

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Small Company Rate )  
Increase Request of Mill Creek Sewers, Inc. )

Case No. SR-2005-0116

**STATUS REPORT**

**COMES NOW** the Staff of the Missouri Public Service Commission (Staff), by and through Counsel, and for its Status Report states the following to the Missouri Public Service Commission (Commission).

**PROCEDURAL HISTORY**

1. On March 23, 2005 (unless noted otherwise all dates herein refer to the year 2005), the Commission issued an **Order Directing Filing** (March 23 Order), in which it directed the Staff to file two status reports regarding the potential transfer of the sewer collection and treatment system owned by Mill Creek Sewers, Inc. (Mill Creek) to the St. Louis Metropolitan Sewer District (MSD), with those reports to be filed on March 25 and April 1.

2. The Staff filed the two status reports required by the Commission's March 23 Order on March 25 and April 1, respectively.

3. As a part of its April 1 status report, the Staff stated that it would continue to file weekly status reports in this case. Consistent with that commitment, the Staff filed its third, fourth and fifth weekly status reports on April 8, April 15 and April 25, respectively.

4. As a part of its April 25 status report, the Staff stated that it would continue to file weekly status reports, or would advise the Commission that additional information is not available and that a status report would thus not be filed for a given week. Consistent with that commitment, the Staff filed its sixth and seventh status reports on April 29 and May 6,

respectively, a Notice Regarding Status Report on May 13, its eighth and ninth status reports on May 20 and May 27, respectively, a Notice Regarding Status Report on June 3, its tenth and eleventh status reports on June 10 and June 17, respectively, a Notice Regarding Status Report on June 24, its twelfth Status Report on July 1, and a Notice Regarding Status Report on July 8.

#### **STATUS UPDATES**

5. Regarding the June 23 PSC/DNR joint inspection of Mill Creek's sewage treatment plant, the Staff notes that the DNR's inspection report has been sent to Mill Creek and that the Staff received a copy of the report on July 14. A copy of that report is included herewith as Appendix A.

6. Regarding the condition of Mill Creek's sewage treatment plant, the Staff offers the following information. On July 13, Steve Loethen and Steve Jungmeyer of the Water & Sewer Department visited Mill Creek's sewage treatment plant. During this visit it was noted that the blower motor that was not working during the June 23 PSC/DNR joint inspection had been repaired. It was also noted that it was apparent that sludge had not been hauled out of the plant since the June 23 inspection, and that the plant is losing some sludge during high flows. Regarding the sludge hauling, Mr. Loethen reported that he talked to Mill Creek's owner, Joe Afshari, on July 11 and that Mr. Afshari said he would have a load of sludge hauled from the plant, but that Mr. Afshari again stressed that the Company needs the pending rate increase to be approved so that it will have the money needed to run the plant properly.

7. Regarding the status of the potential transfer of Mill Creek's sewage treatment and collection system to the MSD, the Staff notes that it does not have any updated information to provide with this Status Report.

### **FUTURE STAFF ACTIONS**

8. Steve Loethen and/or other Staff members will continue to periodically monitor the operation of Mill Creek's sewage treatment plant and will make recommendations to Mill Creek for any operational adjustments that may be needed, and will also continue to monitor the actions that Mill Creek is taking with regard to sludge hauling, monthly sampling of the plant's effluent, and the hiring of a licensed plant operator. Mr. Loethen will also contact the sludge hauling company to see when they are going to be able to haul sludge from the plant. Additionally, Mr. Loethen will contact the DNR to obtain any available information regarding Mill Creek's response to the DNR's report regarding the June 23 inspection.

9. The Staff will continue to monitor the MSD's progress in making its determination of whether it will take over Mill Creek's system. Additionally, the Staff will advise the MSD of any future planned inspections, as far in advance as possible, so that the MSD will have the opportunity to participate in such inspections.

### **FUTURE STATUS REPORTS**

10. The Staff again notes that it will continue to file weekly status reports, or will advise the Commission that additional information is not available and that a status report will thus not be filed for a given week.

