

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

MAY 30 2013

In the Matter of the Investigation of Howison Heights Inc.'s Ability to Provide Sufficient and Efficient Service. ) Docket No. 13-HHIW-460-GIV

by  
State Corporation Commission  
of Kansas

**AMENDED REDACTED VERSION OF STAFF'S MOTION FOR COMMISSION  
ORDER COMPELLING HOWISON HEIGHTS TO ADDRESS QUALITY OF SERVICE  
AND INDEBTEDNESS ISSUES**

Kansas Corporation Commission ("Commission") Staff ("Staff") hereby states the following:

1. Staff filed a motion in this docket on May 29, 2013 titled *Staff's Motion for Commission Order Compelling Howison Heights to Address Quality of Service and Indebtedness Issues* ("Staff's Motion").

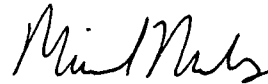
2. Staff's Motion was accompanied by an attachment labeled "Attachment [A]." Attachment [A] contained numerous customer comments received by the PACP office pursuant to Howison Heights, Inc.'s rate proceeding in Docket No. 13-HHIW-570-RTS.

3. Staff filed a confidential version of Staff's Motion in this docket as well as a redacted version. The redacted version removed Attachment [A] entirely, due to customer privacy concerns.

4. Staff wishes to revise its redacted version of Staff's Motion to include the substance of the customer complaints, but remove potentially sensitive information such as customer phone numbers, e-mail addresses, and home addresses.

WHEREFORE, Staff hereby files an amended redacted version of Staff's Motion which includes the substance of the customer complaints.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Michael Neeley", written over a horizontal line.

Michael Neeley, S. Ct. #25027

Attorney for Staff

Kansas Corporation Commission

1500 S.W. Arrowhead Road

Topeka, Kansas 66604-4027

Phone: 785-271-3173

Fax: 785-271-3167

STATE OF KANSAS            )  
                                      ) ss.  
COUNTY OF SHAWNEE    )

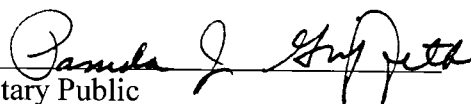
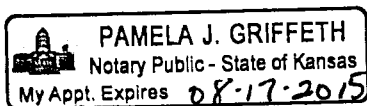
**VERIFICATION**

Michael Neeley, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Amended Redacted Version of Staff's Motion for Commission Order Compelling Howison Heights to Address Quality of Service and Indebtedness Issues*, and that the statements contained therein are true and correct to the best of his knowledge, information and belief.



Michael Neeley # 25027  
Kansas Corporation Commission of the  
State of Kansas

Subscribed and sworn to before me this 30th day of May, 2013.

  
Notary Public

My Appointment Expires: August 17, 2015

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Investigation of Howison	)	
Heights Inc.'s Ability to Provide Sufficient and	)	Docket No. 13-HHIW-460-GIV
Efficient Service.	)	

**STAFF'S MOTION FOR COMMISSION ORDER COMPELLING HOWISON  
HEIGHTS TO ADDRESS QUALITY OF SERVICE AND INDEBTEDNESS ISSUES**

The Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) hereby moves the Commission to Order Howison Heights, Inc. (Howison) to provide written responses to certain questions affecting its continuing ability to provide sufficient and efficient service. In support of its Motion, Staff states and alleges as follows:

**I. Background Regarding Quality of Service Issues**

1. On March 18, 2013, Howison filed the Application of Howison Heights, Inc. for Approval of the Commission to Make Certain Changes in its Rates for Water Service (Application) in the 13-HHIW-570-RTS Docket (570 Docket), requesting a permanent rate increase in the amount of \$48,702.00. Howison also filed a Motion for Interim Rate Relief Subject to Refund (570 Motion) on March 18, 2013.<sup>1</sup> On March 28, 2013, The Citizens' Utility Ratepayer Board (CURB) was granted intervention in the 570 Docket.<sup>2</sup> The Commission established a procedural schedule for the 570 Docket on April 3, 2013.

2. The Commission granted the 570 Motion on April 17, 2013, and also ordered Howison to provide a list of its creditors and corresponding debts within one week of the date of

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<sup>1</sup> See, 570 Motion, p. 1, opening paragraph; p. 5, closing paragraph.

<sup>2</sup> Petition to Intervene of the Citizens' Utility Ratepayer Board (Mar. 22, 2013); Order Designating Prehearing Officer, Discovery Order, Protective Order, and Order Granting CURB's Petition to Intervene (Mar. 28, 2013).

the April 17, 2013 Order.<sup>3</sup> Howison complied with the April 17, 2013 Order on April 22, 2013, by filing the Statement of Howison Heights, Inc.'s List of Creditors.

3. On May 7, 2013, Howison filed a Second Amended Rate Schedule and a New Notice to Customers. Pursuant to the modified procedural schedule, Staff filed its Report and Recommendation on May 9, 2013. On May 20, 2013, CURB filed its Reply to Staff's Report and Recommendation, and Howison filed its Response to Staff's Report and Recommendation.

4. An initial comment period was provided in the 570 Docket from April 6, 2013 through May 6, 2013. During that period, the Commission's Public Affairs and Consumer Protection Office (PACP Office) received three comments. Beginning on May 14, 2013, however, the PACP Office began to receive additional comments from Howison's customers, both through phone calls and emails. A copy of every comment received to this date is included in the confidential Attachment "A." The PACP Office has received comments from over 33% of Howison's customers.

5. Comments and complaints state concerns about:

- Low or inconsistent water pressure
- Water main breaks
- Brown water
- Poor service when called – no maintenance crews
- High chlorine content
- "scummy" water
- Fraudulent meter reading
- No fire hydrants in development

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<sup>3</sup> Order Granting Motion for Interim Rate Relief Subject to Refund and Motion for Waiver of Filing Requirements Under K.A.R 82-1-231b (Apr. 17, 2013) (April 17, 2013 Order), paragraph 18.

- No water tower

## **II. Background Regarding Ability to Continue Operations Due to Possible Foreclosure of Utility Assets**

6. On November 21, 2012, Central National Bank sued Howison in civil court for recovery of \$396,442.04 including interest stemming from alleged unpaid loans. Central National Bank also requested foreclosure of mortgages on property owned by Howison to satisfy the debts. Central National Bank included The Bennington State Bank (Bennington) as a defendant in the foreclosure case, alleging that Bennington held a first mortgage on the same property. The case was filed in Saline County District Court, Case No. 12-CV-444, styled *Central National Bank v. Howison Heights, Inc., et al.* (Foreclosure Case).

7. On March 13, 2013, Bennington filed a Motion for Summary Judgment and Memorandum in Support (Summary Judgment Motion) in the Foreclosure Case. Since that time, no party, including Howison, has filed any response to Bennington's Summary Judgment Motion.

## **III. Summary**

8. The complaints filed by Howison's customers and the foreclosure action call into question whether Howison is providing, or will be able to continue providing, efficient and sufficient service to its customers.


9. Staff has already begun the discovery process in this docket, and met with the Kansas Department of Health and Environment regarding water quality and service issues. However, in an attempt to provide transparency to the customers who have complained, Staff

wishes to have their complaints formally addressed in this docket rather than through data requests.

WHEREFORE, Staff respectfully requests the Commission order Howison Heights, Inc. to file the following information in this docket by June 7, 2013:

- 1) Using the attached customer complaints, provide a detailed list, on an individual customer basis, how each customer's issues have been addressed and how they will be resolved. For example, if Customer A complains about high chlorine and low water pressure, Howison must address the steps already taken to resolve the matter, as well as a future plan of action. In explaining how the customer's issues will be resolved, provide a cost estimate and an explanation of those costs. If possible, keep responses devoid of confidential information pertaining to the customer.
- 2) Explain what options Howison is currently considering to resolve the Motion for Summary Judgment.
- 3) Explain what steps, if any, Howison is taking to ensure that its customers are provided efficient and sufficient service during the pending litigation period.
- 4) Explain the likelihood that Howison will keep the utility property in its possession.
- 5) Explain how Howison will pay for needed system repairs should it retain possession of the utility property.
- 6) Explain what access to capital (debt or equity) Howison will have on a going forward basis should it retains possession of the utility property.
- 7) Explain how customers of Howison will receive water service in the event that Howison's utility property is sold pursuant to the Saline County foreclosure action.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Michael Neeley".

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Michael Neeley, #25027  
Litigation Counsel  
1500 S.W. Arrowhead Road  
Topeka, KS 66604  
(785) 271-3173 phone  
(785) 271-3167 fax  
Attorney for Commission Staff



**KANSAS CORPORATION COMMISSION**

Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID **94549**  
Date Filed **05/02/2013**  
Investigator **GLIPPERT**

**Account Information**

Account No	Notified KCC by <b>P</b>	Consumer Class <b>R</b>
Name <b>MARIE SIMPSON</b>	Home Phone	Cell Phone
Business	Work Phone	Ext Fax #
Street Address	Email Address	
Mailing Address	Special Instructions	
City		
State <b>KS</b> Zip Code		

**Contacts**

No Contacts Exist

**Complaint Coding**

Company ID	Complaint Code	Complaint Type	Company Resolution	Complaint Closed	Violation/Concern	Issue	Dispute Explanation	Disputed Dollars	Dollars KCC Saved Consumer
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**Docket Opinion**

Company <b>HHIW</b>	Docket Number <b>13-HHIW-570-RTS</b>	Consumer Opinion <b>o</b>	Number of Petitions/
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# KANSAS CORPORATION COMMISSION



Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID 94549  
Date Filed 05/02/2013  
Investigator GLIPPERT

## Narrative

05/02/2013

CUSTOMER CALLED AND IS VERY UPSET ABOUT THE RATE INCREASE. STATED SHE IS ON SOCIAL SECURITY AND THAT SHE DOES NOT BELIEVE THAT THE COMPANY NEEDS THAT MUCH OF AN INCREASE. STATED HER WATER QUALITY IS NOT GOOD, WATER PRESSURE IS LOW IF MORE THAN ONE ITEM IS BEING USED FOR WATER AND THAT THE WATER DAMAGES HER HOT WATER HEATER. SHE STATED SHE HAS LIVED IN HER HOME FOR 21 YEARS AND HAS HAD TO PUT IN 4 HOT WATER HEATERS. GETTING EXPENSIVE

