

Keen, Shelley

From: Riddle, Marcelina
Sent: Friday, September 4, 2026 9:12 AM
To: Keen, Shelley
Subject: Re: Response to Backfile Correspondence – Water Right No. 63-32259

Hi Shelley,

I received a call from Mr. Martin. He seems to be very concerned that the department will be changing the ownership of water right 63-32259 to reflect Southshore Subdivision No2 HOA. I told him IDWR's official opinion on the matter was summarized by the letter you had sent 08/07/2026 and nothing has changed. This seemed to ease his mind and answer the questions outlined in his email. He mentioned that after our conversation he would not need an email reply from you. If you feel it is necessary, I would recommend forwarding him the letter again to reiterate the conversation I had with him. I found your letter clear and helpful to the matter, and he may just need to re-read it.

I hope you are having a great vacation!

-Marcelina Riddle

From: Ryan Martin <ryan@rmsquared.us>
Sent: Wednesday, September 2, 2026 3:11 PM
To: Riddle, Marcelina <marcelina.riddle@idwr.idaho.gov>
Cc: Keen, Shelley <Shelley.Keen@idwr.idaho.gov>
Subject: Re: Response to Backfile Correspondence – Water Right No. 63-32259

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Mr. Keen and IDWR Staff,

I am requesting prompt clarification regarding representations recently made by Southshore Subdivision No. 2 HOA concerning Water Right 63-32259.

In a September 2, 2026 filing with the Idaho Public Utilities Commission, the HOA stated:

“The HOA has also received guidance from the Idaho Department of Water Resources regarding the domestic-use exemption and the option identified in its guidance as Scenario 7. The HOA intends to proceed under that framework for qualifying uses of our shared community well.”

The HOA further represented that it assumed “direct administrative responsibility” for the public water system effective August 31, 2026 and intends to assume billing and financial administration beginning October 1, 2026.

Southshore 2 Water Company has not transferred, abandoned, surrendered, or consented to any change in Water Right 63-32259. We have received no court order establishing different ownership or operational authority.

I am not asking IDWR to adjudicate the underlying ownership dispute. I am requesting clarification concerning the guidance IDWR provided and whether the HOA has accurately characterized it.

Please provide or confirm the following:

1. The specific guidance provided to the HOA concerning the domestic-use exemption and "Scenario 7," including the date, author, recipients, and copies of all related communications and documents.
2. Whether IDWR determined that Scenario 7 applies to this existing shared community well or merely provided general information concerning a potentially available process.
3. Whether IDWR authorized or advised the HOA that it may divert or use water from the existing well independently of Water Right 63-32259.
4. Whether the domestic-use exemption or Scenario 7 transfers or determines ownership of the existing well, water system, or Water Right 63-32259.
5. Whether the HOA has filed any application, notice, claim, ownership-change form, transfer request, split request, or other submission affecting Water Right 63-32259, and the present status of any such submission.
6. Whether IDWR has changed or intends to change any ownership, mailing, contact, place-of-use, point-of-diversion, purpose-of-use, or other record associated with Water Right 63-32259.
7. Copies of all documents, emails, correspondence, forms, notes, and other materials submitted by or exchanged with the HOA, its board members, Idaho HOA Management, Virginia Bradley, or their representatives concerning Water Right 63-32259, the shared well, the domestic-use exemption, or Scenario 7.

If these records must be obtained through a formal public-records request, please treat this email as that request or advise me immediately where it must be submitted.

Because the HOA has announced its intent to assume water billing on October 1, this clarification is time-sensitive. Please provide Southshore 2 Water Company notice before processing any request that could affect Water Right 63-32259 or the company's recorded interests.

I have attached the HOA's September 2 filing and Idaho Public Utilities Commission Order No. 37053 for reference.

Thank you,

Ryan Martin

Managing Member

Southshore 2 Water Company, LLC

Water Right 63-32259

PWS #3140254

On Wed, May 13, 2026 at 4:21 PM Riddle, Marcelina <marcelina.riddle@idwr.idaho.gov> wrote:

Hi Mr. Martin,

I have checked with my staff, and it has not yet been scanned into the backfile. I expect it will be done this week. I apologize for the delay. Once it is scanned into the system it would be available right away.

