

STATE OF MISSOURI)
) ss.
COUNTY OF RALLS)

Staff exhibit No. 4
Case No(s) SC-2005-0083
Date 5-18-07 Rptr KF et al

I, Gina Jameson, Clerk of the Circuit Court in and for the County of Ralls, State of Missouri, do hereby certify that the annexed and foregoing is a full, true and correct copy of:

STATE OF MISSOURI ex rel JEREMIAH W (JAY) NIXON, the MISSOURI CLEAN WATER COMMISSION and the MISSOURI DEPARTMENT OF NATURAL RESOURCES vs KEN JAEGER CASE #10V080500012

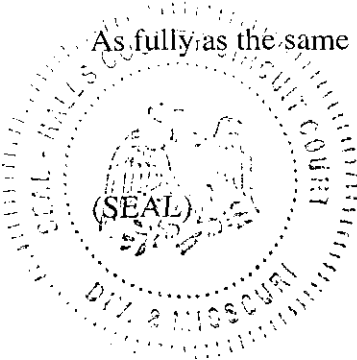
- 1) Petition for Preliminary Injunction, Permanent Injunction and Civil Penalties
- 2) 5/3/05 Judgment and Order of Preliminary Injunction
- 3) Answer to Plaintiff's Motion for Contempt
- 4) 4/11/06 Judgment of Contempt Against Defendant Ken Jaeger
- 5) 7/12/06 Second Judgment of Contempt Against Defendant Ken Jaeger
- 6) 9/12/06 Letter from Attorney General's Office summarizing "on the record" commitments and agreements
- 7) 11/7/06 Order
- 8) 3/22/07 Order
- 9) 5/14/07 Order

FILED²

JUN 07 2007

Missouri Public Service Commission

As fully as the same appears and remains of record in my said office.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Court. Done at my office in New London, Missouri this 16th day of May, 2007.

Gina Jameson Clerk
By: Opalanne Epperson Deputy Clerk

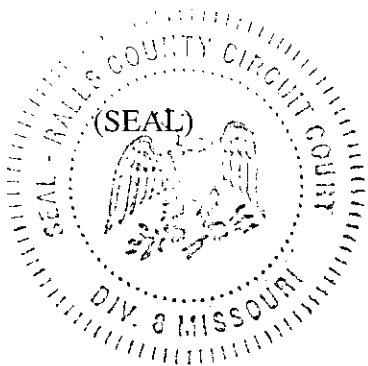
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STATE OF MISSOURI ex rel JEREMIAH W. (JAY) NIXON, the MISSOURI CLEAN WATER COMMISSION and the MISSOURI DEPARTMENT OF NATURAL RESOURCES CASE #10V080500012

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GINA JAMESON

By: Rosanne Epperson Deputy Clerk Clerk

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)

Plaintiff,)

v.)

KEN JAEGER,)

Defendant.)

SERVE:)
KEN JAEGER,)
17805 Bluff View Drive)
Center, MO 63436)

FILED
GINA JAMESON
JAN 19 2005
CIRCUIT CLERK
RALLS COUNTY, MO

Case No. CV805-12CC

**PETITION FOR PRELIMINARY INJUNCTION,
PERMANENT INJUNCTION AND CIVIL PENALTIES**

COMES NOW, Plaintiff, State of Missouri, at the relation of Jeremiah W. ("Jay")
Nixon, Attorney General of Missouri, the Missouri Clean Water Commission and the
Missouri Department of Natural Resources, and for their Petition state and aver as
follows:

1. That Jeremiah W. (Jay) Nixon is the duly elected, qualified, and acting
Attorney General of the State of Missouri.

2. That pursuant to § 644.026, RSMo, the Missouri Clean Water Commission (“the Commission”) is charged with administering and enforcing the Missouri Clean Water Law and the rules and regulations promulgated thereunder.

3. That the Missouri Department of Natural Resources (“the Department”) is the duly authorized state agency created by the Omnibus State Reorganization Act of 1974, now Chapter 640, RSMo, to administer programs relating to environmental control and the conservation and management of the natural resources of the State of Missouri.

4. The acts of Defendant alleged herein occurred in Ralls County, Missouri. Therefore, venue is proper in this Court pursuant to § 644.076.1, RSMo and this Court has jurisdiction over the parties.

5. Defendant Ken Jaeger is developing Lost Valley Subdivision, a residential subdivision in Ralls County, Missouri containing approximately 37 lots, located in the Southwest Quarter of the Southeast Quarter of Section 14, Township 55 North, Range 7 West in Ralls County, Missouri (hereinafter referred to as “the subdivision”). Defendant Jaeger sold lots and commenced construction of the lots of the subdivision without obtaining prior approval from the Department for the method of sewage treatment and disposal to be used in the subdivision.

6. As part of the subdivision, Defendant owns and operates an unpermitted single cell lagoon (hereinafter referred to as “the lagoon”) which serves the 37 lots. The lagoon is not authorized to discharge its contents into waters of the State of Missouri.

7. Untreated wastewater from the Salt River Inn, a convenience store and restaurant, a RV park, 5 cabins, and the Salt River Theater also flow into the lagoon.

8. On September 12, 2003, the Department conducted a complaint investigation of the lagoon and discovered that the lagoon had discharged to a tributary to the Salt River, waters of the State of Missouri.

9. On October 14, 2003, as a result of the September 12, 2004, inspection, the Department issued Notice of Violation (NOV) No. 1673NE for operating, using or maintaining a water contaminant source, a domestic wastewater lagoon, which discharged to a tributary to the Salt River, waters of the state, without a Missouri State Operating Permit authorizing such a discharge and discharging water contaminants into waters of the state which reduced the quality of such waters below the Water Quality Standards established by the Missouri Clean Water Commission in violation of §§ 644.051.1(2), 644.051.2, 644.076.1, 10 CSR 20-6.010(1)(A) and (5)(A) and 10 CSR 20-7.031(3)(C). A true and correct copy of NOV No. 1673NE is attached as Exhibit A and incorporated by reference.

10. On November 26, 2003, the Department conducted another investigation of the lagoon and subdivision and discovered that the Defendant had constructed a lift station and sewer main without a construction permit issued by the department, and that Defendant was conducting land disturbance activities without first receiving a land disturbance permit.

11. On December 4, 2003, as a result of the November 26, 2003, inspection, the Department issued NOV No. WP0010NE to Defendant for causing or permitting construction, installation or modification of a sewer system without first receiving a construction permit and conducting land disturbance activities on an area greater than one acre in size without first receiving a land disturbance permit in violation of §§ 644.051.2, 644.076.1, 10 CSR 20-6.010(1)(A) and (4)(A) and 10 CSR 20-6.200(1)(A). A true and correct copy of NOV No. WP0010NE is attached as Exhibit B and incorporated by reference.

12. On January 13, 2005, the department conducted another investigation of the lagoon and discovered that the lagoon was discharging to a tributary to the Salt River, waters of the State of Missouri.

