

Issue(s):
Witness // Type of Exhibit:

Sponsoring Party: Case Nos.:

ek piner Service Boun/Direct J. Si.e Course S.S.R. 2000 536

## **DIRECT TESTIMONY**

OF

### KIMBERLY K. BOLIN

Submitted on Behalf of the Office of the Public Counsel

#### **OSAGE WATER COMPANY**

Case No. SR-2000-556

February 14, 2001

Date 3-05-01 Page Reporter K-K-

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of Osage Water Company's	)	
request for a rate increase for sewer service	)	Case No. SR-2000-556
pursuant to the Public Service Commission's	)	
small company rate increase procedure.	)	

#### AFFIDAVIT OF KIMBERLY K. BOLIN

STATE OF MISSOURI	)	
	)	SS
COUNTY OF COLE	)	

Kimberly K. Bolin, of lawful age and being first duly sworn, deposes and states:

- 1. My name is Kimberly K. Bolin. I am a Public Utility Accountant for the Office of the Public Counsel.
- 2. Attached, hereto and made a part hereof for all purposes, is my direct testimony consisting of pages 1 through 6 and Schedules KKB-1 through KKB-5.
- 3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Kimberly K. Bolin

Subscribed and sworn to me this 14th day of February, 2001.

Bonnie S. Howard, Notary Public

My Commission expires May 3, 2001.

#### DIRECT TESTIMONY

OF

#### KIMBERLY K. BOLIN

#### OSAGE WATER COMPANY

#### CASE NO. SR-2000-556

1	Ω.	PLEASE STATE YOUR NAME AND ADDRESS.
2	A.	Kimberly K. Bolin, P.O. Box 7800, Jefferson City, Missouri 65102.
3	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
4	A.	I am employed by the Office of the Public Counsel of the State of Missouri (OPC or Public
5		Counsel) as a Public Utility Accountant I.
6	Q.	PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.
7	A.	I graduated from Central Missouri State University in Warrensburg, Missouri, with a Bachelor of
8		Science in Business Administration, major in Accounting, in May, 1993.
9	Q.	WHAT IS THE NATURE OF YOUR CURRENT DUTIES WITH THE OFFICE OF
10		THE PUBLIC COUNSEL?
11	A.	Under the direction of the Chief Public Utility Accountant, I am responsible for performing audits
12		and examinations of the books and records of public utilities operating within the state of Missouri.
13	Q.	HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE MISSOURI PUBLIC
14		SERVICE COMMISSION?
15	A.	Yes. Please refer to Schedule KKB-1, attached to this direct testimony, for a listing of cases in

which I have previously submitted testimony.

16

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

#### WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

- A. The purpose of my direct testimony is to express the Public Counsel's position regarding the Osage Water Company's (Osage Water or Company) ability to provide safe and adequate service at a reasonable cost.
- WHO ARE THE OFFICERS AND SHAREHOLDERS OF OSAGE WATER COMPANY?
- Pat Mitchell is the vice president and chief operating officer of Osage Water Company. Gregory A. Williams is the president and secretary of Osage Water.
- Q. DOES MITCHELL PROVIDE THE ALSO COMPANY **ENGINEERING** SERVICES WATER TESTING SERVICES THROUGH HIS OTHER COMPANIES?
- Yes. Mr. Mitchell owns Jackson Engineering and the Water Laboratory which provide basic office A. operations, maintenance and testing of Osage Water Company's facilities and water.
- HOW IS MR. WILLIAMS AFFILIATED WITH THE WATER COMPANY OTHER Q. THAN BEING THE PRESIDENT AND SECRETARY?
- A. Mr. Williams is an attorney licensed to practice in the State of Missouri. He has a private law practice in Sunrise Beach, Missouri. He provides legal services to Osage Water Company through his private practice. Mr. Williams is also the real estate developer of the Golden Glade subdivision in which Osage Water provides sewer service.

- - Q. IS OSAGE WATER COMPANY PROVIDING WATER SERVICE TO CUSTOMERS
    IN AREAS THAT THE COMPANY DOES NOT HAVE A CERTIFICATE OF
    NECESSITY AND CONVENIENCE TO SERVE?
    - A. Yes. The Company is currently serving Cavern View and Moss Hollow without a certificate of necessity and convenience to serve.
    - Q. HAS THE COMPANY INFORMED THE CUSTOMERS IN THESE AREAS THAT

      THE COMPANY DOES NOT HAVE A CERTIFICATE OR NECESSITY AND

      CONVENIENCE TO SERVE?
    - A. Yes. In fact the Company sent letters to customers in Cavern View and Moss Hollow stating if the Company files a certificate of convenience and necessity to continue to operate the water system in the customers area that the estimated customer's bill would be \$60 a month. The letter addresses an alternative of the Company turning the systems over to the customer (See Schedules KKB-2 and KKB-3 attached).
    - Q. ARE THE LETTERS INCLUDED IN SCHEDULES KKB-2 AND KKB-2 THE SAME LETTERS MARKED AS EXHIBITS 1 AND 2 AT THE LOCAL PUBLIC HEARING HELD JANUARY 9, 2001?
  - **II** A. Yes.

Q. DID THE COMPANY PROVIDE AN ESTIMATE OF THE COSTS TO OBTAIN A

CERTIFICATE OF CONVENIENCE AND NECESSITY TO SERVE THESE

CUSTOMERS?

- A. Company responded to Public Counsel data request number 1054 which is attached to my testimony as Schedule KKB-4. In his response to this data request, Mr. Williams provided a copy of the legal costs that Mr. Williams would charge to Osage Water Company for performing legal services in the certificate cases.
  - Q. DOES THE ANSWER TO THIS DATA REQUEST CAUSE THE PUBLIC COUNSEL

    TO BE CONCERNED OVER THE AFFILIATED TRANSACTIONS INCURRING

    BETWEEN THE COMPANY AND MR. WILLIAM'S LAW PRACTICE AND MR.

    MITCHELL'S ENGINEERING FIRM AND WATER LABORATORY?
  - A. Yes. The documentation in this data request does not provide support to show the work performed for the Company, the hours per work function or which employee performed the work, etc. Public Counsel believes that in future rate proceedings the Company should provide better documentation for all affiliated costs, and that this documentation should describe in detail what all of the services were for and exact dates these services were performed.
  - Q. DOES PUBLIC COUNSEL BELIEVE THE MISSOURI PUBLIC SERVICE

    COMMISSION STAFF (STAFF) ADDRESSED THESE AFFILIATED

    TRANSACTION COSTS FAIRLY IN ITS REVENUE REQUIREMENT

    RECOMMENDATION FOR THIS CASE?
  - A. Yes, Public Counsel believes the Staff addressed these types of transactions fairly in its revenue recommendation in the Agreement Regarding Disposition of Small Company Rate Increase Request filed with this Commission.

# Q. DOES PUBLIC COUNSEL HAVE CONCERNS WITH COMPANY'S POOR AND INADEQUATE SERVICE?

- A. Yes. Public Counsel has received 45 written complaints from customers regarding Osage Water Company's poor service. The complaints have ranged from Company representatives being rude or unresponsive when called to having no water service at all for several days. Attached to my testimony as Schedule KKB-5 are copies of the letters our office has received in opposition to this increase.
- Q. IS THE COMPANY'S POOR SERVICE A ONE-TIME SERVICE PROBLEM THAT

  HAS BEEN RESOLVED OR AN ON-GOING PROBLEM WITH THIS COMPANY?
- A. The Company's poor service is an on-going problem, as state by Staff witness Jim Merciel, Jr. in WA-99-256:

The Staff regularly deals with utilities with any combination of problems. There may be facilities that do not do the job they were designed to do for one reason or another; employees and contract operators that do not do a good job perhaps because of poor management; non-compliance with permitting requirements and reporting requirements; failure to construct, repair or expand facilities when necessary; poor response to customer inquiries, and perhaps a poor reputation among customers; blatant disregard of service area boundaries or rules pertaining to providing service; or poor history of handling financial obligations.

All utilities face problems and challenging situations from time to time. Sometimes it is out of ignorance, and if so the Staff is happy to work with any utility if necessary to improve how it conducts its business. However from the Staff's perspective, out of the 150 or so regulated water and sewer operations, a few of them experience many of the problems listed above on a regular basis. Some utility owner-operators are unable or unwilling to resolve problems in providing service and conducting their business. This is frustrating to Staff personnel, and to the customers who are affected by the problems, particularly if the utility managers are

Direct Testimony of Kimberly K. Bolin Case No. SR-2000-556

1

competent people who should be doing a better job. As noted in Martin Hummel's testimony, a number of permitting problems and a lack of quality plant operations have been observed. Osage Water Company has also, for a number of years, failed to submit annual reports to the Commission, and has purposely provided service outside its authorized service area. Issues that are associated with what I call "problem utilities" are present with respect to Osage Water Company.

8

10

9

11 12

13

14 15

16

17 18

19

21

20

DOES PUBLIC STAFF'S Q. COUNSEL agree THE HTIW REVENUE REQUIREMENT RECOMMENDATION INCLUDED IN THE DISPOSITION AGREEMENT BETWEEN THE STAFF AND THE COMPANY?

- A. Yes, however, Public Counsel believes due to the poor and inadequate service the customers have received and the amount of the increase for the water customers that the Company should only receive half of the Staff recommended increase until items three through seventeen in the disposition agreement between the Staff and Company certain conditions are completed. Once, the items are completed and verified by the Staff of the Missouri Public Service Commission the Company would receive the other half of the Staff recommended increase.
- Q. IS PUBLIC COUNSEL RECOMMENDING A PHASE-IN OF THE SEWER RATES?
- A. No. Public Counsel believes the increase in the sewer rates that the Staff has recommended is not large enough to warrant a phase in of the increase.
- Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?
- A. Yes.

#### **CASE PARTICIPATION**

#### OF

#### KIMBERLY K. BOLIN

Company Name	Case Number
St. Louis County Water Company	WR-95-145
Missouri-American Water Company	WR-95-205
Steelville Telephone Company	TR-96-123
St. Louis Water Company	WR-96-263
Imperial Utility Corporation	SR-96-427
Missouri-American Water Company	WA-97-45
Associated Natural Gas Company	GR-97-272
St. Louis County Water Company	WR-97-382
Union Electric Company	GR-97-393
Gascony Water Company, Inc.	WA-97-510
Missouri Gas Energy	GR-98-140
Laclede Gas Company	GR-98-374
St. Joseph Light & Power	ER-99-247 GR-99-246 HR-99-245
Laclede Gas Company	GR-99-315
Missouri-American Water Company	WR-2000-281
St. Louis County Water Company	WR-2000-844

Direct Testimony of Kimberly K. Bolin

EX1.

# Osage Water Company

P.O. Box 777 Camdenton, Mo. 65020 573-346-3956

December 18, 2000

Dear Moss Cove Customer,

The PSC Staff has required that we file for a certificate of convenience and necessity to continue to operate the water system in your area by May 2001. Our cost estimate is \$10,000. Your water bills would be above \$60 per month to pay for the cost of the certificate.

I believe that the PSC Staff requirement is not in your best interest.

The only other option we have is to turn the water system over to you, the homeowners. We propose to quit claim the system to you at no cost. You will have to pay for title insurance to the well lot if you want title insurance. You will have to pay the recording fee to record the deed at the court house if you want the deed recorded.

The ball is in your court. What do you want to do?

Sincerely,

William P. Mitchell

V.P.

L.P.H Ex2 1/09/01

# Osage Water Company

P.O. Box 777 Camdenton, Mo. 65020 573-346-3936

December 18, 2000

Dear Cavern View Customer,

The PSC Staff has required that we file for a certificate of convenience and necessity to continue to operate the water system in your area by May 2001. Our cost estimate including a new public water supply well and pressure tank is \$100,000. If we wait for the next cycle of DNF, low interest receiving fund loans, construction would be in the year 2002 and your water bills would be above \$60 per month. If we obtain bank financing and start construction in 2001 your water bills will be over \$110 per month. I spoke with Gary Prewitt last week and he has no plans in the near future for further development and our only option to spread the costs over more customers. Jim Atkinson told me that the existing well will not produce more water.

