplies. In order to protect the public water system from contamination through backflow events, an air gap or an approved backflow prevention device is required at the connection between the waterline and the source of potential contamination. The cross-connection control program consists of the following steps:

1. Check the pumphouse piping and walk the water distribution system every 6 months to check for any cross-connections. All cross-connections must have a backflow prevention device, whose manufacturer is approved by the DEQ, installed between the potable and non-potable water system components. Any cross-connection without an approved backflow prevention device must have their service discontinued. The minimum type of backflow prevention device for various types of facilities is presented in Appendix E.
2. Install an approved DEQ backflow prevention device at any anticipated cross-connection. All proposed cross-connections must have the approval of the system operator before installation.
3. Keep a record of the location and "As-Built" construction of all cross-connections on the system.
4. Ensure that all installed backflow prevention devices are tested annually by a DEQ certified tester.

It is recommended to include the cross-connection program requirements within the Acme Water Works Bylaws to provide legal recourse to Acme Water Works against customers who refuse to comply with the rules of the cross-connection control program.

## ELEMENT IX - EMERGENCY RESPONSE PLAN

An emergency response program is to be followed to alert system users and to provide for an orderly response to a system emergency.

As part of the emergency response plan, all system customers are to be notified of the emergency by phone, or by door-to-door contact if necessary, as soon as is feasible. When someone identifies an emergency situation other than the system operator, the system operator should be immediately notified.

Among the most common situations that could require the implementation of the emergency response plan is the loss of water service or a contamination of the water system. In either case the plan of action is to be as follows:

1. Eliminate all use of water from the public drinking water system
2. Contact a chemical toilet vendor to supply an appropriate number of chemical toilets for use by the subdivision residents
3. Obtain bottled potable water for drinking purposes
4. Repair the water system as needed
5. Completely disinfect the water system with 50 ppm chlorine solution and let set for 24 hours
6. Test the water at system extremities to ensure compliance with coliform bacteria standards
7. Once properly restored, begin using the water system again

### System Emergency Reference List

Fire/Police/Medical.....	911
Panhandle Health District.....	208-265-6384
System Design Engineer.....	208-263-4160
<i>-James A. Sewell and Associates</i>	
DEQ Engineer.....	208-769-1404
Electric Utility.....	1-800-227-9187
<i>-Avista Utilities</i>	
System Developer.....	208-265-4167
<i>-Joel Wahlin</i>	

### Emergency Actions

The following is a list of actions to be implemented during common emergency scenarios:

**Well Pump Failure** - Proceed with the emergency response plan. Remove the failed pump and install a standby pump or order a new pump to be installed upon arrival.

**Break In Distribution Line** - Proceed with the emergency response plan. Remove that section of distribution line from service. Expose the system failure and determine the

AWW - CPCN APPLICATION - Checklist Item #13

Joel Wahlin - Schweitzer Village Technical, Financial & Managerial Report

06-13-08

Page 13 of 17



required repair and fittings. Obtain the required parts, repair the failed component, and disinfect the system. Return that section to service.

**Electrical Problems** - If the source of the problem is not obvious, contact an electrician to determine the extent of the problem. Proceed with the emergency response plan as necessary depending on the expected length of the outage.

**Coliform Violations** - Proceed with the emergency response plan. Contact the DEQ and disinfect the water system as described previously. Bring the water system back online once satisfactory tests are obtained.

### **ELEMENT X - SOURCE PROTECTION PROGRAM**

The water system operator shall oversee the implementation of the source protection plan which consists of the following items:

1. Ensure that the community well sites remains graded to prevent the ponding of water within 50 feet of the wells.
2. Ensure that no hazardous toxins or other inappropriate chemicals are stored on the individual well lots or within 200 feet of the wells.
3. Ensure the proper implementation of the system's Cross-Connection Control Program.

