

**From:** [Candlewood Lakes POA](#)  
**To:** [TPUC DocketRoom](#)  
**Subject:** [EXTERNAL] Limestone Water Utility Operating Company, LLC Rate Increase request for Candlewood Lakes POA  
**Date:** Tuesday, January 28, 2025 4:54:49 PM  
**Attachments:** [candlewoodlakespoa.vcf](#)  
**Importance:** High

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To Whom It May Concern;

Let me start by introducing myself. My name is Julie Perrine and I have been the secretary for Candlewood Lakes POA & Candlewood Lakes Water Works since 2016. Our water company was sold in 2023. Since 2003, I have served in the following positions:

- Assistant City Admin for City of Grand Junction, TN where I managed the water accounts and rewrote collection and turn off procedures for the City. I also handled all citations and reporting to the State.
- Court Clerk for the City of Grand Junction, TN under Judge Russell X. Thompson.
- RAC (Reporting Agency Contact) to TBI for the City of Grand Junction, City of LaGrange, City of Moscow and assistant to the Chief of Rossville. Responsible for reporting all police reports to the State for all aforementioned agencies.
- Executive Director of the Fayette County Chamber of Commerce where I served from 2005 - 2015. I was involved in Small Business & Industrial Development as well as recruiting business, support programs & working with industry on expansions. This involved working with several state agencies, including ECD, TDEC, TDOT, TVA, TSBDC as well as all Mayors and Alderman on projects. I also responded to all RFI's coming in for businesses looking to locate.

Candlewood Lakes Water Works was under a Director's Order to install a Back-up or Redundant Well. After appealing and providing an abundance of documents to the State, we worked diligently for approximately two years to secure funding to bring this to completion. We hired A2H engineering firm, working with Ed Hargraves to complete plans and apply for a SRF loan. Unfortunately, we were unable to secure the loan and financing, at which time we contacted CSWR. CSWR had contacted us approximately 1 yr prior indicating an interest in purchasing the Candlewood Lakes Water Works.

At the initial meeting with CSWR, we made them aware that a backup well would need to be installed according to the timeline the State issued if they purchased, which at that time was 12-18 mos from date of purchase. Limestone has been in possession of the water system for approximately 21 months.

On January 23, 2025, I was made aware of a request by Limestone Water to TPUC for a 68% rate increase on Candlewood Lakes POA property owners that are water customers only. Candlewood Lakes POA has no sewer, water treatment plant or lagoon.

While I have not read all the documents in this request, I would like to address, on behalf of myself and other residents, certain comments made in the documents I received. They indicated this increase was based on "improvements" they have made to the water system in Candlewood Lakes POA.

1. "WHERE IS LIMESTONE WATER IN THE PROCESS OF ADDING A SECOND WELL?", the response indicated they have not yet submitted their application.

- It was stated, "The project is conservatively expected to be completed in the next 12-18 months (after approval). This allows time for final preparation of plans and specifications, bidding, contractor selection and construction."

My response to this is that we handed CSWR/Limestone all engineering plans, which were state approved, and communication regarding the backup well. All this was paid for by Candlewood Lakes POA, to the sum of approximately \$16,000.00, which regretfully, we did not include in the purchase price. These plans included the backup well facilities, location of the well, installing drive-by meters, equipment for drive-by reads and a computer system and program to receive reads and complete billing. The total for all of this was approximately \$326,000.00 with approximately \$182,000.00 being for the backup well alone.

2. "DO YOU BELIEVE THERE HAVE BEEN "IMPROVEMENTS IN PUBLIC UTILITIES SERVICES" THAT HAVE RESULTED FROM LIMESTONE WATER'S ACQUISITION OF CANDLEWOOD LAKES"?

- It was stated, "Again, I believe that customers have benefited from Limestone Water's acquisition of Candlewood Lakes. Prior to its acquisition by Limestone Water, Candlewood Lakes received a Notice of Violation from TDEC for its failure to have a redundant water source. Based upon my frequent discussions with TDEC, it is apparent that the Candlewood Lake homeowner's association was struggling with were to locate a second well, how to tie the second well into the distribution system, and, most importantly, its lack of ability to finance the drilling of a second well. The cost component is not insignificant as the cost can be as much as \$300,000.
- It was stated in the last part of the second response, "Again, from my regular conversations with Candlewood Lakes, it is apparent that it did not possess the managerial, technical, nor financial means to address the Notice of Violation or to drill a new well. The professional engineering services offered by Limestone Water has definitely led to "improvements in utilities service" for these customers that will be most apparent when the secondary well is complete.