13. On January 18, 2005, as a result of the January 13, 2005, inspection, the department issued NOV #WP0148NE for operating, using or maintaining a water contaminant source consisting of domestic sewage, that discharged to waters of the State without a Missouri State Operating Permit and causing pollution to an unnamed tributary to the Salt River or putting or placing a pollutant in a location where it is reasonably certain to cause pollution to waters of the State in violation of §§ 644.051.2, 644.076.1, 644.051.1, RSMo, 10 CSR 20-6.010(1)(A) and (5)(A). A true and correct copy of NOV No. WP0148NE is attached as Exhibit C and incorporated by reference.

COUNT I – VIOLATIONS OF THE MISSOURI CLEAN WATER LAW

14. Plaintiff incorporates by reference paragraphs 1-12 as though set forth fully herein.

15. That § 644.076.1, RSMo, provides that it is unlawful for any person to cause or permit any discharge of water contaminants from any water contaminant or point source located in Missouri in violation of §§ 644.006-644.141, or any standard, rule or regulation promulgated by the Commission.

16. That §§ 644.076.1 and 644.051.1(1), RSMo, make it unlawful for any person to cause pollution to any waters of the state or cause or permit to be placed any water contaminant in a location where it is reasonably certain to cause pollution to any waters of the state.

17. That §§ 644.051.2 and 644.076.1, RSMo and 10 CSR 20-6.010(1)(A) and (5)(A) prevent any person from discharging a water contaminant from a water contaminant source into waters of the state without a Missouri State Operating Permit (“MSOP”) from the Commission, and then only in accordance with standards set by the permit and the Missouri Clean Water Law and Regulations.

18. That 10 CSR 20-6.030 requires the developer of any residential housing development to obtain approval from the Department for the method of sewage treatment and disposal to be used in the development prior to the sale or lease of any lot, or the commencement of construction on any lot by the developer or any person.

19. That Defendant's lagoon is a "water contaminant source" as defined in § 644.016(24), RSMo.

20. That the unnamed tributary to the Salt River constitutes "waters of the state" as defined in § 644.016(26), RSMo.

21. That since at least September 12, 2003, Defendant has caused pollution to the unnamed tributary to the Salt River in violation of §644.051.1(1), RSMo.

22. That § 644.076, RSMo, authorizes this Court to impose civil penalties of Ten Thousand Dollars (\$10,000.00) per violation per day for each day, or part thereof, that the defendant violated the Clean Water Law.

23. That plaintiff has no adequate remedy at law.

24. That the unlawful acts of the Defendant are of such a continuous nature, and in such conscious disregard for the protection of the waters of the State of Missouri, that plaintiff believes the Defendant will continue to violate the Clean Water Law unless restrained and enjoined by this Court.

WHEREFORE, Plaintiff prays that this Court enter judgment against the Defendant and order the following relief:

A. Find that Defendant violated the Missouri Clean Water Law and its implementing regulations as alleged in this Petition.

B. Assess against the Defendant an appropriate civil penalty authorized by law for each day of each violation, and require Defendant to pay this sum to the “*Ralls County School Fund.*”

C. Enjoin the Defendant to comply with the Missouri Clean Water Law, its implementing regulations and, more specifically obtain a MSOP and properly operate and maintain the lagoon to prevent future discharges, including, but not limited to, pumping and hauling the contents of the lagoon to a permitted wastewater treatment plant; or in the alternative, upgrade the lagoon in accordance with the Missouri Clean Water Law and its implementing regulations.

D. Enjoin Defendant from constructing, installing or modifying the sewer system or wastewater treatment plant at the subdivision without first receiving a construction permit issued by the Department.

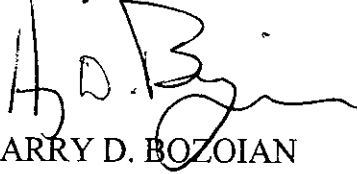
E. Enjoin the Defendant from selling or leasing any lot or commencing construction on any lot in the subdivision, including all phases of the development in the subdivision, until the Defendant has obtained approval from the Department for the method of sewage treatment and disposal to be used in the subdivision.

F. Assess against Defendants all costs in these proceedings.

G. Grant such further relief as this Court deems just and proper.

Respectfully submitted,

JEREMIAH W. (JAY) NIXON
Attorney General

A handwritten signature in black ink, appearing to read "H. D. Bozoian". The signature is fluid and cursive, with the first name "H. D." and the last name "Bozoian" clearly distinguishable.

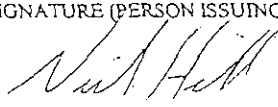
HARRY D. BOZOIAN
Assistant Attorney General

MBE #37535
8th Floor, Broadway Building
P.O. Box 899
Jefferson City, MO 65102
(573) 751-8803
FAX No. (573) 751-8796

Attorneys for Plaintiffs



MISSOURI DEPARTMENT OF NATURAL RESOURCES
NOTICE OF VIOLATION

VIOLATION NUMBER			
1673NE			
DATE AND TIME ISSUED			
October 14, 2003			
SOURCE (NAME, ADDRESS, PERMIT NUMBER, LOCATION)			
Ken Jaeger Lagoon			
SW ¼, SE ¼, Section 14, Township 55 North, Range 7 West, Ralls County			
MAILING ADDRESS	CITY	STATE	ZIP
17805 Bluff View Drive	Center	MO	63436
NAME OF OWNER OR MANAGER	TITLE OF OWNER OR MANAGER		
Ken Jaeger	Lagoon Owner		
LAW, REGULATION OR PERMIT VIOLATED			
(1) Sections 644.051.2 and 644.076.1 RSMo. and 10 CSR 20-6.010 (1) (A) and (5) (A).			
(2) Section 644.051.1 (2) RSMo. and 10 CSR 20-7.031 (3) (C).			
NATURE OF VIOLATION	DATE(S):	TIME(S):	
(1) Ken Jaeger operated, used or maintained a water contaminant source, a domestic wastewater lagoon, which discharged to a tributary to Salt River, waters of the state, without a Missouri State Operating Permit authorizing such a discharge.			
(2) Ken Jaeger discharged water contaminants into waters of the state which reduced the quality of such waters below the Water Quality Standards established by the Missouri Clean Water Commission.			
SIGNATURE (PERSON RECEIVING NOTICE)	SIGNATURE (PERSON ISSUING NOTICE)		
Sent Certified Mail			
TITLE OR POSITION	TITLE OR POSITION		
	Environmental Specialist		

888-1-6888
ENGAD 800-631-6888
EXHIBIT
A



MISSOURI DEPARTMENT OF NATURAL RESOURCES
NOTICE OF VIOLATION

12-11-03
JR

VIOLATION NUMBER
WP0010NE

DATE AND TIME ISSUED
December 4, 2003

SOURCE (NAME, ADDRESS, PERMIT NUMBER, LOCATION)
Ken Jaeger Lagoon

SW ¼, SE ¼, Section 14, Township 55 North, Range 7 West, Ralls County

MAILING ADDRESS	CITY	STATE	ZIP
17805 Bluff View Drive	Center	MO	63436

NAME OF OWNER OR MANAGER	TITLE OF OWNER OR MANAGER
Ken Jaeger	Lagoon Owner

LAW, REGULATION OR PERMIT VIOLATED

(1) Sections 644.051.2 and 644.076.1, RSMo. and 10 CSR 20-6.010 (1) (A) and (4) (A).

(2) Sections 644.051.2 and 644.076.1, RSMo. and 10 CSR 20-6.200 (1) (A).