Thank you,



IDAHO DEPARTMENT OF
WATER RESOURCES

Marcelina Riddle | Water Resources Supervisor

Western Regional Office

2735 W. Airport Way Boise ID 83705

(208) 605-4632 | www.idwr.idaho.gov

From: Ryan Martin <ryan@rmsquared.us>

Sent: Wednesday, May 13, 2026 4:00 PM

To: Riddle, Marcelina <marcelina.riddle@idwr.idaho.gov>; Keen, Shelley <Shelley.Keen@idwr.idaho.gov>

Subject: Re: Response to Backfile Correspondence – Water Right No. 63-32259

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Hi Marcelina & Shelley,

I don't see that our request to enter a response into our backfile has been granted. Can you confirm receipt? How long does this typically take to be available on the website?

Thanks,

On Mon, Apr 27, 2026 at 5:08 PM Ryan Martin <ryan@rmsquared.us> wrote:

Hi Marcelina & Shelley,

Southshore 2 Water Company, LLC submits this brief response to the correspondence dated April 16, 2026, provided by Cristina Jacuzzi on behalf of the Southshore Subdivision No. 2 Homeowners and included in the backfile for Water Right No. 63-32259.

We respectfully dispute the statements and implications contained in that correspondence.

IDWR records reflect that Water Right No. 63-32259 has been transferred to and is currently held by Southshore 2 Water Company, LLC. There has been no administrative action or court order reversing or modifying that status.

To the extent any party is asserting a competing ownership interest, such a claim would need to be resolved through the appropriate legal process. Unless and until a court of competent jurisdiction orders otherwise, the current IDWR record should be relied upon as reflecting the recognized holder of the water right.

We respectfully request that this response be included in the official backfile to ensure a complete and accurate administrative record.

Please let us know if any additional information is needed.

Sincerely,

Ryan Martin

Southshore 2 Water Company, LLC

Ryan Martin

Cell: [208-484-5593](tel:208-484-5593)



PO BOX 1293

Eagle ID 83616

Ryan Martin

Cell: [208-484-5593](tel:208-484-5593)



PO BOX 1293

Eagle ID 83616

September 2, 2026

Idaho Public Utilities Commission

Re: Case No. SSW-W-26-02
Southshore 2 Water Company
PWS #3140254

NOTICE OF HOA ADMINISTRATIVE AND FINANCIAL TRANSITION

Dear Commissioners and Commission Staff:

Southshore Subdivision No. 2 HOA is providing formal notice of a significant change concerning PWS #3140254, the community water system serving our 15-home subdivision.

Effective August 31, 2026, Southshore Subdivision No. 2 HOA assumed direct administrative responsibility for PWS #3140254.

The administrative information associated with the public water system has been updated to reflect the HOA's direct administration. Tom Mehiel will remain the designated licensed operator, providing continuity in operation, testing, monitoring, reporting and regulatory compliance.

The HOA has also received guidance from the Idaho Department of Water Resources regarding the domestic-use exemption and the option identified in its guidance as **Scenario 7**. The HOA intends to proceed under that framework for qualifying uses of our shared community well.

The HOA owns **Lot 16**, the common-area property where the domestic well and water-system facilities are located, and owns and insures that property. Following DEQ's review of the HOA's recorded documents, Southshore 2 Water Company was removed from the ownership field of the public water-system record, with ownership left unresolved.

Current Administrative and Financial Transition

The HOA has reviewed the records presently available to it and **has not identified a contract, Water System Management Agreement, or other agreement entered into by the homeowner-controlled HOA requiring it to use Southshore 2 Water Company for administration, management, billing or financial services.**

The homeowner-controlled HOA has never hired, appointed, or entered into an agreement with Southshore 2 Water Company or Ryan Martin to provide those services on behalf of the HOA.

Accordingly, the HOA has assumed direct administration of the community water system.