## ELEMENT XI - SYSTEM BUDGET

As stated previously the costs of the construction of the water system are being funded by the developer. At the present time the rate at which lots will be sold, developed and hook up to the water system is unknown. For purposes of budget estimating it is assumed that a minimum of 5 lots will be sold and developed per year starting in the year 2009. Once the water system is complete Acme Water Works will be responsible for the operating expenses of the system. There are currently four residences that have been constructed and will begin to pay fees once the water system is completed. The estimated completion date of the water system is October 2008. The proposed fee schedule is found in Table 6 below as well as in the Company Documents found in Appendix H.

<b>Schedule of Rates and Charges - Acme Water Works, Inc</b>	
Connection Fees:	
Standard Residential	\$5,500
2" + Water Line	\$18,000
3" + Water Line	\$30,000
Inspection by Licensed Operator	\$200/inspection
Standby Fee	\$30/month
Owner Transfer Fee	\$100
Service Termination Fee	\$50
Service Reconnection Fee	\$50
Residential Water Usage	
Basic Fee (0-12,000 gals)	\$48
12,001 - 30,000 gallons	\$0.005/gallon
30,001 + gallons	\$0.006/gallon
Commercial Water Usage	n/a
Bulk Water Usage	\$0.010/gallon

Table 6. Proposed Rates and Charges

A five year operating budget representing expected revenues and expenses for the water system is presented in Table 7 below.

Proposed Five Year Operating Budget					
Item	Year				
	2008	2009	2010	2011	2012
Operating Revenues (Water Use Fees)	\$384	\$4,3200	\$7,776	\$10,656	\$13,536
Connection Fees	\$22,000	\$27,500	\$27,500	\$27,500	\$27,500
Operating Expense (Salaries, Power, Equipment, Monitoring, Insurance, Testing)	\$4,000	\$4,200	\$4,400	\$4,600	\$4,800
Taxes	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Debt Payment	\$0.00	\$1100.00	\$0.00	\$0.00	\$0.00
Miscellaneous (Training, Travel)	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Cash Operating Reserve (1/8 Line 2)	\$500.00	\$525.00	\$550.00	\$575.00	\$600
Emergency Capital Replacement Reserve	\$2,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
Capital Replacement Reserve	\$16,148	\$32,566	\$48,714	\$64,862	\$81,010
Sum Revenues/Financing	\$22,384.00	\$31,820.00	\$35,276.00	\$38,156.00	\$41,036.00
Sum Expenses	\$23,348.00	\$24,673.00	\$21,798.00	\$22,023.00	\$22,248.00
Budget Surplus	-\$964.00	\$7,147.00	\$13,478.00	\$16,533.00	\$18,788.00
Financing (From Developer)	\$964.00	\$0.00	\$0.00	\$0.00	\$0.00

**Table 7. Proposed Five Year Operating Budget**

The above table represents an estimated budget only and the above number should be revised or altered once actual operating costs and expenses have been determined.

**ACME WATER WORKS, INC.**  
**Sheet 1 Revision ---**  
**Replaces All Previous Sheets**

---

Note To all Small Water Utilities: This is meant to be a template for the company tariff and includes an approved version of the General Rules and Regulations of Small Water Utilities. In adapting this template for your company it is important that the header have a blank space on the right side that measures three inches wide by one and one-half inches tall (3" x 1 1/2") for the Commission's stamp of approval. The first pages of the tariff will be the approved rate schedules and any non-recurring charges that have been approved by the Commission. Pages 2 - 4 of the template are examples of rate schedules and some of the non-recurring charges adapted by other companies. The company will identify which schedule applies to which customer if there are different rates. The company will list the rate schedules on a separate page from any approved non-recurring charges. The General Rules and Regulations portion of this template shall be kept as written. Any additional rules adopted by the company and approved by the Commission shall be appended to the end of this tariff in Attachment 1; See Section 1. General -)

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

ACME WATER WORKS, INC.  
Sheet 2 Revision ---  
Replaces All Previous Sheets

---

---

## RATE SCHEDULE NO. 1

### AVAILABILITY:

Service under this Rate Schedule is available for all single family residential, multi-family residential such as apartments and/or condominiums, and commercial units within the defined service area.

### RATES:

All rates are based on equivalent residential units (ERU's).  
Example: A six (6) unit condominium would be six (6) ERU's.....

