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Service Commission

Exhibit No. 21

Staff – Exhibit 21 Blevins' Testimony from WO-2024-0036 File No. WC-2023-0353

1	being sworn by Judge Clark on his oath saith:
2	EXAMINATION
3	STATEMENTS BY LEON TRAVIS BLEVINS:
4	JUDGE CLARK: Since you are your own witness
5	generally we don't go with the farcical, you know, where you
6	answer your own questions. But, what this is going to give you
7	an opportunity to do is you can just kind of go over in
8	narrative form what the, what it is you want to tell the
9	Commission in relation to this receivership hearing.
LO	In regard to that I am going to caution you, again,
L1	not to use any customers' actual names or identifying
.2	information.
.3	And if an objection is made while you are giving your
L4	testimony, please stop talking and give me time to rule on the
L5	objection. Okay?
L6	MR. BLEVINS: Okay.
Ļ7	JUDGE CLARK: If you would like to go ahead and
18	let the Commission know your side of the story, please.
19	MR. BLEVINS: Okay. I guess I'll begin normally.
20	My name is Leon Travis Blevins. I'm almost eighty years old.
21	I've retired a couple of three times. I retired military,
22	veteran of twenty years, and I'm on Social Security and my wife
23	is the same. Both of us have a lot of medical problems. So I'm
24	not going into any situation, either past or future, that is
25	going to cause a problem for anybody, and especially my wife and

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The wells that I own I own these wells in a couple of three different ways. I own some of them by deed, which is fee simple transfer of property from one owner, which is the grantor and to me as the grantee. If I dispose of those properties then I become the grantor to somebody else.

Now, I acquired also some wells by contract of sale. And the reason why they were done by contract of sale is because there was a problem with maybe the legal description of the particular well site or there might have been some problem or discrepancy in the easement, either in the well site itself or the lines that are -- the distribution system that are in the easement along the roads and in the properties.

The people that I acquired these wells from are very Don Becker, he is a contractor. He builds houses and constructed some of these wells through other contracts, well drillers, etc., twenty some years ago.

Also another contractor Jim Parsons. Same scenario as far as the constructing the wells or owning the wells or having them built for a particular purpose of providing water.

The most recent one acquired was from Mark Rowden, he is a contractor, but from him I had no contractual agreement, simply wanted the deed. That deed is in my possession, I had it dated 1 December, and there are four wells in that deed.

I know that through all of this process there is some

confusion about what I own or don't own. But, I have no confusion whatsoever of what I own. And I can show whatever documentation that someone would want to see to let you know what my interest is in that particular well or system.

There is also one other individual and that's Kevin Rowden. I kind of forgot about him -- not that I forgot about him. But, that is a recent purchase. That's a handshake. And there's about two wells, I think, in reference to that particular agreement and that's over on the Corvair side.

But, those wells have been sold. They've been sold in the same manner in which I purchased them. In other words, they were mine to sell by whatever reason of ownership and I've transferred those out.

When I started gathering wells -- not gathering them, but acquiring these wells I was in some places asked to do that. I was asked to take over these wells, or maybe offered to take over the wells.

I would like to go back to originally Mr. Don Baker was the first well sites that I acquired. I worked for Mr. Don Baker for a couple of years, and one of the things that I did was take care of these wells. These wells were in not the best of shape and they're not in perfect shape today. But, he has confidence — he had confidence in what I did do for the wells. I improved them even when I was working for them. Made sure that during the wintertime that if there was a call that's — I

was the guy that went and took care of that problem. Nobody had to show me how to do it or tell me to do it. I did it because of responsibility.

In the well idea of another reason why I really acquired these was not to dodge any laws or anything like that. It was to create something that could be returned to me and my wife on our retirement. We've been retired -- and I still work. I have to work every day.

I had a total of twenty-four of these wells and if you'll notice in some of the identification of some of these wells you'll find the MW-01 clear on up to MW-24. Right now I have eight wells left and those eight wells make up the three public systems that the Department of Natural Resources has recently activated. The Misty Mountain, the Charity, and the Rolling Hills. Those are the eight wells in total.

There is particular problems with some of those wells, but there are circumstances and reference that has not been addressed in any of the other investigation type information that we've been receiving through these investigations or through these witnesses, etc.

I would like to go over some of those just briefly, though. Let's say that the wells that are nonoperational at the present time one of them is what we call a concrete well which is out on the Charity system. It was taken out of operation. I took it out of operation myself some time back, but we connected

it up to the other Charity wells.

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There is two Charity wells on that one -- or two wells on Charity Road that we connected so that the concrete well that serviced the Covenant properties would be all covered by those two wells.

Now, individually my anticipation is to continue to get that well repaired by an appropriate person which is Rick Guill which is Rick's Pump Service. Also the other well that is nonoperational obviously is the Topo [phonetic] well. That's on Misty Mountain. Different area.

But, since we talk about Topo so much in this process that was a difficult well to deal with for the DNR and also for myself.

I would like to clarify a few points maybe there from all the other testimony that's been talked about in reference to that particular well. The well tested with an e. coli obviously. So my attempt through the DNR was to find out why that particular well is coming up with e. coli. As we would do the investigations we would eliminate certain things.

DNR talked about the pitless area. There was nothing wrong with the pitless area. I inspected it with equipment, videoed and etc., and found that it was not the pitless area but it was a little bit below that. And that was on a line, it's on a water line. That water line is four hundred feet long at least; in fact, that well I think is four hundred and forty or

four hundred and sixty feet in the ground. The wet end of it is
that far, which is the pump and the motor that hangs on that
pitless. But, there was nothing wrong with the pitless. We
kept investigating.

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I understood at one time that there was a connection to the Public Water System of Pulaski County. I inquired about it early on, but could not receive any good information as to where that line still existed and where it came out at the well site.