NATURE OF VIOLATION	DATE(S):	TIME(S):
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(1) Ken Jaeger caused or permitted construction, installation or modification of a sewer system without first receiving a construction permit.

(2) Ken Jaeger conducted land disturbance activities on an area greater than one acre in size without first receiving a land disturbance permit.

SIGNATURE (PERSON RECEIVING NOTICE)	SIGNATURE (PERSON ISSUING NOTICE)
Sent Certified Mail	<i>[Signature]</i>

TITLE OR POSITION	TITLE OR POSITION
	Environmental Specialist

EXHIBIT
B

800-631-6888



MISSOURI DEPARTMENT OF NATURAL RESOURCES
NOTICE OF VIOLATION

VIOLATION NUMBER

WP0148NE

DATE AND TIME ISSUED

January 18, 2005

SOURCE (NAME, ADDRESS, PERMIT NUMBER, LOCATION)

Mr. Ken Jaeger and Blue Lagoon Sewer System, Inc.
17805 Bluff View Drive, Center, MO 63456

Unpermitted

Pt. SE 1/4, SW 1/4, SE 1/4, Section 14, Township 55 North, Range 7 West, Ralls County, MO

MAILING ADDRESS

17805 Bluff View Drive

Center

STATE

MO

ZIP

63456

NAME OF OWNER OR MANAGER

Mr. Ken Jaeger

TITLE OF OWNER OR MANAGER

Owner

LAW, REGULATION OR PERMIT VIOLATED

- 1). Missouri Clean Water Law Sections 644.051.2, 644.076.1, and 10 CSR 20-6.010(1)(A) and (5)(A)
- 2). Missouri Clean Water Law Sections 644.051.1 and 644.076.1

NATURE OF VIOLATION

DATE(S):

TIME(S):

- 1). Operating, using or maintaining a water contaminant source consisting of domestic sewage from the development (subdivision, campground, etc.) that discharged to waters of the state by discharging from the lagoon without a Missouri State Operating Permit on January 13, 2005.
- 2). Causing pollution to an unnamed tributary to Salt River or putting or placing a pollutant in a location where it is reasonably certain to cause pollution to waters of the state on January 13, 2005.

SIGNATURE (PERSON RECEIVING NOTICE)

Sent Certified Mail

TITLE OR POSITION

SIGNATURE (PERSON ISSUING NOTICE)

Mary Hopke

TITLE OR POSITION

Environmental Investigator
Northeast Regional Office

NGAD 800-631-6989

EXHIBIT

C

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)

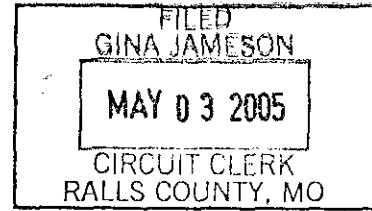
Plaintiff,)

v.)

KEN JAEGER,)

Defendant.)

Case No. CV805-12CC



JUDGMENT AND ORDER OF PRELIMINARY INJUNCTION
AGAINST DEFENDANT KEN JAEGER

The matter before this Court is Plaintiffs, State of Missouri, ex rel Nixon's, Request for Preliminary Injunction against Defendant Ken Jaeger to bring his Lost Valley Subdivision development into compliance with the Missouri Clean Water Law so as to prevent further violations of the Missouri Clean Water Law and relevant regulations, and protect the waters of the State of Missouri. The parties appeared and stipulate to the following Judgment and Order:

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. For the purposes of this Judgment, this Court has jurisdiction over the subject matter of this action and over the parties. The subject matter of this action involves allegations of violations of Missouri Clean Water Law found in Chapter 644, RSMo, and its implementing regulations, pertaining to the development and operation of the Lost Valley Subdivision and the lagoon serving the Lost Valley Subdivision located in Ralls County, Missouri.

2. The provisions of this Consent Judgment shall be binding upon the parties to this action as well as their agents, servants, employees, heirs, successors, assigns, and to all persons,

firms, corporations and other entities who are, or who will be, acting in concert or privity with, or on behalf of the parties to this action or their agents, servants, employees, heirs, successors, and assigns.

3. Defendant is ordered and preliminarily enjoined to obey, abide by and comply with this Order, and Chapter 644, RSMo, and the regulations adopted pursuant thereto.

Engineering Report

4. Within twenty (20) days of the date of Order, defendant Jaeger is ordered to submit to the Department, for Department review and approval, a preliminary engineering report for a no-discharge wastewater treatment system and collection system that contains information required in 10 CSR 20-8.020 and 10 CSR 20-8.110 - 10 CSR 20-8.220. The preliminary engineering report shall include, but is not limited to, the following information:

- a. the current dimensions of the lagoon, which shall include length, width and depth in one-foot increments of depth;
- b. the location of an emergency spillway for the lagoon and a location that discharges wastewater away from established and/or future home sites;
- c. the design permeability of the pond seal;
- d. an estimation of compaction of the seal;
- e. a map of the irrigation site depicting the wetted application area, set back distances and any other descriptions to limitations of irrigation on the area, and the distance from the wetted application area to: existing and proposed dwellings; public use areas, property line, roads and/or highways, sinkholes, losing streams, other structure or physiographic feature that may provide a direct connection between groundwater and surface, existing potable water supply wells;

f. an operation and maintenance manual for the collection system, lagoon and land application site;

Lagoon Pump Down and Maintenance

5. On or before May 15, 2005, defendant Jaeger is ordered to land apply the contents of the lagoon so as to achieve two feet of freeboard and notify the Department of Natural Resources when these levels have been reached.

6. On or before September 30 of each year, defendant Jaeger is ordered to land apply the contents of the lagoon to the minimum operating level of two feet from the bottom of the lagoon and notify the Department of Natural Resources when these levels have been reached.

7. At all times in the future, Defendant Jaeger is ordered to operate and maintain the lagoon so as to prevent the contents of the lagoon from overtopping the lagoon berms.

8. Defendant Jaeger is ordered to notify the Department of Natural Resources' Northeast Regional Office on the morning of the day when any and all land application activity takes place. Such notice shall consist of a telephone call to DNR at (660) 385-8000.

9. Defendant Jaeger is ordered to maintain and provide records to the Department's Northeast Regional Office showing the dates and times of land application, the amount and rate of irrigation water, and the monitoring activities conducted.

10. Defendant Jaeger is ordered to own and maintain all necessary equipment, fuel, and labor to effectively conduct all land application activities required by this Order.

11. Defendant Jaeger is ordered to own and maintain all necessary maintenance, replacement parts, and labor for operation of the lift station and all sewer collection lines serving Lost Valley Subdivision.

12. Defendant Jaeger is ordered to mow and maintain the lagoon berm, maintain a parameter fence around the lagoon, provide a locked entry gate to the lagoon, and to install and maintain appropriate warning signs on the parameter lagoon fence.

Electricity and Sewer Bills

13. Defendant Jaeger is ordered to fully pay the electric bill for the electricity servicing the lift station at Lost Valley Subdivision so as to assure continued electric service be provided to the sewage system.

14. Defendant Jaeger is ordered to utilize monies received from the collection of sewer bills solely and exclusively for the operation and maintenance of the collection lines, lagoon and land application site.