CUSTOMER IS OPPOSED TO THE RATE INCREASE

**KANSAS CORPORATION COMMISSION**

Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID **94556**  
Date Filed **05/03/2013**  
Investigator **SWOODRUF**

**Account Information**

Account No	Notified KCC by P	Consumer Class R
Name <b>DAVE BIEBERLY</b>	Home Phone	Cell Phone
Business	Work Phone	Ext Fax #
Street Address	Email Address	
Mailing Address	Special Instructions	
City		
State <b>KS</b> Zip Code		

**Contacts**

No Contacts Exist

**Complaint Coding**

Company ID	Complaint Code	Complaint Type	Company Resolution	Complaint Closed	Violation/Concern	Issue	Dispute Explanation	Disputed Dollars	Dollars KCC Saved Consumer
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**Docket Opinion**

Company y HHIW	Docket Number 13-HHIW-570-RTS	Consumer Opinion o	Number of Petitions/
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# KANSAS CORPORATION COMMISSION



Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID **94556**

Date Filed **05/03/2013**

Investigator **SWOODRUF**

## Narrative

05/03/2013 WE ARE IN A BARREL ON THIS INCREASE. WE CAN'T SWITCH COMPANIES. HE HAS NOT ALLOWED US TO DO SO. HOWISON HAS A CAPTIVE AUDIENCE.  
I AM CONCERNED ABOUT WATER QUALITY AND FEEL THIS SHOULD BE DOUBLE CHECKED BY A THIRD PARTY SINCE HE CHECKS HIS OWN WATER. I DON'T UNDERSTAND WHY HE DOESN'T DO A GRADUAL INCREASE AND NOT ONE BIG INCREASE ALL AT ONE TIME.

**From:** Mike Immenschuh  
**Sent:** Saturday, April 06, 2013 11:37 AM  
**To:** public.affairs  
**Subject:** Docket Number is 13-HHIW-570-RTS.

I received a notice in the mail from Howison Heights Inc. regarding an adjustment to the water rates.

The Docket Number is 13-HHIW-570-RTS.

The letter indicated comments could be submitted to the Kansas Corporation Commission, office of Public Affairs.

Does your office provide data on the rates charged at other Rural Water Districts? If so, can that be provided to me?

Several years ago I completed research on Howison Heights Inc. water rates and Howison Heights Inc. was on the high end of the ones I found. It was based on data collected several years prior to my research. Thus, I would like to know how this water district compares to other water districts using current water rate data.

Also, the letter indicates the rate increase is needed because the current rates do not cover operating expenses, however none of this data was provided in the letter.

Is the Howison Heights Inc. water district required to provide a listing of operating expenses and revenue? If yes, is this listed on a state website for public access?

Over a 60% increase (113% increase if 6,000 gallons is consumed) in water rates is alarming.

In addition, the Howison Heights Inc. letter indicated a meeting was being held on April 5<sup>th</sup> by Mr. Howison to discuss this rate increase. The problem was the letter was not received until April 2<sup>nd</sup>. That was not sufficient notice to be able to attend the meeting.

Mike Immenschuh

**Bethany Runyon**

94574

**From:** Mike Immenschuh  
**Sent:** Wednesday, May 15, 2013 9:29 PM  
**To:** Gerrie Lippert  
**Subject:** Docket No: 13-HHIW-570-RTS

Regarding Howison Heights Inc. water district – Adjustment to water rates:

Docket No: 13-HHIW-570-RTS.

Some of my concerns about an increase in water rates:

- 1) Low water pressure. Sometimes one of the two pumps stops pumping.
- 2) Too little or too much chlorine
- 3) No water tower
- 4) No water pressure at times. Power goes out at the pumps and there is no back-up generator.
- 5) Does not always drain the water line after the water pressure goes out. Brown water for a while after the water is restored.
- 6) Would like to see Howison Heights Inc. financial books to verify where the water district stands financially. I would like verification of the water district's income and expenses, relating to only to the water district.
- 7) No fire hydrants.

I would like to see all these items addressed prior to the water rates going up.

Thanks,

Mike Immenschuh

**From:** Wayne Juenemann  
**Sent:** Thursday, May 16, 2013 7:32 AM  
**To:** Gerrie Lippert  
**Subject:** Howison Height water rates increas

Gerrie Lippert

Claude Sokol asked me to email you with some of the concerns my family I have been having with the water quality out here in the Howison Height district over the last 5 years to present.

1. First off, it says in the letter that the rates have not went up in the last 18 years. I know this is not true because it was lower 5 years ago when we moved out here. We would always pay \$25 a month but around 3 years ago it went to \$33 a month.

2. At times when things go wrong for Tim at the well house or elsewhere in the district, we will lose water pressure. When this happened I would call him as fast as I found out because many times it puts a vacuum on the system. This puts air in the pipes and makes the water very brown and not usable until it gets flushed out (stains toilets, sinks, clothing, etc). Many times they were not nice when I called so I stopped calling. With the pressure at 0 the pipes can leak in dirt, sewer, ect. With the pipes in a vacuum it will start to back flow anything you can think of from dog dish water to toxic chemical from sprayers and tanks; you name it. Now I have heard that the highest house out here has a booster pump on it so I'm sure he will be able to put a vacuum on the system as well. My thoughts are if the stand pipe that has been laying on the ground for longer then the 5 years we have lived out here, this would help his pressure issues. I have asked him about it, and he will say things like he is waiting on the state to engineer the foundation. Without a stand pipe, there is very little fire protection for our investment and personal items. There is something about the water district beside us that they will not help in the event of a fire for the water and I'm not real sure why. After we made the investment of the land did we found out about the lack of fire protection because Saline County almost did not give us a permit to build. We had to sign a form stating they wouldn't help with a fire and our property would be at risk. I feel that should of been disclosed prior to us purchasing the land to build our house. Also, Tim says there is fire protection because he has 3 wells, but I believe only one is actually on while the other 2 need to be manually turned on. I feel with Tim living so far away that by the time the wells were started it would be way to late. Also I am not sure if the wells would be able to keep up with a fire truck pulling on the system and then again we would have back flow issues and collapse the lines.

3. Several times living out here I have been concerned about the chlorine levels because our water smells like a swimming pool. Therefore, I have had that checked by some very reputable people. The chlorine is always around a 7 parts per million. A swimming pool is kept around 5 per million. and I believe the state of Kansas says it should be between .2 to 1 part per million for free chlorine. I even taken samples from another house out here that is on the end of the system the day after Tim had flushed the line over there and washed the gentleman's lawn away and just as I had suspected his chlorine level was at 0. I feel that is why my cl2 is high because he cant get it over there because of other problems in the improperly designed system. My house is between the well house and the end of the system. So people like Claude that live closer have got to have it bad with high chlorine levels. Most all the time the water is not drinkable due to taste of the cl2 is so strong. We also have a hard time washing our face and taking showers because of the smell of cl2. This high cl2 can not be good for your health, skin, and is likely carcinogenic. I believe it also eats up the system because it is a oxidizer. It is also very hard on the fixtures in our house. I believe it causes a lot of the discoloration in the water.

4. I would also like to know why we had to sign a form taking are ground water right away. It would be nice to have a well to water trees, lawns and gardens because they don't grow very well at all. I feel it is because of the chemicals in the Howison Height water. I also feel this lets the Howison Heights water become a monopoly. If he wants to raise the water rates forty some dollars a month (125%), at least a water well would help us have a yard that is required by the covenants in the Big Valley addition. With the water rates increasing this much, nobody can afford to maintain a yard one acre around the house which is a requirement.

I appreciate your time in reading my e-mail and I hope you will take my concerns into consideration when deciding if the water rates should be increased this much. I understand that rates do increase, but I also feel this significant of an increase is not worth the quality of water we are receiving. Nobody would even attempt to buy a house in the Big Valley Addition with the water rates this high.

**Bethany Runyon**

941033

**From:** Beth Prendergast  
**Sent:** Wednesday, May 15, 2013 10:19 PM  
**To:** Gerrie Lippert  
**Subject:** Howison Heights Water District

Ms. Gerrie Lippert,

We are writing this to address some major issues we have in regards to the Howison Heights water district and his request for an additional increase in water rates.

Mr. Howison has grandiose ideas, but doesn't have the follow thru or the business acuity to make these happen. We were promised the water tower would be put up within a year of us moving into the development. We have lived here almost 5 years. The tower is still lying in the same place as when we purchased the lot 6 years ago.

We have extremely poor water pressure. There isn't enough water pressure to run sprinklers for the yard or to have more than two faucets or showers running at a time.

The chlorine in the water is so high that we have had to shut down our whole house humidifiers. If we didn't shut them off, the chlorine odor is so strong that it burns our eyes. In addition, we smell like we've stepped out of a swimming pool after showering. More than a few articles of clothing have been ruined as a result of the high chlorine in the water. We can't drink the water out of the faucet because of the chlorine and "chemical" taste. We have had to purchase an RO filter system on one faucet in the the house for drinking water.

We never know what color the water will be...sometimes it has a yellow hue, sometimes an orange tint. If we run a lot of water, for example when we're watering bushes and trees outside, the water turns red. Therefore, I have to be very careful when doing laundry.

It has come to our attention that in addition to the money Mr. Howison receives for water usage, he also expects to receive a salary for his work for his own company. It is absolutely ridiculous that the owner of the district expects a salary in addition to any money he receives from the water district.

There needs to be assurances that the money paid by us for the water district is used for the water district and not used for Mr. Howison's other business ventures.

Thank you for your time and consideration regarding this matter.

Sincerely,

Dr. David and Beth Prendergast



**Bethany Runyon**

94636

**From:** Jody Pfannenstiel  
**Sent:** Wednesday, May 15, 2013 7:46 PM  
**To:** Gerrie Lippert  
**Subject:** Howison Heights Water District

Gerrie,

This email is to notify you of some concerns that we have with the Howison Heights Water District. We built our house seven years ago and have experienced a variety of water chemical issues over the years. We have had a blue substance floating in our toilets, when I do my weekly cleaning there is an orange tinge to my toilet bowl, on several occasions my spa tub when I fill it up with water looks like a brewed tea mixture, and at times we have a strong chlorine smell from our water.