I believe that the PSC Staff requirement is not in your best interest. You can drill a residential type well for every home for less money than we can drill one central public type well. The DNR regulations allow for 3 homes to be on one residential type well or up to 14 homes or 24 people to be on one non-community type well. The existing well is a grand fathered non-community well.

The only other option we have is to turn the water system over to you, the homeowners. We propose to quit claim the system to you at no cost. You will have to pay for title insurance to the well lot if you want title insurance. You will have to pay the recording fee to record the deed at the court house if you want the deed recorded.

The ball is in your court. What do you want to do?

Sincerely,

William P. Mitchell

V.P.

Dept. NATURAL RESOURCES

Schedule KKB-3

DNR-TAP Program

RUNAL WATER ASSN. IN RUNAL CAMPACITIE

OFFICE OF PUBLIC COUNSEL

573-374-4432

P.6

573 751 5562

P.05

JAN-12-2001 16:12 Direct Testimony of

Kimberly K. Bolin

No. 1054

#### OSAGE WATER COMPANY

PUBLIC COUNSEL DATA REQUEST CASE NOS. WR-2000-557 & SR-2000-556

REQUESTED FROM:

Gregory D. Williams

DATE REQUESTED:

January 12, 2001

INFORMATION REQUESTED: Please provide a detailed estimate of how Osage Water Company arrived at the cost of a certificate case referred to in local public hearing exhibit #1 and exhibit #2,

REQUESTED BY:

Kimberly Bolin

INFORMATION PROVIDED: See attached Summay of legal
espenses In SA-99-268 a WA-99 937
(Colon Riole + Engle Woods) which reflects
put of the cont of a contested continet
Case. The City of Osoce Beard has
Sales its intend to content any
catiliste regnes willen #5 5 miles
of its limb which would wilede
Caren View-

The information provided to the Office of the Public Counsel in response to the above information request is accurate and complete, and contains no material misrepresentations or omissions based upon present facts known to the undersigned. The undersigned agrees to immediately inform the Office of the Public Counsel if any matters are discovered which would materially affect the accuracy or completeness of the information provided in response to the above information.

DATE	
RECEIVED:	

1/12/01 4:15 PM ·

Gregory D. Williams Slip Summary Listing

Page

#### Selection Criteria

Slip.Classification

Open

Client (hand select) Include: OWC.

Reference (hand sel Include: KK Water and Sewer System

`	
Title	Amount % Total Time % Total
owc.	00007.00 400.000 040.50 400.000
Fees: Slip Value	32925.00 100.00% 219.50 100.00%
Fees: Billable	32925.00 100.00% 219.50 100.00%
Fees: Unbillable	0.00 0.00% 0.00 0.00%
Fees: Billed Slip Value	32925.00
Fees: Profitability	0.00 0.00%
Fees: % Gain	0.00%
Fees: Overhead	0.00
Fees: % Overhead	0.00%
Fees: Estimated	0.00
Fees: Variance	0.00
Fees: % Variance	0.00%
Costs: Slip Value	225.00 100.00%
Costs: Billable	225.00 100.00%
Costs: Unbillable	0.00 0.00%
Costs: Billed Slip Value	225.00
Costs: Profitability	0.00 0.00%
Costs: % Gain	0.00%
Total: Slip Value	33150.00 100.00% 219.50 100.00%
Total: Billable	33150.00 100.00% 219.50 100.00%
Total: Unbillable	0.00 0.00% 0.00 0.00%
Total: Billed Slip Value	33150.00
Total: Profitability Total: % Gain	0.00 0.00%
Total: Overhead	0.00% 0.00
Total: Werhead	0.00%
Total: Estimated	0.00%
Total: Variance	0.00
Total: % Variance	0.00%
rotal, A variance	0.00%
Grand Total	
Fees: Slip Value	32925.00 100.00% 219.50 100.00%
Fees: Billable	32925.00 100.00% 219.50 100.00%
Fees: Unbillable	0.00 0.00% 0.00 0.00%
Fees: Billed Slip Value	32925.00
Fees: Profitability	0.00 0.00%
Fees: % Gain	0.00%
Fees: Overhead	0.00
Fees: % Overhead	0.00%
Fees: Estimated	0.00
Fees: Variance	0.00
Fees: % Variance	0.00%
Costs: Slip Value	225.00 100.00%
	•

573-374-4432

p.8

2

Direct Testimony of Kimberly K. Bolin

> 1/12/01 4:15 PM

Gregory D. Williams Slip Summary Listing

Page

Title	Amount	% Total	Time	% Total
Costs: Billable	225.00	100.00%		
Costs: Unbillable	0.00	0.00%		
Costs: Billed Slip Value	225.00			
Costs: Profitability	0.00	0,00%		
Costs: % Gain	0.009	%		
Total: Slip Value	33150.00	100.00%	219.50	100.00%
Total: Billable .	33150.00	100.00%	219.50	100.00%
Total: Unbillable	0.00	0.00%	0.00	0.00%
Total: Billed Slip Value	33150.00			
Total: Profitability	0.00	0.00%		
Total: % Gain	0.009	%		
Total: Overhead	0.00			
Total: % Overhead	0.009	%		
Total: Estimated			0.00	
Total: Variance			0.00	
Total: % Variance			0.00%	6

Mariana Company

# Schedule KKB-5 consists of 45 customer letters or petitions.

RONALD SODANO HRC 77 BOX 241-8 SUNRISE BEACH, MO 65079

OFFICE OF PUBLIC COUNSEL ATTN: SHANNON COOK PO BOX 7800 JEFFERSON CITY, MO 65102 2/20/00

RE: OSAGE WATER CO RATE INCREASE

DEAR MS COOK,

I WOULD LIKE TO SHARE SEVERAL SITUATIONS WHICH I OBSERVED OR WAS MADE AWARE OF AS IT RELATES TO OSAGE WATER CO. I LIVE IN CIMARRON BAY, OSAGE WATER CO PROVIDES WATER AND SEWER TO OUR SUB-DIVISION. LAST YEAR WE EXPERIENCED A LEAK IN OUR SEWER SYSTEM, RAW SEWER WATER WAS DISCOVERED SEEPING FROM THE GROUND BETWEEN OUR HOME AND OUR NEIGHBOR. MORE THAN 4 PHONE CALLS WERE MADE TO OSAGE WATER CO AND IT WAS OVER A MONTH BEFORE THEY RESPONDED. THEY DISCOVERED A LEAK AND DID NOT HAVE THE PROPER PARTS TO COMPLETE THE REPAIR. NEEDLESS TO SAY THEY LEFT THE HOLE OPENED FOR ALMOST A WEEK BEFORE THEY RETURNED TO FINALIZE THE REPAIR.

WE ARE ALSO AWARE OF, BUT DID NOT SEE THE WATER AND SEWER PIPES IN THE SAME TRENCH WHEN OSAGE WATER CO CONNECTED A NEW CONDOMINIUM TO OUR COMMUNITIES PRESENT WATER SEWERAGE TREATMENT LOCATION.

MANY OF OUR NEIGHBORS WHO SAW BOTH PIPES IN THE SAME TRENCH MADE A CALL TO THE STATE WHICH RESULTED IN OSAGE WATER CO CORRECTING THE SERIOUS ERROR.

A WORD ABOUT THEIR RATE INCREASE, THEY ARE REQUESTING A 100% INCREASE IN THEIR RATES, THIS IS UNHEARD OF IN THE BUSINESS WORLD. THEY ESTABLISH A WATER AND SEWER SERVICE, SIGN UP CUSTOMERS, AND THEN WHEN THEY HAVE YOU OVER A BARREL WITH NO OTHER CHOICES, THEY RAISE THE RATES 100%. WHAT A WAY TO DO BUSINESS.

I HOPE YOU CAN SERIOUSLY LOOK INTO THIS SITUATION, IT IS VERY SAD WHEN A COMPANY CAN BE ALLOWED TO TAKE ADVANTAGE OF THEIR CUSTOMERS LIKE THIS.

RESPECTFULLY YOURS.

CC:MISSOURI PUBLIC SERVICE COMMISSION

February 13,2000

Elvis L. Henson #11 Oakwood Lane St. Louis, Mo. 63129

FILE GOPY

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, Mo. 65102

ref: Osage Water Company rate increase request Dear Sir,

This is in answer to the Osage Water and Sewer company's request for a 100% increase in water and a 121% increase in sewer services. This would increase our minimum monthly fees from \$31.65 per month to approximately \$68.00 per month. An increase is probably needed, however let's be realistic. This sounds like plain old greed.

We have a continuing problem with septic tank surface leakage between Bldg. # 1 and Bldg. #2 Cedar Glen Condos. Sewage discharges onto the sidewalk, steps and runs towards the lake.

We would appreciate your close investigation before approval of these outrageous cost increases.

Sincerely,

Elvis L. Henson #234 Cedar Glen Condos Camdenton, Mo.

Eluis J. Denson.

C.C. SHANNON COOK

February 28, 2000

FILE CUP,

Office of the Public Counsel ATTN: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

IN RE: Osage Water Company proposed increase for Cedar Glen Condos

Dear Ms. Cook:

This letter is written in regard to the proposed increase in the water and sewer rates by Osage Water Company. The homeowners of Cedar Glen are completely opposed to the proposed increase because Osage Water Company has provided substandard service and response time when called to the property for sewer overflow and loss of water.

On behalf of the Association, I have also called Osage Water Company on numerous occasions regarding overflow problems with a sewer pump at the complex and have failed to receive a response in a timely manner. I have been in direct contact with the Missouri Public Service Commission and The Department of Natural Resources on numerous occasions without any real satisfaction to help resolve the occurrences at Cedar Glen.

A majority of the homeowners at Cedar Glen are part time residents (only use water & sewer service approximately 20% or less per year) and do not feel that this increase is justified for the limited amount of time they reside in their condominiums. The full time residents of Cedar Glen for the most part are retired and/or on fixed incomes.

On December 25, 1998, the homeowners of Cedar Glen were without water due to a circulator that had not been turned on in the well house, which caused the pipes to freeze and shatter. There was no response from Osage Water Company until the next day in which it took a phone call from the contractor of Cedar Glen to the home of one of the owners of the Water Company.

On behalf of the homeowners of Cedar Glen, we urge the Missouri Public Service Commission to hold a local public hearing to allow the customers of the Osage Water Company to have a say in the proposal. The Cedar Glen homeowners would also ask that the Commission research the proposed rate increase in-depth to verify how unfair and extremely out of line the price increases would be for the services provided by Osage Water Company currently.

Sincerely.

Kathy Goldsberry

PMG Services, Inc.

dsberry

MAR 0 1 2000 Association Manager
Post Office Box 2409 • Lake Ozark, Missouri 65049 • (573)-365-6260

#### Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, MO 65102

# FILE COPY

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

13 March 2000

Subject: Osage Water Company's Request for Rate Increase

This letter is being sent to you in hopes that you will deny the rate increase that Osage Water Company is attempting to pass. This request does not appear to be a rate hike, but rather a companies attempt to cover mismanagement. I am a condominium owner at Park Place on Lake of the Ozarks (unit 612). I have owned this unit for almost four years.

I have several concerns over Osage Water Companies request;

- 1. The owner of Osage Water Company is also the Lawyer for the new developers for Park Place Condominiums. The sale of our existing water well and septic system was done without the homeowner's knowledge and appeared to be done secretly.
- 2. This deception has been wide-ranging and continued with our letters of notification of rate increase. The letter stated we had 30 days from the date of the letter to send and formal response, yet the letter was dated February 15, 2000 and the envelope was postmarked February 29, 2000, a full 14 days later.
- 3. The current well was never built to handle more than four condominiums. Everyone knew that a second well would have to be drilled to accommodate more units and that expense would not be born by existing home owners, but rather those home owners in the new units. We currently feel that Osage Water Company is asking for this rate increase to finance a second well at the expense of current homeowners. The managers of our property, Professional Management Group (PMG), informed me of this.
- 4. Why is there a need for a rate hike when the developers have placed the water lines in during the construction of the units and this system is a well and does not require any water purchase by Osage Water Company? The developer at no cost to Osage Water Company also constructed the well. The only expense Osage Water Company should have is the electricity to operate the pump and periodic testing and chlorination (which they have, at times, failed to do). It should be the developer's responsibility to ensure the well is large enough to handle

his planned construction. Again, no expense to Osage Water Company.