#### Residential Water Usage (1 ERU)

Basic Fee	\$	48.00/month
<i>(includes 0-12,000 gallons)</i>		
12,001 – 30,000 gallons	\$	0.005/gallon
30,001 + gallons	\$	0.006/gallon

Standby Fee	\$	24.00/month
-------------	----	-------------

### TERM:

- Usage fees are billed monthly and are payable within 30 days.
- A late charge of 10% of the amount due shall be charged for any payments that are not received within 30 days of the due date.
- Interest on past due amount is 1.5% per month

---

---

Issued (date)  
Effective (date)

Acme Water Works, Inc.  
Joel Wahlin, President

**RATE SCHEDULE NO 2**  
**NON-RECURRING CHARGES**

**Connection Fees:**

Standard Residential <i>(each residential unit - ERU)</i>	\$	9,430.00
Inspection by Licensed Operator	\$	200.00/inspection
Bulk Water Usage	\$	0.01/gallon
Owner Transfer Fee	\$	100.00
Service Termination Fee	\$	50.00
Service Reconnection Fee	\$	100.00

**TERM:**

- Service charges will be added for operator to provide Bulk Water.

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

---

---

## GENERAL RULES & REGULATIONS FOR SMALL WATER UTILITIES

### 1. GENERAL

- 1.1 The Customer, in receiving water service, and the Company, in providing water service, shall both agree to abide by these rules and regulations.
- 1.2 In the event that there is a conflict between these rules and regulations and the Utility Customer Relations Rules (UCRR) and the Utility Customer Information Rules (UCIR), the Rules and Regulations of the Idaho Public Utilities Commission (Commission) shall take precedence unless an exception has been granted.
- 1.3 All recurring and non-recurring charges shall be approved in advance by the Commission.

### 2. DEFINITIONS

- 2.1 Applicant - a potential customer (person, business or government agency) applying for service to the Company and subject to the Commission's rules and regulations.
- 2.2 Billing Period - the period of time between bills from the Company for normal services rendered.
- 2.3 Commission - Idaho Public Utilities Commission.
- 2.4 Commodity Charge - a recurring charge based only on the quantity of water used.
- 2.5 Company - the water company.
- 2.6 Connection or Hook-Up Fee - a non-recurring charge paid by a Customer requesting service for partial or full recovery of the Company's cost of providing a new service connection.
- 2.7 Contribution in Aid of Construction - a non-recurring charge paid by a Customer or developer to help defray the cost of system expansion.

---

---

Issued (date)  
Effective (date)

Acme Water Works, Inc.  
Joel Wahlin, President



# ACME WATER WORKS, INC.

Sheet 5 Revision ---

Replaces All Previous Sheets

- 
- 2.8 Customer - a person, business or government agency responsible for paying bills and complying with the rules and regulations of the company.
  - 2.9 Customer Charge - a recurring fixed charge to recover a portion of the cost of meter reading and billing.
  - 2.10 Fixed or Flat Rate - a recurring charge of a fixed amount, usually in an unmetered system.
  - 2.11 Franchise Tax - the tax imposed on a Company by a governmental entity for the privilege of doing business within its boundaries.
  - 2.12 Late Payment Charge - the non-recurring charge levied against any delinquent balance.
  - 2.13 Minimum Charge - the minimum recurring charge for a billing period that may or may not include a specified quantity of water.
  - 2.14 Non-recurring Charges - the charges that are not assessed each billing period.
  - 2.15 Premises - the Customer's property including out buildings which are normally located on one lot or parcel of ground.
  - 2.16 Rate Schedule - the schedules of all recurring and non-recurring charges of the Company.
  - 2.17 Reconnection Charge - the charge paid by a Customer to the Company to restore service after disconnection.
  - 2.18 Recurring Charges - the charges that are assessed each billing period.
  - 2.19 Tariff - the rate schedules and the rules and regulations which govern the Company's service.
  - 2.20 Utility Customer Information Rules (UCIR) - Information to Customers of Gas, Electric, and Water Public Utilities - IDAPA 31.21.02.000 et seq.
  - 2.21 Utility Customer Relations Rules (UCRR) - Customer Relations Rules for Gas, Electric, and Water Public Utilities Regulated by the Idaho Public Utilities Commission (The Utility Customer Relations Rules) - IDAPA 31.21.01.000 et seq.