Recently we received notice of a water hike which I am not objecting to but I would like to know if improvements will be made to the water district. We have been told for seven years that the stand pipe would be erected and yet it lies on the ground. We have concerns over is our home protected if we would have a fire?? There is a hydrant across the street from our home but we have heard that if a fire department would actually need to use it that it could collapse the lines? We do have a reverse osmosis system on our kitchen and refrigerator but at times I wonder if our water being treated properly, is it safe? We have been told it is but we do have questions about this. Thank you for looking into this matter for the homeowner's of Big Valley subdivision.

Jody and Jan Pfannenstiel

**Bethany Runyon**

94637

**From:** Rick & Michele Wolfe  
**Sent:** Wednesday, May 15, 2013 7:11 PM  
**To:** Gerrie Lippert  
**Subject:** Big Valley Addition Water Hike

Gerrie,

Tonight I became aware for the first time that the water is about to double in cost by a neighbor. The price hike would be efficient if more info was given as to why this is occurring. We currently have trouble with an extremely high amount of chlorine in our water. It is not drinkable before filtering in the Brita water filter system. Also, we have no fire hydrant available in our are from what I am being told and the water presssre is low at times. Where is the justification in this rate increase?

Michele & Rick Wolfe

**Bethany Runyon**

94638

**From:** lisa peters  
**Sent:** Wednesday, May 15, 2013 5:53 PM  
**To:** Gerrie Lippert  
**Subject:** Howison Heights water

Ms. Lippert,  
I live at

We have Howison Heights water.

We are very unhappy with the quality of the water. We have three children. The water tastes like chlorine. We have now begun to purchase water rather than drink the water in our home.

The rates also increased significantly in April. I don't mind paying our fair share. However, I am concerned about water quality and emergency services. There is not a water tower so I am concerned about how fires will be extinguished.

Please take time to evaluate Howison Heights plans and rate structure. Please ensure they are providing documentation and proof of how they will improve the water and emergency services.

Thank you,

Lisa Peters

**Bethany Runyon**

94643

**From:** Lynn Kleiber  
**Sent:** Thursday, May 16, 2013 9:59 PM  
**To:** Gerrie Lippert

Re: Howison RWD rate increase

**From:**  
Lynn Kleiber

My concerns regarding the proposed water rate increase for Howison Water District

- 1) Rust in the water at various times making laundry stained.
- 2) High chlorine levels causing bleaching of clothes, green deposits in bath fixtures and ice maker from our copper water lines in contact from high chlorine levels. We had to have Culligan install a whole house water filter to take care of these issues at a cost of \$30.00 per month.
- 3) No fire hydrants for fire trucks to refill during a fire.
- 4) Next rate increase will make our costs higher than nearby RWD.

Thank you for your attention to this matter. Lynn Kleiber

4)

**From:** Caude Sokol  
**Sent:** Friday, May 17, 2013 6:54 AM  
**To:** Gerrie Lippert  
**Subject:** Howison Heights Water Rates

Hello Gerrie,

I wanted to send you an update regarding the issues we have with our water system Howison Heights Inc.

- No adequate fire hydrant accessibility here in the Big Valley Addition
- No rural water tower in place
- High content of chlorine in the water
- Brown water, I have and almost all homes now have Plastic pipes
- Low water pressure
- Too much chlorine is not good for our Hoot septic systems
- Howison Heights has no maintenance crew
- Howison Heights well house servicing the Big Valley Addition does not have a back up generator

I went and visited several other neighbors on Howison Heights water district last night and was informed of some additional information.

It was brought to my attention that he has another rate increase proposed to the KCC because he said the one he proposed in March is now incorrect.

He is planning to have a meeting on this increase with the public on May 24th at 7 p.m., Memorial Day weekend. I have never received this letter and neither has anyone else. Is he planning to send this out two days prior to May 24th so that no one has the chance to plan for this like he did the last meeting he had regarding the rate increase which is now the incorrect rate? Myself and I am sure most folks will have plans that weekend, my father served his country for 22 years in the Army and did TWO Tours of Vietnam. He is buried in Texas so I will be traveling there that weekend to pay my respects.

This seems to be another strategy of Tim Howison in hopes that none of his customers will have the opportunity to show up at this meeting!

Tim Howison has a pending foreclosure filed against him with the District of Saline County filed by the Central National Bank. One of the assets listed in the foreclosure is the Utility company he owns, which he only owns Howison Heights inc.

The CURB filed a motion against any rate increase March 29, 2013 on Docket# 13-HHIW-570RTS.

One of the customers I met with last night had this information which he gave to me, I can provide you with a copy but the KCC should have it.

This whole thing smells bad, it certainly seems that he is trying to get a rate increase to help him with his financial legal issues.

- Has the KCC asked Tim Howison what he plans to do to make improvements with the additional funds?
- Has the KCC been given a written business plan from Tim Howison for these improvements?
- Has the KCC reviewed that business plan so that they list when the improvements will be made, by who and what is the time frame that those improvements will be done?
- When will Howison Heights water district customers receive this plan, so that we know what we are paying for.

EVERY customer that I have spoken with, and almost all of them have been strangers until I knocked on their door have open me u into their home. There are 62 families / voices here in this water district that are extremely upset, I am sure you are going to be receiving many more emails and complaints around Howison Heights Inc. within the next week.

Sincerely,  
Claude Sokol

From: Peggy Kleiber  
Sent: Thursday, May 16, 2013 9:36 PM  
To: Gerrie Lippert

FROM: Peggy Kleiber  
RE: Howison Water District

I have many concerns over the way in which this water district is being managed.

1. The Chlorine levels are either too high and bleaching your clothing or too low.
2. The manner in which complaints are handled is very unprofessional. I called Mr. Howison to inform him about the damage to our water pipes and clothing, he did not understand what I was talking about, so I invited him to my home to show him. He told my husband I was a female and did not understand chemistry.
3. I do not feel the raise in a monthly fee will improve our service.
4. I understand the need for fees to rise, but I feel the fee should match what is currently being charged by other water districts in the same area.
5. I feel very trapped because my home is in this water district and unless I move I am stuck with Howison Water District.
6. The majority of the people in this district were and are very unaware of what we could do about this situation and therefore we did not know who to notify with our complaints.

**Bethany Runyon**

94641p

**From:** Suzan Madden  
**Sent:** Thursday, May 16, 2013 9:24 PM  
**To:** Gerrie Lippert  
**Subject:** Howison Heights Inc.

Dear Gerrie Lippert,

I'm e-mailing you my concerns for the water rate increase from Howisons Heights Inc. We were not informed of the meeting on April 5th, so of coarse we were not present to discuss the rate increase or any other issues, such as the tower not yet put up, is our water pressure high enough or the occasional high odor of chloride in the water. My concern is that if this is how Mr. Howison operates, what else is he not up front about. We are not against the rate increase, just want to be notified and a plan with an end date on the other issues.

Thank you for your time,

Maddens



94647

Kansas Corporation Commission  
Attn: Gerrie Lippert

I am writing this email to address the concerns about the astronomical rate increase for Howsen Heights Water District. The rate being imposed has almost doubled the current price. It is of great concern as to what justifies this increase due to the poor quality of water we are receiving.

The quality of water is anything but consistent. The safety and health of my family's drinking water is of great concern. Also, how the process and business practices of Howsen Heights Water District is handling its product they provide to their customers and what information they will provide to justify this rate increase that ensures an improvement on the product they are providing.

First, the consistency of our water is of grave concern to myself and my family. The water pressure is not consistent and causes a concern for back-flow issues. At times there is a thin skin of scum on our water, and at other times the chlorine is so strong it is difficult to breath in the shower with the door closed. The increase in the chlorine level is also concerning due to my home having a float septic system and we were instructed not to use household bleach due to the fact that "chlorine" can harm the required septic system process. The color of our water is darker than iced tea. As a result we have had to replace three Onyx sinks in our home, and the fiberglass tub/shower units are extremely stained. An Onyx representative visited our home to uncover why the fixtures had failed. Their findings were not due to failure of the product but was based on the quality and discoloration of the water.

Second, my concerns with the quality of our water. I feel there is a lack of regular and routine maintenance of our service, even the simplest of merely flushing the main. I have personally installed a prefilter with a flush down and added a whole house filter to improve the poor quality of drinking water offered to my family from the tap. I routinely flush and replace my filters every two weeks. This process costs me several hundred gallons of water as well as \$60 per month in filter maintenance.

Finally, on more than one occasion, Mr Howsen billed me for my neighbors water usage, due to miss reading the meter. Mr Howsen has mention to me, when I questioned my bill, that my meter sticks. I have been diligent to check and have never experienced a failure with my meter. Also, I have shared my concerns regarding the quality and safety of our water to Mr Howsen and he has informed me that he has an expensive injector that sometimes stick on or sticks closed. At a later date, I was informed that this injector has a price tag of \$500.00. As a customer to this water purveyor, it is somewhat concerning that the water safety consumed by my family is valued at \$500.00!

In conclusion, as with my experiences with Mr Howsen and the promises he has made to this building development, I have not seen any progress. The proposed rate appears, to me, to be higher than other area purveyors who provide their customers a higher quality of water. I feel as though this is somewhat of a shady situation due in part that I was not informed of any price increase or meetings to discuss pricing, I received a bill that double in price. What we are asking in return is quality drinking water at a reasonable rate and Howsen Heights Water District to provide a detailed time-line and list of improvements to be made to justify this rate increase.

Thank you for your cooperation in dealing with this matter.

Eric Campbell

Summit Plumbing, LLC  
Eric Campbell – owner

**Bethany Runyon**

94647

**From:** Steve Boyd  
**Sent:** Tuesday, May 28, 2013 4:45 PM  
**To:** Bethany Runyon; John Bell; Justin Grady; Bill Baldry  
**Subject:** FW: Howser Heights Water District

---

**From:**  
**Sent:** Tuesday, May 28, 2013 7:27 AM  
**To:** Gerrie Lippert  
**Subject:** Re: Howser Heights Water District

Gerrie I was just checking to see if you had received the picture I sent of my water system. As well if you were informed of Tim's latest meeting in regarded to yet another price increase and his three day notice with limited info, set for Friday on monorail day weekend. I'm sure to limit people that could come. This was the first and only info we had received from the water provider as to any of this besides the double in our water bill last mo. Thank you for you help with this matter Eric Campbell 800 e doc holiday pass

Sent from my iPhone

On May 17, 2013, at 8:41 AM, Gerrie Lippert <[g.lippert@kcc.ks.gov](mailto:g.lippert@kcc.ks.gov)> wrote:

Eric

I received your fax and have all of your information entered into the system. However, if you have ANY pictures of the BEFORE and AFTER filter, please feel free to send them to me also and I will add those to the records.