My response to this is:

1. Candlewood Lakes was NOT struggling with where to locate the backup well. We worked closely with Ali Kahn at TDEC and our engineer, Ed Hargraves, to insure the backup well location was correct and efficient. This is FALSE
2. Candlewood Lakes was NOT struggling with how to tie in the backup well to the distribution system. This is FALSE
3. Candlewood Lakes WAS struggling with how to finance after it was determined we could not qualify for a SRF loan.

4. There has been NO regular conversations with Candlewood Lakes by anyone from CSWR/Limestone Water. This is FALSE
5. Candlewood directly addressed the Notice of Violation to drill the new well, and as for managerial and technical means, Candlewood not only managed the water company and billing but engaged **professional engineers** to complete the plans that were approved by the State and submitted to TDEC and the SRF loan program. For Limestone to indicate we did not have enough sense to engage an engineer or go about installing the backup well is not only an insult but, again, is FALSE.

Limestone states they have made improvements. To our knowledge, the **only** improvement, **singular**, has been to swap out a portion of existing flush valves for locking flush valves. Not all flush valves have been replaced. There have been no other improvements.

Limestone has engaged in regular maintenance. These are the same maintenance needs Candlewood addressed numerous times. We are aware they have done a tank cleaning, replaced anodes, and a tank inspection, which is required. They replaced a burned out water pump and repaired broken water lines. I believe they have installed 2-3 new taps. All of this is regular maintenance, **not improvements**.

Our understanding is that CSWR/Limestone purchases several small struggling water companies, groups several together, evaluates needs and costs of those needs, combines those together and distributes the increases equally among the companies in the group. Our question is this. Are we being grouped with other companies that have water treatment plants that need improvements and lagoons or are we being grouped with water only communities for improvements? They are proposing a 68% increase, which would be a \$27.50 increase per household x 120 households. This would be a \$3,300.00 per month increase to Limestone Water for a few locking flush valves.

It has also been brought to our attention that Limestone is looking at purchasing Saulsbury water, which I would like to point out, has no well. Their water is from Grand Junction. If Limestone purchases Saulsbury water, they will be forced to buy water from Grand Junction OR install a well. To do this, will they once again, group us with Saulsbury and raise rates again? Has Limestone applied for grants or SRF loans to assist in improvements that would reduce the need for a 68% increase and allow them to incrementally increase over a period of years? The standard annual increase to maintain a system for repair and improvements is 2-3% annually. It's considered good business practice. This is an amount that people don't feel as profoundly. If done annually, it's barely noticeable, unlike a 68% increase. A 6% increase would amount to \$2.40 and if rounded up, \$3.00 per customer per month.

Candlewood Lakes is approximately 90% retired seniors surviving on their Social Security and retirement, should they be lucky enough to have retirement. Most households have a very limited income. While \$27.50 does not sound like a lot to most people, consideration should be made for a senior population with health matters that include medication, that many may struggle to pay for already. As everyone knows, inflation during the last four years has been through the roof. Price gouging on groceries and other items have carried over from covid. And the most recent development would be eggs going from \$2.99 a dozen one week to \$7.99 a dozen the next. Cost of goods continue to rise, while income remains stagnant. When all this is compounded for people on limited income and funds, an additional \$27.50 could leave some struggling with what to make a priority. Often it comes at the expense of their health. I myself am on fixed income and being a cancer survivor, it may be a decision I am forced to make.

We would respectfully ask TPUC to take everything into consideration. Has Limestone explored all available options for grants and funding for small water systems that would reduce the impact and cost of our backup well? Did they make use of the State approved engineering plans that had already been paid for, and provided to them or did they ignore those and pay for more? If so, why? If a 68% increase is granted now, what will it be when/if they decide to meter? If they purchase Saulsbury, how will that effect Candlewood if they aggregate our metering with a well for Saulsbury? Will we be facing another 68% increase? These are all valid questions in our opinion.

Lastly, let me close with this. I do not know how many Candlewood residents will attend the meeting. It is an hour away and there are predicted storms. Driving home in the dark is an issue for many seniors here, including myself. Do not take a lack of attendance as an "I don't care" from our community. Everyone cares. No one was notified directly regarding this, just the post in the Bolivar Bulletin. And while that is all that is required, I'm not surprised due to Limestone's lack of communication with customers and Candlewood.

Thank you for your time and consideration.

Respectfully,

Julie Perrine, Secretary  
sent at the request of  
President David Kennamore  
Candlewood Lakes POA, Inc.



--TDEC, TDOT, TVA and local

On January 23, 2025, I was made aware of a request by Limestone Utility to raise the water rate for the Candlewood Lakes POA community.

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Julie Perrine

[REDACTED]