Construction Permit for the Collection System

15. Within twenty (20) days of the date of this Order defendant Jaeger shall submit to the Department, for Department review and approval, a construction permit application, with appropriate fees, for the collection system serving Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Defendant Jaeger shall complete construction within sixty (60) days of the issuance of the construction permit.

Missouri State Operating Permit

16. Within thirty (30) days of the entry of this Order, defendant Jaeger shall submit to the Department, for Department approval, an application for a Missouri State Operating Permit for the lagoon serving the Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and

satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Said application shall include the appropriate fees and shall contain the establishment and identity of the continuing authority as required by Missouri State regulations. Upon issuance of said permit by DNR, Jaeger shall comply with its terms.

Capacity Limitation

17. In order to prevent wastewater hydraulic overloading of the lagoon, defendant Jaeger shall impose and enforce a ban on construction of new sewer extensions that connect to the Lost Valley Subdivision lagoon until completion of a construction of a mechanical wastewater treatment facility or completion of modifications to the existing lagoon, and upon obtaining a Missouri State Operating Permit authorizing same.

Department of Natural Resources Access and Jaeger's Representative

18. Until determination of the provisions of this Order, the Department and its agents shall have authority to enter any facility covered by this order at all times for the purposes of:

- a. any monitoring progress of activity required by this order;
- b. verifying any data on information submitted to the Department in accordance with the terms of this order; and
- c. obtaining samples.

This provision in no way limits, expands or otherwise affects any right of entry held by the plaintiff pursuant to applicable federal or state laws, regulations or permits.

19. Jaeger shall immediately employ, maintain and/or hire a representative to operate and maintain the collection system, the lagoon, and the land application area so as to ensure that adequate personnel are on site to comply with the Missouri Clean Water Law and

relevant regulations. Jaeger shall immediately provide said representative's name to the Department.

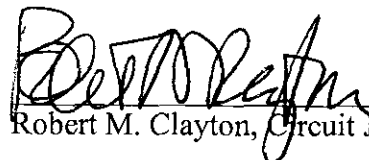
General Terms

20. This Court shall retain jurisdiction to enforce the terms and conditions of this Order.

21. This Order shall terminate:

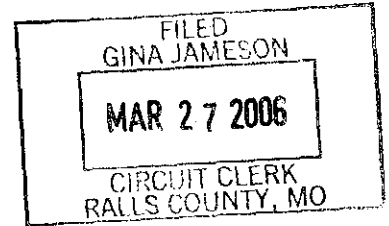
- a. when the Order set forth herein have been completed; and
- b. when defendant Jaeger has achieved complete compliance with the Missouri Clean Water Law for the collection and wastewater treatment system at the Lost Valley Subdivision and the entities being served by the wastewater treatment system.

IT IS SO ORDERED,


Robert M. Clayton, Circuit Judge

Date: 3 May 2005

IN THE CIRCUIT COURT OF RALLS COUNTY
AT NEW LONDON, MISSOURI



STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, and)
MISSOURI LEAN WATER COMMISSION)
and the MISSOURI DEPARTMENT OF)
NATURAL RESOURCES,)
Plaintiff,)
v.)
KEN JAEGER,)
Defendant.)

Case No. CV805-12CC

ANSWER TO PLAINTIFF'S MOTION FOR CONTEMPT

COMES NOW, Defendant Ken Jaeger, by and through his attorney, James F. Lemon, and for his Answer to Plaintiff's Motion For Contempt states as follows:

- 1. In answer to Paragraphs 1-4, admit.
- 2. In answer to Paragraph 5, deny.
- 3. Defendant denies each and every other allegation not specifically admitted here.

WHEREFORE, for the reasons above stated, Defendant requests that Plaintiff's Motion be denied and for such other matters as the Court may deem meet and just.

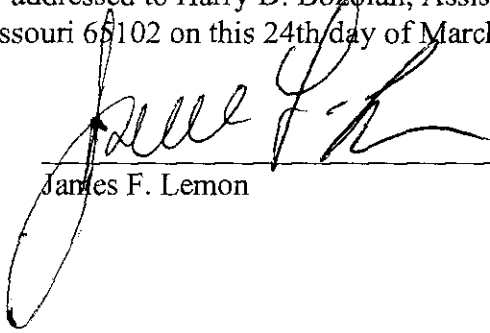
Respectfully submitted,

AHRENS, HALE & LEMON, LLC

JAMES F. LEMON, #40480
800 BROADWAY
P.O. BOX 1255
HANNIBAL, MO 63401
PHONE: (573) 221-4060
FAX: (573) 221-2371
ATTORNEY FOR

CERTIFICATE OF SERVICE

The undersigned certifies that a true copy of the foregoing **ANSWER TO PLAINTIFF'S MOTION FOR CONTEMPT** was mailed in the United States Mail, at Hannibal, Missouri, postage prepaid, duly addressed to Harry D. Bozoian, Assistant Attorney General P.O. Box 899, Jefferson City, Missouri 65102 on this 24th day of March, 2006.



James F. Lemon

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)
)
Plaintiff,)
)
v.)
)
KEN JAEGER,)
)
Defendant.)

FILED
GINA JAMESON
APR 11 2006
CIRCUIT CLERK
RALLS COUNTY, MO

Case No. CV805-12CC

JUDGMENT OF CONTEMPT AGAINST DEFENDANT KEN JAEGER

COMES NOW this day the parties hereto, the State of Missouri represented by the Missouri Attorney General's Office and the Defendant represented by his attorney, James F. Lemon, whereupon plaintiffs' Motion for Contempt coming on regularly to be heard and being called, the parties are now ready to proceed, in the matter of the failure of Defendant, Ken Jaeger, to comply with this Court's Judgment and Order of May 3, 2005, is taken up and submitted to Court, and the Court finds as follows:

1. The State filed a Petition for Civil Penalties and Injunctive Relief against Defendant Ken Jaeger ("Defendant") on January 19, 2005, due to Defendant's failure to comply with the Missouri Clean Water Law and implementing regulations at Defendant's Lost Valley Subdivision wastewater treatment system and collection system located in Ralls County, Missouri.

2. This Court entered a Judgment and Order of Preliminary Injunction Against Defendant Ken Jaeger ("Judgment and Order") on May 3, 2005. A true and correct copy of said Judgment and Order is attached to this Judgment of Contempt and incorporated herein as Exhibit A.

3. At page 2, paragraph 4, of the May 3, 2005, Judgment and Order, Defendant was ordered submit to the Department, for Department review and approval, a preliminary engineering report ("PER") for a no-discharge wastewater treatment system and collection system that contains information required in 10 CSR 20-8.020 and 10 CSR 20-8.110 - 10 CSR 20-8.220. The preliminary engineering report was to include, but was not limited to, the following information:

- A. the current dimensions of the lagoon, which shall include length, width and depth in one-foot increments of depth;
- B. the location of an emergency spillway for the lagoon and a location that discharges wastewater away from established and/or future home sites;
- C. the design permeability of the pond seal;
- D. an estimation of compaction of the seal;
- E. a map of the irrigation site depicting the wetted application area, set back distances and any other descriptions to limitations of irrigation on the area, and the distance from the wetted application area to: existing and proposed dwellings; public use areas, property line, roads and/or highways, sinkholes, losing streams,

other structure or physiographic feature that may provide a direct connection between groundwater and surface, existing potable water supply wells; and

F. an operation and maintenance manual for the collection system, lagoon and land application site;

On August 3, 2005, the Department's Northeast Regional Office received an incomplete preliminary engineering report submitted on behalf of Defendant for a no-discharge wastewater treatment system and collection system to serve the Lost Valley Subdivision, seventy one (71) days delinquent.