Thank you

Gerrie

**From:** Summit Plumbing, LLC  
**Sent:** Thursday, May 16, 2013 1:13 PM  
**To:** Gerrie Lippert  
**Subject:** Howser Heights Water District

If you have difficulties with this attachment please contact me at

Thank you

Eric Campbell

Summit Plumbing, LLC

Robert D. Hull

94656

STATE  
CORPORATION  
COMMISSION

APR 20 2013

PUBLIC AFFAIRS  
AND  
CONSUMER PROTECTION

Kansas Corporation Commission  
Office of Public Affairs & Consumer Protection  
1500 SW Arrowhead Road  
Topeka, Ks. 66604-4027

Re: Howison Heights rate increase

Commissioners:

I am writing in regards to the pending rate increase that has been put before you. I have been a customer of this water district for 24 years. The product and service from it have been consistent, it can't get much worse. Perhaps the best example of this was a few years ago when it experienced three main breaks in a week in front of my neighbors, Don Reinsch, house. The first two breaks only left us without water while the repair was being made, and then plugged water filters when it was turned back on. The third break happened after the washing machine fill hose ruptured flooding our basement. My neighbor two doors to the south had the same thing that very night. We surmise excessive water line pressure caused our problem, as well as the third main break.

I am extremely upset that the Commission granted Howison an interim rate increase. These funds will not benefit the water district. They will be salted away for personal use after Central National Bank takes possession by foreclosure.

Howison states he has not had a rate increase in nineteen years. Whose fault is this? He did file for a rate increase last year. CURB stated it wanted a successor plan, due to his financial mismanagement. Howison then withdrew his request. The financial problems he had last year have been magnified; as Central National Bank has filed foreclosure papers in District Court.

The problem facing the Commission now is what to do WHEN this foreclosure happens. Who will provide water service. As this situation now stands, no one will purchase this water district from Howison. It is obvious a better arrangement could be made with Central National Bank after the fact, than with Howison before. Does the KCC have a plan WHEN this foreclosure happens. If not, I suggest you get one. People without water get very very unhappy. The political fallout will be huge.

In closing, do not grant Howison a rate increase. Doing so will only reward incompetence and mismanagement. He inherited this water district and has run it into foreclosure. Please repeal the interim rate increase and vote against this ridiculous permanent rate hike.

Sincerely,



Robert D. Hull

Bethany Runyon

94656

**From:** Steve Boyd  
**Sent:** Tuesday, May 28, 2013 4:46 PM  
**To:** Bethany Runyon; Justin Grady; John Bell; Bill Baldry  
**Subject:** FW: Howison Heights

---

**From:** Robert Hull  
**Sent:** Friday, May 24, 2013 1:43 PM  
**To:** Gerrie Lippert  
**Subject:** Fwd: Delivery Status Notification (Failure)

----- Forwarded message -----

**From:** Mail Delivery Subsystem <mailer-  
**Date:** Fri, May 24, 2013 at 1:38 PM  
**Subject:** Delivery Status Notification (Failure)  
**To:**

Delivery to the following recipient failed permanently:

[j.lippert@kcc.ks.gov](mailto:j.lippert@kcc.ks.gov)

Technical details of permanent failure:

Google tried to deliver your message, but it was rejected by the server for the recipient domain [kcc.ks.gov](mailto:kcc.ks.gov) by [a004194.kcc.state.ks.us](mailto:a004194.kcc.state.ks.us). [165.201.7.232].

The error that the other server returned was:

550 5.1.1 <[j.lippert@kcc.ks.gov](mailto:j.lippert@kcc.ks.gov)>... User unknown

----- Original message -----

DKIM-Signature: v=1; a=rsa-sha256; c=relaxed/relaxed;

d=gmail.com; s=20120113;

h=mime-version:date:message-id:subject:from:to:content-type;

bh=P5bIqgSVQ6E9Uwo9nzXGxuntEX34VhVct/Vs53phwXc=;

b=FNjLrncHcXNygTuCYWL/qFsYCeZVzBwPwqmqXynrHxya+cwdpTFT8A5AUV4pYg9G6P

L7D2ohAGX12D3y8yY5jZigdZehJ57ORodc822Y8wSDpCNbE6MerrC4WINwJNuvxNTKO3

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fW1LuARJFuqrBA/Um1kVme70LVc5CopeX8uAIN8igQDRFcTY/cey2iYgErrorP0S7XQZ8

MqAA==

MIME-Version: 1.0

X-Received: by 10.220.71.200 with SMTP id i8mr9336628vcj.44.1369420718828;

Fri, 24 May 2013 11:38:38 -0700 (PDT)

Received: by 10.58.210.199 with HTTP; Fri, 24 May 2013 11:38:38 -0700 (PDT)

Date: Fri, 24 May 2013 13:38:38 -0500

Message-ID: <CAH+7Y+6i98m0q+Ci0MvOscsmTspDvu=-Cg6axhe6suFAXGhm8A@mail.gmail.com>

Subject: Howison Heights rate increase

From: Robert Hull

To: [j.lippert@kcc.ks.gov](mailto:j.lippert@kcc.ks.gov), Niki Christopher <[n.christopher@curb.kansas.gov](mailto:n.christopher@curb.kansas.gov)>

Content-Type: multipart/alternative; boundary=001a11c234487e8eaa04dd7b1b91

We have been rereading dockets and believe we have stumbled onto something. While Howison's record keeping ability has always been in question, the numbers just don't add up.

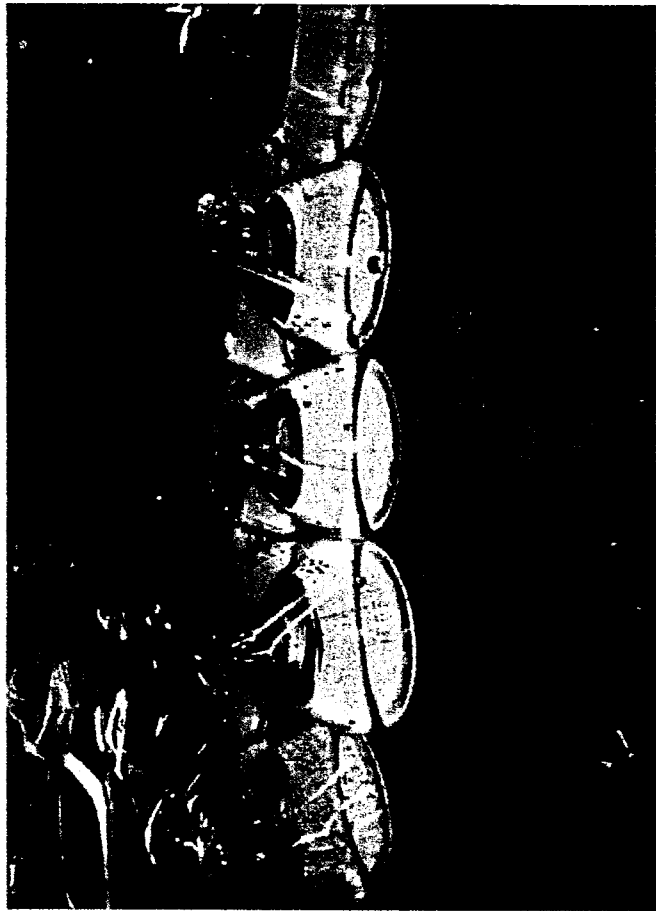
On papers stamped 4-17-13; Howison states that on 11-22-11 the water dist. debt of \$315,244. On papers filed 4-22-13, he gives the dist. debt of \$489,548. This is a difference of \$174,304. Where did this money go. It surely wasn't spent on the water dist. as the improvements would be noted.

We suspect that the comingling of funds has lead to debt outside the water list. to be placed upon the water dist. Howison states he bought out his partner, 3-29-13 page 14, and how owns that entirely. Where did the money come from to make the purchase and if the funds were borrowed, who from.

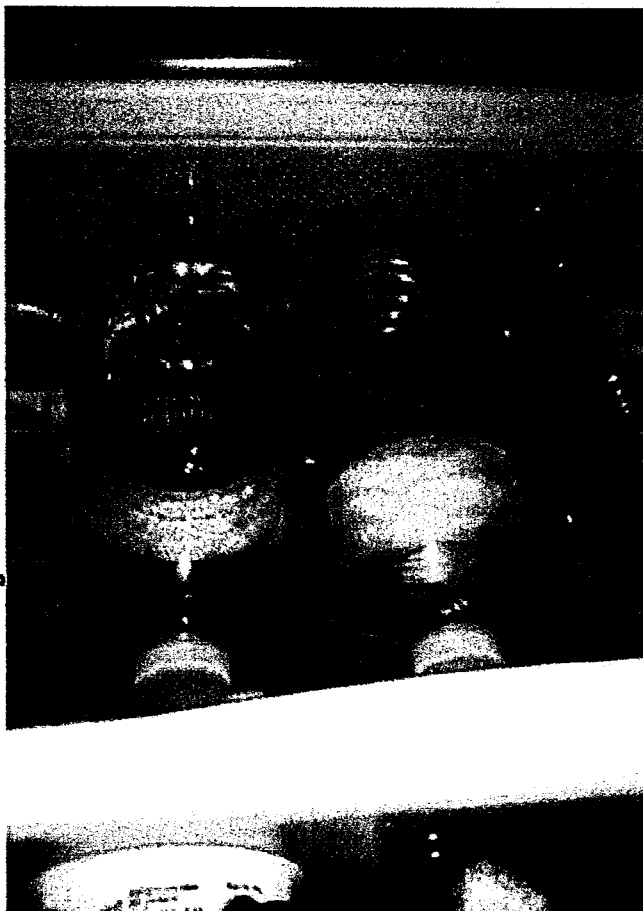
We also suspect that his residence is tied up in the mortgages attributed to the water dist.

