



ORIGINAL

Hillcrest



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2008 FEB 29 P 4: 02

AZ CORP COMMISSION
DOCKET CONTROL

February 26, 2008

Arizona Corporation Commission
1200 W. Washington St.
Phoenix, Arizona, 85007

RE: Docket# E-01345A-07-0663
Docket# T-01846B-07-0663

Underground Utility Project, A letter of misinformation:

Enclosed please find a letter from Mr. Steve Benton that was mailed to owners in favor of the underground project. The letter dated 02/08/2008 attempts to undermine support for this project. He attended the hearing of 1/18/2008, heard testimony and yet has made misleading statements counter to the testimony. My concern is that this misleading information may have an unfair influence on some owners and therefore on this matter before Judge Sarah N. Harpring and the Commissioners.

John Sears, Chairman of this project wrote a factual letter to the owners in response, in some cases quoting the transcript from the hearing that counters this misinformation. [Please see attachment]

Some of the inaccurate statements made in Mr. Benton's letter: I do not understand why some costs are \$5000/\$6000 and others are \$30,000. [Please see: P 71, Line 11 of the transcript and P187 Line 17 of the transcript: this is clearly explained]

I was shocked to learn at the hearing of an additional \$928,000 to be paid by the homeowners. [P180 Line 10 thru P181 Line 12, this is a typo. There is no such cost.]

I learned at the hearing that some owners under intense pressure signed the petition. [No such testimony] Some wrote letters to the judge stating that they were pressured into voting yes. [No such letters could be found posted to the Commission Web page as of 1/25/2008]

Are you aware of the fact that there will be no street lights? [Mr. Benton has no knowledge of this. There are several options for lighting.]

I would appreciate your review of Steve Benton's letter [attached]. I am requesting that none of the misinformation or any resulting homeowner's response from Mr. Benton's letter has any influence in this matter.

Thank you,

Grace D. Babcock
President, Hillcrest Bay Homeowner Association

Arizona Corporation Commission
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FEB 29 2008

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HILLCREST BAY ASSOCIATION

FEBURARY 12, 2008

PROPOSED UNDERGROUND UTILITY PROJECT.....JOHN SEARS

1] WHY ARE SOME OWNERS PAYING AS LITTLTE AS \$5000.00 AND SOME \$30,000.00?

ANSWER: ACCORDING TO SWORN TESTIMONY AT THE JANUARY 12TH, 2008 ARIZONA CORPORATION COMMISSION HEARINGS " THE SIZE OF THE PRIVATE COSTS WOULD DEPEND UPON THE AMOUNT OF WORK THAT IS REQUIRED. IT COULD BE IMPACTED BY THE LENGTH OF THE TRENCH IF A TRENCH IS REQUIRED IT COULD BE IMPACTED BY WHETHER OR NOT CONCRETE OR ASPHALT THAT HAS TO BE CUT THROUGH AND RESTORED. IT COULD BE IMPACTED BY WHETHER OR NOT A SERVICE PANEL NEEDS TO BE UPGRADED OR REPLACED". THE LONGER THE TRENCH THE GREATER THE COST. THE AVERAGE MAY BE 50 ' THE LOT WITH THE HIGHEST COST HAS 270' TO TRENCH. IF THE LOT SIZE IS LARGER, IT COSTS MORE.

[2] WHY NOT CHARGE EQUALLY FOR EACH LOT?

ANSWER: THE STATE LEGISLATORS DETERMINED THAT SQ FOOTAGE WAS A FAIR WAY TO APPORTION THE COST. THIS WAY THE SMALLER LOTS ARE NOT PAYING PART OF THE LARGER LOT COSTS.

[3] IS THERE AN ADDITIONAL \$928,000.00 COST.

ANSWER: NO

IN SWORN TESTIMONY, THIS WAS CLEARED UP AS A TYPO, AT THE HEARING.

[4] WHAT ARE THE COSTS? HAVE THEY CHANGED?

ANSWER: THE COSTS HAVE NOT CHANGED.

AS STATED IN THE LETTER ATTACHED TO THE PETITION OF MARCH 24, 2007.

THE COST IS \$2,008,005.23 TOTAL.....BOTH UTILITIES, TRENCHING, CONDUIT, ETC.

THE COST IS 902,527.50 TOTALFOR ALL CONVERSION CONNECTIONS, FOR ALL EFFECTED PARCELS ; FROM THE METER TO THE DWELLING PANEL AND RELATED COSTS. PLEASE SEE THE ATTACHMENT.

IN SWORN TESTIMONY APS WILL OBTAIN NEW BIDS IN AN ATTEMPT TO LOWER THESE CAN'T BE EXCEEDED COSTS. THE CONVERSION COSTS ARE OPEN TO ANY OWNER TO DO THE WORK THEMSELVES OR OBTAIN A LOWER COST FROM ANY QUALIFIED CONTRACTOR. AN UNIMPROVED LOT ONLY HAS BASIC TRENCHING COSTS, ETC. TO THE LOT LINE. NOTHING FURTHER.

[5] WILL THERE NOT BE STREET LIGHTS?

ANSWER; THIS HAS NOT BEEN DECIDED AS YET AND WE WILL ASK FOR IMPUT ON THIS FROM THE OWNERS. THE OPTIONS ARE NO LIGHTS, NEW METAL POLES FOR THE EXISTING LIGHTS OR MORE LIGHTS LOCATED THROUGHOUT. IT WOULD BE TO THE ADVANTAGE OF HILLCREST BAY OWNERS TO SET UP A LIGHTING DISTRICT IN THE FUTURE FOR LOWER RATES.