Finally after doing many things to investigate why we had e. coli there and everything kind of -- it didn't solve the problem because we would do shocking, which was directed, and then later it would come back with e. coli again.

I finally got to talk with Don Baker. He was actually in Florida at the time and he had just returned. Come to find out that particular line or that particular property over there was initially hooked up to the Pulaski County Water District. But it was put in or connected with a line that Don Baker's brother had actually installed in the ground which was a one inch hex line. Nobody could remember twenty years back as to what happened at that particular line. And also in reference to that particular well.

We understood that all of the residents at that time did not like the Pulaski County water supply. They wanted to stay on the well or have a well water, so that was done. But, what we did find out that there was still an existing line and I hooked it up myself.

The line has never been dug up -- as there was some testimony that the line was dug up. What was dug up was a different line that was a valve that actually turned the well water off when that particular water from the County would be coming in to that, into the distribution system. It worked.

After we discovered at this late date -- I didn't know this in the beginning. I had no idea of the County being collected or connected to that particular well in the beginning of twenty years ago. Didn't know it. And neither could Don Baker even remember part of that. But, we sat down and talked extensively about it and come to find out we -- he remembered who put it in, which was Don Baker's brother. So I got hold of him and we determined that that, he remembered there was a line there.

So we went ahead and went down to the County, confirmed that there was a meter out there, so I said let's take it out and see what happens. We hooked it up.

And I think there was one question about what the deposit was, I believe it was three hundred dollars deposit, but that's not really an issue to me anyway.

So we hooked it up and water started coming in through the well distribution system. So that solved that and that's what's operating even today. We are trying to get maybe the

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public water system there to just take over that line. don't want it. My understanding is that they don't think that that line would be sustainable for their period of time, I quess.

But, anyway DNR is talking about plugging up that particular well. I would rather see the well repaired. But, if they decide that that needs to be plugged that's probably what I would have to do. In order for the residents to get back on a well they would probably have to drill another well. I don't know.

I'm in the retirement mode. I'm ready to not do this so much. So I'm not here to cause anybody a problem, but I don't want to go out of this process of obligations and fiduciary agreements that I've made with other people. I want to go out equitably.

I'm not even opposed to receivership in my opinion, but I think it would be way, way too expensive for clients out there to pay the expenses that would come about with all that, especially if I had to gear what I do into the FSC [sic] requirements. I can't make those requirements. And it's way too late in the game for these wells to be brought up into that type of situation.

But, there are other solutions. My solution would be for the wells to be incorporated into a homeowner's association. Doing that I've already arranged for an attorney to prepare all

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the documents and make all the reports to the Secretary of State and, etc., but there is a lot of work to do an HOA.

I'm sure you're probably familiar with it. I don't know if you are or not, but there has to be agreements by the people that use the water in these wells. But, that can be arranged also. There are choices that they would have. If they didn't want to be in the HOA they could drill their own well.

At the present time the cost of a well for one property I would give you some numbers that would probably be up in around twenty-five thousand dollars. That's a tremendous amount of cost in relation to twenty years ago when that same well could be put in the ground and operating for maybe eight thousand. That's a big increase. Then twenty years ago when that was put in the -- thank you.

The cost or the fee that was being charged by these contractors that owned the wells at that time was like thirty dollars, some of them twenty-five dollars. Today the cost of that from my viewpoint and from the agreements to furnish water that I try to get from each one of these customers that want the water is fifty-five dollars.

There are other incentives, though, in this agreement. Agreement to furnish water. They can pay a discount or prepay it if they prefer which I was asked to -- by many of the customer people, clients, if they could pay a year at a time or three months at a time or six months at a time. I provided that

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to them at a discount.

Also they can pay by automatic deposit. I've only got two or three of those that actually do that, but most of them just pay monthly. I've never had any real complaints about the money or the charge until the -- until at such time when DNR got involved and also the FSC got involved, the Staff I'm referring to.

The DNR when they activated those particular wells created expenses. My determination was about a thousand dollars a month, that's twelve thousand dollars a year.

JUDGE CLARK: Can I clarify something real quick? When you say FSC do you mean the PSC?

MR. BLEVINS: I'm sorry, you're correct. That is the PSC. I'm sorry.

JUDGE CLARK: Thank you.

MR. BLEVINS: Public Service Commission. Yeah.

And mostly I'm referring to the Staff. That's the people I know that I met with or that say they met with me.

My testimony is that twenty years ago you paid thirty dollars for water for a residence and now it's fifty-five dollars. That increase over twenty years is not much over a dollar a year. I don't know if that equates or not but when you -- to somebody's belief or whatever.

But, when a well costs twenty-five thousand dollars to put in the ground and that's probably a horse and a half and

0.8	that wells that I have are five horse wells, three horse
2	wells, and very few of them are one point five horse wells.
3	But, those have all been sold. They're individually and they
4	can only handle two or three clients or two or three residences
5	getting water.

All of these wells were taken in good faith for me to improve. Those to date since I started with these wells and agreements with the contractors and etc. they had confidence in me to go ahead and do that I probably -- I've improved each and every one of them in some way or another. And they probably still need more work, I'm real sure that they do.

But, I do not have a staff. I don't know. I do not have employees.

The young lady that has been referred to as an employee is what I call an adopted granddaughter. Not legally adopted, but her father and me previously had business relations, and I've tried to help that family as much as I can. And she does come in and work with me. She helps us kind of maintain and run a store, an antique type store or whatever. And something that my wife likes to do is handle antiques and so forth.