Perhaps the biggest question we have is when does sloppy bookkeeping become crime. This stinks to high heaven, and time will not make it better.

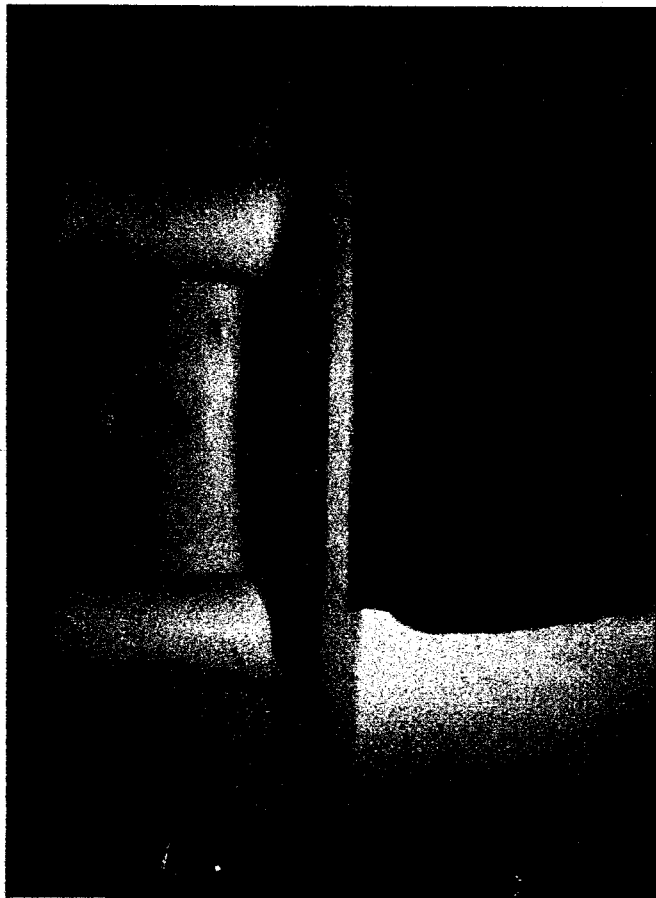
Robert Hull



"drinking water"



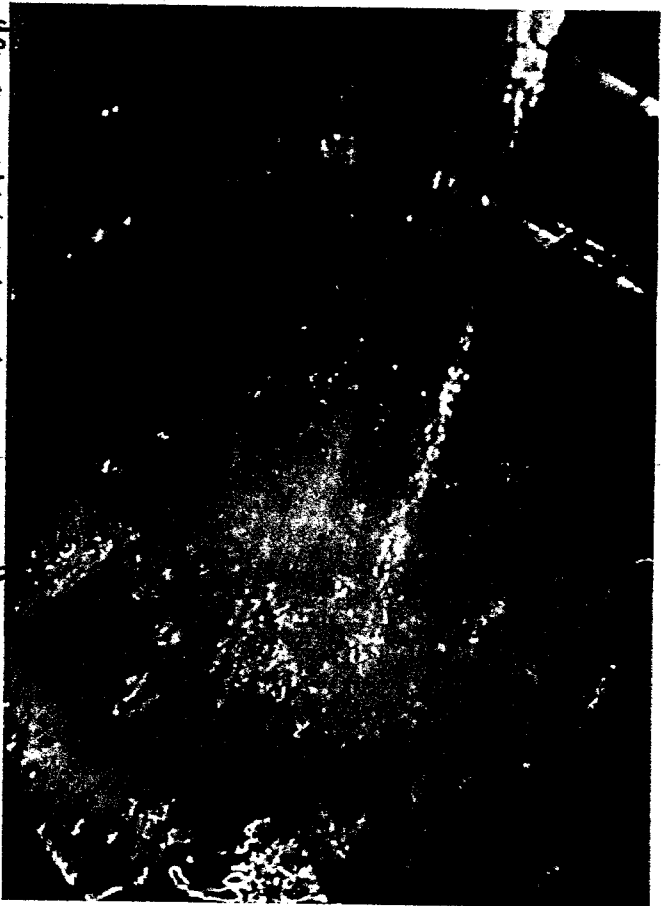
"customer's drinking water"



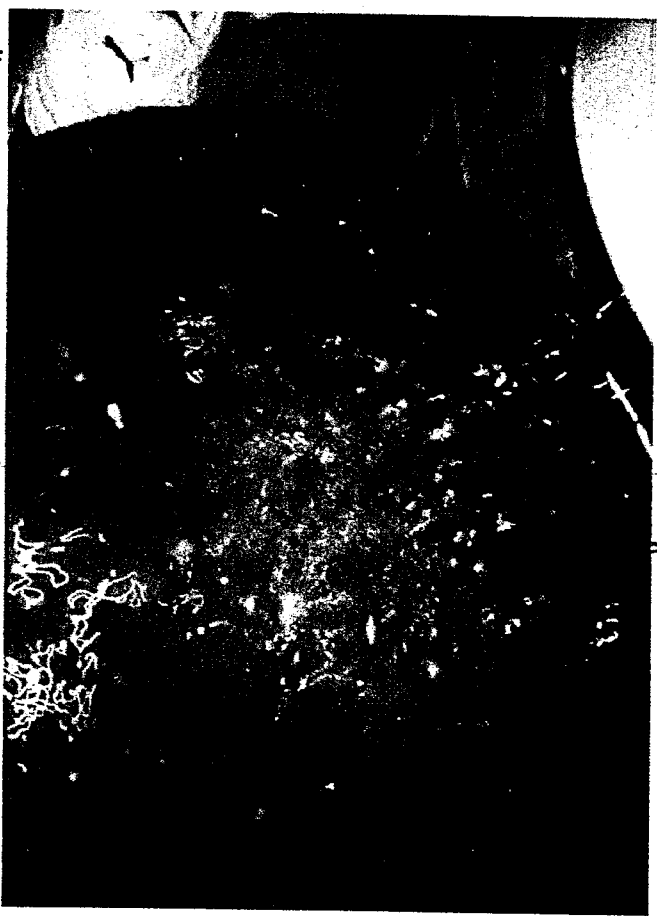
"April 27"



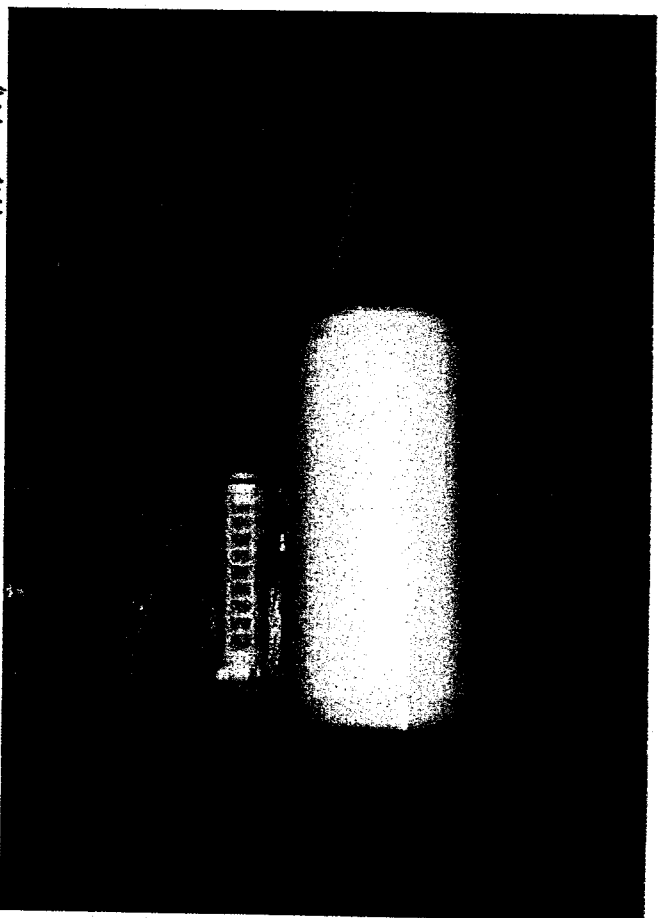
"8 mths - 10 makers plugged-filters a yr old - won't drink water"



"Flush water before filter change"



"Flush after new filters"

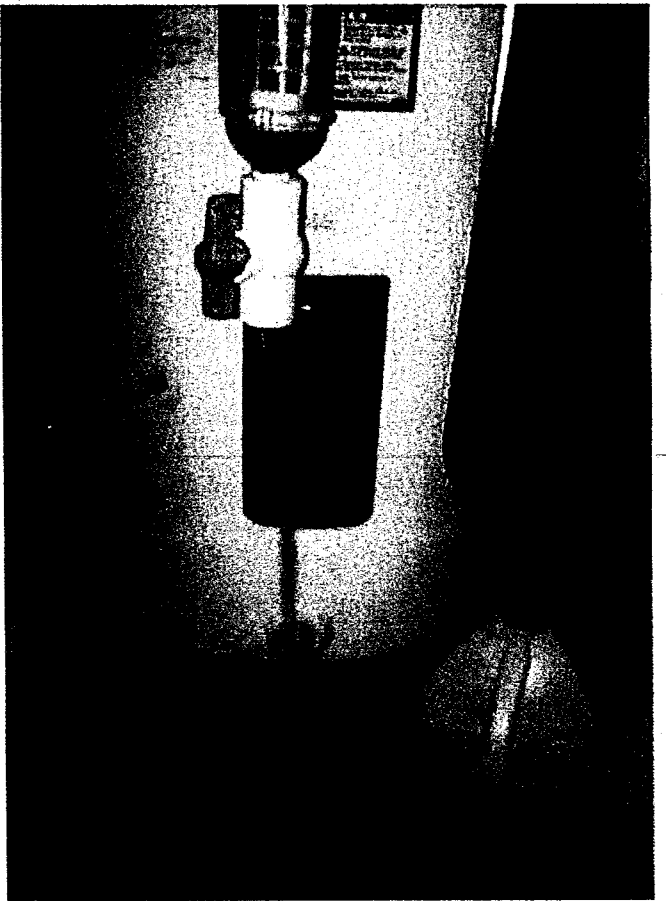


"New filters - no water has flowed through"