To provide for an orderly financial transition, Southshore 2 Water Company may complete the existing September billing period through **September 30, 2026**.

Effective October 1, 2026, the HOA will handle community water billing and financial administration through Idaho HOA Management.

Following the September close, the HOA will no longer receive Southshore 2 Water Company's administrative, management, billing or financial services.

Water-System Financial Records, Accounting and Funds

Our recorded CC&Rs specifically address the financial administration of the community water system. They provide for an accounting system and at least annual financial reporting, require a bank account into which water-system charges, fees, assessments and reserve funds collected from Lot Owners are deposited, and provide that revenues exceeding operation and maintenance costs are to be held in reserve for future capital expenditures.

Based upon the transition records presently available to the current Board, **the homeowner-controlled HOA did not receive the water-system account balance or a complete accounting of the water-system funds when the Association transitioned to homeowner control in 2017.**

The HOA presently has a **2022 Balance Sheet and a 2023 Profit & Loss statement**, but these do not provide the complete historical accounting or establish the current balance of the water-system accounts.

The 2022 Balance Sheet identifies a **Relay Operating account and Relay Savings account with combined bank balances of \$10,859.75 as of December 31, 2022.**

As part of the current administrative and financial transition, the HOA is requesting that Southshore 2 Water Company provide:

1. **The current balance of all bank, savings, reserve or other accounts presently holding Southshore community water-system funds**, together with documentation sufficient to verify those balances;
2. Identification of any Southshore community water-system funds that have been transferred to, held in, or accounted for through any other account;
3. **A complete accounting of Southshore community water-system funds beginning August 7, 2015, the date Lot 16 was conveyed to Southshore Subdivision No. 2 HOA, through September 30, 2026**, including all funds collected from homeowners, deposits, revenues, reserve funds, expenditures, withdrawals, transfers, management fees, compensation, reimbursements, distributions, and any other transactions involving Southshore community water-system funds; and

4. Following completion of the September billing period, a final reconciliation and **transfer of the remaining Southshore community water-system account balance to the HOA's designated water-system account, to be received by the HOA no later than October 7, 2026.**

The HOA has established a designated water-system account for this purpose.

Consistent with the HOA's reading of the financial-accounting provisions of its recorded CC&Rs, **the HOA expects the remaining funds collected from Southshore homeowners for the operation and reserves of their community water system to be fully accounted for and transferred as part of this financial transition.**

Receipt, deposit, negotiation or acceptance by the HOA of any check, payment or transfer will not constitute acceptance that the amount represents the complete or correct water-system balance, approval of the accounting or any prior expenditure, withdrawal or transfer, or confirmation that the financial accounting has been completed.

The October 7, 2026 deadline for receipt of the accounting and remaining balance does not constitute an agreed financial closure date. The HOA will consider the financial accounting complete only after it has received and had a reasonable opportunity to review the accounting records necessary to reconcile the Southshore community water-system funds and determine whether the amount transferred represents the complete balance.

The HOA expressly reserves its right to address any discrepancies or additional amounts identified through that review.

We believe it is important for the Commission to be aware of this financial transition while Southshore 2 Water Company remains under Commission regulation and has a pending rate proceeding involving these same 15 homeowners.

The HOA respectfully requests the Commission's assistance within its regulatory authority regarding verification of the current water-system account balances and financial records associated with Southshore 2 Water Company's collection and administration of these funds.

What We Are Asking of the Commission

The circumstances underlying **Case No. SSW-W-26-02** have materially changed.