I mean she's not paid a salary. But, she does help in everything that I do. I do pay her, I do pay her but she also earns a little commission when she makes a sale or something of that nature. She is not an employee. She's independent and she

Transcript of Proceedings Page 61 can -- doesn't have any particular hours that she comes in. 1 She 2 works on her own. But, she is familiar with a lot of things 3 that I do. I've had several businesses in my lifetime, even in 4 Pulaski County. 5 6 But, back to this particular receivership at the 7 present time I've invested funds in improving these wells and right now at the bank, and if I needed something done I would go 8 to the bank and draw on what I call a line of credit loan. I've 9 10 got about forty thousand dollars on that line of credit which 11 has been used, but I still pay it monthly back to the bank. Those are financial situations that I think has been 12 said that I'm not capable of doing this or doing that. I've 13 went ever since 2006 with these particular wells on my own. I 14 didn't ask for any help from anyone else. It was mine. But, 15 the incentive there is to create the wells because of the 16 17 relationship I had with these contractors. I've actually with Don Baker -- I was a partner with 18 Don Baker in years back constructing homes and Don Baker has 19 probably built a thousand homes. I owned a real estate 20 brokerage firm at that particular time and I probably sold more 21

than half of what he's built in my previous years of dealing with real estate and construction, etc.

Again, I'm retired but I retired from the military in 1981. Right here in -- well, in Pulaski County. But, I've been

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associated with these people and we have good relationships.

The last well that I actually upgraded is the Rolling Hills well. And where we upgraded it it was about seventeen thousand dollars. That is still owed. Not all of it, just part of it, because we pay Rick Guill, who is our pump guy, we pay him monthly and this is by agreement with him.

At one time or another he was going to purchase these particular wells for his daughter, which we were going to sell them to him. But, it turned out that there was too much involvement for Rick Guill in reference to the Department of Natural Resources. But, he's not opposed to DNR, but he didn't want to deal with it at that particular time. He's a busy guy. He's an honest guy. He's truthful. And he does not overcharge anybody. And that's the reason I do business with him.

I will not do business with some other people, companies, that are around. I'm not going to mention their names. But, I wait for Rick Guill because he knows -- and I've talked with him on several different occasions about the wells that we've got.

Let 's see. The CCN, the Certificate of Convenience and Necessity. I admit I had no idea what a CCN was when they come in my door which was -- wanted to know. I was cooperative with them. And I understood that I had to submit this application for a CCN without really understanding why I needed to do that. But, I very quickly after receiving information

that I was to provide over forty-four some data information, which that data information was not available. And it had to be created.

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Everybody has talked about it already in this whole process when they say they can't determine what I own or don't That was part of why I took on this job of taking these wells from Don Baker, Jim Parsons, is to help get all of that straightened out in the proper manner. I'm the guy that he called and wanted to fix it. I'm the fixer, I guess I'm trying to say. I've done it all my life. That's what I do. But, I do it honestly and truthfully. There is no other way to do that and do it proper.

I admit, like, the Topo well is a problem and really it's still a problem but just plugging up the holes really doesn't solve the problem. I believe I know where the problem is when I discovered that -- or myself and Rick Guill discovered that particular casing around there was all cracked. That's where I think the real problem existed then and still exists now. But, that well is not into operation.

There has been so many different things said in this whole process here that it's kind of hard to keep it in one line, but I want to go back to this receiver, I quess it is.

If a receiver comes into play then I foresee a lot of expenses that's going to happen to these people out here that are now complaining about increases in their prices. DNR caused some of these increases which I equated to you at a thousand dollars a month. This last testing was six hundred and ten dollars, that's just for the testing. So there is other expenses already that has to be paid. So it's going to be over a thousand dollars. But, over a year's time I don't think it would go over a thousand.

I'm not objecting to the DNR. I think it's necessary and would be good for whatever structure comes about. I don't believe this receiver would be -- would have that particular thing in mind about these clients out there. I think I have a responsibility to protect them as well as myself. And as well to protect as the way I can with the people that I made these agreements with, that I acquired these wells from. For those people I owe no money. There is no debt to them because I've already paid that debt for the acquisition.

But, I didn't -- I've spent a lot of money just improving them and bringing them up to where they are today. And I anticipate that at the present time there needs to be about five to ten thousand dollars more spent on some of these improvements or some of the problems that I know exist with these wells right now.

But, I don't want to -- I wouldn't want to intermingle all of that into what's going on today. That's something that's going to have to be taken care of and, but not only we're down to the point I guess with just what DNR has activated in eight

wells, that's where I'm at, eight wells.

If they -- an equitable solution is not attainable somewhere then I think it would fall apart. I think the system would fall apart. These wells, especially the ones on Charity and the ones on Misty Mountain now, the only single well that would qualify under the DNR guidelines of fifteen connections and twenty-five users is the Rolling Hills well. That one has one well and nineteen connections.

And that brings my thought up to some of the complaints that have come about here, even the ones that you have read yesterday and today for the first time. I've not received any of those complaints other than one or two of them there that I believe -- and I've already answered to that particular complaint that was on some of the previous submissions that I gave to the Commission, you all.

I submitted that the other day when we talked about having the answers to the receivership or the complaint. The complaints made by the Staff asking for a receiver. I think I answered all that. I assume that you all received all of those documents. I personally delivered them to your mail activity downstairs.

JUDGE CLARK: I don't know what documents you may have provided to Staff. Now, are you referring to the answer that I ordered you to provide?

MR. BLEVINS: Yes, sir.

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1	JUDGE CLARK: Yes. That was filed, I have that
2	right in front of me inclusive of the various attachments.
3	MR. BLEVINS: Yes. And the reason I brought that
4	up is because the complaints there was a complaint in there,
5	but I believe I've answered that complaint. All those other
6	complaints that I see either by email or just mentioned or etc.
7	I've not seen before until yesterday or today yesterday
8	actually. And those exhibits I've not seen those before so no
9	opportunity to reply to them.
LO	But, I can reply to them now I think by saying that I
L1	think I recognize some of the complaints, especially those ones
12	that are lengthy, that that one would have come from one of the
13	water users that has owed money for water for several years
14	not months, but years. I think the balance is probably over
15	four or five thousand dollars.
L6	I've never threatened any of those clients out there
L7	in any manner. It's not in my character to do that. But, it is
1.8	in my character to try to talk with them and come to a
19	resolution of what's going on.
20	And I've heard complaints about threatening to cut
21	their water off. In that agreement to furnish water it says
22	specifically if you do not pay your water usage fee that was
23	agreed upon for over six months then I as the owner would have
24	the right to disconnect that water and permanently terminate the

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water from that residence. I have never done that. Even though

it's in that writing it's not in my character to cut people's water off either. I've never cut people's water off for any particular reason, even non-payment. I've never threatened to cut it off, but I have indicated that if you're -- that you need to, and that goes back to the billing.