4. At page 3, paragraph 5, of the May 3, 2005, Judgment and Order, Defendant was ordered to, on or before May 15, 2005, "land apply the contents of the lagoon so as to achieve two feet of freeboard and notify the Department of Natural Resources when these levels have been reached." On May 19, 2005, a Department investigation revealed that Defendant failed to achieve the two feet of freeboard requirement. On May 26, 2005, Defendant had met the two feet of freeboard requirement, but failed to notify the Department that the two feet had been reached.

5. At page 3, paragraph 6, of the May 3, 2005, Judgment and Order, Defendant was ordered to, on or before September 30 of each year, "land apply the contents of the lagoon to the minimum operating level of two feet from the bottom of the lagoon and notify the Department of Natural Resources when these levels have been reached." According to the information submitted in the revised preliminary engineering

report received on February 8, 2006 the minimum operating level is seven (7.0) feet below the lowest point at the top of the lagoon berm on the southeast corner. On September 30, 2005, staff from the Northeast Regional Office measured the operating level at five and one tenth (5.1) feet below the lowest point at the top of the lagoon berm on the southeast corner, which is greater than the two (2) feet from the bottom requirement. On October 28, 2005, staff from the Northeast Regional Office measured the operating level at five and four tenths (5.4) feet below the lowest point at the top of the lagoon berm on the southeast corner, which is greater than the two (2) feet from the bottom requirement.

6. At page 3, paragraph 8, of the May 3, 2005, Judgment and Order, Defendant was ordered to “notify the Department of Natural Resources’ Northeast Regional Office on the morning of the day when any and all land application activity takes place. Such notice shall consist of a telephone call to DNR at (660) 385-8000.” Land application records received by the Department’s Northeast Regional Office from Defendant for May 3, through August 10, 2005, indicate Defendant land applied May 4th through the 26th; June 18th, 19th, 24th; July 9th, 15th, 23rd, 24th, 25th, 28th; and August 1st, 8th, 9th, and 10th, 2005. The Department’s Northeast Regional Office did not receive notification by telephone from Mr. Jaeger or a representative of Mr. Jaeger for any of the days listed above.

7. At page 3, paragraph 9, of the May 3, 2005, Judgment and Order,

Defendant was ordered to “maintain and provide records to the Department’s Northeast Regional Office showing the dates and times of land application, the amount and rate of irrigation water, and the monitoring activities conducted.” Land application records provided by Defendant (or on behalf of Defendant) to the Department’s Northeast Regional Office do not describe the monitoring activities conducted by Defendant or a representative of Defendant.

8. At page 4, paragraph 15 of the of the May 3, 2005, Judgment and Order, Defendant was ordered to, within twenty (20) days of the date of the May 3, 2005, Judgment and Order, submit to the Department, for Department review and approval, a construction permit application, with appropriate fees, for the collection system serving Lost Valley Subdivision. On August 3, 2005, the Department’s Northeast Regional Office received an incomplete construction permit application for the collection system serving Lost Valley Subdivision, seventy one (71) days delinquent.

9. Defendant was capable of complying with all requirements of the May 3, 2005, Judgment and Order.

NOW, THEREFORE, it is ordered and adjudged that Defendant Ken Jaeger is found in contempt of this Court because of his failure to comply with this Court’s May 3, 2005, Judgment and Order.

IT IS FURTHER ORDERED, that Defendant Ken Jaeger bring his Lost Valley Subdivision into compliance with the Missouri Clean Water Law, Chapter 644, RSMo, and regulations promulgated thereto, in the following manner:

1. Defendant Ken Jaeger is ordered to immediately comply with all aspects of the May 3, 2005, Judgment and Order.

2. Within sixty (60) days of the date of this Judgment of Contempt, Defendant Ken Jaeger is ordered to complete the following upgrades to the existing wastewater collection and no-discharge wastewater treatment system at the Lost Valley Subdivision so that a Missouri State Operating Permit can be issued for the collection and treatment system:

A. Defendant Ken Jaeger shall submit to the Department for Department Review and approval, a complete application and appropriate fee for a construction permit. This application shall also include plans, specifications, and a final engineering report sealed by an engineer licensed in the State of Missouri. The final engineering report shall comply with 10 CSR 20-8.020 and shall adequately address the following outstanding issues that were not resolved in the February 2, 2006, revision of the PER developed for this collection and treatment system.

i. 10 CSR 20-6.010 (3) identifies Continuing Authorities, which can be issued permits to collect and/or treat wastewater. The PER did not identify

a continuing authority that will accept the collection and treatment system as required by the above regulation. In order to obtain an operating permit, proof of a proper continuing authority shall be submitted as required by 10 CSR 20-6.010(3)(A); and

ii. In accordance with 10 CSR 20-8.020(15)(F)2 the required storage period for this site is 90 days. The PER indicates that the current lagoon system does not meet minimum design criteria for days of storage. In order to obtain an operating permit the permittee shall demonstrate that the lagoon has the required storage; and

iii. A proper irrigation system is required to meet the design and application rates listed at 10 CSR 20-8.020(15)(F) 3 through 7. The irrigation system currently in place does not meet these requirements. In order to obtain an operating permit a properly designed land application system shall be installed; and

iv. 10 CSR 20-8.020(13)(A)4 provides the lagoon seal and seepage requirements. Specific information describing the procedure to be used to determine if the lagoon is seeping, including seepage rates, pollutants to be monitored in the test holes, and how that data will be compared to the wastewater in the lagoon is required; and

permit shall also include the appropriate annual fee and an engineer's certification of the construction under this construction permit.

3. Within sixty (60) days of the date of this Judgment of Contempt, Defendant Ken Jaeger is ordered to complete construction on the collection system serving the Lost Valley Subdivision in accordance with said construction permit no. 25-2521. As part of this construction, Defendant Ken Jaeger shall connect the service connections of the existing homes in the Lost Valley Subdivision to the newly constructed sewer collection system and shall retain the services of a professional engineer licensed in the State of Missouri to conduct construction inspections and shall obtain the engineer's certification of construction and shall submit the certification to the Department within thirty (30) days of completing construction.

4. Defendant Ken Jaeger is ordered to immediately repair any and all roads and/or yards that are damaged as a result of the construction activities on the collection system serving the Lost Valley Subdivision at Defendant's own expense.

5. For each day that Defendant Ken Jaeger fails to meet any deadline set forth in this Judgment of contempt, Defendant Ken Jaeger shall pay according to the following schedule:

- A. Five Hundred Dollars (\$500.00) per day for the first thirty (30) days; and
- B. One Thousand Dollars (\$1,000.00) per day for every day after the first thirty (30) days.


6. Defendant Ken Jaeger is ordered to appear before this Court on

July 5, 2006, 1:30^{PM} to report on his compliance with this Judgment of Contempt.