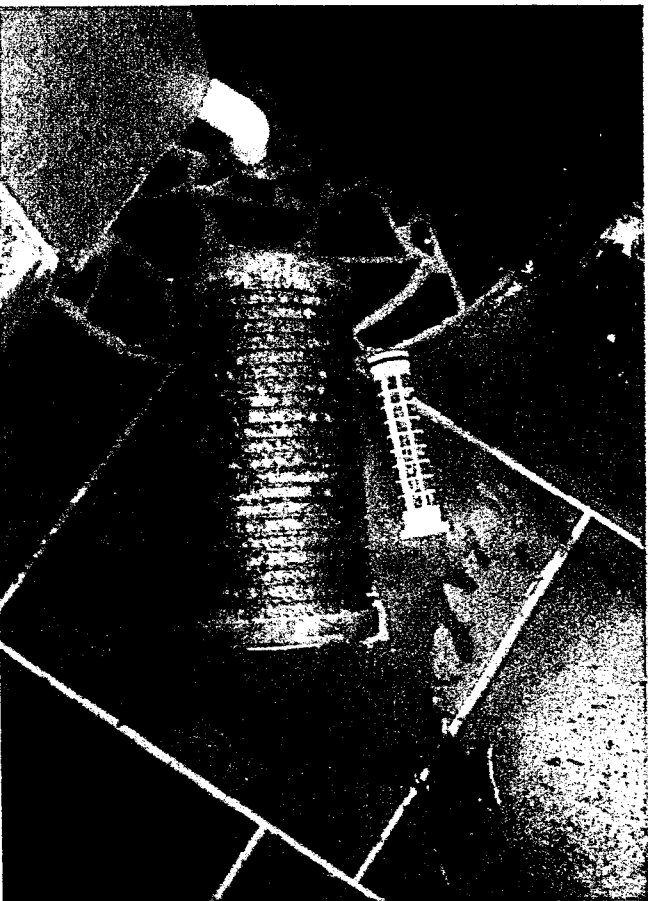


"Flush water"





"flush 1"



"Filters at 20 days old"



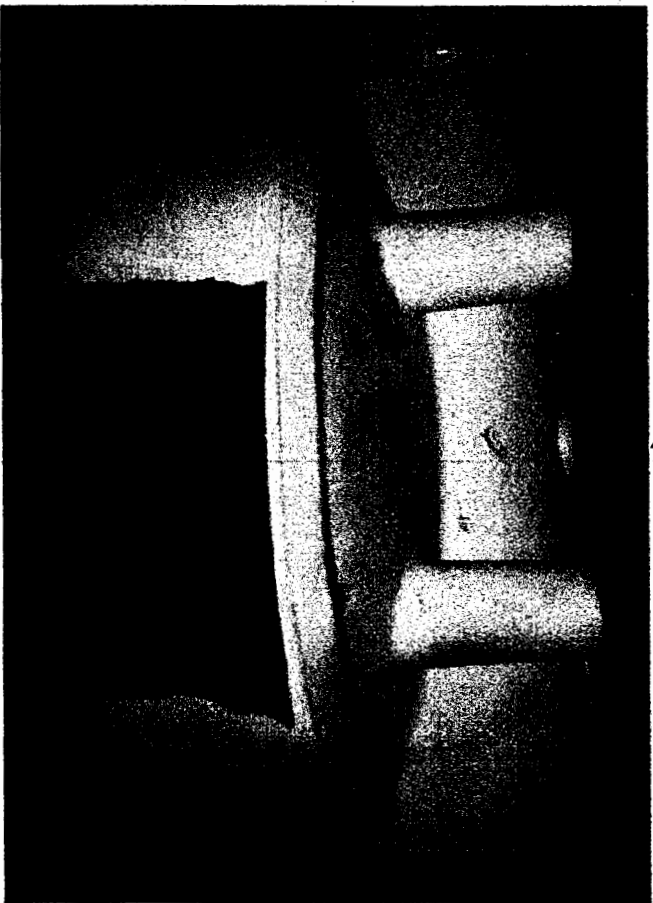
"flush 3"



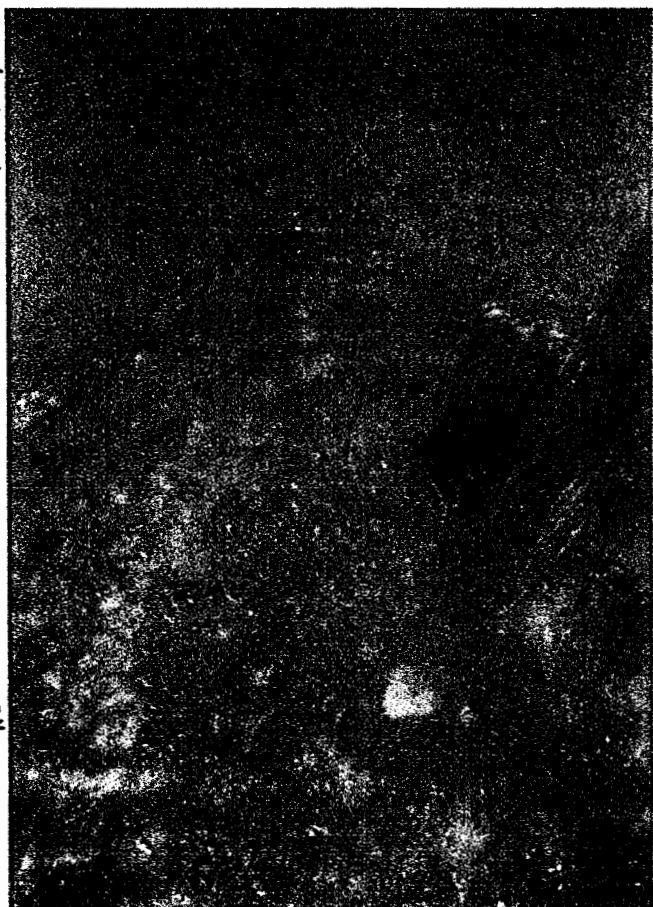
"flush 2"



"Side by side comparison"



"See you in about 2 weeks"



"Would you drink or bottle in this water?"



"Tub water after new filter - as good as it gets"

"particle left after new filter flush"



**KANSAS CORPORATION COMMISSION**

Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID **94658**  
Date Filed **05/20/2013**  
Investigator **GLIPPERT**

**Account Information**

Account No	Notified KCC by P	Consumer Class R
Name <b>CLAY &amp; FRAN STATON</b>	Home Phone <b>(785)825-6493</b>	Cell Phone
Business	Work Phone	Ext Fax #
Street Address	Email Address	
Mailing Address	Special Instructions	
City		
State KS Zip Code		

**Contacts**

No Contacts Exist

**Complaint Coding**

Company ID	Complaint Code	Complaint Type	Company Resolution	Complaint Closed	Violation/ Concern	Dispute Issue Explanation	Disputed Dollars	Dollars KCC Saved Consumer
HHIW	705	C		05/20/2013			0.00	0.00
HHIW	799	C		05/20/2013			0.00	0.00

**Docket Opinion**

Company	Docket Number	Consumer Opinion	Number of Petitions/
HHIW	13-HHIW-570-RTS	0	

## KANSAS CORPORATION COMMISSION



Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID **94658**  
Date Filed **05/20/2013**  
Investigator **GLIPPERT**

### Narrative

05/20/2013

MR. STATON STATED THAT HE ONLY RECEIVED A 2-DAY NOTICE PRIOR TO THE FIRST PUBLIC MEETING. HE COULD NOT ATTEND AS HE HAD ALREADY MADE PLANS TO LEAVE TOWN. HE DID STATE THAT THERE IS AN ADDITIONAL PUBLIC MEETING TO BE HELD MAY 24, 2013 AT 7:00 PM AT 415 E. IRON, SALINA, KS. HE STATED THAT TIM HOWISON DID NOT SEND OUT THE NOTICE BUT IT CAME FROM A NEIGHBORHOOD NEWSLETTER.

HE STATED THAT SINCE A NEW WELL HAS BEEN PUT IN THE QUALITY OF WATER HAS IMPROVED. HE STATED THAT HE IS AT THE END OF THE LINE. HE HAS TO CHANGE HIS FILTER IN HIS WHOLE HOUSE FILTER ANYWHERE FROM 3 DAYS TO ONE MONTH. THEY ONLY DRINK THE WATER THAT HAS BEEN FILTERED - NEVER DRINK THE WATER STRAIGHT FROM THE TAP/FAUCET. THERE ARE TIMES WHEN THE CHLORINE IS VERY STRONG. ALSO HAS AN ODD TASTE WHEN JUST FROM THE TAP. THE WATER IS CLEAR PART OF THE TIME AND BROWN PART OF THE TIME.

CUSTOMER IS OPPOSING TO THE INCREASE AND NOT GETTING THE RIGHT QUALITY OF WATER.

GERRIE LIPPERT, PROGRAM CONSULTANT  
PUBLIC AFFAIRS AND CONSUMER PROTECTION  
KANSAS CORPORATION COMMISSION  
(785) 271-3289

May 9, 2013

94660  
STATE  
CORPORATION  
COMMISSION

APR 20 2013

PUBLIC AFFAIRS  
AND  
CONSUMER PROTECTION

Kansas Corporation Commission  
Office of Public Affairs and Consumer Protection  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027

Re: Howison Heights Rate Increase

Ladies and/or Gentlemen:

Howison Heights is my water district and I recently was provided with copies of documents where Howison Heights has requested a rate increase. I would like to respond to his request as one of its consumers.

I have been a customer of Howison Heights for eight years and would agree that there has not been an increase in my rates during that time. I am opposed to such a large increase being requested, as I feel his increase request of nearly triple the amount currently in place is beyond what would be a reasonable request. I feel that as a consumer, I should not be penalized for his misappropriation of funds by not paying the taxes and loans outstanding against his business. My husband is self-employed and we pride ourselves in paying our bills and taxes in a timely fashion.


Additionally, I feel that the water I have been provided is not in the guidelines of the water regulations for safe water. Multiple times we have received a letter stating that the water was not within compliance during a specific period of time and to not drink the water. This letter comes several months after the infraction and too late for me to take safety precautions.