### 3. SERVICE FOR NEW CUSTOMERS

---

Issued (date)

Acme Water Works, Inc.

Effective (date)

Joel Wahlin, President

**ACME WATER WORKS, INC.**  
**Sheet 6 Revision ---**  
**Replaces All Previous Sheets**

---

- 3.1 The Company shall furnish service to applicants within its certificated service area in accordance with rates and the rules and regulations approved by the Commission.
- 3.2 Applicants for water service may be required to sign a standard form of service application.
- 3.3 The Company shall not be obligated to provide service at a service location until any required deposit has been received by the Company in accordance with the UCRR.
- 3.4 Special contracts may be required where large investments in special facilities are necessary to provide the requested service. The Company may require contribution toward such investment and establish such minimum charges as are deemed necessary. All such contracts shall be subject to the approval of the Commission.
- 3.5 The Company reserves the right to place limitations on the amount and character of water service it will supply and to refuse service if, in its opinion:
  - a. the Company is required to refuse or limit service by regulatory authorities having jurisdiction over the Company;
  - b. the requested service installation is of larger size than is necessary to properly serve the premises;
  - c. the permanency of the building, structure, or institution requesting to be served is such that the Company's investment in such service is jeopardized;
  - d. the depth of the applicant's service line is less than the minimum depth required for frost protection;
  - e. the applicants' proposed service, main or other appurtenance does not conform to good engineering design or meet the standard specifications of the Company; or
  - f. if the applicant refuses to agree to abide by the rules and regulations of the Company.

If the Company denies service to an applicant for any reason, it shall immediately provide the applicant with a written explanation of its decision in accordance with the UCRR.

#### **4. DEPOSITS**

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**ACME WATER WORKS, INC.**  
**Sheet 7 Revision ---**  
**Replaces All Previous Sheets**

---

- 4.1 Rules and Regulations regarding deposits can be found in the UCRR.

**5. RATES**

- 5.1 Rates charged for water service and supply shall be those published in the Company's tariff and approved by the Commission.

**6. BILLING AND PAYMENT**

- 6.1 All Customers shall be billed on a regular basis as identified on the applicable rate schedule.
- 6.2 If the system is metered, the Company shall try to read the meters prior to each billing unless specified differently on the applicable rate schedule. If the Company's meter reader is unable to gain access to the premises to read the meter, or in the event the meter fails to register, the Company will estimate the Customer's water consumption for the current billing period based on known consumption for a prior similar period or average of several periods. Subsequent readings will automatically adjust for differences between estimated and actual. Bills based on estimated consumption shall be clearly marked as "estimated".
- 6.3 All bills shall clearly indicate the balance due, and may be due and payable no less than 15 days after the date rendered. All bills not paid by due date may be considered delinquent and service may be disconnected subject to the provisions of the UCRR.
- 6.4 A Late Payment Charge may be levied against any delinquent account. All payments received by the next billing date shall be applied to the Customer's account prior to calculating the Late Payment Charge.
- 6.5 The minimum bill or customer charge shall apply when service is provided for less than one month.
- 6.6 Owners of premises with one or more condominiums, buildings, stores, apartments or any other divisions of like or similar character, all of which are served from one (1) service connection are responsible for the entire water charges. If the owner desires to cease being responsible for water bills for such places and

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**ACME WATER WORKS, INC.**  
**Sheet 8 Revision ---**  
**Replaces All Previous Sheets**

---

desires that the occupant of each division will be responsible for her or her respective bill, such transfer of responsibility will not be accepted or recognized by the Company until the plumbing arrangements of the building or premises are so changed by the owner or his or her agent as to permit the Company, to its satisfaction, to serve each division or occupant separately from the other occupants in the same building.