7. This Court shall determine at a later date the amount of the fines Defendant Ken Jaeger shall pay for failing to comply with this Court's May 3, 2005, Judgment and Order and/or for civil penalties for violations of the Missouri Clean Water Law occurring prior thereto.

8. Defendant Ken Jaeger is ordered to pay all costs of this proceeding.

IT IS SO ORDERED.


Robert M. Clayton, Circuit Judge

Date: *April 11, 2006*

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)
)
Plaintiff,)
)
v.)
)
KEN JAEGER,)
)
Defendant.)

Case No. CV805-12CC

JUDGMENT AND ORDER OF PRELIMINARY INJUNCTION
AGAINST DEFENDANT KEN JAEGER

The matter before this Court is Plaintiffs, State of Missouri, ex rel Nixon's, Request for Preliminary Injunction against Defendant Ken Jaeger to bring his Lost Valley Subdivision development into compliance with the Missouri Clean Water Law so as to prevent further violations of the Missouri Clean Water Law and relevant regulations, and protect the waters of the State of Missouri. The parties appeared and stipulate to the following Judgment and Order:

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. For the purposes of this Judgment, this Court has jurisdiction over the subject matter of this action and over the parties. The subject matter of this action involves allegations of violations of Missouri Clean Water Law found in Chapter 644, RSMo, and its implementing regulations, pertaining to the development and operation of the Lost Valley Subdivision and the lagoon serving the Lost Valley Subdivision located in Ralls County, Missouri.
2. The provisions of this Consent Judgment shall be binding upon the parties to this action as well as their agents, servants, employees, heirs, successors, assigns, and to all persons,



firms, corporations and other entities who are, or who will be, acting in concert or privity with, or on behalf of the parties to this action or their agents, servants, employees, heirs, successors, and assigns.

3. Defendant is ordered and preliminarily enjoined to obey, abide by and comply with this Order, and Chapter 644, RSMo, and the regulations adopted pursuant thereto.

Engineering Report

4. Within twenty (20) days of the date of Order, defendant Jaeger is ordered to submit to the Department, for Department review and approval, a preliminary engineering report for a no-discharge wastewater treatment system and collection system that contains information required in 10 CSR 20-8.020 and 10 CSR 20-8.110 - 10 CSR 20-8.220. The preliminary engineering report shall include, but is not limited to, the following information:

- a. the current dimensions of the lagoon, which shall include length, width and depth in one-foot increments of depth;
- b. the location of an emergency spillway for the lagoon and a location that discharges wastewater away from established and/or future home sites;
- c. the design permeability of the pond seal;
- d. an estimation of compaction of the seal;
- e. a map of the irrigation site depicting the wetted application area, set back distances and any other descriptions to limitations of irrigation on the area, and the distance from the wetted application area to: existing and proposed dwellings; public use areas, property line, roads and/or highways, sinkholes, losing streams, other structure or physiographic feature that may provide a direct connection between groundwater and surface, existing potable water supply wells;

f. an operation and maintenance manual for the collection system, lagoon and land application site;

Lagoon Pump Down and Maintenance

5. On or before May 15, 2005, defendant Jaeger is ordered to land apply the contents of the lagoon so as to achieve two feet of freeboard and notify the Department of Natural Resources when these levels have been reached.

6. On or before September 30 of each year, defendant Jaeger is ordered to land apply the contents of the lagoon to the minimum operating level of two feet from the bottom of the lagoon and notify the Department of Natural Resources when these levels have been reached.

7. At all times in the future, Defendant Jaeger is ordered to operate and maintain the lagoon so as to prevent the contents of the lagoon from overtopping the lagoon berms.

8. Defendant Jaeger is ordered to notify the Department of Natural Resources' Northeast Regional Office on the morning of the day when any and all land application activity takes place. Such notice shall consist of a telephone call to DNR at (660) 385-8000.

9. Defendant Jaeger is ordered to maintain and provide records to the Department's Northeast Regional Office showing the dates and times of land application, the amount and rate of irrigation water, and the monitoring activities conducted.

10. Defendant Jaeger is ordered to own and maintain all necessary equipment, fuel, and labor to effectively conduct all land application activities required by this Order.

11. Defendant Jaeger is ordered to own and maintain all necessary maintenance, replacement parts, and labor for operation of the lift station and all sewer collection lines serving Lost Valley Subdivision.

12. Defendant Jaeger is ordered to mow and maintain the lagoon berm, maintain a parameter fence around the lagoon, provide a locked entry gate to the lagoon, and to install and maintain appropriate warning signs on the parameter lagoon fence.

Electricity and Sewer Bills

13. Defendant Jaeger is ordered to fully pay the electric bill for the electricity servicing the lift station at Lost Valley Subdivision so as to assure continued electric service be provided to the sewage system.

14. Defendant Jaeger is ordered to utilize monies received from the collection of sewer bills solely and exclusively for the operation and maintenance of the collection lines, lagoon and land application site.

Construction Permit for the Collection System

15. Within twenty (20) days of the date of this Order defendant Jaeger shall submit to the Department, for Department review and approval, a construction permit application, with appropriate fees, for the collection system serving Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Defendant Jaeger shall complete construction within sixty (60) days of the issuance of the construction permit.

Missouri State Operating Permit

16. Within thirty (30) days of the entry of this Order, defendant Jaeger shall submit to the Department, for Department approval, an application for a Missouri State Operating Permit for the lagoon serving the Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and

satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Said application shall include the appropriate fees and shall contain the establishment and identity of the continuing authority as required by Missouri State regulations. Upon issuance of said permit by DNR, Jaeger shall comply with its terms.

Capacity Limitation

17. In order to prevent wastewater hydraulic overloading of the lagoon, defendant Jaeger shall impose and enforce a ban on construction of new sewer extensions that connect to the Lost Valley Subdivision lagoon until completion of a construction of a mechanical wastewater treatment facility or completion of modifications to the existing lagoon, and upon obtaining a Missouri State Operating Permit authorizing same.

Department of Natural Resources Access and Jaeger's Representative

18. Until determination of the provisions of this Order, the Department and its agents shall have authority to enter any facility covered by this order at all times for the purposes of:

- a. any monitoring progress of activity required by this order;
- b. verifying any data on information submitted to the Department in accordance with the terms of this order; and
- c. obtaining samples.

This provision in no way limits, expands or otherwise affects any right of entry held by the plaintiff pursuant to applicable federal or state laws, regulations or permits.

19. Jaeger shall immediately employ, maintain and/or hire a representative to operate and maintain the collection system, the lagoon, and the land application area so as to ensure that adequate personnel are on site to comply with the Missouri Clean Water Law and

relevant regulations. Jaeger shall immediately provide said representative's name to the Department.

General Terms

20. This Court shall retain jurisdiction to enforce the terms and conditions of this Order.

21. This Order shall terminate:

- a. when the Order set forth herein have been completed; and
- b. when defendant Jaeger has achieved complete compliance with the Missouri Clean Water Law for the collection and wastewater treatment system at the Lost Valley Subdivision and the entities being served by the wastewater treatment system.

IT IS SO ORDERED,


Robert M. Clayton, Circuit Judge

Date: 3 May 2005

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)
)
Plaintiff,)
)
v.)
)
KEN JAEGER,)
)
Defendant.)