I don't do billings at all. I don't bill you out fifty-five dollars every month on a piece of paper. Because there is no meter, there is no meters, there never has been for twenty years. And so I don't bill it out. But, I do send out a notice after ten days of not receiving the water payment and it's important that we did that because the -- we have to pay the expenses.

Now, totally in this whole system even with the fifty-five dollars a month if you would count a hundred clients out there that's fifty-five hundred dollars a month. Is that correct? And that would be my calculation.

And that's quickly taken up in electric fees with so many wells out there. Every one of those wells are on a separate meter. So I can tell you right up front that the electric bill to Laclede Electric, for example, has been like fifteen hundred dollars a month. The electric bill over at the Dixon area five, six hundred dollars a month. There's two thousand dollars in just electric services.

We haven't paid for all of the maintenance that needs to be done on a daily basis or a weekly basis or a monthly basis

or even in a situation where a water leak does happen. You've got three backhoes, but when a water leak needed repair to take a backhoe out there and fix it that's what I did.

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I don't know why it was determined that I don't fix leaks or something or don't perform maintenance. The investigations that went on in my particular opinion was not very well conducted. Lackadaisical in nature, in my opinion. There was not investigated thoroughly enough to find out really what the situation was, especially with the complaints.

I've heard complaints that I've never heard before. And I think what prompted these complaints in my opinion were the involvement. They finally had somebody I guess maybe because of their frustrations, whatever it may be, and I can understand that they would have frustrations when we had to raise the prices because of the cost of DNR, for one.

We had to raise the prices in the beginning because the people I purchased these wells from were tired. They were -- didn't have the time to go make these collections or anything like that. So all of the sudden, you know, the people that have not paid for years I've provided a solution to that for them, and the people that owned these wells prior to me and also for the people that were using the water. I don't think it was fair that they just not pay it and let them go. So I created a past due account for them to pay whatever they could afford on a monthly basis to take care of that, their own

responsibility.

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And in one case, just to give you an idea, the individual user would owe I think maybe twelve hundred dollars or so and what they can afford to pay was five dollars a month. No interest. Okay. That's okay. But, you had to keep your current payment up to date. At that time it was probably forty-five dollars, I don't know. So we just carry that on through.

There's more than one or two or three or four of those kind of situations. Some of that there were -- most every one was behind when I first took all of these wells. And -- or I didn't take them. acquired them.

Like for Mr. Mark Rowden who was the seller of those four wells out there. He simply told me, he said he does not want to get involved with trying to collect money from those people for those wells. But, he obviously had been paying the electric every month on them and no income. So he asked me to take them over. I did that.

Right now those wells being twenty years old would you imagine that maybe the pumps and the motors right now are kind of in the area where they're going to need replaced right away? Here pretty quick. But, if I do that, which I've already committed to do that, then when I convert these out or sell them out I'll get my money back. And it would be equitable for me to do that. And even with going to a homeowner's association I

provided -- in that document that I provided in that report how they could pay for that. That's equitable in my opinion.

They can even pay in cash let's say, that's an option.

Anybody has that option. Or they can just continue to pay what they're paying now.

But, at the end of a certain period they would be already in the homeowner's association, no longer have that debt to get there, and they would be clearing back into twenty or twenty-five dollars a month that the HOA would probably be charging at that time. Even in the beginning when it's set up the HOA needs to collect money in order to take care of expenses and take care of the wells. How much they collect depends on what really needs to be done, etc.

I understand also that people that use these wells may not be familiar with an HOA, but that's a corporation and it's run like a corporation and they owned the wells. Everybody in that HOA would own that well. They can determine and — determine how much of that fee even on a monthly basis if they wanted to. They can do whatever they want. They're not subject to any of the PSC guidelines and rules. Because they are activated as a public water system they would be subject to the Department of Natural Resources and all of their guidelines, which I think are good guidelines. I don't object to that at all. But the HOA is a nonprofit organization. Nonprofit. It's not for profit.

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And if anybody thinks that these wells are for profit at the present time they need to step in my shoes. They'll find out that five thousand dollars a month is not adequate. Of course, I don't do that now because there's only eight wells left so I'm trying to get this equitability finished.

My job was to take these wells, get them in a good operating condition like with DNR especially, and do something else with them. One of the main goals was to put it in an HOA even from the beginning. I wouldn't own the wells at that point, but the HOA would, and they have a board just like everybody else is set up in different corporations. That's who governs that nonprofit organization or the homeowner's association.

I'm just reading and checking my notes here if I could, please.

> JUDGE CLARK: Take your time.

Again, I think that the complaint MR. BLEVINS: that seems to be a crutch that some of the investigators are using are unfounded. Or they're motivated by something else.

And like the example I gave you those I mentioned, also that same person that I send out people to collect money I I have never done that ever. If there's do not do that. anything to do with money I do that personally and I try to do it without demanding anything but, being reasonable about the whole process. And I think I've been more than reasonable with all of the clients that are out there.

And if you actually investigated and talked to enough people I think you would find that what has been presented in this investigation process is in most cases erroneous.

The case of Misty Mountain especially. There's a client up there that every time that we went like to the Topo well if he was around he had to come in and get involved with it and take pictures. And I don't mind that at all. But, when they begin to create something that is not there or interfere with the people that I had there I've got to say something to them. And I did. Not in my character to throw somebody off their property. Physically I couldn't do it anyway and I wouldn't do that. But, I asked him to leave more than once and he absolutely refused and just got more belligerent and started in my opinion telling untruths. Creating something.

