

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

In the Matter of the Application of Central)	
Jefferson County Utilities, Inc. for an)	
Order Authorizing the Transfer and)	
Assignment of Certain Water and Sewer)	Case No. SO-2007-0071, et al.
Assets to Jefferson County Public Sewer)	
District and in Connection Therewith,)	
Certain Other Related Transactions.)	

**STATEMENT OF POSITION OF
RAINTREE PLANTATION PROPERTY OWNERS ASSOCIATION, INC.**

Raintree Plantation Property Owners Association, Inc., (the “POA”) submits the following for its statement of position on the issues. The Commission will note that the POA limited its statement of position to the Ultimate Issues identified by the parties. Because its statement of position substantially covers topics in the list of Preliminary Issues, the POA will not separately set out a position on each of the Preliminary Issues.

A. Ultimate Issues of Fact.

1. Would the proposed transfer of the Company’s water and sewer assets to the Sewer District be detrimental to the public interest?

Position:

Unless the conditions described below are imposed by the Commission, the transfer of assets would be detrimental to the public interest.

2. If the transfer of assets, as proposed, would be detrimental to the public interest, could the Commission impose conditions such that the transfer, as approved, would not be detrimental to the public interest?

Position:

It is the position of the POA that the transfer of the Company's water and sewer assets to the Sewer District would not be detrimental to the public interest **if** the Commission imposed the following conditions on the parties as part of approval of the application for transfer:

- a. The water and sewer rates proposed by the Sewer District should not be effective until milestones have been established and met; for example, when scheduled improvements are in service and operational. Furthermore, at the end of the improvements phase, recurring monthly rates should not exceed those proposed at \$37.00 per month for sewer and \$6.30 per 1,000 gallons for water.
- b. Connection fees, including tap on fees, reserves for future growth and the "Real estate contract utility system connection fees", per agreement between the District and Raintree Plantation, Inc. (the developer) do not exceed \$3,000.
- c. Any portion of Environmental Management Corporation's (EMC) initial investment of \$1.8 million that is not used in or needed for the expansion of the wastewater treatment and potable water facilities, shall be used to fund the recommended improvements contained in the Sanitary Sewer Study and Improvement Plan (SSSIP) that will be completed by EMC following completion of the expansion project.
- d. Any connection fees collected by the District on behalf of Raintree Plantation, Inc., (the developer) shall be held in escrow pending the results of the SSSIP and

shall be used to fund as much as possible the cost of repairs and improvements recommended in that plan.

- e. In the event funding above the initial investment of \$1.8 million is needed to complete the wastewater treatment plant expansion and the recommendations of the SSSIP, and the District intends to charge customers to obtain that additional funding, such charges shall be designed to collect the additional funds in phases and not in a special one time charge, rate or assessment.
- f. The POA and its members shall have the ability to participate in the process by which the District adjusts rates, fees and charges related to water and sewer service.
- g. EMC and the District shall establish a schedule and funding device under which wastewater treatment capacity and water distribution and storage capacity are increased to accommodate projected growth in Raintree Plantation.
- h. The transfer of assets shall not close until the "Compliance Agreement" between the District, EMC and the Missouri Department of Natural Resources is executed.
- i. The transfer of assets shall not close until the Operation and Maintenance Agreement between the District and EMC is executed. Moreover, the Operation

and Maintenance Agreement must cover timely response and repair of blocked collection lines and leaking or otherwise faulty transfer stations.

- j. The potable water supply of Raintree is increased to the capacity suggested in the "Compliance Agreement" and the lead content is reduced to the minimal levels set by federal and state regulation.
- k. The expanded potable water and wastewater treatment facilities are designated for the exclusive use of Raintree Subdivision's present and future homeowners.
- l. The location of the wastewater treatment plant expansion, and the additional potable water pump house and storage tank, if any, are approved by the POA.
- m. The Commission finds and determines that the District and EMC have the capabilities of designing, constructing and operating the new water and wastewater facilities, and have the ability to forecast with reasonable accuracy and prepare for the subdivision's future potable water distribution and wastewater collection and treatment requirements.

Respectfully submitted,

Stanley D. Schnaare #29382
The Schnaare Law Firm, P.C.
321 Main Street
P.O. Box 440
Hillsboro, MO 63050
(636) 789-3555

/s/ Mark W. Comley
Mark W. Comley #28847
Newman, Comley & Ruth P.C.
P.O. Box 537
Jefferson City, MO 65102
573/634-2266
573/636-3306 FAX

Attorneys for Raintree Plantation Property Owners
Association, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 8th day of December, 2006, to Michael Schmid at mjs@srfblaw.com; Keith Krueger, General Counsel's Office at keith.krueger@psc.mo.gov; Christina Baker, Office of Public Counsel at christina.baker@ded.mo.gov; Martin Toma at mtoma@jeffcomo.org; and Dean Cooper at dcooper@brydonlaw.com.

/s/ Mark W. Comley