FILED
GINA JAMESON
APR 11 2006
CIRCUIT CLERK
RALLS COUNTY, MO

Case No. CV805-12CC

JUDGMENT OF CONTEMPT AGAINST DEFENDANT KEN JAEGER

COMES NOW this day the parties hereto, the State of Missouri represented by the Missouri Attorney General's Office and the Defendant represented by his attorney, James F. Lemon, whereupon plaintiffs' Motion for Contempt coming on regularly to be heard and being called, the parties are now ready to proceed, in the matter of the failure of Defendant, Ken Jaeger, to comply with this Court's Judgment and Order of May 3, 2005, is taken up and submitted to Court, and the Court finds as follows:

1. The State filed a Petition for Civil Penalties and Injunctive Relief against Defendant Ken Jaeger ("Defendant") on January 19, 2005, due to Defendant's failure to comply with the Missouri Clean Water Law and implementing regulations at Defendant's Lost Valley Subdivision wastewater treatment system and collection system located in Ralls County, Missouri.

EXHIBIT
B
PENGAD 800-631-6083

2. This Court entered a Judgment and Order of Preliminary Injunction Against Defendant Ken Jaeger ("Judgment and Order") on May 3, 2005. A true and correct copy of said Judgment and Order is attached to this Judgment of Contempt and incorporated herein as Exhibit A.

3. At page 2, paragraph 4, of the May 3, 2005, Judgment and Order, Defendant was ordered submit to the Department, for Department review and approval, a preliminary engineering report ("PER") for a no-discharge wastewater treatment system and collection system that contains information required in 10 CSR 20-8.020 and 10 CSR 20-8.110 - 10 CSR 20-8.220. The preliminary engineering report was to include, but was not limited to, the following information:

- A. the current dimensions of the lagoon, which shall include length, width and depth in one-foot increments of depth;
- B. the location of an emergency spillway for the lagoon and a location that discharges wastewater away from established and/or future home sites;
- C. the design permeability of the pond seal;
- D. an estimation of compaction of the seal;
- E. a map of the irrigation site depicting the wetted application area, set back distances and any other descriptions to limitations of irrigation on the area, and the distance from the wetted application area to: existing and proposed dwellings; public use areas, property line, roads and/or highways, sinkholes, losing streams,

other structure or physiographic feature that may provide a direct connection between groundwater and surface, existing potable water supply wells; and

F. an operation and maintenance manual for the collection system, lagoon and land application site;

On August 3, 2005, the Department's Northeast Regional Office received an incomplete preliminary engineering report submitted on behalf of Defendant for a no-discharge wastewater treatment system and collection system to serve the Lost Valley Subdivision, seventy one (71) days delinquent.

4. At page 3, paragraph 5, of the May 3, 2005, Judgment and Order, Defendant was ordered to, on or before May 15, 2005, "land apply the contents of the lagoon so as to achieve two feet of freeboard and notify the Department of Natural Resources when these levels have been reached." On May 19, 2005, a Department investigation revealed that Defendant failed to achieve the two feet of freeboard requirement. On May 26, 2005, Defendant had met the two feet of freeboard requirement, but failed to notify the Department that the two feet had been reached.

5. At page 3, paragraph 6, of the May 3, 2005, Judgment and Order, Defendant was ordered to, on or before September 30 of each year, "land apply the contents of the lagoon to the minimum operating level of two feet from the bottom of the lagoon and notify the Department of Natural Resources when these levels have been reached." According to the information submitted in the revised preliminary engineering

v. The Department has identified operating problems with the lift station serving the hotel and theater. This lift station was observed discharging wastewater outside of the collection system. In order to obtain an operating permit for the collection system this lift station shall be repaired and operational control shall be established.

If the Department comments on the application or determines the submitted application to be incomplete, Defendant Ken Jaeger shall address and satisfy said Department comments and resubmit a completed application responsive to Department comments within fifteen (15) days of the date of the Department comment letter. Defendant Ken Jaeger shall retain the services of a professional engineer licensed in the State of Missouri to conduct regular construction inspections during the construction authorized by the construction permit. Defendant Ken Jaeger shall begin construction within twenty (20) days of the issuance of the construction permit and shall complete construction as approved in the construction permit within one hundred and twenty (120) days of the issuance of the construction permit. Defendant Ken Jaeger shall submit to the Department a complete application for the operating permit identifying the continuing authority for the operation, maintenance and modernization of the wastewater collection and treatment system serving the Lost Valley Subdivision and nearby businesses within thirty (30) days of completing the construction. This application for the operation

report received on February 8, 2006 the minimum operating level is seven (7.0) feet below the lowest point at the top of the lagoon berm on the southeast corner. On September 30, 2005, staff from the Northeast Regional Office measured the operating level at five and one tenth (5.1) feet below the lowest point at the top of the lagoon berm on the southeast corner, which is greater than the two (2) feet from the bottom requirement. On October 28, 2005, staff from the Northeast Regional Office measured the operating level at five and four tenths (5.4) feet below the lowest point at the top of the lagoon berm on the southeast corner, which is greater than the two (2) feet from the bottom requirement.

6. At page 3, paragraph 8, of the May 3, 2005, Judgment and Order, Defendant was ordered to “notify the Department of Natural Resources’ Northeast Regional Office on the morning of the day when any and all land application activity takes place. Such notice shall consist of a telephone call to DNR at (660) 385-8000.” Land application records received by the Department’s Northeast Regional Office from Defendant for May 3, through August 10, 2005, indicate Defendant land applied May 4th through the 26th; June 18th, 19th, 24th; July 9th, 15th, 23rd, 24th, 25th, 28th; and August 1st, 8th, 9th, and 10th; 2005. The Department’s Northeast Regional Office did not receive notification by telephone from Mr. Jaeger or a representative of Mr. Jaeger for any of the days listed above.

7. At page 3, paragraph 9, of the May 3, 2005, Judgment and Order,

Defendant was ordered to “maintain and provide records to the Department’s Northeast Regional Office showing the dates and times of land application, the amount and rate of irrigation water, and the monitoring activities conducted.” Land application records provided by Defendant (or on behalf of Defendant) to the Department’s Northeast Regional Office do not describe the monitoring activities conducted by Defendant or a representative of Defendant.

8. At page 4, paragraph 15 of the of the May 3, 2005, Judgment and Order, Defendant was ordered to, within twenty (20) days of the date of the May 3, 2005, Judgment and Order, submit to the Department, for Department review and approval, a construction permit application, with appropriate fees, for the collection system serving Lost Valley Subdivision. On August 3, 2005, the Department’s Northeast Regional Office received an incomplete construction permit application for the collection system serving Lost Valley Subdivision, seventy one (71) days delinquent.

9. Defendant was capable of complying with all requirements of the May 3, 2005, Judgment and Order.

NOW, THEREFORE, it is ordered and adjudged that Defendant Ken Jaeger is found in contempt of this Court because of his failure to comply with this Court’s May 3, 2005, Judgment and Order.

