

Attachment No. 2
Historical Timeline of Lake Region Water & Sewer Co.

SR-2010-0110 and WR-2010-0111
Surrebuttal Testimony of James A. Merciel, Jr.

Events as documented by Commission records and MO Secretary of State records

Case No. 17,954, in 1973 - The Commission granted Four Seasons Lakesites Water & Sewer Co. (Company) a Certificate of Convenience and Necessity (Certificate) to provide water and sewer service within an area at the Lake of the Ozarks known as Horseshoe Bend. The Company was incorporated by James L. Zemelman in 1971. Among others involved with the Company, Harold Koplar was president of the Company from either its inception or at least the very early years, until some time in 1984 or 1985, and the Staff believes he was the primary owner.

1985 – The annual report filed with the MO Secretary of State shows Peter and Susan Brown as Company officers and no longer shows Harold Koplar. The Staff believes that Peter and Susan Brown, son-in-law and daughter of Harold Koplar, inherited the Company.

Case No. WM-93-59 – The Commission granted Ozark Shores Water Co. authority to acquire the Company's water system assets, and a Certificate to provide water service in the Horseshoe Bend service area. Ozark Shores is a corporation in which Vernon L. Stump was involved as an owner and/or officer, along with others involved with the corporation. Sewer system assets and the Certificate to provide sewer service remained with the Company.

Case No. WA-95-164 – The Commission granted the Company a Certificate to provide water and sewer service within an area known as Shawnee Bend, which is across the Lake from Horseshoe Bend, this is in addition to existing sewer certificated area on Horseshoe Bend.

March 1997 – The Company changed its name to Four Seasons Water & Sewer Co.

July 1998 – The annual report to the Secretary of State still shows Peter and Susan Brown as officers.

August 1998 – A statement of Correction filed with the Secretary of State shows Company officers were changed to Roy Slates and Cindy Slates. The Staff believes this was related to a sale of the Company stock.

September 1998 – The registered agent was changed to Roy Slates, also believed by the Staff to be related to a sale of Company stock.

Case No. WR-98-564 - The Company filed a rate case pertaining only to the sewer service on Horseshoe Bend.

March 1999 – The Company changed its name to Lake Region Water & Sewer Co. additionally, the registered agent was changed to David A. Shorr, and Roy Slates filed a fictitious name registration with the Secretary of State called Lake Utility Development, now expired. The Staff believes the purpose of this fictitious name was to collect availability charges, and keep the funds separate from the Company.

October 1999 – A letter filed with the Secretary of State advises an election of officers, namely Roy Slates, Cindy Slates, and now also Eugene (Fritz) Ritter.

March 2000 – Mr. Ritter created Lake Utility Development, LLC through the Secretary of State. The Staff believes that, similar to the above named fictitious registration, this LLC was also created for the purpose of collecting availability charges, and keep the funds separate from the Company.

March 2001 – The annual report the Secretary of State shows only Fritz Ritter as a Company officer. The Staff believes it is likely that Roy Slates and Cindy Slates sold their interest in the Company to Mr. Ritter.

April 2002 – The annual report to the Secretary of State shows Waldo Morris and Fritz Ritter as Company officers. The Company's PSC annual report for calendar year 2001 and some of its subsequent annual reports show only Waldo Morris as the voting shareholder.

February 2003 – The registered agent was changed from David A. Shorr to Fritz Ritter.

October 2004 – Assignment of Availability Fees document executed between Waldo I. Morris, seller, and Robert P. Schwermann and Sally J. Stump, buyers.

November 2004 – The registered agent was changed from Fritz Ritter to D & A Agency Services, Inc., with the Secretary of State form signed by Robert P. Schwermann for RPS Properties, LP, by Schwermann Properties, LTD. (RPS Properties, LP, is a partnership owned by Schwermann Properties, LTD). The Staff believes that RPS and Mrs. Vernon L. Stump (Sally Stump) acquired ownership of the Company some time between April 2003, when an annual report filed with the Secretary of State still shows Waldo Morris and Fritz Ritter as officers as of this date.

April 2004 – The annual Report to the Secretary of State, and subsequent annual reports to present, show Robert Schwermann, Brian Schwermann and Sally Stump as Company officers. The voting shareholders of the Company in the 2004 PSC annual report, and subsequent PSC annual reports to present, are Sally Stump and RPS Properties.

Dec 2004 - North Suburban Public Utility Co. filed a fictitious name registration with the Secretary of State called Lake Utility Availability. North Suburban is a corporation created by Vernon L. Stump and Robert P. Schwermann, and its current officers are Robert Schwermann, William Schwermann and Sally Stump. This registration is now expired. The Staff believes that the owners of the Company at one time planned for North Suburban to be a parent corporation of the Company, and that this registration existed for the purpose of collecting availability charges and keep the funds separate from the Company.

August 2005 - Sally Stump and RPS Properties, LP. filed a fictitious name registration called Lake Utility Availability 1 with the Secretary of State. The Staff believes this registration exists for the purpose of collecting availability charges and keep the funds separate from the Company.