- We have had numerous water leaks in the pipes and overflow tanks, yet when we call Osage Water Company they failed to respond in a timely manner, causing thousands of gallons of water to be wasted. This reflects poor management on Osage Water Company and a rate hike can't fix poor management.
- 6. The septic water holding tank alarms continue to go off almost on a monthly basis, but Osage Water Company does nothing to fix the problem. We have learned to press the reset button, the same fix Osage Water Company has been doing. This doesn't require a rate hike.
- 7. The rate Osage Water Company is asking is outrageous. In Park Place there are only 4 full time residence, the remainder of homeowners only use the property a few times per month. We have some one, two and three bedroom units, yet all are being charged the same for water and sewer usage. I am currently paying \$33.90 per month for both water and sewer (septic). I pay this price no matter how much or little water/sewer I use in my two-bedroom unit. Yet, my permanent 2,500 square foot house, with two full time occupants, only costs me \$15-\$30 per month for water and septic through Public Water District Number 1. I have been paying this amount for the past six years I have owned this home and there has never been a rate increase.
- 8. At \$33.90 per month for water and septic, Osage Water Company is drawing \$1,423.80 per month or \$17,805.60 per year for minimum use occupants. I think this is more than enough return on investment for this company, especially base on their poor track record.
- 9. The developers have stated in previous homeowners meetings and telephone conversations with me that they have separated buildings 6 and 7 from the new construction, currently consisting of buildings 4 and 5. They have stated that our homeowners association will be separate from the remaining constructing site and that we will be on our own financially. Yet, they continue to use our money from our homeowners association to better their development and sales advertising. They want us to assist them in their desires and will not and have not assisted in any improvements in either building 6 or 7. Now they have sold our water plant to their development lawyer, who by the way owns Osage Water Company, and now they want to increase our water and septic rates to cover the expenses of a new well and other improvements that have no bearing on Park Place Buildings 6 and 7 Condominium tenants.
- 10. I would highly recommend two things; #1 the books at Osage Water Company should be audited carefully to see where the money is going and what are the exact expenses. #2 Osage Water Company should turn over all management and responsibility for Park Places' water and septic to Property Management Group, who were able to effectively manage this system for the past 3.5 years without a rate hike.

I truly hope that you can see through this smoke screen that is being brought to you by Osage Water Company and disapprove any request for a rate increase. This increase amounts to a 115% increase over existing rates and for what? Has Osage Water Company identified their operating expenses or what return on investment (ROI) they currently have and what ROI they are looking to gain? What is going to be done with this increase and who ensures that it gets done as promised? How is this going to benefit those of us in building 6 and 7, when the contractor, developers and now the water company have turned their backs on us and our needs. This increase is being asked for based on greed and mismanagement.

Please conduct a complete study prior to rendering any recommendation on this matter. I am available at any time either in person or by telephone.

Cc: Osage Water Company
Park Place Developers
Editor of Lake Sun Leader

DNR, Div of Environmental Quality

Sincerely,

Thomas M. Murphy 16385 Walter Road

Plato, MO 65552

(O) 573-563-6113

To: Office of Public Counsel Attn: Shannon Cook PO Box 7800 Jefferson City, Mo 65102 Tel: 573-751-1304 Fax: 573-751-5562

From: Russ Taylor
Park Place on the Lake
HCR 79, PP #16, Unit 714

Tel: 573-348-5545 Fax: 573-348-5545

HCR 79, PP.#16, Unit 714 Email: judymae@usmo.com Kaiser. Mo 65047

Date: March 11, 2000

Subject: Proposed Rate Increase by Osage Water Company

We live at Park Place On the Lake in the heart of our beautiful state park. We have lived here for three plus years. For the first three years, PMG, Professional Management Group, charged us for our water and sewer as part of our monthly home owner's fee. Their fee was \$10.00 for water and \$22.50 for sewer, or a total of \$32.50 per month. During these three years, there was never a mention of a rate increase. When Osage Water took over on April 1, 1999, they increased the rate to \$33.90. This increase of \$1.40 was accepted, as it was minimal. At this point we started to have service problems, as follows:

- #1. A boil order was placed on buildings 006 and 007. The problem was Osage Water failed to fill the chlorinator.
- #2. Two very large holding tanks adjacent to our clubhouse were "overflowing". We called Osage Water Company and the problem wasn't fixed for two weeks! In the meantime, the water continued to overflow and was wasted.
- #3. As a new building, 005, was under construction, we lost our water pressure to buildings 006 and 007. The problem was that Osage Water Company was running five sprinkler hoses on grass in front of the new building 005. Again we called Osage Water. After two weeks of argument, they agreed to install a pump and use take water instead of well water. As of this date that has never been done, and we will have the problem again, unless a take pump is installed.
- #4. The septic holding tanks in front of building 006 were overflowing and a very bad odor was coming from them. This caused the high water alarm to go off. Osage Water turned the alarm button off, but did nothing to fix the problem! At this point, because of our concern for effluents running into the lake, we called the DNR. Gary Rollins, and Timothy Neal from the Division of Environmental Quality, responded. Their opinion was that the holding tanks needed to be pumped. Again we called Osage Water and nothing happened. We believe this still to be a problem as these six tanks have never been pumped. Summer is coming and our weekend tenents will be coming, so the problem will get worse again. It seems as if management is not willing to listen to our problems.
- #5. This was the straw that broke the camel's back! On Feb 18, 1999, a contractor was installing a water filter for our water softener. While cutting through white PVC pipe, before the unit shut off control, the pipe broke. Water began to flood our unit, under tremendous pressure. Because the break was before the shut off valve, the main water to the building had to be shut off. This requires a "T" handle wrench to shut off the water outside to the building. Again, I called Osage Water and requested someone come out asap as a main line had broken and was flooding our home. One hour and 15 minutes later, a man knocked on our door and asked what the problem was. I asked him if he had the "T" handle wrench. He said "No, we don't have one!" I knew at this point, we were in trouble. He had to go to the pump house and shut down the water to all three buildings. Because of this mistake, not knowing, or not having a "T" handle wrench, the insurance damage was in excess of \$2800! In this month's water bill we got an emergency call charge of \$50.00! Had the "T" handle wrench been here, I could have shut off only the water to building 007.

#6. If we address the money situation, we have 42 units here, paying \$33.90 per month or \$1423.80 or \$17,805.60 per year! Park Place is a "stand alone" complex. We have our own well water and septic system, neither of which were installed by Osage Water Co. Our septic system was approved by DNR for 20+ buildings. We currently have three buildings with a 4th under construction. On April 1, 1999, our developers sold our water and septic system to Osage Water, I.E. Greg Williams, the lawyer for the developers. This hints of "collusion", or a conflict of interests! Osage water costs, to support Park Place have been only for electricity and chlorine. If we estimate the electric bill at \$50.00 and chlorine at \$50.00, we have costs at \$100.00 per month times 12 months or \$1200.00 per year. We have paid Osage Water \$17,085.60 this last year! This leaves them with a profit of \$15,885.60! As you can see by the complaints, they have not gone out of their way to solve any problems. Based on their costs of \$1200 per year, this leaves them with a clear profit beyond imagination! Looking at the proposed rate increase of 115% of water and sewer, or \$72.87 per month, they will get \$36,726.48 per year!

Since I handled the sales for the developers for three years, I am surprised that they would even allow this rate increase, as it will shut down the sales of the units! No one in their right mind would pay \$72.87 per month for water and sewer plus their homeowners fee of \$120 per month. This would be \$192.87 per month or \$2314.44 per year. I have already heard from some of our one and two bedroom owners who say they would be forced to sell if this rate increase is approved.

Based on the above facts, I believe the water and sewer control should be returned to PMG, who had control for 3.5 years and never asked for a rate increase.

We also believe that the books at Osage Water Company need to be carefully audited to find out where and to whom the money is going. Obviously, something is wrong in Denmark as well as in Camden County.

Russ and Judy Taylor,

Unit 714 at Park Place on the Lake

CC: Missouri Public Service Commission

Developers, JT Tillman, Bill Tillman, Dan Foster

Owner of Osage Water Co, Greg Williams

PMG, Linda Fiers and Karen Medders

Editor of Lake Sun Leader, Mike Feeback

DNR, Div of Environmental Quality, Gary Rollins, Timothy Neal

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, MO 65102 FILE COPY

MAR 0 6 200

RE: Osage Water Company Letter Dated February 15, 2000, Copy Enclosed

My wife and I own a vacation/summer home in Cimarron Bay, Shawnee Bend #5. We purchased this home in September, 1998 and have been a customer of Osage Water Company since that time.

Relative to service problems, the following is provided:

During February 1999, I received two separate bills which contained different account numbers. After several telephone calls to the Osage Water Company office, this problem was finally resolved.

During the Labor Day weekend of 1999 while at the lake with guests, our water was dark brown in color for approximately two (2) days, and during that period of time we were completely without water for several hours. It was our understanding that this problem was caused by workers connecting supply lines to our system that would subsequently supply water and sewer service to a nearby condominium complex under construction.

My 2/10/00 bill that I received showed that the previous month (1/9/00) charge had not been paid, when in fact it was. After two telephone discussions with the Osage Water Company office, I was told that it was a "computer problem" that caused this error.

Based on past experience in program management and budgeting, and additionally as a small business owner, I am of the opinion that the magnitude of the increase (99.6% and 121.2%) would be difficult to justify.

I feel that an in-depth audit of the Osage Water Company financial records, along with a thorough review of all facets of their operational procedures should be conducted by your organization. Also, the Office of the Public Counsel should conduct a similar independent investigation. A comparative analysis with other Missouri suppliers of water and sewer services should be performed as well.

Thank you for your attention to this matter.

Sincerely,

Reinhardt F. Bergmann 4011 Northern Aire Dr.

St. Louis, MO 63125

Cc: Office of the Public Counsel

Attn: Shannon Cook P.O. Box 7800

Jefferson City, MO 65102

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 John D. Miller HCR 77 Box 241-5 Sunrise Beach, MO 65079

Dear Ms Cook;

This letter is in response to the letter I received from Osage Water Company concerning their request for an increase in water and sewer rates for the Shawnee Bend No. 5 area. The residents in our subdivision (Cimarron Bay) are very disturbed with these enormous rate increases. In addition to our objections to these sizable rate increases our subdivision homeowners have a number of concerns with Osage Water Company's business practices over the last few months.

The water-well house and sewer treatment facility built for our subdivision is a state-ofthe-art system that was designed to meet the needs and requirements of the 18 homes in our subdivision. The system was paid for by our developer and then given (at no cost) to Osage Water Company. Harbour Bay Condominiums, a new 16-unit condominium complex (with growth potential to 64 units), has been constructed adjacent to our subdivision. It is my understanding that the owner/developer of this condominium complex paid Osage Water Company \$100,000 to provide the condominiums with water and sewer service. Osage Water Company has tied this 16-unit complex (with growth potential to 64 units) into our water and sewer system. A single ditch was dug to bury both the water and sewer lines (code violation) from the condominium complex to our water and sewer system. Both the water line and sewer lines were put into the same ditch. Homeowners in our area brought this irregularity to the attention of the construction company doing the work for Osage Water Company, as well as, to the Department of Natural Resources. The ditch was subsequently uncovered and one of the lines was taken out and moved about one to two feet and buried in a new ditch (code violation). Some of our homeowners also measured the depth of the ditches and found them to be only about 18 inches deep (code violation). Also there were two road cuts made to the newly paved road to run the two lines across the road (instead of under the road) to tie the lines into our sewer and water system. After the lines were buried, the road cuts were subsequently patched but the resurfacing was done very poorly. The land area surrounding all of the digging (some of which was given to Osage Water Company by our developer) has not been restored back to pre-digging conditions. It does not allow for proper water drainage and it is an "eye sore" for those of us homeowners living in this area of Shawnee Bend No. 5.