I've heard a point where maybe somebody seen me put something down a well head. Why would I do that when I drink the same water? That don't make sense to me, but I don't know why somebody would actually say that other than the fact that they really don't know what they're looking at.

I've heard comments that well heads have froze up.
Well heads don't freeze up. There's no water up there other
than through the pipe and up through the line that comes through
the pedal that's where it hangs.

A lot of those comments like that need to be

1	investigated a little bit further to find out really what
2	motivated it. What motivated them to say things like that. I
3	think you'll find it's unfounded in most cases.
4	But, in any situation if I would have been notified or
5	told of that particular complaint I would have answered it. I
6	would have answered it honestly and truthfully, whatever it is.
7	And I've done that with the ones that I have been notified or
8	been told about or even provided. In writing. I've provided
9	that in its entirety.
10	I don't know. All the testimony that has went on here
11	I would just like to maybe close this out and let you know that
12	I'm not here to fight with anybody. I would like to resolve the
13	whole situation. I do not I'm not happy with the way the FSC
14	conducted I'm sorry, PSC, conducted whatever they conducted
15	as they an investigation. I'm not happy with that at all.
16	But I understand where you might be.

So I have a resolution, not a resolution, but a solution to it under the HOA guideline. I would like for you to at least consider. It doesn't mean that you have to do it, I'm sure.

I did all of this in good faith. And I'll stay in. good faith.

I'll answer any other questions anybody may have honestly and truthfully.

They -- I've been with my wife for sixty-six years and

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married for sixty-two years. She must have had some confidence in me to keep me around that long. So my character is not what I've heard in these proceedings. I want people to know that.

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I don't think I've made any real enemies. Although I guess everybody does once in awhile. But not intentionally. I do not avoid the law. I try to stay within the law. I try to do what is necessary to do. Not only just for myself, but in this case with the receivership I believe would be a real mistake not only for me personally because of my involvement but what I wanted to do with these wells I feel like I wouldn't be able to do that. So it's not equitable. And it's not equitable in my opinion for the people that use the water. Because if a person comes in and says they're the ones that take care of this they're going to have expenses and it's going to be a different story, it's different progress with each client.

That created not a good image for me personally because it's being taken away, I guess.

I'm not really sure what a receiver is. I'm not sure that there is even a receiver that would accept these wells in my opinion. I don't know. But, if that would be the solution I wouldn't object to it.

But I would ask for all of it to be equitable for all parties involved. I think maybe that's about where I'm at. I just wanted to express my -- the way why I did that or what I do, it was not against the law to my knowledge. That those

1	wells have been operating for twenty years. I just tried to
2	continue on and get them improved and get them into a situation
3	that they were needing.
4	Even the contractors they didn't want to the
5	contractors did not want to spend more time, more money, etc.
6	But, I was willing to do that. And I did. I have done that. I
7	just told you in my testimony here that the line of credit forty
8	thousand, I still owe that but I can't pay it with the normal
9	procedures or something equitable. Then what does that do to
LO	me? Is that what everybody wants?
l 1	We've got laws that says when you can't pay a bill you
L2	file bankruptcy. I've never filed bankruptcy in my life, but if
L3	I get forced into that corner I may not have a choice. I'm not
L4	saying I'm filing bankruptcy. I'm just telling you where my
15	thoughts are.
L6	Receivership in this case I don't think it's good. I
17	don't know how else to say that.
18	I think I'm finished. I've said what I said maybe, my
19	point of view or my testimony.
20	I would be glad to answer any questions that any of
21	you might have.
22	JUDGE CLARK: Thank you, Mr. Blevins.
23	Any Cross Examination from the Staff or the
24	Commission?
25	MS. KERR: Yes. Thank you.

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- Q. Okay. Is that what I -- I just handed that to you?
- 2 A. This is 8?
 - Q. Yes.

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- A. Okay.
- 5 Do you recognize that? 0.
 - A. It's a -- Laura provided this to me as the agreement.
 - Okay. And that's the three agreements that -- did you Q. sign those?
 - A. I did. Yes.
- 11 0. Okay. Are those the three agreements that you signed 12 for each of the three public --
 - One for each public water system, yes, ma'am. A.
 - Okay. And in those agreements you agree that if Q. you're going to make any changes or you are going to take any samples or you are going to do anything to those wells that you notify her first before you do any of that?
 - That is correct. Let me explain that. Can I? A.
 - Let me ask the questions first. 0.
- 20 A. Okay.

- And there are times where you've done, made changes to 0. the, made repairs to the wells or shocked the wells without telling her first.
- 24 Is that right?
- Well, the explanation of that is that when --25 A.

1	Page 76 Q. Have you done that? Yes or no. Have you done that?
2	
2	A. Pardon?
3	Q. Have you made have you shocked the wells or made
4	changes, made repairs?
5	A. Not to my knowledge, no.
6	Q. Without telling her first?
7	A. Not to my knowledge. But, I would explain that when
8	this document was first done DNR required this document so there
9	was a learning process from the time that DNR activated until
10	such time as we come to a point to where the wells would need to
11	be shocked.
12	I talked with Lori [sic] on almost every occasion. I
13	don't think we got to the point to where it said I can't do this
14	without seeing you first, which may be. I understand that at
15	the present time, but that is the learning process of
16	Q. Thank you.
17	A. I shouldn't be doing anything that Lori doesn't is
18	not aware of or has already approved or disapproved. If she
19	disapproved something obviously I can't do that or shouldn't.
20	Q. Thank you.
21	MS. KERR: I ask that Exhibit 8 be admitted into
22	evidence.
23	JUDGE CLARK: Mr. Blevins, do you have any
24	objection to admitting Exhibit 8 onto the hearing record and