- 6.7 Accounts shall be continued and water bills rendered regularly until the Company has been duly notified to discontinue service.

**7. METERING (If Applicable)**

- 7.1 Meters will be installed by the Company near the Customer's property line or at any other reasonable location on the Customer's premises that is mutually agreed upon.
- 7.2 The Company's representative shall be given access to the Customer's premises at all reasonable hours for the purpose of obtaining meter readings. In the event of recurring inaccessibility the Company may, at its option and after notifying the customer, relocate its metering equipment at the Customer's expense.
- 7.3 The Company shall be responsible for the maintenance of its metering equipment. Meters are considered to be sufficiently accurate if tests indicate that meter accuracy is within  $\pm 2$  percent. When for any reason a meter fails to register within these limits of accuracy, the Customer's use of water shall be estimated on the basis of available data and charges shall be adjusted accordingly. Corrected bills shall then be sent out to the customer and additional payment or refund arrangements shall be made in accordance with the UCRR.
- 7.4 The Company reserves the right to test and/or replace any meter. Upon deposit of a "Meter Testing Fee" by a Customer, the Company will test the Customer's meter. If the test indicates that the meter over-registers by more than 2 percent, it shall be replaced with an accurate meter at no cost to the Customer and the "Meter Testing Fee" shall be refunded and water bills shall be adjusted in accordance with the UCRR. Meter Testing Fees shall require prior approval by the Commission.

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**ACME WATER WORKS, INC.**  
**Sheet 9 Revision ---**  
**Replaces All Previous Sheets**

---

- 7.5 At the Company's discretion, un-metered Customers may be converted to metered service if such transition occurs in a planned, systematic manner without unreasonable discriminations and if the Company has an approved metered rate.
- 7.6 The Company will have the right to set meters or other devices without notice to the Customer for the detection and prevention of fraud.
- 7.7 In any building where the meter is to be installed in the basement, the incoming water pipe must enter the basement at least sixteen (16) inches from the riser in order that a meter can be set in a horizontal position in the basement. All pipes to the different parts of the building or grounds must lead from the riser at least one (1) foot above the elbow.

**8. CUSTOMER PLUMBING AND APPLIANCES**

- 8.1 All plumbing, piping, fixtures and appliances on the Customer's side of the service connection will be installed and maintained under the responsibility and at the expense of the Customer or owner of the premises.
- 8.2 The plumbing, piping, fixtures and appliances shall be maintained in conformity with all municipal, state and federal requirements. The nature and condition of this plumbing, piping and equipment will be such as not to endanger life or property, interfere with service to other Customers or permit those with metered services to divert system water without meter registration.
- 8.3 A stop-and-waste valve will be installed on the Customer's plumbing in a place always accessible and so located as to permit shutting off the water for the entire premises with the least possible delay.
- 8.4 All persons having boilers, water tanks or other equipment supplied by direct pressure from the Company's mains should install a pressure relief valve, or other device to serve the same purpose, so as to prevent excess pressure from forcing hot water and/or steam back into the water meter and mains of the Company. All damage to the Company's property resulting from the failure to properly equip plumbing with a relief valve will be billed to the Customer.

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**ACME WATER WORKS, INC.**  
**Sheet 10 Revision ---**  
**Replaces All Previous Sheets**

---

- 8.5 The Company is not obligated to perform any service whatever in locating leaks or other trouble with the customer's piping.
- 8.6 When the premises served by the Company are also served in any manner from another water supply of any kind, an approved backflow prevention device shall be installed at the service connection. Water service for either stand-by or other purposes will not be furnished until piping and connections are inspected and approved by a representative of the Company.
- 8.7 Property owners will not be allowed to connect the water service of different properties together.
- 8.8 All of the Customer's service pipes and fixtures must be kept in repair and protected from freezing at his or her expense. When there are leaking or defective pipes or fixtures, the water may be turned off at the option of the Company until the proper repairs are made.

