



December 8, 2006

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THE HONORABLE SAMUEL J. PETRILLO
ADMINISTRATIVE LAW JUDGE
PUBLIC UTILITY COMMISSION OF OREGON
PO BOX 2148
SALEM, OR 97308-2148

RE: *Roats Water System, Inc. vs. Golfside Investments, LLC*
PUC Case No. UM 1248
Stipulated Answers to Clarifying Questions

Dear Judge Petrillo:

The following are the stipulated responses of the parties to the Clarifying Questions. Golfside would also like to add two points with respect to Questions 8 and 12. Roats objects to inclusion of the clarifications because it believes the clarifying information is unnecessary. For expediency, however, we have included Golfside's requested additional language. Roats takes no position at this time as to the accuracy of Golfside's additional information.

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1. Did Roats ever request Commission approval of the Water Service Agreement executed in January 2000 with 523 LLC?

Answer: NO.

1(a). If yes, please supply a copy of Roats' request and documentation from the Commission approving the agreement.

Answer: N/A

2. Are all of the 94 lots in Golfside's PUD subdivision located within Roats' Commission-authorized service territory?

Answer: Yes.

3. Describe Roats' water facilities currently serving Golfside's 94-lot PUD subdivision.

Answer: Roats has main water lines running through Golfside's subdivision and service lines from the main line to each lot. At each lot, there is a "meter stop valve" which can be attached to a meter and backflow device when the property is developed.

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3(a). Does Roats need to construct additional facilities to serve the PUD subdivision?

Answer: No.

3(b). If yes, specify the additional facilities necessary to serve the PUD subdivision.

Answer: N/A

4. The stipulated facts indicate that: (a) in July 1999, the City of Bend granted approval for a manufactured home park on the subject property, (b) Roats would be the water utility serving the manufactured home park, and (c) Golfside purchased "individual meters for each of the subdivision lots." Since the City did not approve a subdivision for the subject property until a later date, is it more accurate to state that "Golfside purchased individual meters for each of the spaces within the manufactured home park?" If not, please explain.

Answer: Yes.

5. The stipulated facts indicate that "no master meter has been installed." I interpret that statement to mean that no master meter was ever installed by Roats or Golfside in: (a) the manufactured home park approved by the City of Bend in 1999, (b) the manufactured home subdivision approved by the City in 2003, or (c) the PUD subdivision approved by the City in 2005. If this interpretation is incorrect, please explain.

Answer: Yes. Your interpretation is correct.

6. If no master meter was ever installed in the manufactured home park approved by the City of Bend in 1999, did the tenants in the manufactured home park receive individually metered water service? If not, please explain.

Answer: Yes.

7. Is it correct to conclude that all of the lots that began receiving permanent water service have been individually metered in both the manufactured home subdivision approved in 2003 and the subsequent PUD subdivision approved in 2005? If not, please explain.

Answer: Yes.

8. The stipulated facts indicate that the City of Bend approved Golfside's application to convert its manufactured home park into a manufactured home subdivision in September 2003 and that Golfside recorded the plat for the manufactured home subdivision in December 2003, thereby creating 97 tax lots where previously there had only been one. Exhibit 10 further

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indicates that when the City subsequently approved the conversion of the manufactured home subdivision to a PUD subdivision in March 2005, it required Golfside to create two common areas from three of the existing 97 lots, thereby reducing the number of buildable lots from 97 to 94. Golfside recorded the 94-lot plat for the PUD subdivision in September 2005. Excluding the lots turned into common areas, did the PUD subdivision plat recorded by Golfside cause any change to the tax lots that were created when the manufactured home subdivision plat was recorded in December 2003? If yes, please explain.

Answer: No.

Golfside's Supplemental Answer: There are two technical errors in question number 8: (1) the September, 2003 plat simply created a 'subdivision', not, technically, a 'manufactured home subdivision,' See Ex. '5' and '7'; (2) Golfside voluntarily converted three buildable lots into common area. Except to the extent Golfside was required to plat the PUD in conformance with its application, the PUD approval did not require Golfside to convert buildable lots into common area.

9. On what date did the conversion from a manufactured home subdivision to a PUD subdivision become effective?

Answer: March 17, 2005.

10. On the date that the conversion from a manufactured home subdivision to a PUD subdivision became effective, were any of the lots receiving permanent water service from Roats?

Answer: Yes.

10(a). If yes, specify for each lot: (a) the lot number, (b) the type of dwelling (e.g., manufactured home or "stick-built" home), and (c) the date that Roats began providing permanent water service to the lot.

Answer: Lot numbers and the dates that Roats began providing permanent water service to the lots will be provided. In the interim, it can be stated that all of the dwellings prior to the March 17, 2005 conversion were manufactured homes. To date, preliminary "unconfirmed" calculations suggest that the number of manufactured homes receiving water service prior to the conversion was 52.

11. Did Roats begin providing permanent water service to any of the lots in the PUD subdivision after the conversion from a manufactured home subdivision became effective?

Answer: Yes.

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11(a). If yes, specify for each lot: (a) the lot number, (b) the type of dwelling (e.g., manufactured home or "stick-built" home), and (c) the date that Roats began providing permanent water service to the lot.

Answer: The lot numbers and dates that Roats began providing permanent water service to those lots will be provided. The additional dwellings which have received service since March, 17, 2005 are "site-built" homes. To date, preliminary "unconfirmed" calculations suggest that there are 18 new "site-built" homes receiving permanent water, all of which were constructed and began receiving water from Roats after the conversion. The currently "unconfirmed" number of vacant lots is 24.

12. Has Golfside Investments, LLC, or any of its predecessors ever paid Roats the residential development charge (RDC) prescribed in Roats' tariff for any lots supplied with permanent water service in the manufactured home park, the manufactured home subdivision, or the PUD subdivision?

Answer: No.

12(a). If yes, please provide the relevant details, including the applicable lot number.

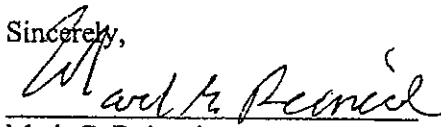
Answer: N/A

12(b). If no, does Roats seek payment of RDCs from Golfside for all of the 94 lots in Golfside's PUD subdivision? If not, please explain.

Answer: Yes.

Golfside Supplemental Answer: Neither Golfside nor its predecessors paid any residential development charges, but Golfside's predecessor did pay Roats (a) \$24,996 pursuant to an 'Offsite Agreement' to extend Roats' main line and (b) \$3,535.20 for backflow prevention devices. In or around November, 2005, Roats refunded to Golfside one-half of the first payment plus interest as required by the Offsite Agreement.

Sincerely,



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Attorney for Roats Water Systems



Brian C. Hickman,
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Prepared by Mark G. Reinecke

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