that is the water, the three water facility operations

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1	agreement'	50 March 1990 March 19
2		MR. BLEVINS: No objection.
3		JUDGE CLARK: Exhibit 8 is admitted onto the
4	hearing re	ecord.
5	Q.	(By Ms. Kerr) So would you say that a request for
6	payment f	rom someone is a bill?
7	A.	Pardon, what was your question?
8	Q.	Would you define a bill as a request for payment for
9	something	?
10	A.	A bill? I don't send out bills.
11	Q.	I didn't ask if you sent out bills. I just asked if a
12	request f	or payment for services, would that be a bill?
13	A.	Not in my process of asking for money.
14	Q.	So if somebody does work for you does fixes your
15	car and g	ives you a request for payment is that a bill?
16	A.	That for my car I'm sure it probably would be.
17	Q.	So you provide services for somebody and you ask for
18	payment.	Would you call that a bill?
19	A.	I already asked for payment a year in advance or a
20	year behi	nd.
21	Q.	All right. Thank you. You've answered the question.
22	A.	A flat fee.
23	Q.	So who do customers call if you're not available like
24	in an emergency?	
25	A.	I've always been available. The only number that's

		Transcript of Proceedings	October 26, 202
1	provided	out there for a call is my number.	Page 80
2	Q.	So if you're on vacation who would they get	in touch
3	with?	er er	
4	A.	Well, if I was on vacation or out of town I	would
5	contact s	omeone within my scope to go check that well	if I'm not
6	there to	do it myself.	
7	Q.	Does DNR know who that person is?	
8	A.	I don't think so.	
9	Q.	Thank you.	
10	A.	Well, they may.	
11	Q.	Have you filed that with DNR?	
12	A.	Filed it? No. Not particularly filed that	particular
13	name with	DNR.	
14		But, I have provided to DNR the people that	work on
15	these well	ls, which is Rick Guill.	
16	Q.	Okay. Thank you.	
17	A.	Laura Jean is another one.	
18	Q.	So when you come up with how much you charge	for
19	customers	for water did you do some kind of calculation	n as to
20	how much p	people would be charged?	
21	A.	Well, I suppose you could say that I calcula	ted and
22	come to a	figure, but the calculation was based on wha	t the
23	expenses	are.	
24	Q.	Was there a formula that you used?	

That's

The plus and minus, times, divide.

A.

Oh, no.

<u> 70-</u>	Page 81
1	the only formula that I know of.
2	And I've been a mortgage broker before. I pretty well
3	know how to put numbers together. I know how to put expenses
4	together also.
5	Q. Is there a formula or a plan that you could provide to
6	the PSC to show us how you came up with those rates?
7	A. Well, I think I did that in that document that I
8	provided. But, what I provided was how much the electric was,
9	how much the estimated maintenance and service per month would
10	be, even provided what rent might be. But, I don't charge rent
11	or pay rent because I own the building myself. So I didn't
12	charge the water company or water people in this case with rent.
13	Q. So it's just an estimate?
14	A. Just provided it.
15	Q. So five years ago when you were charging you just came
16	up with an estimate for the rate?
17	A. Pardon?
18	Q. So you just came up with an estimate for what you
19	might charge people for water?
20	A. I had to estimate that, sure.
21	Q. Does everybody pay the exact same amount?
22	A. What?
23	Q. Does everybody pay the exact same amount?
24	A. Yes, ma'am. It's all the same throughout the whole
25	thread it out over different customers. All the same. Which is

their agreement to furnish water. And in that agreement there are charges for also the residence itself.

And also for if you own a pool there is a separate charge which is an addition to the fifty-five. That's a hundred and eighty dollars a month or a year or fifteen dollars a month, depending on how you actually wanted to pay it.

And I think at one time I even offered discounts if they wanted to just pay it and not have to worry about it month to month.

- Q. Okay. So in going back to what you said at the beginning of your testimony you said some of the deeds that you have, some of the ownership records, that you have filed with the Recorder's office and some you haven't?
 - A. That's correct.
- Q. Okay. So the ones that you have filed with the Recorder's office you pay property tax on?
- 17 A. Yes, ma'am.

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- Q. So the ones that you have not filed do you not pay property tax on those?
- A. No, not personally. But, taxes have been paid on it by a different process.
 - Q. Okay.
- A. Our county is not up to date.
- Q. Okay. Thank you.
- 25 A. If you really want to know the reason why.

	Transcript of Proceedings October 26, 262
1	Q. I think you answered my question. Thank you.
2	You talked about collecting back payment from people
3	that owed you money that hadn't paid and they owed you past due
4	money. Does everyone pay the same amount?
5	A. For the back?
6	Q. Yes.
7	A. No. They do not. That's a particular situation. If
8	you look at if you're a water person I mean you're using the
9	water off a well and you haven't paid that bill to anyone me
.0	or anybody else for a year or two years, and in some cases
.1	five years, then I give them an opportunity to make that
.2	payment.
.3	Obviously it's kind of hard for people to pay cash all
4	the time. But, the responsibility of making that payment I
.5	offer to them as a past due account set aside so that they
.6	wouldn't be subject to any late fees because of the way that the
.7	agreement is written to furnish the water and the payment.
L8	Q. Okay. So there is no uniformity between
L 9	A. For past due account?
20	Q. No.
21	A. Just the ability of the individual without interest.
22	Q. Okay. It's just based on whatever you decide.
23	Correct?

Not what I decide. It's what they were able to pay.

But, it's based on what you and that person decide?

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A.

Q.