**WHEREFORE** the Staff respectfully submits its thirteenth Status Report for the Commission's information and consideration in this case.

Respectfully Submitted,

DANA K. JOYCE  
General Counsel

**/s/ Keith R. Krueger**

Keith R. Krueger  
Deputy General Counsel  
Missouri Bar No. 23857

Attorney for the Staff of the  
Missouri Public Service Commission

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 15th day of July 2005.

**/s/ Keith R. Krueger**

# APPENDIX A

DNR INSPECTION REPORT

CASE NO. SR-2005-0116



## DEPARTMENT OF NATURAL RESOURCES

July 6, 2005

CERTIFIED MAIL #7004 1160 0003 7495 9181  
RETURN RECEIPT REQUESTED

RECEIVED

JUL 12 2005

UTILITY OPERATIONS  
DIVISION

Mr. Joseph Afshari  
Mill Creek Sewers, Inc.  
3160 Parshall Road  
St. Louis, MO 63136

Dear Mr. Afshari:

On June 23, 2005, an investigation of the wastewater treatment facilities serving part of Castlereagh Estates was conducted by Mr. Stuart Bean, Environmental Specialist of my staff. Mr. Kurt Riebeling, Environmental Section Chief, accompanied Mr. Bean. They met Mr. Steve Lothen of the Missouri Public Service Commission at the treatment plant premises.

The findings of the investigation, along with discussions and recommendations are presented below.

### FINDINGS AND DISCUSSION:

1. The facility's State Operating Permit #MO-0084484 is valid until April 18, 2007.
2. A review of the facility's discharge monitoring reports (DMRs) for the past year revealed the following:

Reports for February and March of 2004 were received and indicated compliance with the facility's permitted limits. No subsequent reports for this plant were received for April 2004 through March of 2005. A DMR for April 2005 was received in May 2005 and did not list a result for flow (as required) and listed exceedances for the permitted limits for Biochemical Oxygen Demand (BOD<sub>5</sub>) and Total Suspended Solids (TSS) of 366 percent and 46 percent, respectively.

3. The plant's skimmers and sludge returns appeared to be working properly (when an aerator was operating).

4. One of the plant's aerator blower motors was reported by Mr. Loethen to be in disrepair and not in operation.

Mr. Loethen who is unofficially and voluntarily operating the sewage treatment plant, set the timer on the one operational blower motor to operate 20 hours per day. Mr. Loethen stated that the plant did not currently have another operator. This treatment facility is required to be operated by a person having a Missouri Wastewater Competency Certificate of at least a "C" level.

5. Samples of the effluent being discharged were not taken and the outfall could not be readily observed due to the tall and thick vegetation on the slope where the outfall is located. No obvious deleterious impacts on the receiving stream were observed.
6. The plant's sludge holding tank was full and only had an approximate freeboard of one to no more than two feet.

The tank needs to be pumped out as soon as possible, with the sludge being disposed of properly. Mr. Loethen stated that he had made arrangements to have a load of sludge removed from the plant recently.

7. The aeration basin's contents exhibited a dark brown color and appeared to be fairly thick, and clumps of solids were observed floating on the surface of the clarifier prior to aeration being turned back on at the plant. More frequent wasting of mature or old mixed liquor appears necessary.
8. A thick wall of solids was observed in the clarifier inlet baffle between the aeration chamber and the clarifier and needs to be cleaned out.
9. The facility's fence was adequate and the gate is apparently being kept locked when authorized personnel are not present.
10. Warning signs at the facility are currently inadequate.

Only two signs were observed posted on the facility's enclosure fence. The Missouri Clean Water Law and Regulations required that enough signs be posted at a facility so as to be visible from all sides of approach. One sign was observed on the ground inside the facility's enclosure fence. Warning signs are required to be made of durable materials and have characters which are at least two inches in height. Minimum wording should be "SEWAGE TREATMENT FACILITY - KEEP OUT."

Due to failing to operate and maintain the treatment plant facilities, for not submitting the DMRs from April 2004 through March 2005, for exceeding the permit limits and failure to report flow in the April 2005 DMR, and for failure to retain a certified operator for the treatment plant, Notice of Violation (NOV) #2219 SL is hereby issued to you.