In addition to these irregularities, we are concerned that improvements will not be made to our existing water and sewer system to upgrade it to meet the high volume requirements of both the condominiums and our subdivision. New water and sewer holding tanks need to be added (which to my understanding were to be completed before water and sewage service was provided to Harbour Bay Condominiums). The water pressure to our homes is low now and to add additional users to our system without upgrading it will only further degrade the water pressure problems that currently exist. There is one additional problem with our existing sewer system that has not been remedied by Osage Water Company,

with our existing sewer system that has not been remedied by Osage Water Company, even after repeated requests by homeowners in our subdivision. There is no fence or security perimeter around the sewer treatment facility (code violation) which is a safety concern for those of us in the area. We have also had a number of occasions where our water has had a rust-colored tint to it and/or a smell of bleach.

I realize these concerns may not apply directly to the issue of a rate increase but they do indicate the subpar business practices of Osage Water Company and to the fact that they do not manage well the assets that they do have. I don't believe any homeowner in our area would object to a 5% increase in water and sewer rates but the proposed rate increase is totally unacceptable especially in light of the fact that sewer rates should actually be decreased since there are now more users on the system.

Your attention to this matter would be greatly appreciated.

Sincerely,

John D. Miller

cc: Public Service Commission

Office of the Public Counsel PO Box 7800 Jefferson City, MO 65102 Attn: John Coffman John D. Miller HCR 77 Box 241-5 Sunrise Beach, MO 65079 November 6, 2000

Dear Mr. Coffman:

In February of this year I received the letter from Osage Water Company (Company) proposing a rate increase for both water and sewer service. Prior to this date, our subdivision had experienced a number of problems with the Company and to think that they were proposing these enormous rate increases was laughable. I personally have made countless calls to representatives at the Department of Natural Resources and Public Service Commission about the practices of the Company. In most cases these concerns were met with understanding ears but in most cases representatives indicated there was very little they could do about our concerns. The essence of my concerns are outlined in the two attached letters. To my understanding there is still very little that has been done to correct some of our concerns. It seems incredulous that a company could engage in some of the business practices we have observed and still be recommended for a 116% increase in water rates and 8.7 % increase in sewer rates by the Public Service Commission. As I mentioned in one of my letters I have no objection to a 5% increase in rates but the proposed rates are totally unacceptable especially in light of the fact that sewer rates should actually decrease because of the additional users on the system. Your attention to these concerns would be greatly appreciated.

Sincerely,

John D. Miller

2 attachments

1. Ltr.to DNR

2. Ltr to PSC

John MacEachen Public Drinking Water Program Missouri DNR, PO Box 176 Jefferson City, MO 65102 John D. Miller HCR 77 Box 241-5 Sunrise Beach, MO 65079 September 23, 1999 (573) 374-6977

#### Dear John:

This letter is a follow-up to the discussion you and I had today concerning the water and sewer challenges we are experiencing with the Osage Water Company in our Cimarron Bay subdivision (off of MM 40P in Sunrise Beach) on the Lake of the Ozarks. Since you told me you were meeting with other high-level officials on Tuesday, I thought I would send this letter outlining what we had discussed.

The water-well house and sewer treatment facility built for our subdivision was constructed only to meet the needs and requirements of the 14 homes in our subdivision. A new 16-unit condominium complex (which has growth potential to 64 units) is being constructed adjacent to our neighborhood. The Osage Water Company has tied this 16-unit complex into our water and sewer system. A single ditch was dug to bury the water and sewer lines from the new condominiums and both lines were laid in this single ditch and covered up. Homeowners in our area brought this irregularity to the attention of the construction company as well as to the DNR. The ditch was subsequently uncovered and one of the lines was taken out and moved (about one foot) and buried in another ditch. Some of our homeowners also measured the depth of the ditches and found they were only about 18 inches deep. Also, there were two road cuts made to the newly paved road to run the two lines across the road to tie into our water and sewer systems. The land surrounding all of the digging has not been restored back to a pre-digging configuration. Naturally we are concerned about all of these noncompliances with regulations.

In addition to these irregularities, we are concerned that improvements will not be made to our water and sewer systems to upgrade them to meet the total requirements of both the condominiums and our subdivision. The water pressure to our homes is low now and to add additional users to our system without upgrading it will only further degrade the water pressure problems we are now experiencing. There is at least one additional problem with the existing sewer system that has not been remedied by Osage Water Company, even after repeated requests by homeowners in our subdivision. There is no fence or security system around the sewer treatment facility and we are all concerned small children or pets may gain access to the area and have an accident, get injured or become ill.

It is the desire of homeowners in our area that a petition be filed on the part of the DNR (not the homeowners in our subdivision) to force the Osage Water Company to cease and desist any further construction until all irregularities are resolved. This is not just a problem that affects Cimarron Bay--it affects ever area where the Osage Water Company has business. Your attention to this matter is greatly appreciated. Please keep me informed and then I will update the other homeowners in our subdivision.

Sincerely,

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, MO 65102 John D. Miller HCR 77 Box 241-5 Sunrise Beach, MO 65079 (573) 374-6977

#### Dear Department Representative;

This letter is in response to the letter I received from Osage Water Company concerning their request for an increase in water and sewer rates for the Shawnee Bend No. 5 area. The residents in our subdivision (Cimarron Bay) are very disturbed with these enormous rate increases. In addition to our objections to these sizable rate increases our subdivision homeowners have a number of concerns with Osage Water Company's business practices over the last few months.

The water-well house and sewer treatment facility built for our subdivision is a state-ofthe-art system that was designed to meet the needs and requirements of the 18 homes in our subdivision. The system was paid for by our developer and then given (at no cost) to Osage Water Company. Harbour Bay Condominiums, a new 16-unit condominium complex (with growth potential to 64 units), has been constructed adjacent to our subdivision. It is my understanding that the owner/developer of this condominium complex paid Osage Water Company \$100,000 to provide the condominiums with water and sewer service. Osage Water Company has tied this 16-unit complex (with growth potential to 64 units) into our water and sewer system. A single ditch was dug to bury both the water and sewer lines (code violation) from the condominium complex to our water and sewer system. Both the water line and sewer lines were put into the same ditch. Homeowners in our area brought this irregularity to the attention of the construction company doing the work for Osage Water Company, as well as, to the Department of Natural Resources. The ditch was subsequently uncovered and one of the lines was taken out and moved about one to two feet and buried in a new ditch (code violation). Some of our homeowners also measured the depth of the ditches and found them to be only about 18 inches deep (code violation). Also there were two road cuts made to the newly paved road to run the two lines across the road (instead of under the road) to tie the lines into our sewer and water system. After the lines were buried, the road cuts were subsequently patched but the resurfacing was done very poorly. The land area surrounding all of the digging (some of which was given to Osage Water Company by our developer) has not been restored back to pre-digging conditions. It does not allow for proper water drainage and it is an "eye sore" for those of us homeowners living in this area of Shawnee Bend No. 5.

In addition to these irregularities, we are concerned that improvements will not be made to our existing water and sewer system to upgrade it to meet the high volume requirements of both the condominiums and our subdivision. New water and sewer holding tanks need to be added (which to my understanding were to be completed before water and sewage service was provided to Harbour Bay Condominiums). The water pressure to our homes is low now and to add additional users to our system without upgrading it will only further degrade the water pressure problems that currently exist. There is one additional problem

with our existing sewer system that has not been remedied by Osage Water Company, even after repeated requests by homeowners in our subdivision. There is no fence or security perimeter around the sewer treatment facility (code violation) which is a safety concern for those of us in the area. We have also had a number of occasions where our water has had a rust-colored tint to it and/or a smell of bleach.

I realize these concerns may not apply directly to the issue of a rate increase but they do indicate the subpar business practices of Osage Water Company and to the fact that they do not manage well the assets that they do have. I don't believe any homeowner in our area would object to a 5% increase in water and sewer rates but the proposed rate increase is totally unacceptable especially in light of the fact that sewer rates should actually be decreased since there are now more users on the system.

Your attention to this matter would be greatly appreciated.

Sincerely,

John D. Miller

cc: Public Service Commission

March 11, 2000

FILE COPY

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

Dear Ms. Cook,

Professional Management Group Services, Inc. (PMGS), is the management company for Park Place on the Lake Condominiums and Park Place Condominiums at Lake of the Ozarks, both of which are provided water and sewer service by Osage Water Company. Letters have been sent to all homeowners from Osage Water Company regarding a proposed rate increase presented to the Missouri Public Service Commission for consideration.

PMGS has heard from several homeowners voicing their concerns over the considerable rate increase proposed and they feel the increase is extremely out of line for the service provided by Osage Water Company. The current rate being charged to Park Place homeowners is \$10.00 per month for water service and \$23.90 per month for sewer service. Most of the homeowners only use their property maybe 20 percent of the year, as the property is their second home. As the water service at Park Place is not metered, the homeowners pay a flat monthly fee for a minimal use of water. With the increase proposed by Osage Water, this makes the water and sewer services extremely out of line for the useage amount.

For reference purposes only, the City of Osage Beach currently charges condominium complexes within their sewer system a flat rate of \$16.91 per unit per month. As you can see, this is a considerable difference in the monthly rate even at the current rate of \$23.90 per month charged by Osage Water. It is understood that Osage Water's sewer system is considerably smaller than the City of Osage Beach. However, increasing the rate for the sewer system to \$52.87 would make Osage Water's customers pay \$35.96 per month more than the residents served by the City of Osage Beach. If you compare costs, at the rate of \$52.87 per month, customers of Osage Water will be paying more for one month's service than customers of the City of Osage Beach pay for three month's service (\$50.73). How can this possibly be justified?

Regarding the water charges, most of the water systems in the area, large or small, charge at a rate of \$7.75 for the first 2,000 gallons of water used and approximately \$2.07 for each additional 1,000 gallons used each month. The City of Osage Beach is currently installing a city water.

system and will be charging condominium complexes a flat rate of \$12.00 per unit per month. Once again, with the proposed increase to \$32.00 per unit on unmetered properties, Osage Water's proposed increase is extremely exorbitant.

Homeowners at Park Place on the Lake and Park Place Condominiums have had a few problems with water and sewer service since Osage Water Company has handled the services on their property. The response time from Osage Water when a problem arises and they have been contacted has not been within an acceptable timeframe to homeowners. There have been several problems regarding water pressure, sewer lift station overflow problems, etc.

The homeowners of Park Place on the Lake and Park Place Condominiums have requested that PMGS contact you on their behalf to request that you, as the public counsel, research and investigate fully the proposed rate increases from Osage Water Company extensively before your recommendations to the Missouri Public Service Commission regarding the proposed rate increases are completed.

Thank you for your consideration and concern regarding this matter.