**9. INSTALLATION OF SERVICE CONNECTIONS**

- 9.1 The service connection is the property of the Company and as such, the Company is responsible for its installation and maintenance. It consists of piping, curbstop and valve or meter box and a meter, if the system is metered. The service connection transmits water from the Company's water main to a valve or meter box generally located near the Customer's property line. All piping, valves or appliances beyond this point shall be the property and responsibility of the Customer.
- 9.2 The Company reserves the right to designate the size and location of the service line, curbstop, meter (if applicable) and meter or valve box and the amount of space which must be left unobstructed for the installation and future maintenance and operation thereof.
- 9.3 Where a service connection is desired for premises on which there is no permanent structure, the Company will install a service connection to said premises only upon payment by the applicant of the estimated cost of said service connection. If within a period of five (5) years from the installation of said service connection a permanent structure is erected on the premises, the Company will refund, with interest, the difference between any approved new

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**ACME WATER WORKS, INC.**  
**Sheet 11 Revision ---**  
**Replaces All Previous Sheets**

---

Customer charges in effect at the time of connection, and the applicant's advance.

- 9.4 The extra costs of any out-of-the-ordinary circumstances requiring additional equipment or special construction techniques involved in the installation of a service connection will be agreed to in advance by the Customer and the Company.

**10. REPLACEMENT OR ENLARGEMENT OF SERVICE CONNECTION**

- 10.1 Unless otherwise provided herein, the Company shall replace or enlarge service connections at its own expense as follows:
- a. whenever it is necessary to change the location of any service connection due to relocation or abandonment of the Company's mains; and,
  - b. for commercial or industrial services where the type or volume of use has changed and the enlargement will result in sufficient increase in annual revenue to justify the enlargement.
- 10.2 The relocation, enlargement or reduction of service connections for the convenience of the Customer will be at the expense of the Customer. Prior to such relocation, enlargement or reduction, the Customer will deposit the estimated cost thereof with the Company. Within fifteen (15) days, a refund will be made to the Customer in the amount by which the estimated cost exceeds the actual cost. The amount by which the actual cost exceeds the estimated cost will be due and payable within fifteen (15) days after billing for such deficiency.
- 10.3 Enlargement of any service connection will be made only after such time as the Customer's plumbing inside his or her premises have been enlarged sufficiently to accommodate the additional capacity.

**11. DISCONNECTION AND RECONNECTION OF SERVICE**

- 11.1 When a Customer desires to discontinue service he shall give notice to the Company at least two (2) days in advance and be responsible for all water consumed for the two (2) days after the date of such notice.

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**ACME WATER WORKS, INC.**  
**Sheet 12 Revision ---**  
**Replaces All Previous Sheets**

---

- 11.2 The Company shall discontinue a Customer's service on an involuntary basis only in accordance with UCRR.
- 11.3 When it becomes necessary for the Company to involuntarily discontinue water service to a Customer, service shall be reconnected only after all bills for service then due have been paid or satisfactory payment arrangements have been made.
- 11.4 A reconnection fee may be charged each time a Customer is disconnected, either voluntarily or involuntarily, and reconnected at the same premises. The reconnection fee will be paid before service is restored. Reconnection fees shall not be charged for any situation or circumstance in which the Customer's water supply is disconnected by the Company for its convenience.
- 11.5 The Company reserves the right at any time, upon notice, to shut off the water for maintenance or expansion and, in emergencies, may do so without notice. The Company shall at all times use reasonable diligence and care to prevent interruption of said water service.
- 11.6 Except in the case of an emergency, no one, except an authorized Company representative, shall turn on or turn off the water on the Company's side of the service connection.

**12. EXTENSION OF WATER MAINS**

- 12.1 The extension of system water mains for the purpose of providing new service shall be handled in accordance with the "Uniform Main Extension Rules for Small Water Companies" which is attached to these Rules and Regulations as an Appendix.