	Transcript of Proceedings	October 26, 20
1	A. That's correct. It was	Page 8
2	Q. Thank you.	
3	A. It allowed them to do that. No other	
4	Q. Okay. Thank you.	
5	A. I didn't have any other choices because they	couldn't
6	do anything else.	
7	Q. Okay. Thank you.	
8	In your data request responses you said you	had,
9	getting your receipts was time consuming and too hard	to get
10	together. Is that because your records are voluminous	or what
11	would you you have trouble getting your records tog	ether?
12	A. What was the question?	
13	Q. In your response to the Staff's data request	. ==
14	A. Oh, data request. Yeah. You were asking for	r
15	information there the way I read that that was not ava	ilable.
16	Q. Why aren't they available?	
17	A. Well, because of the situation in the beginn	ing.
18	Twenty years ago they didn't do things exactly the way	they do
19	today, especially contractors, surveyors. So in order	to get
20	that information and get it properly to you I would ha	ve to go
21	to the surveyor, research his records or ask him to re	search his
22	records, and provide me with a legal description, for	example,

for a well. Or did they actually -- when they put that easement

in did they write a description? If they didn't write one,

which is sometimes the case, I would have had to ask them to

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Page 86 1 being here and I appreciate your testimony today. I know this 2 is a time intensive process and I don't think it's unusual that 3 people haven't heard of CCNs before. People in the regular 4 world have usually never heard these terms. 5 MR. BLEVINS: No. 6 COMMISSIONER HAHN: So I just wanted to let you 7 know that we appreciate your testimony and your travels to 8 inform us of your side. Thank you. 9 JUDGE CLARK: Are there any other Commission 10 questions? I hear none. 11 Mr. Blevins, I know you expressed yesterday that you 12 have a doctor's appointment and so we need to get you out of 13 here fairly quickly. 14 I am going to ask you a few questions, not all the 15 questions I had. But, if you can keep the answers short that 16 would probably speed the process. 17 18 EXAMINATION 19 QUESTIONS BY JUDGE CLARK: 20 So you had indicated you initially owned twenty wells. 0. 21 Is that correct? 22 A. Twenty-four wells. 23 Q. Twenty-four wells. And you owned those outright? 24 A. The other ones were Some of them were outright. 25

either by contract and later fixed and disposed of. Not

How many current connections are there on the Charity

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	system?
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- Α. On the Charity system I would have to look at my record, but I think there's twenty-two.
 - 0. There's twenty-two connections?
 - A. I think so.
 - Q. How many households?
- 7 A. Twenty-two.
 - Now before you had expressed that the only one that Q. you still felt would fall under DNR regulation would be the Rolling Hills system.
- 11 A. That's correct.
- 12 With nineteen. Why would Charity if it has twenty-two 0. 13 connections not fall under their jurisdiction?
 - Α. Well, the guideline is fifteen connections or twenty-five users, individuals. So if you take -- at that time wells there is four wells, one of them is nonoperational, that's the reason why you say three on Charity. There was four wells but the nonoperational well I don't count at the present time.
- 19 Q. Okay. How many connections are on the Misty Mountain 20 system?
 - A. On the Misty Mountain would be fourteen -- probably fourteen.
 - 0. Fourteen connections. And you indicated there were nineteen on the Rolling Hills. Correct?
 - A. Nineteen on the Rolling Hills. On Misty Mountain now

	Transorptor resourcings
1	there's fourteen without the connection to the Pulaski County,
2	and Pulaski County is connected to five.
3	Q. Thank you. Now, you indicated you owned an antique
4	store?
5	A. Yes.
6	Q. Do you have any other businesses?
7	A. Not at the present time other than I do construction.
8	I have
9	Q. What kind of construction?
10	A. Backhoe. I construct sewer systems, water lines,
11	backhoe. I've also I do remodeling. I don't do that much
12	any more. I also operated salvage, I would tear down old houses
13	and re-claim lumber in old houses. I do that.
14	Q. Do you have do you have loans on any of the wells?
15	A. What?
16	Q. Did you take out loans to buy any of the wells?
17	A. No. I did not.
18	Q. Now, you indicated in your Opening Statement that the
19	wells barely cover their cost and you've reiterated that here
20	today in your testimony. If that's the case are you running
21	these wells for profit?
22	A. No, sir. I'm not running these wells for profit in
23	that respect. I run the wells for the investment. And it would
24	go back to the reasons why I took these wells. The HOA would be
25	paying for the about three thousand dollars per connection to

become a part of that HOA	become	a	part	of	that	HOA.
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So -- I'm sorry to interrupt you here, like I said I 0. want to keep the answers short and get you out of here.

So when you say that it's for the investment what you mean is instead of running them for profit you're hoping that you will glean a profit at the end when you sell the wells?

A. Yes.

- What I call -- you're calling it an equitable solution?
- 10 Equitable solution to my investment, that's correct. A. 11 On a monthly basis I usually have to add to, to subsidize the 12 expenses. Obviously in my opinion and my record keeping I owe 13 forty thousand dollars for repairs and upkeep and etc., and plus 14 the last recent upgrade on the Rolling Hills well and I think 15 there's a balance of about fourteen thousand there. So fifty 16 thousand.

And I'm also testifying or I did say that there is about five to ten thousand dollars probably needs to be spent on bringing them up a little bit more.

- 0. But, you currently own and operate these eight wells. Correct?
 - A. Yes. I do.
- 23 And from them you distribute water to individuals. 0. 24 Correct?
- 25 Α. I distribute water, yes.

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- Q. And you do that through a contractual agreement whereby they pay you for the water they receive. Correct?
 - A. That's correct.
- Q. Plus expenses that you have in regard to -- as you indicated electricity, to get water out of the ground requires quite a bit of electricity?
 - A. Yeah.
- Q. And you would agree that a well is a water source.

 Correct?
 - A. Yes, sir. It's a water source.
- Q. Now, the other day both DNR witnesses I believe said at different times that in regard to the Topo well they had several times -- I don't know whether they were suggestions or directives but indicated to you what they felt needed to be done to bring those wells up to standard and they indicated that there was a failure on your part to follow through and do that.