When I first became a customer, my water was brown in color most days, being dark enough that I cannot see the bottom of the sink. I have learned over the years that I must flush my toilet before deciding if I can wash my laundry. Unfortunately, until I learned that lesson the hard way, I ruined thousands of dollars worth of clothing. Mr. Howison's excuses have always been that there are sediments lying in his lines and when the usage goes up, the sediments are dislodged and appear in my water, but that it is still safe to drink. I do not believe that to be a true statement, as even in the winter when usage is at a minimum for all households, the water would still appear to be brown. I refuse to drink water that I cannot see the bottom of the glass. To help resolve some of my continual financial loss, I have had to incur additional costs by having a whole house water filter added to my water lines at the location where the water directly enters my house. Even with this filter in place, there are times that it cannot purify all of the water as it is designed, as there are too many issues in my water. I occasionally have to manually override my water filter system to cause it to manually generate an additional filtration to get my water to a state that I feel is safe to use and drink.

Mr. Howison's idea to resolve this issue is to dump gallons of chlorine into his well. As a consumer, I am not notified prior to this being done so that I can take proper precautions for my safety. If I use my shower during this chlorine addition, my entire shower turns green from the cause of the water's reaction to my water lines. My entire bathroom will smell like a sauna for days until the chlorine level goes down. I do not feel this is a proper way to "treat" his water wells.

For the reasons listed above, I feel that the amount of his increase request is totally out of line, unless he makes changes to his current system to insure that the water I purchase from Howison Heights is within the regulations every single day of the year and safe for my usage and to be able to drink the water once again and feel that it is not doing harm to my body.

Sincerely,

A handwritten signature in cursive script, reading "Cindy M. Monroe". The signature is written in dark ink and is positioned above the printed name.

Cindy M. Monroe

94621

May 9, 2013

STATE  
CORPORATION  
COMMISSION

APR 20 2013

PUBLIC AFFAIRS  
AND  
CONSUMER PROTECTION

Kansas Corporation Commission  
Office of Public Affairs and Consumer Protection  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027

Re: Howison Heights Rate Increase

Ladies and/or Gentlemen:

Howison Heights is my water district and I recently was provided with copies of documents where Howison Heights has requested a rate increase. I would like to respond to his request as one of its consumers.

I have been a customer of Howison Heights for eight years and would agree that there has not been an increase in my rates during that time. I am opposed to such a large increase being requested, as I feel his increase request of nearly triple the amount currently in place is beyond what would be a reasonable request. I feel that as a consumer, I should not be penalized for his misappropriation of funds by not paying the taxes and loans outstanding against his business. I am self-employed and have never been late in paying taxes, fees, supplies or an other indebtedness my business incurs. It is not my customers' responsibility to incur additional expenses based on my debt. I also do not feel he should receive a salary as requested. His "salary" should come from the amount of funds remaining after he pays his bills, just like all self-employee persons.

I feel the water is not up to standards most of the time. The water is brown in color and I have received several letters after the fact that the water I am purchasing from Howison Heights did not meet the required safety standards, cautioning me not to drink the water during that unsafe time period. These letters always arrive months after the infraction and do not allow me the option to take safety precautions for my health.

Two years ago, I added a pool to my property. I was working with a local pool company on how to regulate the safety of the water. When they found out that I was in the Howison Heights water district, they said not to add anything to the water until they receive a sample. They stated that the water is so poor it would take quite a bit of chemical to correct the problems and if I added anything before they checked the sample the problem could be worse. I was also told to remind them to check for minerals because many times the water contains some. During the filling of the water, after only nine inches of water was added, I was not able to see the bottom of the pool because the water was so brown. I do have documentation of this and would be glad to provide proof at your request. I did take in a water sample as suggested by the pool company and purchased everything needed to correct the water. I was told by the pool company that the initial set up cost was three times what is normal for the set up of a pool because of the water district I am in.

I also have problems with the correct meter reading being on my bill. I have witnessed many times where Mr. Howison drives by my property and does not read my meter, but estimates what he feels my usage was. During the winter times, I use below the minimum amount each month. There have been



times when the usage was one unit above the minimum, causing additional charges on my bill. I have voiced this with Mr. Howison only to be told that the reading will "eventually even itself out". I do not feel that to be good billing practices, as this has wrongfully caused me additional costs. If Mr. Howison "estimates" every one of his sixty-two customers higher than their usage, causing addition costs to the consumer, I feel that to be an inappropriate work ethic. Many times I have even read the water meter immediately after Mr. Howison only to find that the usage number to be at least one or two numbers higher when I receive my bill. I have reduced my amount of payment noting that the reading on my bill had still not been reached yet. Each time a correction/credit was made to my bill, proving to me that he recognized that his reading was incorrect.

I do not feel that Mr. Howison should be allowed to increase his rates to allow for him to have a set salary. He should work within his means to lower his debt so that his profits rise. It is not his customer's responsibility to be held responsible for his inability to pay his own debt.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin Monroe', with a long horizontal flourish extending to the right.

Darin Monroe

Ms. Lippert,

I live north of Salina in the Big Valley addition. I have some concerns about our water system that I would like to share with you.

Our water often smells like rotten eggs or chlorine. In the shower, I sometimes have a hard time breathing when the smell is too strong. My eyes have had that redness and burning like I had been swimming in a pool with high chlorine all day. One time when it was strong for several days, the skin around my eyes was burned. Our skin was very dry.

Our hoses to our dishwasher, showers, and washing machines where black and hard. We have replaced the hoses and we have lived out here since November or 2009. We got a water softener and that has helped with the hoses and taste of our water.

Another concern is the lack of water and signs in case of an emergency. The street signs are not up or wrong and the water tower isn't up. If we do have an emergency, our house would be hard to find and we wouldn't have any water if the fire engine runs out.

If you have any questions, you may contact us at:

Dave and Sue Watson

Sincerely,

Sue Watson

**From:** Gerrie Lippert  
**Sent:** Tuesday, May 21, 2013 11:03 AM  
**To:** Justin Grady; Bethany Runyon; Bill Baldry; John Bell; Steve Boyd  
**Subject:** FW: Howison Heights Water rates.

---

**From:**  
**Sent:** Monday, May 20, 2013 11:34 PM  
**To:** Gerrie Lippert  
**Subject:** Howison Heights Water rates.

We would like to ask you to do everything in your power to deny Mr Howison's request for the extortionate increase in our water rates that he is proposing. A reasonable increase would not be out of line. We checked our bills for the last two years and they averaged \$39.20 per month. Our most recent bill, that included the rate increase was \$62.69 and that was with a discount of \$7.50 because of the rate increase taking place after the billing cycle started. We dread the bill that we will receive next month. We are both retired and on a fixed income, so this kind of rate increase will be difficult to cover.

Of course we have no other choice than to pay, as this is our only source of water. As a comparison, we have a daughter who lives in Salina, who pays \$60.00 per month for her water, but also includes sewage charges. Mr Howison has already stated in a letter to all his water customers, that the increased revenue will bring in \$48,702.00 for him.

From other information we have received, it seems that Mr Howison may want to use this large increase in water revenue to help pay off his numerous other construction and realty loans, which we do not feel is acceptable. Plus he is also seeking to acquire a yearly salary, on top of his other business ventures, to make himself an employee of the company he already owns.

Hoping you will vote against this outrageous increase in our water rates.

Thank you.  
Larry & Jenny Watts,

STATE  
CORPORATION  
COMMISSION

94671

MAY 23 2013

PUBLIC AFFAIRS  
AND  
CONSUMER PROTECTION

May 20<sup>th</sup>, 2013.

Re:- Howison Heights Water Company's request for a rate increase.

Dear Sirs,

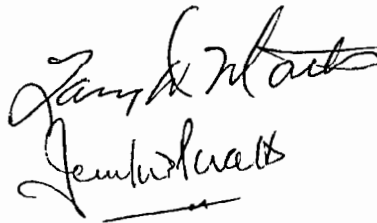
We would like to ask you to deny Mr Howison's request for the extortionate increase in our water rates that he is proposing. A reasonable increase would not be out of line. We checked our water bills for the last two years and they averaged \$39.20 per month. Our most recent bill, that included his rate increase, was \$62.69 and that was with a \$7.50 discount, because of the rate increase taking place after the billing cycle started. We dread the bill that we will receive next month. We are both retired and on a fixed income, so this kind of rate increase will be difficult to cover. Of course we have no other choice than to pay, as this is our only source of water. As a comparison, we have a daughter in Salina who pays about \$60.00 per month for her water bill, but that also includes sewage charges. Mr Howison has already stated in a letter to all of his water customers, that the increased revenue will bring in \$48,702.00 for him.

From other information we have received, it seems like Mr Howison may want to use this large increase in water revenue to help pay off his numerous other construction and realtor loans, which we do not feel is acceptable. Plus he is also seeking to acquire a yearly salary on top of his other business ventures, to make himself an employee of the company he already owns.

Hoping you will vote against this outrageous increase in our water rates.

Sincerely

Larry & Jenny Watts,

Handwritten signature of Larry & Jenny Watts in cursive script.

**From:** Valerie K Linenberger  
**Sent:** Tuesday, May 28, 2013 3:49 PM  
**To:** Bethany Runyon; public.affairs  
**Subject:** RE: Letter about proposed rates for Howison Heights, Inc.

Thank you, Bethany. Below is my letter to the commission. Thank you so much!

May 28, 2013

KCC – Public Affairs and Consumer Protection  
1500 SW Arrowhead Rd.  
Topeka, KS 66604-4027

Re: Howison Heights Water District, Inc.  
Owned by: Tim Howison

Dear Sir or Madam:

Mr. Howison has proposed a rate increase for consumers equal to nearly 3 times the current rate. I am requesting that this request, along with the interim rate increase, be denied.

I have lived in my home which is served by Mr. Howison's water district for nearly 9 years. In all of these 9 years, I've never felt our water was safe to be consumed. In the beginning, we suffered from water that was laden with sediment and a ruddy reddish color. It discolored our fixtures, clothes, sidewalks, etc. This went on for several years. Mr. Howison's solution when approached about the problem was to more bleach down at the pump house. These times were evident as bath water would smell like a swimming pool. A neighbor, Kim Coad, had finally had enough and checked up on Mr. Howison's operations of the water district. It was discovered that Mr. Howison was not performing REQUIRED and necessary water samples. After KCC checked on Mr. Howison, the water seemed to get a little better. Things got considerably better when Mr. Howison initiated a new well. But, after receiving a letter in September, 2005 which was dated June, 2005 telling us that back in May, 2005 we had coliform bacteria in our water, I knew the safety of my family was at stake. We received no notice from Mr. Howison at the time, that we should boil our water or be aware of the potential side effects that coliform could cause us if ingested.