Sincerely,

Linda Fiers

PMGS Association Manager

Lunda Fins

#### 18 FEB 2000

FROM; W.L. SIEFKAS, PO BOX 967, SUNRISE BEACH, MO 65079

TO; OFFICE OF PUBLIC COUNSEL, ATTN; SHANNON COOK, PO BOX 7800, JEFFERSON CITY, MO 65102

SUBJECT; OSAGE WATER CO, SEWER REPAIR BILL

- 1. We purchased our retirement home on Mar 29, 1998 and moved here full time on Jun 1, 1998.
- 2. In addition to having no water for over 10 days during the summer of 1998, we have had repeated problems with the sewer system. Sewage from our home drains into a 1000 gallon holding tank (owned by us) and is pumped to the main sewer line by a pump, in the tank, (owned by Osage Water). Osage water has float switches in our tank to turn on the pump or alarm. Their control box is fastened to our house.
- 3. Our holding tank would fill up every 3-4 weeks. The pump would not pump on automatic and the alarm would not sound, during the period 1Jun98 thru 30Mar99. This caused sewage to back up into our home on three occasions and the pipe between the house and tank to become blocked twice. Paul H., an employee of Osage Water would come out, check our pump and the float switches. He would occasionally replace a float and would always check the wiring. He stated on most of those occasions that he was not an electrician and that Pat Mitchell should check the pump and wiring. Paul even ran a plumbers snake thru our line when the tank caused the blockages.
- 4. Pat Mitchell did come out and hook up the alarm in March 99. We had nearly gone a year without it operating. It went off every 15-20 minutes for three days before they came out and unhooked it. Pat said that the contractor hit out tank with a skid loader when they were putting in our drive and this had caused a short in the wires to the pump. He had Paul H. rewire our pump in Mar 99.
- 5. After Paul rewired the pump, I noticed a sewage leak between our tank and the main line. I called Osage Water. I asked who had responsibility for that portion of pipe. The secretary told me that she thought Osage Water did. They sent out Paul H. to dig out and replace the pipe. The contractor had put in this pipe and had dumped big rocks and building debree on it.
- 6. In Apr 99, we received a bill from Osage Water for \$906.84. This was for checking their pump, rewiring their pump, unclogging lines due to their faulty pump, and replacing a line that leaked. I called Pat Mitchell and tried to get the bill reduced. I had a meeting with John Vogl (the realtor), Tom Shalberg (the contractor) and Pat Mitchell. Vogl and Shalberg thought the bill was not realistic. Shalberg offered to pay the \$200 for



replacing the leaking line. He thought the rest of the bill was due to faulty Osage Water equipment.

- 7. Pat Mitchell would not reduce the amount. I called Greg Williams. He would not reduce the amount. I stated that we would probably settle it in court. He stated that he would love to get me in court.
- 8. In August 99 I received a notice that the bill was turned over to a collection agency and the amount to pay was \$665.00. I called Osage Water to verify this amount, and on Aug 26 paid the \$665.
- 9. Did the rewiring of the pump in Mar 99 solve the pump problems? No. Since then, they have replaced the pump. A new maintenance man for Osage Water replaced two of the float switches. He stated that the old float switches were not reliable and they needed to be replaced with new mercury switches. He also stated that he had been busy fixing the systems wired by Paul H. The Moores', the Evans', and other local residents have had similar problems with their sewer pumps. They were not billed for fixing the pump.

10. If you have any questions, please call me.

WILLIAM L. SIEFKAS

elilliam L Dufkas

# Invoice

Invoice Number: 1046

Invoice Date: 4/2/99

Page Number:

Freight '

Total

Sales Tax

Amount Paid

0.00

0.00

0.00

665.00

906.84

Voice: 573-346-3956 Fax: 573-346-0040

Osage Beach, MO 65065

Osage Water Company

E-mail:

PO Box 777

Rt 2, Box 3347

Bill To:

WILLIAM SIEFKAS PO BOX 967 SUNRISE BEACH, MO 65079 Ship To:

WILLIAM SIEFKAS PO BOX 967

SUNRISE BEACH, MO 65079

Customer	ID	Customer PO	Payment Terms  Due on Receipt			
SIEFKAS,	w ·				pt	
Sales R	ер	Shipping Method	Ship Date		Due Date	
				1/2/99	4/2/99	
Quantity	Item	Description		Unit Price	Extension	
2.00		06/12/98 Sewer Line Break House to Tani 10 Chelsea Rose	k - Lot	35.00		
1.00	•	11/11/98 Check Alarm & Odor at Lot 10 Rose	Chelsea	35.00	35.00	
1.00		. 01/01/99 Check Alarm & Ordor at Lot 10 Chelsea Rose	)	35.00	35.00	
1.00		02/11/99 Check Alarm & Odor Lot 10 Ch Rose	helsea	35.00	35.00	
1.00		02/18/99 Check Alarm & Odor Lot 10 Cl Rose	helsea	35.00	35.00	
1.00		03/03/99 Check Alarm & Odor Lot 10 Cl Rose	helsea	35.00	35.00	
2.50		03/09/99 Clogged Drain Lot 10 Chelsea I	Rose	35.00	87.50	
1.00	•	03/26/99 Check Valve for Sewer Line Lo Chelsea Rose	t 10	35.00	35,00	
2.00		03/30/99 Rewired All Pumps Lot 10 Che Rose	Isea	35.00	70.00	
1.00		03/30/99 Labor - Dug out line trench (tre backfilled with construction debries) Lot Chelsea Rose		35.00	35.00	
1.50		03/30/99 Fixed Second Break in Sewer L 10 Chelsea Rose	ine Lot	35.00	52.50	
4.00		03/31/99 Finised Sewer Line Repair & C Lot 10 Chelsea Rose	Hean Up	35.00	140.00	
SEE IMP	DRTANT LIEN V	WAVIER STATEMENT ON THE BACK OF T	THIS DOO	UMENT.		
Eustomer Balar		906.84		Subtotal	665.00	

TO: OFFICE OF PUBLIC COUNCEL ATTN; JOHN COFFMAN P.O. BOX 7800 JEFFERSON CITY, MO 65102

FROM: WILLIAM L. SIEFKAS P.O. BOX 967 SUNRISE BEACH, MO 65079

SUBJECT: OSAGE WATER COMPANY RATE S

- Regarding the rate increase requested by Osage Water Co., the increase of 8.9% for sewer service seems fair. This system requires periodic maintenance. The rate increase of 80% for water is extremely excessive. An increase of 10% would seem adequate to maintain this system, since it is now linked to a new well system.
- 2. We moved to this new development June 1, 1998. We did not have water for over 10% of the first summer. During one period, lasting over 4 days, my wife called OWC to see when service would be restored and to ask what we should do for water. My wife was told to go to the lake if we needed water. (We live 1/3 of a mile from our dock)
- 3. For the first 2 years, our sewer system was not dependable. We had three major sewage backups into our lower level due to OWC pump, float switches, and alarm not working properly. When they would not respond to the problem promptly, they told us to just let the sewage run out over our back yard.
- 4. OWC billed me for over \$600 for repair of "their" sewage pump, float switches, and alarm. They threatened to cut off our water service if we did not pay, and court action to collect the bill. When I talked to Greg Williams concerning this unjust bill and the damages their system caused me, he stated that he "would love to get me in court". Several of our neighbors have also had many problems with their sewage pumps not working correctly.
- 5. The realtor that sold us the house and the contractor that built it, both felt the charges by OWC were not justified, since OWC was charging for fixing their equipment. The realtor and contractor helped by each paying 1/3 of the bill. I paid the final \$200.
- 6. Please review their records thoroughly and take into consideration their actions concerning customers in the lake area before approving a rate increase.

Ufile Auflan WILLIAM L. SIEFKAS FROM: WILLIAM L. SIEFKAS

P. O. BOX 967

SUNRISE BEACH, MO 65079

TO:

OFFICE OF THE PUBLIC COUNCIL

ATTN: MS M. RUTH O'NEILL

P.O. BOX 7800

JEFFERSON CITY, MO 65102

SUBJECT; Public Hearing regarding Osage Water Company

Dear MS O'Neill,

I will be unable to meet with you and attend the scheduled meeting on January 9, at Tan-Tar-A. My wife and I are joining family in Florida for a winter vacation prior to that date and will not be returning until later in January.

I had hoped that I could attend and speak for the area residents against the large increase in rates requested by Osage Water Company for water and sewer service. I stated in a previous letter that I felt that a modest increase in water and sewer rates is probably warranted due to increased costs and the new well.

We have had no problems with OWC in the last 6 months and both the water and sewer system has been dependable during this period. It is, however, hard to forget our first two years in our new home, when we had constant sewer problems, sewage backup into the house, periods without water, and harassment by OWC to pay them for fixing their equipment.

Again, I'm sorry I can not attend this very important meeting for the residents of this area.

Sincerely,

WILLIAM L. SIEFKAS

Ul. I. Sufkas

**H20MEETING** 

FILE COPY

SSC FILE COPY

Don J. Spadoni 221 Cedar Glen Condominium Camdenton, MO 65020 e-mail-cspuds@lakeozark.net

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

March 17, 2000

Dear Ms. Cook:

I write this letter in protest of the proposed water and sewer rate increases proposed by the Osage Water Company. I was the second resident to move into Cedar Glen Condominiums and at that time my opinion was that the Osage Water Company rate schedule was too high.

Now they propose a rate increase that will in effect double my water and sewer charges but fail miserable to provide quality service.

The water is often at a very low pressure or non-existent at all. They have never issued a boil order and the odor in the water is sometimes hard to bear.

The sewer holding tank next to my building is often running over and the product that flows on the ground ends up in the lake. This to me is unacceptable and is environmentally irresponsible.

A public hearing is needed so that the people required to use the Osage Water Company monopoly can voice their concerns with respect to this rate increase and service delivery failure. Please feel free to contact me if you have any questions.

Thanking you in advance for your consideration.

Sincerely,

Don J. Spadoni, Unit 221

We were noute aware of the undenyot were. ground. It is a way unefelly dert pilled tight and weeks There left underwhed with and the holding tank area this in the wear, was made blue foul budou our jeh Marked. up if a coule, have detently had wend thoughts. wild the hask up, un unight

and sufrequest while in our protions through a neighbor proposed rate someone and source

Surves Beard, Mo-65079 J. H. A. Beluth Happen 1091-118 of day hater les system gledlicher. aux sutilizates and the shustophers We appeared your representation Jak Sun Karila

Munon Cook Hur of Whele Council

FILE COPY

00-67-6

with the languary. if the tury proposed rule till 5. We under surprised to leaver in unimaran Bay, Shaune Buck Water to. central stauer system 4 home head-up to the theyou We are in the process of a

photograp sylveniation had the I 2000 It the rate winere and wours while , 1216, so worthwalle. - a rate wining of this hasunderned that the so apill in 1st. Work is uporable and we were with with in waln suft. ward the her town up for over well the so earlist hack-up. Bur We have hear nery unhappy

made aucalable to us thefore we

Kenneth J. Jenson 1208 James St. Buffalo, MO 65622

March 5, 2000

Office of the Public Counsel Attn:Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

This letter is in regards to the Osage Water Company request for a permanent increase in its current water and sewer rates. The letter I received from the company was dated February 15, 2000, however the postmark on the envelope was dated Feb 29, 2000 in Columbia, MO. What date are we working with in reference to the 30 day response time?

My wife and I bought our condo in April 1997, at Parkplace on the Lake. We are located in the Lake of the Ozark State Park, Close to Kaiser, MO. We are buying unit 731. We do not live there year round, but use it on weekends and during vacations.

When we bought our unit, we were told that the water and sewer charges would be part of our monthly homeowners assessments. We were told that upon completion of the development that the water and sewer systems would become the responsibility of the homeowners, as would the swimming pool, roads, and other common areas.

When we moved into our new condo, the water and sewer had some small problems, but all we had to do was call PMG (Professional Management Group), the company that the developers had chosen to take care of the property, and the problems were taken care of. It was understood that this is why we were paying the monthly assessment fees.

During the development stage (more units being built) the original developers decided to get out and sold the property to the current developers. Almost immediately the current developers, without any notice or request for input from the people who had already purchased units, sold the water and sewer systems to the Osage Water Company. As I have already stated, the home owners were paying a monthly fee for water and sewer already, with the understanding that we would eventually be responsible for both systems maintenance costs.

Kenneth J. Jenson 1208 James St. Buffalo, MO 65622

Since the Osage Water Company has taken control of the water and sewer systems, it seems we are paying approximately \$20 a month more than when we were paying our \$10 per month water fee to the Homeowners Association. I don't understand why we are paying \$20 per month per unit for a sewer system that is virtually maintenance fee, and that was paid for and in place and operating prior to the Osage Water Company taking control.

I am unaware of any major problems that the company has had to deal with, and it appears to me that the water lines to the new units have been put in place by the developer. It also seems to me that the developer should be responsible for ensuring enough well capacity for the number of units that they plan on building, and that we that already own should not be responsible for costs that have not been incurred. The Osage Water Company does not buy water. It has a well that was already in place and serving the units that were already completed. There has not been any additional expansion to the sewer system, and there shouldn't be any needed.