AT THE SUNDAY FEBURARY 17TH HOMEOWNERS MEETING, A TRANSCRIPT OF THE COMMISSION HEARING WILL BE AVAILABLE FOR REVIEW.

THE OPPORTUNITY TO DRAMATICLY IMPROVE HILLCREST BAY IS HERE NOW, IT WILL NOT COME AGAIN ANYTIME SOON AND NEVER AT THIS PRICE. APS IS CONTRIBUTING \$327,000 FOR THIS PROJECT. IT DESERVES YOUR CONTINUED SUPPORT. THANK YOU.

To: All Property Owners at Hillcrest Bay
From: Steve Benton
Date: Friday February 8, 2008
Re: Underground Utilities

I am writing you this letter because I believe you voted "Yes" for the underground utilities. I understand your "Yes" vote and I agree that our subdivision would look better without the utility poles, wires, etc.

There are several things that I do not understand:

- 1) Why are some homeowners paying as little as \$5,000/\$6,000, while some others are paying over \$30,000. I have been told it was based on the square footage of our property but if you will look at the information I have attached to this letter, several homeowners with square footage larger than mine, are paying considerably less;
- 2) I did the math and **if the cost were split equally amongst each lot, it would be approximately \$8,500 per lot;**
- 3) Because the assessments are so high for some homeowners, especially those on a fixed income or a low income, I have heard that some homeowners say that they will have to sell their homes, because they cannot come up with the finances;
- 4) Imagine trying to sell your home at this time, with the market as it is and also imagine trying to tell a potential buyer, that "Oh, by the way, after you purchase my home, you will have to pay an additional \$30,000, to get electric and phone." **Isn't it sad that some homeowners would have to sell their homes so others could enjoy a better view?;**
- 5) I don't believe any of you are that cruel, but unfortunately, homeowners selling their homes is a sad reality because they cannot afford the huge reassessments because of a low or fixed income;
- 6) I attended the hearing at the Arizona Corporation Commission last month. I was shocked to learn, at the hearing, that there was an **additional \$928,000.00** that the homeowners would have to pay above & beyond the original assessment; (See attached) I, for some reason, was not aware of these additional costs and I have talked to other homeowners and they were not aware or thought they were part of the original assessment. **Did you know this?;**
- 7) I also learned, at the hearing, that some of you that voted "Yes", did so under intense pressure and even wrote letters to the judge, stating that you have been pressured into voting "Yes";

- 8) Are you aware of the fact, that when the poles come down, we will have no streetlights, because our streetlights are attached to the poles;
- 9) Are you aware of the fact, that when they start trenching underground, they may possibly dig into our water lines and we would be without water until the water lines are repaired;
- 10) Since the utility poles are over 40 yrs old, and one has already fallen over, should it not be the utility company's responsibility to cover these costs. After all, I believe they are bringing in over \$500,000 a year in revenue from our subdivision and will continue to do so long after we're dead and buried and someone else is living in our home. Over time, they could recoup their investment over and over again while the homeowners may never recoup their investment;
- 11) I am shocked at how many of you that live on the front row, with an unobstructed view, have voted "Yes" to this project and are going to spend thousands and thousands of dollars and not gain any benefit from this huge investment. I have noticed that some of you, with a perfect view, are spending over \$20,000 but I realize this is your choice;
- 12) Some homeowners have told me that they believe that because there is a lien on their property, they will not have to pay anything at this time. They will just settle this lien if they ever sell their property (**This is not true!!!!**);
- 13) At the hearing in Phoenix, Judge Harpring requested a lot of additional information from the utility companies and ordered that this information be forwarded to her by Feb 19, 2008;
- 14) I asked Judge Harpring, after the trial, since she was gathering information from the utility companies until Feb 19, would that mean the homeowners could still forward information to her by that date as well. She said "**Yes**". I spoke with the Arizona Corporation Commission today (Friday February 8, 2008) and I was told that the ACC would be willing to accept any new information from the Hillcrest homeowners and the information would be reviewed by the judge.
- 15) If you are having second thoughts about your "Yes" vote, or are possibly upset about the additional charges that you were not aware of (\$928,000.00) or if you have compassion for your neighbors who absolutely cannot afford these huge assessments, you can still write to the Arizona Corporation Commission and to Judge Sarah Harpring and to Commissioner Kristin Mayes by doing the following:

Please Note: By the time you receive this letter, you will only have a few days to respond to the Arizona Corporation Commission. **If you feel a need to change your vote, or write a letter to the Arizona Corporation Commission, you will have to do so immediately.**

Thank you for taking the time to read this letter.

Sincerely,



Steve Benton

2948 Noble View

Parker, AZ 85344

You must do the following (exactly) for the letter to be accepted:

1) Mail letters to the following address:

Arizona Corporation Commission

ACC Docket Control

1200 W. Washington Street

Phoenix, AZ 85007

2) Your full name

3) Your complete address

4) Your complete Telephone Number (contact number)

5) Your Parcel Number

6) Your Original Signature

7) Please include BOTH following Docket Numbers to your letter

E-01345A-07-0663

T-01846B-07-0663

8) Please send 13 copies of your letter

9) Please send an additional copy of your letter addressed to Judge Sarah Harpring and one copy to Commissioner Kristin Mayes to the following addresses:

Arizona Corporation Commission

Attn: Judge Sarah Harpring

1200 W. Washington St

Phoenix, AZ 85007

Arizona Corporation Commission

Attn: Commissioner Kristin Mayes

1200 W. Washington St

Phoenix, AZ 85007