Is there a reason -- and you indicated today that you had an awareness of what needs to be done that seemed separate and apart from what DNR dictated.

Was there a reason that you chose not to do the things that DNR suggested or directed?

A. They suggested as maybe places to look and investigate about that. I chose -- I didn't refuse to do what they wanted done. They in my opinion when they talked about digging up the pitless -- I think they mentioned that, that I refused to dig up

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the pitless. I never refused to do it. It was the time frame and their requirements of what they wanted. They didn't want me to dig up anything unless everybody was there. DNR, Lori, myself, and whatever. And we never could get that together for whatever reason.

One of the reasons was that they asked me to dig it up and expose it during the time where the ground was frozen, it was cold or muddy.

On two occasions I remember that very clearly because I said well, if I start digging up the front of that where the pitless is then I'm going to damage it by doing that. I told them, I said I prefer not to do it. And they said well -- their reply at that time for that particular that I remember they said well, do you want us to hire somebody to do it? And I said no, we don't need to do that, I've got my own backhoe, got fifty horse of backhoe here so I can dig up anything I need to dig up. But, later on shortly after that even I had Rick Guill who is the well, my well, not mine but the fellow I go to to help me determine what's going on with the well because he's more knowledgeable and he fixes wells, that's what he does. He's a To help me determine what the real problem was pump service. with this well throwing out e. coli which is a very serious problem and I recognize that. And I'm concerned about it and still am.

What else can we do to see what's going on? So we got

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his video cameras and all of his other type of equipment and we inspected the pitless. There was nothing wrong with the pitless.

I guess DNR felt that I was evading them or telling them a lie or in some way avoiding them. I was not avoiding them. I was trying to get to the bottom of what the real cause of that problem is on that well. There was nothing wrong with the pitless at that time.

But, we did discover that the line, the pipe that connects on to that pitless was busted below the pitless, but it had been repaired. It had been repaired. And I remember paying another pump service to repair that. But, I did not tell them to repair it the way it was. That's another pump company that I will never do another business with at all.

Q. Mr. Cloverside from DNR testified that he had talked to you and you indicated that you had -- and he says that you indicated you had shocked the wells prior to realtors coming out to take samples and prior to DNR inspections.

Did you tell them that?

A. No, sir. Prior to a DNR inspection was not a common practice for me to do. DNR was there for a different reason.

We tried to -- it was a common practice when a realtor wanted to take a sample, for example, for the lenders, that's when -- that's the time that maybe a week before that we would shock that well for them to ensure that there was nothing wrong

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basically coming from the well because they usually wanted to take that sample from the house or in some cases from the well.

Taking those samples is a delicate process. And we really don't want to have chlorine in it; when they're taking a test and then they test and get clear chlorine. Bleach is chlorine also. Some people may not understand that bleach is actually less powerful than chlorine tablets that they use in these wells. Don't let any of the well people toss chlorine down the well head, but they do. But, they'll toss a whole handful just down there and then walk away. I don't like that.

But, it was a common practice and had been for twenty years. I don't -- that was something I guess normal. And I just followed through with that normal.

Since that time the learning process, again, is another reason why I agree with DNR. They have more knowledge and more guidelines and rules to follow that makes sense.

Q. It was indicated that among the other things that need to happen at this point from DNR is that the Topo well needs to be capped and that something needs to be done if you've taken a well I believe on the Charity system that's not currently being used, that those wells need to be plugged or in some other way decommissioned, for lack of a better word. There have also been mentions here and there of other issues with wells.

Given that you're down to the eight wells right now how long do you believe it would take you to bring those wells

	Transcript of Frooceanings School 25, 202
1	Page 95 into DNR compliance?
2	A. I would have to contact Rick Guill and get his
3	schedule.
4	Q. Okay. So the answer is you don't know or can you
5	do you have any idea of a time period whatsoever?
6	A. I think it would probably be within maybe a ninety to
7	a hundred and twenty days. Just knowing that people are busy at
8	this time and the proper people to actually do that work.
9	I can't do it myself any more.
10	Q. Now, DNR also said that they're drafting a
11	noncompliant well agreement. Correct?
12	A. Yes, sir.
13	Q. And that you've been given some time period to do some
14	things within that time period. Do you believe you're going to
15	get that done within that time period?
16	A. Oh, yeah. Yes, sir. Some of it has already been
17	done. And reports have been made back to the DNR through Laura
18	Jean. However, I also understand that besides Lori I need to
19	reply to it also as the owner.
20	JUDGE CLARK: Those are all the questions I have.
21	Does Staff have any questions based upon bench
22	questions?
23	MS. KERR: I don't have any, no.
24	JUDGE CLARK: Well, do you all have Redirect on

this one?

1	MS. KERR: No. I don't.
2	JUDGE CLARK: Mr. Blevins, is there anything else
3	you wanted to tell the Commission before I conclude this
4	hearing?
5	MR. BLEVINS: At this point I don't think so. I
6	just ask for consideration is all.
7	JUDGE CLARK: Okay. I would like to echo what
8	Commissioner Hahn said. I do appreciate your time today. I
9	appreciate your explanation. I wish in a lot of ways that I was
.0	as articulate as you are. You're extraordinarily articulate
1	when you were explaining this to me, so I appreciate that.
.2	Is there anything else that needs to be addressed to
L3	the Commission at this time before I adjourn this hearing?
L4	MS. KERR: I don't think so. Will there be a
L5	briefing schedule?
16	JUDGE CLARK: I hadn't anticipated ordering one.
1,7	Did Staff want to do a brief?
1.8	MS. KERR: I would prefer to do a brief just to
19	put our argument together.
20	JUDGE CLARK: Okay. Mr. Blevins, do you
21	understand what a brief is?
22	MR. BLEVINS: Well, I pretty well know basically
23	what a brief would be. But, yes, sir.
24	JUDGE CLARK: It's basically a short it is
25	What Staff will do is it is not actual evidence, it is