The Osage Water Company states they feel they need a rate increase to meet current operating expenses and provide an adequate return on their investment. I do not see where their operating expenses are anymore than their monthly electric fee to operate the well. Am I wrong, or does DNR or some other state agency inspect for problems in both systems, and don't we already pay state taxes for their services? As far as for the return on their investment, when you multiply \$33 per unit per month, they seem to be getting a very good return. When we were paying our own way at \$10 per month, everything seemed to be paid for and was working fine. A few cups of coffee, a glass or two of water, a shower and a couple of flushes a day does not equal the amount of money the Osage Water Company wants to charge us.

Thank you,

Kenneth J. Jenso

CC:J.T. Tillman

Dan Foster

February 15, 2000

Office of the Public Council Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

Ref: Osage Water Company rate increase

This week I was notified of the rate increase submitted by the Osage Water Company. I currently own two units at Cedar Glen Condominiums. On the average I use one unit six days a month, the other unit is vacant and for sale. At Cedar Glen 20% are full time residents and the rest are part time as myself. Therefore water and sewer usage are low compared to the number of units.

Cedar Glen has existed since 1997 when the first units were occupied. In the past three years I have experienced numerous billing errors. I have requested an analysts of the water and have been refused this information.

Since I do not have access to the financial records of the Osage Water Company I trust that the Counsel will review these records on my behalf and come up with fair and reasonable rates for the consumer.

Yours truly,

Gary Helling

245 Cedar Glen

Camdenton, MO 65020

OR

5358 Somerworth St. Louis, MO 63119 James F. Huch 9874 Valley Drive St. Louis, MO 63137 314-867-4637

FILE COPY

March 9, 2000

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, MO 65102

Gentleman,

I am writing to respond to a letter I received from Osage Water Company (P.O. Box 777, Camdenton, MO 65020). This letter was dated February 15<sup>th</sup>, and stated I needed to contact you within 30 days of the date of notice, although I did not receive the letter until March 2<sup>nd</sup>. The late receipt of this letter is a typical example of how Osage Water treats its customers, particularly at Park Place Condominiums, where my wife and I purchased a condo approximately 3 years ago for summer weekend and vacation use.

When we purchased the above-mentioned property, our water and sewer bill was \$32.50 per month. After the Park Place developer sold to Osage Water, the rate was increased to \$33.90 per month. I considered this a nominal increase, which was understandable.

This company is now requesting a 99.6% increase in water service, and a 121.2% increase in sewer services. I feel this is unfair to weekend users, and is outrageous when compared to water and sewer service charges in St. Louis, our primary residence. If this increase is granted by the Commission, it would cause a huge financial burden, and would probably force me to place our condo on the for sale market.

My wife and I hope you will consider the unfairness of this request from Osage Water Company, and strongly urge you to conduct a public hearing.

Such & Betty & Huch

Sincerely,

Betty J. Huch

Cc: Shannon Cook - Office of Public Council

B. Tillman

J. P. Tillman

D. Foster

R. Taylor

Missouri Public Service Commission

Water and Sewer Department

P.O. Box 360

Jefferson City, Mo. 665102

Subject: Osage Water Co., Camdenton, Mo

Rate increase request for Cedar Glen Condos

#### Gentlemen:

After testifying at your Public Hearing at the Lake of the Ozark Tan-Tar-A Resort on Jan. 9, 2001 we at Cedar Glen Condos did some investigations of our own and offer the following comments:

- 1) Cedar Glen Condos is a new development with approximately 90 units sold. There are 32 more units under construction with 300 or more units planned to be built on this property. There are only 3 or 4 permanent residents living in each of the 16 unit buildings which is about average for condos and subdivisions around this lake. This must be taken into consideration in your judgment of the fair monthly charge for water.
- 2) The undersigned has owned 3 lake front homes on this lake over the past 40 years. One was in a subdivision with 27 houses on one well, which was and still is owned by the Home Owners Association. The total cost per house to operate this system was \$24.00 per year for many years and today it is \$48.00 per year. This system has never caused any serious problems and there has always been plenty of water without and complaints of low water pressure, etc. Like most subdivisions here at the lake there are only 4 permanent residents living in this very nice subdivision.
- 3) The average cost to have a state approved well drilled on lake front property with the pump, pressure tank and all controls installed and operating is \$2800 to \$3300. Most wells are 165 ft. to 250 ft. deep. State regulations now allows only 3 homes to be tied to one well which amounts to \$1100 or less per home plus 1/3 of the electric bill to run a ½ HP Pump which is almost negligible cost since only a few people live here permanently. The water here is extremely high quality in purity and taste and it is almost unheard of for any well systems to have any kind of purification equipment at the well site. A small percentage of homes have installed water softeners, but probably less than 10 percent. The wells are drilled to the white sand area, which is as white as snow and the water is always good.
- 4) After the public hearing we question the accuracy of the Audit made by the Public Service Staff and strongly disagree with their recommendation to increase the water rates at the Cedar Glen Condos. We made a physical check of all of the water meters at the Cedar Glen Condos and found the average water usage of each unit in each building is less than 1160 gallons per month. Over half of the units used less than 800 gallons per month over a two-year period.
- 5} The cost of a central water system including the well, pump and controls and a single water line would cost no more than \$200 to \$300 per unit in this type of

complex. If the Osage Water Co. shows costs for equipment and labor to justify their ridicules rate request it is our belief that there are people and equipment being charge to this account wrongly in order for them to justify their request.

6) Another serious concern of our association, after hearing others testify at the hearing of numerous unethical practices of the owners of this company, is whether our water testing has been accurate. It seems like a conflict of interest to get a water testing report from the Osage Water Co. since the testing company, an engineering company and the Osage Water Co. all are located in the same small office and all are officers of these companies.

In summary, water in this area is almost free for the pumping and to sell it for more than \$10.00 per month per home is absolutely unfair and unacceptable. We believe Greg Williams and his partners are planning to get rich, with your approval, at the expense of all of the owners here to make them very rich selling water they pump dirtcheap.

We sincerely ask you, as our only representative, to protect our interest and not be misled and cause us to pay this very unfair price for water on this lake front property.

Sincerely,

Bob D. Carson,

Unit 235 Cedar Glen Condos, Camdenton, Mo. 65020

Cc: Office of Public Counsel

Attn: Mr. John Coffman P.O. Box 7800

Jefferson City, Mo. 65102

February 17,2000

TO: Office of the Public Counsel
Attn: Shannon Cook
P.O. Box 7800
Jefferson City, MO, 65102

RE: Osage Water Company PO Box 777 Camdenton, MO, 65020

Dear Sirs:

On February 15, 2000 we received in the mail the notice that Osage Water Company has submitted a request for a permanent increase in its current water and sewer rates.

We moved here to Missouri from Oregon because we were told that living here is one of the cheapest places to live. That doesn't seem to be the case anymore. I cannot believe that Osage Water Company wants to raise our newer by 121.2% increase and our water by 99.6% increase. Compare that to the wages down here. Most of the people that live here permanently are in the middle income bracket which here means \$7.00 to \$8.00 an hour. Drive through this area and see the people that are just trying to make ends meet. This is not a wealthy community and we are not rich here. We are just trying to make ends meet. With the increase of inflation in this everyday life it is impossible to keep up with inflation esecially on these levels. It seems outrageous that a lawyer who owns this water company can even think of this kind of inflation.

This is the same person (Ciregory D. Williams) that owns our subdivision and we are very disappointed in the way our subdivision is handled. We pay \$100.00 a year for maintanence of our roads yet we have never seen our road plawed from snow and sanded because of ice. Two weeks last year we were stranded in hecause Ciregory D. Williams never maintained the roads we pay him for. We cannot even drive to our hoat dock because of the bad road.

I feel everyone is this subdivision owned by (iregory I). Williams is upset with the way he deals with people.

Jaw Chelipa

I hope that the Missouri Public Service Commission, Water and Sewer Department and the Office of the Public Counsel will reject this pay increase that will just benefit only Gregory D. Williams.

Sincerely,

Mike and Janet Chalupa

RR2 Box 265C Sunrise Beach, MO 65079 Feb. 17, 2000

Marjorie C. Varney 509 N. Shore Dr. Lake Waukomis, MO 64151

Commissions Staff, Missouri Public Service Commission Water and Sewage Department P.O. Box 360 Jefferson City, MO 65102

Copy To:
Office of the Public Counsel Attn: Shannon Cook
P.O. Box 7800
Jefferson City, MO 65102

#### Dear Sir/Madam:

I have just received a notice of a proposed rate increase for water and sewage for customers of the Osage Water Company, Camdenton. This letter is written with extreme outrage at the proposal which would in effect charge me and other part time occupants (weekenders) a rate of approximately \$2.00 a gallon for water.

I shall try to explain my position. For the past two years I have brought to the attention of the developers of Cedar Glen Condominium a problem that the part time tenants were paying the same amount per month for sewage as the full time residents. This, in effect, used us to subsidize the sewage costs for the actual usage of the system. I use on the average of 400 gallons of water a month. The average usage of the full time resident, as stated by Osage Water Co., is approximately 6000 gallons during the same time frame. Does this seem fair to you. A minimum charge such as the water charge should apply and then go up with water consumption, as the water bill does. During the discussions with the developers, they said this was not possible because the Public Service Commission does not allow this procedure, according to Osage Water Co.. I believe this to be false. Water usage and sewer usage correlation is a common practice in many areas.

I also believe Osage Water Company is trying to recoup expenditures at an accelerated rate for some reason other than those explained. Be it poor management or unsound financial practices they are trying to stick the customers with the bill. They also state that they have been in business since 1987. I don't think they have been associated with Cedar Glen during all that time.

At my residence at Lake Waukomis(Kansas City), I pay an average of less than \$35.00 a month for water and sewage combined. What do you pay? An increase to almost \$90.00 a month for 400 gallons seems a little excessive. Another example, during the month of January unit 1 of Cedar Glen had one full time resident. If you consider the new rates for water( 16 units X \$90.00) a charge of \$1440.00 to process her water also seems excessive. I believe the people that use the facilities should pay a fair share for what they each use. This does not mean that I believe the rate increase is justified regardless of who uses how much.

If Osage Water Company cannot operate on a fair and equitable rate, they need some supervision. The Public Service Commission should maybe investigate their financial practices to see if some lax practice might be responsible for their problems. Maybe bankruptcy or state supervision is the solution to the problem and not putting the financial burden on the customers Many of these customers are fixed income families and cannot afford the increase requested.

Regardless, the requested increase is ludicrous and should not even be considered by your commission. I anxiously await a response to this communiqué.

Sinterely Yours,

Marjorie C. Carnog

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

Re: Osage Water Company - rate increase

Attention: Shannon Cook

We recently received a letter stating Osage Water Company had requested a rate increase to "meet current operating expenses and provide an adequate return on investments". After reviewing the request, I have found the increase would take our yearly rate from approximately \$407.16 a year to \$879.48, equal to our yearly property taxes. I find this to be a ridiculous expectation for consumers to assume! Since we only spend only 5-6 weeks in our condo a year, the increase would be over \$150.00 a week for water.

I'm not sure what is going on at Osage Water Company, but since water is readily available the expense should be minimal. As far a sewage, I would think the contractor of the new facilities subsidized the installation of lines, etc. during the building phase. I really do not see how Osage Water Company can expect consumers to pay this exorbitant price for water and sewage. Our local rate is around \$35.00 a month for rural water and sewage in a small town in Iowa! What's the problem Osage Water?????

I do not have a problem with a company trying to meet expenses or even some profit, but an increase in rates from 99.6 % and 121.2% to meet these needs is absurd. I do not think any company would survive in the market place if they presented this request to consumers. There appears to be a bigger problem and I hope you can resolve it.