The HOA respectfully asks the Commission to:

1. Recognize that Southshore Subdivision No. 2 HOA assumed direct administrative responsibility for PWS #3140254 effective **August 31, 2026**, and that **effective October 1, 2026, the HOA will assume direct billing and financial administration of the community water system through Idaho HOA Management;**

2. Recognize that, as part of that financial transition and consistent with the HOA's reading of the financial-accounting provisions of its recorded CC&Rs, the HOA expects Southshore 2 Water Company to provide the final accounting and **transfer the remaining Southshore community water-system funds to the HOA's designated water-system account no later than October 7, 2026;**
3. Advise the HOA what, if anything, must occur concerning **Southshore 2 Water Company's CPCN or other PUC authority as it relates to our 15-home subdivision**, now that the HOA has assumed direct administration and, effective October 1, will no longer receive Southshore 2 Water Company's administrative, management, billing or financial services;
4. Consider these changed circumstances before taking further action on Southshore 2 Water Company's pending request to increase the rates charged to our homeowners;
5. Advise the HOA regarding any financial records concerning this system that are presently available through the Commission or this proceeding; and
6. Provide any assistance available within the Commission's regulatory authority regarding **verification of the current account balances, accounting records and remaining Southshore community water-system funds associated with Southshore 2 Water Company's collection and administration of those funds.**

Going Forward

Our goal is simple: to maintain safe and uninterrupted water service while directly administering the community water system serving our 15 homes, consistent with our recorded governing documents and the regulatory guidance we have received.

The HOA is prepared for this transition. Tom Mehiel will continue as the designated licensed operator, and Idaho HOA Management will assume billing and financial administration beginning **October 1, 2026.**

We appreciate the assistance the Commission and its staff have provided while our HOA has worked through these issues with the other state agencies.

Please include this letter in the record for **Case No. SSW-W-26-02.**

Please direct questions concerning the transition to:

Southshore Subdivision No. 2 HOA

c/o Idaho HOA Management
Virginia Bradley, HOA Manager

Thank you for your consideration.

Sincerely,

**Southshore Subdivision No. 2 HOA
Board of Directors**

Keen, Shelley

From: Cristina Jacuzzi <cristinajacuzzi@gmail.com>
Sent: Monday, August 24, 2026 7:59 PM
To: Keen, Shelley
Cc: Rachel Bonilla; Virginia Bradley; Dalila Martinez
Subject: Re: Southshore No. 2 – Domestic Exemption Question

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One additional question to my email please:

If the 15 Southshore No. 2 residences qualify for the domestic exemption for residential in-home use from our existing common well, would each homeowner's exempt domestic use arise independently through withdrawal and beneficial use, or would the HOA itself need to establish, own, or document an exempt domestic use or water right for the community well?

I ask because IDWR's guidance in Scenario 7 appears to provide that, when a subdivision is supplied by a community well for qualifying in-home use, each lot owner develops their own unrecorded exempt domestic use when they connect to the system and begin using water.

Thank you again for helping us understand how these provisions would apply to our existing 15-home community.

Cristina Jacuzzi
President
Southshore Subdivision No. 2 HOA

Cristina Jacuzzi
cell: 619.322.4948

On Mon, Aug 24, 2026 at 7:44 PM Cristina Jacuzzi <cristinajacuzzi@gmail.com> wrote:
Dear Ms Keen,

Thank you for your continued assistance regarding Southshore Subdivision No. 2 and Water Right 63-32259.

As you are already familiar with our ownership dispute, I will not repeat that history. We are trying to determine what lawful options are available to our 15-home community while that issue is being resolved.

We recently reviewed IDWR's **Application Processing No. 80 / Adjudication No. 62, Guidance for Implementing Revised Statutes for Domestic Uses.**

Our subdivision consists of 15 existing homes served by a common groundwater well. Our outdoor irrigation water is supplied separately, so the groundwater well can be limited to residential, in-home use.

The guidance appears to provide that multiple residences may receive exempt in-home domestic water from a common well, including within a subdivision and an area subject to groundwater restrictions.

Could you please clarify whether the **15 existing Southshore No. 2 residences may rely on the domestic exemption for in-home residential use from our existing common well, without relying on Water Right 63-32259?**

If so, what steps, documentation, usage limitations, or other requirements would apply?

We are not asking IDWR to determine ownership of Water Right 63-32259. We simply want to understand whether this domestic exemption provides an independent lawful means of supplying in-home water to our existing residents while the ownership matter is resolved.

Thank you again for your guidance.

Cristina Jacuzzi
President
Southshore Subdivision No. 2 HOA