I do not have a problem paying Mr. Howison a FAIR price for SAFE water. I do, however, have a problem with Mr. Howison stating various infrastructure expenditures he needs to make and charge me 3 times the current rate for infrastructure which should have been in place years ago. Mr. Howison promised a neighbor at 4440 N. Sandy ten years ago that a water tower would be erected. It has yet to come into fruition. Mr. Howison states he has had to purchase a \$4,000 computer four times due to lightning strikes. A reasonable person would have put a surge protector on the computer after the first lightning strike! Mr. Howison makes promise after promise about things that he is going to do to improve our water situation, yet time and time again, never happens.

The only reason Mr. Howison is proposing the rate increase is because he has creditors knocking on his door. Mr. Howison complained to patrons at his May 24, 2013 meeting that the water district has lost \$12,000 to \$18,000 per year EVERY YEAR for the past 28 years that he has owned it. This can't possibly be true as a reasonable person would have liquidated the investment long ago. Either Mr. Howison is really that stupid, or he is insulting the intelligence of his patrons.

In my professional career, I have audited many rural water districts. I've never had a problem with any of them and they have all been pleased to provide this type of assurance to their patrons. Mr. Howison, on the other hand, doesn't provide patrons with ANY assurance about the district he runs being fiscally responsible or chemically responsible. At our May, 2013 meeting, Mr. Howison stated many improvements which needed to be made, however, provided no estimates of cost from anyone other than himself. He mentioned the tolerance levels of several chemicals and organisms, but never provided proof of his testing or any third-party assurances. In essence, Mr. Howison is irresponsible with the health and welfare of the patrons he serves. There is a

reason most rural water districts are governmentally run and it has to do with the safety of people. Mr. Howison should NOT be granted a rate increase and instead should be FORCED TO SELL HIS WATER DISTRICT TO THE GOVERNMENT to ensure the safety of the 62 families the water district serves.

I implore the Kansas Corporation Commission to investigate Mr. Howison and his business practices regarding the water district. His reckless governance will surely decimate the health of the people he serves.

Respectfully submitted,

Valerie & Jim Linenberger and family

Valerie K. Linenberger  
Senior Accountant  
Clubine and Rettele, Chartered



Pursuant to federal regulations imposed on practitioners who render tax advice, we are required to advise you that any tax advice contained herein is not intended or written to be used for the purpose of avoiding tax penalties that may be imposed by the IRS.



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**From:** Bethany Runyon  
**Sent:** Tuesday, May 28, 2013 3:27 PM  
**To:** Valerie K Linenberger  
**Subject:** RE: Letter about proposed rates for Howison Heights, Inc.

You may address it to The Commission.

The fastest way would be to submit your comment in writing to myself by replying to this email address ([b.runyon@kcc.ks.gov](mailto:b.runyon@kcc.ks.gov)). Or to [public.affairs@kcc.ks.gov](mailto:public.affairs@kcc.ks.gov). If you wish to send a letter you may address it to The Commission, 1500 SW Arrowhead Rd, Topeka, KS 66604.

Let me know if you have any additional questions.

**Bethany Runyon, Administrative Specialist**  
Public Affairs and Consumer Protection  
Kansas Corporation Commission  
785) 271-3140

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**From:** Valerie K Linenberger  
**Sent:** Tuesday, May 28, 2013 3:11 PM  
**To:** public.affairs  
**Subject:** Letter about proposed rates for Howison Heights, Inc.

ello!

**KANSAS CORPORATION COMMISSION**

Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID **94714**  
Date Filed **05/28/2013**  
Investigator **SBOYD**

**Account Information**

Account No	Notified KCC by <b>E</b>	Consumer Class <b>R</b>
Name <b>TIM HEYDE</b>	Home Phone	Cell Phone
Business	Work Phone	Ext Fax #
Street Address	Email Address	
Mailing Address	Special Instructions	
City <b>SALINA</b>		
State <b>KS</b> Zip Code		

**Contacts**

No Contacts Exist

**Complaint Coding**

Company ID	Complaint Code	Complaint Type	Company Resolution	Complaint Closed	Violation/Concern	Issue	Dispute Explanation	Disputed Dollars	Saved Consumer	Dollars KCC
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**Docket Opinion**

Company	Docket Number	Consumer Opinion	Number of Petitions/
<b>HHIW</b>	<b>13-HHIW-570-RTS</b>	<b>o</b>	

# KANSAS CORPORATION COMMISSION



Division of Public Affairs  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027  
(785) 271-3100

Complaint ID 94714  
Date Filed 05/28/2013  
Investigator SBOYD

## Narrative

05/28/2013 TIM HEYDE

RE: HOWISON HEIGHTS WATER INCREASE

DEAR SIR;

WE WANTED TO WRITE TO LET YOU KNOW OF OUR CONCERNS WITH THE HOWISON HEIGHTS WATER DISTRICT. WE ATTENDED A MEETING RECENTLY BECAUSE MR. HOWISON WANT TO INCREASE OUR MONTHLY BILL, NOT ONLY A INCREASE BUT BY MORE THAN TRIPLE OUR CURRENT BILL. THE CURRENT CHARGE IS \$25 AND HE WANTS TO RAISE IT TO \$87.63.

THIS MEETING BROUGHT OUT SO MANY MORE CONCERNS. SEEMS LIKE MANY OF THE ISSUES HAVE BEEN "DISCUSSED" FOR MORE THAN 5-YEARS. ALSO - THE NOTICE OF THE MEETING WENT OUT ONLY 2-DAYS PRIOR TO THE MEETING - ON THE FRIDAY OF THE MEMORIAL DAY WEEKEND. WAS THIS ON PURPOSE SO THE NUMBER OF CUSTOMERS IN ATTENDANCE WOULD BE LOW?

THE CHLORINE IN THE WATER IS SO INCONSISTENT. SOME DAYS THE SMELL OF CHORINE IS SO POWERFUL, AND THE OTHER DAYS THE WATER HAS A TERRIBLE FOUL ODOR TO IT. HOW SAFE IS OUR DRINKING WATER? WE ASSUMED MR. HOWINSON HAD PROFESSIONAL TRAINING IN WATER MAINTENANCE, BUT FOUND OUT HE DOES NOT. HOW IS HE QUALIFIED TO PROVIDE SAFE DRINKING WATER TO THE DISTRICT? IT HAS BEEN DOCUMENTED THAT HE DOES NOT TEST THE WATER AS OFTEN AS IT REQUIRED, SO WHAT ELSE IS GOING ON? "WATER IS LIFE". A FAMILY SHOULD NOT HAVE TO WORRY ABOUT DRINKING WATER IN THEIR OWN HOUSE, IT SHOULD SAFE TO ASSUME THE WATER IN OUR HOUSE IS NOT ONLY CLEAN BUT SAFE TO DRINK AND GIVE TO OUR CHILDREN.

05/28/2013

HE SPOKE AT THE MEETING ABOUT NEEDING A PART THAT THAT COSTS \$500 - AND THAT THIS PART WOULD FIX THE CHLORINE PROBLEM. MANY FOLKS AT THE MEETING REPLIED THAT THEY HAD THIS PROBLEM FOR MORE THAN 5-YEARS! SO WHAT IS THE HOLD-UP? IS NOT SAFE DRINKING WATER A BIG PRIORITY?

WE UNDERSTAND THAT FROM TIME TO TIME A COST INCREASE IS NECESSARY - BUT TO TRIPLE A PERSON'S BILL IS PRETTY DRASTIC. SO WHAT WOULD WE GAIN FROM AN INCREASE? MORE MONEY FOR BAD WATER? WE ARE NEVER SHOWN OUR METER READS ON OUR BILLS. SO HOW DO WE KNOW HOW MUCH WATER WE ACTUALLY USE? THE NEW RATE ALSO STATES THAT THE MORE WATER YOU USE - THE CHEAPER THE CHARGE. ISN'T THIS BACKWARDS?

TIM STATED AT THE MEETING THAT HE HAS LOST MONEY RUNNING THE WATER DISTRICT OVER THE LAST 10 YEARS. HE ALSO STATED THAT HE HAS BEEN PUTTING IN THOUSANDS OF DOLLARS OF HIS OWN MONEY INTO THE DISTRICT TO AVOID INCREASES IN THE BILL OF THE CUSTOMERS. WHY WOULD A BUSINESS MAN CONSISTANTLY TAKE "LOSSES" IN A BUSINESS AND NOT INCREASE THE BILL AT LEAST MARGINALLY OVER 20 YEARS?

WE UNDERSTAND THAT THAT TIM HOWISON IS IN DIRE FINANCIAL TROUBLE IN OTHER AREAS OF HIS LIFE - BUT IF HE CAN NOT PROVIDE SAFE RELIABLE DRINKING WATER THAN SOMEONE ELSE NEEDS TO TAKE THAT SERVICE OVER FOR THE DISTRICT. ONE COULD WONDER IF HE HAS MIXED HIS OTHER BUSINESS WITH THE WATER DISTRICT AND THE WATER DISTRICT IS SUFFERING FOR HIS BAD CHOICES IN REAL ESTATE.

PLEASE DO NOT GRANT THIS INCREASE, AND BETTER YET, HELP US TO ACQUIRE SOMEONE WHO WILL PROVIDE US WITH CLEAN, SAFE AND RELIABLE WATER.

SINCERELY,

TIM HEYDE



## CERTIFICATE OF SERVICE

13-HHIW-460-GIV

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Amended Redacted Version of Staff's Motion For Commission Order Compelling Howison Heights to Address Quality of Service and Indebtedness Issues was served by electronic service on this 30th day of May, 2013, to the following parties who have waived receipt of follow-up hard copies.

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TIMOTHY B. HOWISON, PRESIDENT  
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**CERTIFICATE OF SERVICE**

13-HHIW-460-GIV

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Pamela Griffeth  
Administrative Specialist