This facility has previously been referred to the Water Pollution Branch's Compliance and Enforcement Section.

RECOMMENDATIONS

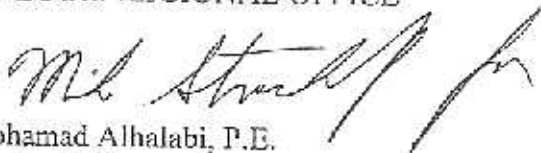
1. Immediately take the necessary measures to have the sludge holding tank pumped out and the sludge disposed of properly. Have the tank pumped out periodically as needed thereafter.
2. Immediately repair the inoperable blower motor and other components as necessary and restore full mechanical and electrical operations at the wastewater treatment plant.
3. Immediately employ and retain the services of a certified wastewater operator who has at least a "C" level Missouri Wastewater Operator's License and have that person clean and maintain the plant as needed.
4. By August 15, 2005, submit the DMRs for April 2004 through March 2005 to the St. Louis Regional Office or a written explanation as to why they cannot be submitted.
5. By August 15, 2005, install enough warning signs on the plant's enclosure fence so as to be visible from all sides of approach and mow or cut down the tall vegetation at the slope around the plant's outfall.

Should the remediative measures not be enacted in the prescribed time frames, the appropriate enforcement measures will be enacted.

Should you have any questions concerning this report, please contact the Water Pollution Branch-Compliance and Enforcement Section at (573) 751-1300.

Sincerely,

ST. LOUIS REGIONAL OFFICE



Mohamad Alhalabi, P.E.  
Regional Director

MA/SCB/jh

Enclosure: NOV #2219

c: Water Pollution Branch-Enforcement  
St. Louis County Health Department  
MO Public Service Commission (Mr. Steve Loethen)  
Ms. Cheryl Nield, AGO





MISSOURI DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF ENVIRONMENTAL QUALITY  
**NOTICE OF VIOLATION**

P.O. BOX 178  
 JEFFERSON CITY MO 65102

VIOLATION NUMBER	
NO.	2219 SL

DATE AND TIME ISSUED  
 July 6, 2005  AM  PM

SOURCE (NAME, ADDRESS, PERMIT NUMBER, LOCATION)  
 Mill Creek Sewers, Inc.  
 Castlereagh Estates Subdivision  
 Kings Drive, Florissant, MO 63034  
 Permit #MO-0084484

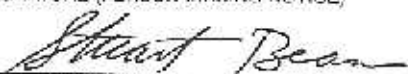
MAILING ADDRESS 3160 Pershall Road	CITY St. Louis	STATE MO	ZIP CODE 63136
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NAME OF OWNER OR MANAGER Joseph Afshari	TITLE OF OWNER OR MANAGER Owner
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LAW, REGULATION OR PERMIT VIOLATED  
 Missouri Clean Water Law, Sections 644.051.1(3) & 644.076.1, RSMo; Section 644.076.1 and Missouri Clean Water Regulation 10 CSR 20-7.015(9)(A)1; Sections 644.051.1(3) and 644.076.1, RSMo; Section 644.076.1 and 10 CSR 20-9.020(2)A and Special Conditions, #8, of State Operating Permit #MO-0084484.

NATURE OF VIOLATION	DATE(S)	TIME(S)
Failed to operate and maintain facilities to comply with the Missouri Clean Water Law and applicable permit conditions.		
Failed to submit discharge monitoring reports (DMRs) for April 2004 through March 2005.		
Failed to comply with the effluent limits contained in Part "A" of Missouri State Operating Permit #MO-0084484.		
Failed to retain a certified operator to supervise the operation and maintenance of the wastewater treatment facilities.		

SIGNATURE (PERSON RECEIVING NOTICE)  
 By Certified Mail

SIGNATURE (PERSON ISSUING NOTICE)  
 Stuart Bean

TITLE OR POSITION

TITLE OR POSITION  
 Environmental Specialist/SLRO