Sincerely,
Beverly Reynolds
54732 300<sup>th</sup> ST.
Huxley, Iowa 50124
(Cedar Glen Condominiums, Unit #225-Camdenton, MO)

cc: Missouri Public Service Commission-Water & Sewer Department

MAR 0 7 2000

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65105

Dear Ms Cook:

On October 6, 1999 Osage Water Company submitted a request for a permanent increase in its current water and sewer rates under the Missouri Public Service Commission small company rate increase procedure. By its request, the Company is seeking an increase in its annual operating water revenues of 99.6%. The Company is also requesting an increase in its annual operating sewer service revenues of 121.2%.

We are writing to protest the propose rate increase Osage Water Company is requesting. It is outrageous. Over 200% increase is unheard of. We believe the current rates are high enough. We have only recently purchase a condo that is subject to Osage water and sewer billing. Our monthly bill for the last two months has been \$33.90 which in our opinion is enough. If this request is granted our monthly bill will be raised to \$78.84 a month. An increase of \$44.97 additional each month. If Osage Water Company needs a rate increase, it should be a reasonable one, not one that is going to raise the water and sewer bill by this much.

We are senior citizens on a limited income, in the processing of moving permanently to Park Place Condos. If all companies would seek a rate increase like the one proposed by Osage Water Company it would put a hardship on quite a few people.

Thank you for your time and consideration is this matter.

Yours truly, That & Joan Gelande

Phil & Joan Gillardi HCR 79, Park Place #6

Kaiser, MO 65047

573-302-7433 or 314-838-4032

Sun Spa, Inc. 4643 Hwy 54, Ste. 206 Osage Beach, MO 65065 FILE COPY

February 17, 2000

Missouri Public Service Commission Water and Sewer Department P. O. Box 360 Jefferson City, MO 65102

### Dear Commissioners:

I am writing to voice my opposition to the requested rate increases for Osage Water Company. I am strongly opposed to any increase of this magnitude. That's an obscene increase. No retailer would even dream of increasing prices so dramatically, so how can Osage Water Company expect these same businesses to support such an amount?

I have owned and operated my business here in the High Point Center in Osage Beach for nearly fifteen years. In the beginning, my water was provided by my landlord, Raul Walters Properties of Columbia, MO from a privately owned well located here on the property. A few years ago, we tennants were informed that this well and water system was sold to Osage Water Company who would commence metering water usage and bill us for a service which had previously been provided as part of our common area maintenance fees. Whether this change effected a decrease in the CAM fees is debatable.

I have operated my tanning salon in this location since 1985 and I have one bathroom with a stool and sink and one washing machine for laundering towels. As such, my water bill is not the main expense item in my overhead costs. However, I feel that it is unrealistic to expect the business community served by this water system to support such an increase in rates. Furthermore, any entity which requires such a massive increase in rates to stay afloat is in financial trouble. I don't feel that it is fair to pass this burden on to those of us who have already been duped. Perhaps Osage Water Company should turn over its system to the City of Osage Beach.

Sincerely, Sandea K. Barnes

Sandra K. Barnes President/owner

cc: Office of the Public Counsel Shannon Cook FEB 2 & 2000

March 9,2000 Missince Public Service Commission Office Rules Council
Water & Sewer Department P. O. Bri 7800

John 360

John Mary Color 102

Masselve

Masselve letter com response to the preportance to mercuse proposed by the Corpe Water Course The the company for the Cale Cheese Let water Cielly system and the CO years a commentation and the state of A SOURCE AND A SOU A Company of the Comp 

The second of th TEN THOUGHOUS AND MAN MAN THE THE PROPERTY OF THE STATE O topics of my true the configure of L749-8408-803 2/25/7 720 1703/04 THANTONE CHE THE SU z zertele. - Hardel and and and the Lessen to the the first of the first of the state of the Fille Count well sque the unioned 4 the Commence Stepf and I wanted to where the sand thought the the Les mens hard of such an enfour and

March 4, 2000

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

Dear Shannon Cook:

We were completely <u>overwhelmed</u> when we read the request of the Osage Water Company, for their enormous rate increases for water usage and sewer service. The company to my estimation has been very naïve about their operating expenses and return on investments. An increase of this amount is outrageous. A lot of Osage Water Company customers are on a fixed income and this would truly be a burden on them. We are sure a rate increase is in need, but 99% and 121% as to the rate of inflation of not more than 5% over the years does not make any sense.

We strongly urge you the Office of the Public Counsel to use good judgment, and be fair in your consideration of this matter.

Thanking you in advance.

Respectfully,

Mr. & Mrs. Carlos Lee Rhodes, Jr. Unit 443 Cedar Glen Condos

MIK OF JOST

TO

To: The Office of Public Counsel attention: Shadanon Cook

Thy husband and I are both iteachers. We do not receive paise increases like many lusinesses. We are more or cless on fixed unicones and believe the groposed rate uncrease requested by the Osage Water Company to be extremely unreasonable. It is our Thelosophy to "gay our fair share" for whatever ue use. We are not remeasonable people ... we are both very conservative and watch to not be wasteful. Hople who conserve should be rewarded for this umportant and recessary strategy. I verge you to charge customers on an cas consumed" leasis. I also ask that you scriously Consider other options pather than approve such an extreme amount of increase. tinally, I apologize that this is rather messey, leut une wanted to be certain you received our letter in a timely manner.

Respectfully submitted,

Vinda & Mike Robinson

WAS O' JODG

### MICHAEL L RIFFEL

HCR 77 Box 241-7 Sunrise Beach MO 65079 9205 Voice 573 374 6342 FAX 573 374 6357 E-mail - riffco@usmo.com

FILE COPY

November 8, 2000

Mr John Coffman Office of Public Counsel PO Box 7800 Jefferson City Missouri 65102

Dear Mr Coffman

I am responding to the rate increase letter received from Osage Water Company regarding the proposed water and sewer rate increase.

In to make sense of the proposed increase, I used the past three months as an average to calculate how this would effect our monthly bill. The numbers include water usage and sewer charges.

	Old rate	Proposed	% increase
August	\$ 64.89	\$ 90.87	56%
September	55.74	86.85	56%
October	52.83	80.81	53%

This seems excessive in comparison with other current price increases that are instituted by other businesses. The difference is that Osage Water is a monopoly in our subdivision. We have no where to go to get competing services. Osage Water is a monopoly and this should be turned over to the Commerce Commission of the State.

I feel the proposed rate increase is excessive and we need a public hearing on this matter.

I look forward to your response.

Best regards,

Mike Riffel

CC

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, Mo. 65102

### To Whom it May Concern:

I was in AH when I read the request of the Osage Water Company, for their enormous rate increase for water usage and sewer service. The Company to my estimation has been very naive about their operating expenses and return on investments. An increase of this amount is outrageous. A lot of Osage Water Company customers are on a fixed income and this would truly be a burden on them. I'm sure a rate increase is in need but 99% and 121% as to the rate of inflation of not more than 5% over the years does not make any sense.

I ask you the Office of Public Counsel to use good judgment and be fair in your consideration of this matter.

Thanking you in advance.

Respectfully

Mr. & Mrs. Richard Rieke Unit 420 Cedar Glen Condo's

Mr. & Mrs Richard V

Camdenton, Mo. 65020

HER O 6 TOTA

Dear Sir:

We have received the notice regarding the request for the rate increases for water usage. We own a condo at Cedar Glen and eventually will retire at Lake of the Ozarks.

We live in Houston, Tx. and pay only \$30 per month for water, sewage, and trash pick-up. That is for 3 people full time with showers, laundry, and etc.

Now we spend maybe 30 days a year at our condo and already pay \$34.00 per month. I can't believe they want to raise it to \$60 plus per month. If so they need to at least charge condo owners according to usage. They don't even read a meter to charge according to what is used. Why should part timers be billed at full time rates.

Thank you for listening.

Karen and Carl Bone 9727 Colleen Houston, Tx. 77080

cc: Missouri Public Service Commission Water and Sewer
Office of the Public Counsel
Osage Water Company



- KKK

HIF COPY

March 1, 2000

RE: OSAGE WATER COMPANY PROPOSED RATE HIKE

MONBANTO COMPANY
BOO NORTH LINDBERGH BOULEVARD
ST. LOUIS, MISSOURI 63167
PHONE (314) 694-1000
http://www.monsanto.com

TO: Office of Public Counsel Attn: Shannon Cook PO Box 7800 Jefferson City MO 65102

Dear Sir:

The increase for water and sewer by Osage Water Company is an unbelievable increase and burden on us. We are twice a month weekender's and 2 weeks vacation at the Lake of the Ozarks. This would put our water at a minimum of 20.42 Plus and

sewer of 52.87 | TOTAL 73.29 a Month

This also becomes another issue - we would be supporting a water and sewer system for all full time residents of the Lake area. With a fee like this, we probably will have to look elsewhere for a weekend retreat and won't be able to continue to support the businesses at the Lake area. We spend probably 100.00 plus for 24 weekends and then more on vacation.

With over 400 condo units at the Lake, how many people will this affect? This is more than our monthly Condo Association fee of 67.00 month and AmerenUE Utilities which averages 25.00 a month. We are from St. Louis county and our water and sewage is only 12.00 minimum and 10.00 sewer for a TOTAL of 22.00 a month. Since St. Louis is our primary residence we expect this fee, but the Lake condo is used 2 times a month with a 2 week vacation a year.

With a fee like this, we probably won't be able to continue to support the businesses at the Lake area. We spend probably 100.00 plus for 24 weekends and then more on vacation. With over 400 condo units at the Lake, how many people will this affect?

We hope your office will look into the unfairness of this outrageous request from the Osage Water company. This is beyond a rate hike - it seems to us to be a problem in the management of the company. Maybe they need to look to a bond issue if they need to rebuild the system.

We hope you will take our comments into consideration and consider the consequences for weekenders and even full time users of the water and sewage system.

Thank you,

Floyd and Carol Davis (Park Place on the Lake - Osage Beach, MO) Home: 9201 Buxton Dr, St. Louis, MO 63126

HCR 17 B4 241-4 Sumuse beach , do . 65079 2/15/2000

Office of the Gallie Course 6.0. Buf 7800 Jeggerson bity, \$10.65102 atta : Shannow to oak

Alexe Ar Lack : On February 12, I received notice from Osage Hater Lo., O.D. Part 777, Camberton, Ao., 65020, advising They had requested take incience you apresting water

service 99.6 To and for afereting purer proces 121.2% to meet aurent expenser and provide adequate return an invistments. Town though they advise

request for these pervises had not been tasked you dence starting Eusenius in 1987, I gind their

request to be excessive. By husband and save on Exted encome and our pension errice 1987 had

not inclined by the rate they have requested. I do not jul me should be provalized for all the

new lines they are futting in as this will add the

Their encome, not n

Thank you for your consider

Handyn Haugherty

March 9, 2000

Office of the Public Counsel Attn: Shannon Cook P O Box 7800 Jefferson City Mo 65102

Dear Sir:

As a condo owner at Park Place on the Lake, Kaiser, Mo, I am writing in response to the request for a permanent increase in current water and sewer rates. The increase you are proposing is outrageous.

My husband and I are at the Lake 30 to 40 days per year and have always felt the current rate of \$33.90 was excessive considering we are there such a short time each month. We feel it is unfair to charge a flat rate and not by actual usage. Our rates in the village we reside full time for water, sewer and trash removal only runs \$25.00 to \$28.00 a month. Our AmerenUE bill is only \$12.00 to \$20.00 per month at the Lake.

This rate proposal is unbelievable. Such an increase would be unfair to the condo owners at Park Place and would make it very difficult to sell our units later on. Please take us into consideration when making such increases.

Sincerely,

Staryn K. Sline

SHARYN K KLINE P O Box 24 Hamel I1 62046

cc: J T Tillman
Bill Tillman
Dan Foster
Russ Taylor

Mas 16, 5000

MAR 2 4 CUUN

March 12, 2000

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

FILE COPY

Dear Ms. Cook.

As a property owner in Park Place on the Lake condominium project and a customer of Osage Water Company, I am concerned about the huge rate increase they are requesting on their water and sewer rates. This company just purchased our sewer and water facilities last April and by October suggested a need to increase our rates. This does not seem to be a sound business decision. Why would they purchase our facilities if it were that unprofitable? I would appreciate it if you could investigate this matter.