**13. MISCELLANEOUS**

- 13.1 No customer shall permit any person from another premises to take water from his or her water service or tap for more than (1) week without the written permission and consent of the Company.
  - 13.2 No person acting either on his or her own behalf or an agent of any person, firm, corporation or municipality not authorized by the Company shall take any water from any fire hydrant on the Company's system except in the case of an emergency.
- 

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

---



**ACME WATER WORKS, INC.**  
**Sheet 13 Revision ---**  
**Replaces All Previous Sheets**

---

- 13.3 No person shall place upon or about any hydrant, gate, box, meter, meter box or other property of the Company any building material or other substance so as to prevent free access at all times to the same.
- 13.4 Service will be maintained to domestic Customers on a preferential basis. Delivery of water under all schedules may be restricted, interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of water.
- 13.5 No rate contract or application is assignable from one user to another, except upon agreement of all parties concerned.
- 13.6 The Company representative shall be given access to the premises of the Customer at all reasonable hours for obtaining meter readings, for turning on or shutting off the flow of water, for inspecting, removing, repairing or protecting from abuse or fraud any of the property of the Company installed on the premises. Access shall be granted at all times for emergency purposes.
- 13.7 No one shall tamper or interfere with the Company's equipment or property, nor shall repairs, connections or replacements be made without the Company authorization.
- 13.8 Whenever an applicant desires service of a character for which there is no available service classification, a contract may be executed in lieu of a tariff. Any such contract shall be subject to the approval of the Idaho Public Utilities Commission.
- 13.9 Copies of the Company's rates and summary of rules and regulations shall be available at the Company's office and provided to customers upon commencement of service, and annually thereafter in accordance with the UCRR and the UCIR.

---

**Issued (date)**  
**Effective (date)**

**Acme Water Works, Inc.**  
**Joel Wahlin, President**

**14. Special Provisions or Amendments**

**14.1 Cross Connection Control.** All new water connections shall be made in compliance with the cross connection control program and subject to review by certified cross connection control specialists. The Customer agrees to eliminate before the initiation of service all past or present cross-connections in the Customer's system which could lead to a violation of the cross connection control protocol set forth by the State of Idaho and administered by the Idaho Department of Environmental Quality (IDEQ). Ref: IDAPA 58.01.08.

**14.2 Main Line Extensions.** All extensions of distribution mains from the company's existing distribution system must be approved by the company. The company shall provide the IDEQ with engineered plans and specifications, for approval, prior to commencement of any work to extend an existing main distribution line.

---

Issued (date)  
Effective (date)

Acme Water Works, Inc.  
Joel Wahlin, President

# ACME WATER WORKS, INC.

## INVOICE

Please make check payable to:

**Acme Water Works, Inc.**

INVOICE NUMBER:

60365

DATE:

June 1, 2013

Please mail payment to:

**Water Systems Management, Inc.**

**67 Wild Horse Trail**

**Sandpoint, ID 83864**

**Sample Customer**

**XXXX XXXXXXXXXX XX**

**XXXXXXXXXX , ID XXXXX**

For billing questions or water emergencies contact:

Bob Hansen (WSM, Inc.), (208) 265-4270

Serving "The Ridge" at Schweitzer Mountain

THIS INVOICING IS FOR THE MONTH OF MAY, 2013

PREVIOUS INVOICE \$	PAYMENT RECEIVED	CHECK NUMBER	BALANCE DUE
48.00	48.00	1179950267	0.00

PAYMENT DUE IN FULL BY: 6/20/13				Please note invoice number on check			
CURRENT METER READING	PREVIOUS METER READING	TOTAL MONTHLY USAGE	TOTAL MONTHLY OVERAGE	MONTHLY OVERAGE FEE	BASE MONTHLY FEE	TOTAL PAST DUE	TOTAL MONTHLY INVOICE
N/A	N/A	#VALUE!	0.00	0.00	48.00	0.00	<b>\$48.00</b>

### THANK YOU

#### COMMENTS

Acme Water Works, Inc. is in the process of submitting an Application for Certificate of Public Convenience and Necessity with the Idaho Public Utilities Commission (IPUC). The service area included in this application include the entire "Ridge" project on Schweitzer Mountain. The IPUC may be contacted by phone at (208) 334-0300 or by mail at: Idaho Public Utilities Commission, PO Box 83720, Boise, Idaho 83720-0074.

#### NOTICE