Furthermore, I would like to add that most of the properties in our complex are second homes or vacation homes for 99% of the owners so I doubt if our water and sewer demands are that great on the systems. If this rate increase were granted, I would like to see Osage Water Company pay for meters on each unit and owners to be charged fairly for the amount of water and sewer service used.

Sincerely,

Joseph & Sharon Haley
Joseph & Sharon Haley

Unit #611 Park Place on the Lake

Charles J and Mary Anne Klein 5831 Bahyfyre Ct St Louis MO 63128

FILE GOPY

March 10, 2000

Missouri Public Service Commission Water and Sewer Department PO Box 360 Jefferson City, MO 65102

RE: Osage Water Company Requested Rate Increase

As seasonal residential customers of Osage Water Company, we protest their preposterous water and sewer service rate increase requests.

Why this request for over a 100% increase? These are four-year-old systems; surely maintenance is minimal. As seasonal residents of Park Place on the Lake Condos, who use our unit an average of two or less weekends per month, this increase is excessive. If an increase in rates is warranted, why not a minimum (i.e., similar to current rates), with additional metered rates for those who use more than a minimum of these services.

If Osage Water Company is granted this large rate increase, it most surely will effect the property values of any communities/developments they service in a negative way. No one will want to purchase a property where essential utility services are more than double other developments. Developments served by Osage Water Company will be handed a death sentence.

Yours truly,

May anne Klein Charles I and Mary Anne Klein

CC: Office of the Public Counsel

Elvis L. Henson #11 Oakwood Lane St. Louis, Mo. 63129

FILE COPY

Date: November 8, 2000

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, Mo. 65102

Ref: Osage Water Company rate increase request

Dear Sir,

This is our second letter in response to the Osage Water and Sewer company's request for a 116% increase in water and an 8.7% increase in the sewer services. If Social Security is to increase our check by 3.5%, how can we make up 113% water and 5.3% sewer difference? Does Osage Water care about their customers, I don't believe so! This sounds like plain-old greed.

This is our part-time home and possibly will become a full time home in the near future, We need to have affordable water and sewer rates. An increase is probably needed, however there is such a thing as a realistic increase.

We would greatly appreciate your close investigation before approval of these outrageous increases.

Sincerely,

Elvis L. Henson

#234 Cedar Glen Condos

Camdenton Mo.

C.C.:

Mr. John Coffman Office of the Public Counsel

Mr. Gregory D. Williams Osage Water Company To: Office of the Public Council

Attn: Shannon Cook

We just received a notice of a proposed rate increase from the Osage Water Company. According to the letter they are asking for a 99.6% rate increase on the water and 121.2% increase on the sewer rates. This is outrageous!! The rates already being charged seemed high to us, they are considerably higher then we presently pay in St. Peter's on our primary residence. We are asking that this increase be denied.

Sincerely,

Roger and Betty Witte

Jim and Jean Roberts 6008 Treeridge Trail St. Louis, MO 63129 FILE COPY

Office of Public Counsel Attn: Shannon Cook P. O. Box 7800 Jefferson City MO 65102

### Dear Shannon:

We are writing to oppose the proposed rate increase by Osage Water Company. We feel this increase is very unfair. At our Condominium at Cedar Glen, we already pay 133% of what we pay in St. Louis for water and sewer service. We live in St. Louis as our full time residence, we pay only the minimum at Cedar Glen Condominiums, yet we pay 133% more. Now they propose to raise that to 300%. Wow! They certainly don't seem to want us to live there full time!

We certainly hope the counsel will be able to show Osage Water how to operate in a cost efficient manner in order to eliminate the need for any increases!

Thanks in advance for your help in this matter.

Jim and Jean Roberts

February 17, 2000

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

Commission Staff,

I am witting in regards to rate increases that have been requested for water and sewer Services at the Cedar Glen Condominiums in Camdenton, MO. My husband and I Currently own a Condominium in the complex. We are considered weekend owners and turn the water off for the months of November, December, January, February, and March. The Osage Water Company told us that we would only be charged the flat monthly fee until the complex was complete. We are already paying more for the water and sewer there than we are paying here at our home in St. Louis. Four of us use the water daily and we have a sprinkler system that runs every other day. I do not see how a 99.6% increase is justified.

Sincerely,

Venus of buth cate
Denise K. Hethcote

Office of the Public Counsel Attn: John Coffman Jefferson City, Mo. 65102

Dear Mr. Coffman:

I am writing in regard to Osage Water Company's request to raise rates. I understand the need to increase rates, but I would suggest a more equitable way in which to do it.

I am a condo owner at Cedar Glen in Camdenton. Living in St. Louis, I spend an average of only four (4) days per month at the condo. At the current rate, I am being charged the minimum, \$31.65/Mo (about \$8.00 per day) for water and sewer. To increase this minimum to \$42.69/Mo would push it over \$10.50 per day! I could have bottled water shipped in for less this amount.

Increasing the minimum usage from 1000 Gal/Mo to 2000 Gal/Mo is nothing more than an attempt to further gouge the thousands of people like me who probably don't use 200 Gal/Mo.

Please find a more equitable way in which to settle this situation.

Sincerely,

Christ E. Hrastich

2707 Cree Ct.

St. Louis, Mo 63129

e-mail: CreeCt@aol.com

Condo: #113 Cedar Glen Condos, Camdenton

Office of the Public Counsel Attn: Shannon Cook P.O. Box 7800 Jefferson City, MO 65102

FILE COPY

March 20, 2000

Dear Sir,

I am perplexed by the proposed water and sewer rate increases that are being sought by the Osage Water Co. As a condo owner that uses the water supply for approximately six weeks a year, I am shocked.

At my primary residence in Orland Park, Illinois, the water and sewer fee is approximately twenty dollars per month. Therefore, the increase being sought appears to be ridiculous. Doubled??? For what???

A highly disgruntled condo owner,

Robert Gronquist
Park Place - Unit 744

Home Phone 913-268-4009

February 15, 2000

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, MO. 65102

FILE COPY

Dear Sirs,

We recently received your letter outlining the company's rate increase requests. As a new owner at Cedar Glen Condominium we were appalled to receive this notice with our first billing statement. A 99.6% increase in the rate seems unrealistic for a consumer. It is not the consumer's fault that the company has not made adjustments since 1987! Unfortunately, we cannot comment on the service of the company as we have not had our unit more than 30 days. But to receive this notification, we are not at all happy.

Sincerely,

Benjamin L. Peine

Account ID: 6156

cc: Shannon Cook Office of the Public Counsel P.O. Box 7800 Jefferson City, MO. 65102

March 12, 2000

Office of the Public Council.

Attn: Shannon Cook

P.O. Ba. f. 7800

Jefferson City, Ino. 65102

Dear Ins. Cook,

l'aliene this rate increase of 99.6% | 121.2'70 is a totally unreasonable amount and is being requested so that Osage. Water Co. will hopefully, get 50% of its request, which is still too much at one time.

This is similian to a lawyer suring for 1,000,000 that hoping for 300,000 to .

I think the rate of return on investment of Osages Water Co. should be closely reconsidered before a fair morease is allowed. Very parely is a 100% increase in fees justified.

Thanks for your Consideration

Charles & Susan Keeton 1961 Jawer Bridge Jers. St, Louis mo. 63146

TO WHOM IT MAY CONCERN:

### FILE COPY

I think the price increase is way out of line. The water & Sewer pepartment is making a killing off of the condos now. I would guess about on of all the condo units owners are there on weekends, and that would be for four months a year. That makes about 40 to 50 days a year that the condos would be 100% filled. We all pay the monthly minimum charges all year long, which makes a good profit for the water & sewer pepartment. We are in our unit 40 to 50 days a year, and I know we don't use the amount of water we pay for.

It looks to me that the water & Sewer Department has found a way to get rich quick. They think the people who own condo's should pay out the hose, because we are supposed to be rich.

Lets say that in our condo complex there are 100 units, and 50 units are weekend filled for four months a year, which makes 50 days a year, which would be about a total of 2 months. Existing water rates-

1 Month @ \$16.03 x 100 units = \$1,603.00
12 Months x \$1,603.00 = \$19,236.00
If filled 100% for 2 months = \$5,206.00
20% for the remaining 10 months = \$5,206.00, that would be a total of actual water used = \$6,412.00, and they are now getting \$12,634.00 off of water which isn't used. This is 100% profit.

The sewer usage as basid on \$32.00 month—

1 month 100 units = \$3,200.00

12 months = \$30,400.00

Usage for 100% for 2 months \$6,400.00

Usage for 20% of the units for 10 months \$6,400.00,

for a total \$12,800.00. Union is a profit of

\$25,600.00 which isn't used. This is another

100% profit.

New rates for water \$23.90 for 100 units1 month = \$2,390.00
12 months = \$20,600.00
There would be another \$9,444.00 profit over the
old rate. That profit \$12,624.00 + \$9,444.00 =
\$22,268.00 for the new rate of unused water.

Now Sewer rate 352.67 1 month x 100 units = \$5,207.00 12 months 100 units = \$63,444.00 Filled units 100% 2 months and 20% for 10 months usage for sewer would be \$21,145.00, and leave a total of \$42,296.00 for unused sewer charges.

The unused sewer & water at the old rates, they are making a killing. I think the PUC should look close at this new rate change.

If they are after more money, have them start a puilding Department, so that construction will be up to date. Have inspections on all phases of the work, and have the people licensed. Charge for the permits, and have your area brought up to the Mational Standards. They are about 40 years behind on their codes for st. Louis.

I own a company, and 15% profit is great, but to get 300% profit is outrageous.

Tuank you.

sincerely,

Owner of a Cedar Gren Condo 16710 vincent Ave.

Monument, Co. 80132 Home No. 719-481-4969 I am a customer of Osage Water Company and am at least 18 years old. It is my understanding that Osage Water is requesting a rate increase which would double my water rates and more than double my sewer rates. I am OPPOSED to any such rate increase and request that the Public Service Commission hold a local public hearing in Sunrise Beach prior to ruling on this matter.

NAME(print)	NAME(signature)	ADDRESS	Phone
estile Mcaffrey	Fralle M. Folks	Kt. Z BOJ 293-G Sunrise Boach MO 66079	573-374.0788
Time 1 M Caffrey	0. 11/1 //10/	Rt 2 Box 293-4	
10 Dell (Camey	The Traffy	RH2 BOX 270-1	
HEN MOORE	Ellen Morre	Sunrise Beach, 120 65079 R72 BOX 270-1	573-374-0726
C.O. Maore	CO. Com	SUNT 15 - Beach por 65079	[
dera Wilson	Ver a Wilson	R. R.Z. Box 262-5 Sunrise Beach, Mo. 650	502-394-5813
		Sun Beach mo	
Shirley Evans	X haly Com	RR2 B×269 64079	913-915-3265
JERRY EVAMS	Jerry Ewan	Survise Boack Tra	913-915-3265
4 . 2		R+2 Box 266	
Cindy Burnett	Candy Burnet	H Sunnie Beach MI RTZ DOYZ66	5 573 - 374 - 723 7
Bruce Burnett	Byo Brest	Suncia Beach mage 279	573-374-1232
<b>\</b>	(A)	RJ BOX J68 SUNESF BEACH MO 10079	tt12-2-7/1 2021
Sames innoverna		IRRABOTÁTO	
CONNE PARE	- Monson	SUNRISE BOACHIMA	573-374-3172
1 DORDON SAA	Ander Cad	D Sunkise beaching	573-374-3172
	2 Hertober	LUND CHOWNELL NO	· [
trinkly on the way	The same of the	1603 STHOUS MO 63012	
William L. Siette	Mille I Snelly		079 575-374-1416
HAMON GRAHAM	Jane / Justia	Survise Beach, MO 650	77 573-374-6853
Sina Orahar			9 5733746853
Janu Siefka		eas Pio Box 967 Sunkis	eBack 65079 573-874
TOMTURNER	10m1/ -	- PO DO X 3155 CAMDENT	on, mo 15020 573-374-