IT IS FURTHER ORDERED, that Defendant Ken Jaeger bring his Lost Valley Subdivision into compliance with the Missouri Clean Water Law, Chapter 644, RSMo, and regulations promulgated thereto, in the following manner:

1. Defendant Ken Jaeger is ordered to immediately comply with all aspects of the May 3, 2005, Judgment and Order.

2. Within sixty (60) days of the date of this Judgment of Contempt, Defendant Ken Jaeger is ordered to complete the following upgrades to the existing wastewater collection and no-discharge wastewater treatment system at the Lost Valley Subdivision so that a Missouri State Operating Permit can be issued for the collection and treatment system:

A. Defendant Ken Jaeger shall submit to the Department for Department Review and approval, a complete application and appropriate fee for a construction permit. This application shall also include plans, specifications, and a final engineering report sealed by an engineer licensed in the State of Missouri. The final engineering report shall comply with 10 CSR 20-8.020 and shall adequately address the following outstanding issues that were not resolved in the February 2, 2006, revision of the PER developed for this collection and treatment system.

i. 10 CSR 20-6.010 (3) identifies Continuing Authorities, which can be issued permits to collect and/or treat wastewater. The PER did not identify

a continuing authority that will accept the collection and treatment system as required by the above regulation. In order to obtain an operating permit, proof of a proper continuing authority shall be submitted as required by 10 CSR 20-6.010(3)(A); and

ii. In accordance with 10 CSR 20-8.020(15)(F)2 the required storage period for this site is 90 days. The PER indicates that the current lagoon system does not meet minimum design criteria for days of storage. In order to obtain an operating permit the permittee shall demonstrate that the lagoon has the required storage; and

iii. A proper irrigation system is required to meet the design and application rates listed at 10 CSR 20-8.020(15)(F) 3 through 7. The irrigation system currently in place does not meet these requirements. In order to obtain an operating permit a properly designed land application system shall be installed; and

iv. 10 CSR 20-8.020(13)(A)4 provides the lagoon seal and seepage requirements. Specific information describing the procedure to be used to determine if the lagoon is seeping, including seepage rates, pollutants to be monitored in the test holes, and how that data will be compared to the wastewater in the lagoon is required; and

v. The Department has identified operating problems with the lift station serving the hotel and theater. This lift station was observed discharging wastewater outside of the collection system. In order to obtain an operating permit for the collection system this lift station shall be repaired and operational control shall be established.

If the Department comments on the application or determines the submitted application to be incomplete, Defendant Ken Jaeger shall address and satisfy said Department comments and resubmit a completed application responsive to Department comments within fifteen (15) days of the date of the Department comment letter. Defendant Ken Jaeger shall retain the services of a professional engineer licensed in the State of Missouri to conduct regular construction inspections during the construction authorized by the construction permit. Defendant Ken Jaeger shall begin construction within twenty (20) days of the issuance of the construction permit and shall complete construction as approved in the construction permit within one hundred and twenty (120) days of the issuance of the construction permit. Defendant Ken Jaeger shall submit to the Department a complete application for the operating permit identifying the continuing authority for the operation, maintenance and modernization of the wastewater collection and treatment system serving the Lost Valley Subdivision and nearby businesses within thirty (30) days of completing the construction. This application for the operation

permit shall also include the appropriate annual fee and an engineer's certification of the construction under this construction permit.

3. Within sixty (60) days of the date of this Judgment of Contempt, Defendant Ken Jaeger is ordered to complete construction on the collection system serving the Lost Valley Subdivision in accordance with said construction permit no. 25-2521. As part of this construction, Defendant Ken Jaeger shall connect the service connections of the existing homes in the Lost Valley Subdivision to the newly constructed sewer collection system and shall retain the services of a professional engineer licensed in the State of Missouri to conduct construction inspections and shall obtain the engineer's certification of construction and shall submit the certification to the Department within thirty (30) days of completing construction.

4. Defendant Ken Jaeger is ordered to immediately repair any and all roads and/or yards that are damaged as a result of the construction activities on the collection system serving the Lost Valley Subdivision at Defendant's own expense.

5. For each day that Defendant Ken Jaeger fails to meet any deadline set forth in this Judgment of contempt, Defendant Ken Jaeger shall pay according to the following schedule:

- A. Five Hundred Dollars (\$500.00) per day for the first thirty (30) days; and
- B. One Thousand Dollars (\$1,000.00) per day for every day after the first thirty (30) days.

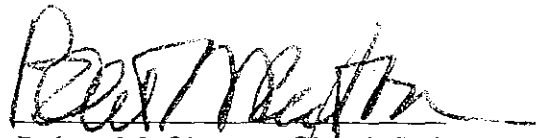
6. Defendant Ken Jaeger is ordered to appear before this Court on

July 5, 2006, 1:30^{PM} to report on his compliance with this Judgment of Contempt.

7. This Court shall determine at a later date the amount of the fines Defendant Ken Jaeger shall pay for failing to comply with this Court's May 3, 2005, Judgment and Order and/or for civil penalties for violations of the Missouri Clean Water Law occurring prior thereto.

8. Defendant Ken Jaeger is ordered to pay all costs of this proceeding.

IT IS SO ORDERED.


Robert M. Clayton, Circuit Judge

Date: *April 11, 2006*

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)

Plaintiff,)

v.)

Case No. CV805-12CC

KEN JAEGER,)

Defendant.)

JUDGMENT AND ORDER OF PRELIMINARY INJUNCTION
AGAINST DEFENDANT KEN JAEGER

The matter before this Court is Plaintiffs, State of Missouri, ex rel Nixon's, Request for Preliminary Injunction against Defendant Ken Jaeger to bring his Lost Valley Subdivision development into compliance with the Missouri Clean Water Law so as to prevent further violations of the Missouri Clean Water Law and relevant regulations, and protect the waters of the State of Missouri. The parties appeared and stipulate to the following Judgment and Order:

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. For the purposes of this Judgment, this Court has jurisdiction over the subject matter of this action and over the parties. The subject matter of this action involves allegations of violations of Missouri Clean Water Law found in Chapter 644, RSMo, and its implementing regulations, pertaining to the development and operation of the Lost Valley Subdivision and the lagoon serving the Lost Valley Subdivision located in Ralls County, Missouri.

2. The provisions of this Consent Judgment shall be binding upon the parties to this action as well as their agents, servants, employees, heirs, successors, assigns, and to all persons,

firms, corporations and other entities who are, or who will be, acting in concert or privity with, or on behalf of the parties to this action or their agents, servants, employees, heirs, successors, and assigns.

3. Defendant is ordered and preliminarily enjoined to obey, abide by and comply with this Order, and Chapter 644, RSMo, and the regulations adopted pursuant thereto.

Engineering Report

4. Within twenty (20) days of the date of Order, defendant Jaeger is ordered to submit to the Department, for Department review and approval, a preliminary engineering report for a no-discharge wastewater treatment system and collection system that contains information required in 10 CSR 20-8.020 and 10 CSR 20-8.110 - 10 CSR 20-8.220. The preliminary engineering report shall include, but is not limited to, the following information:

- a. the current dimensions of the lagoon, which shall include length, width and depth in one-foot increments of depth;
- b. the location of an emergency spillway for the lagoon and a location that discharges wastewater away from established and/or future home sites;
- c. the design permeability of the pond seal;
- d. an estimation of compaction of the seal;
- e. a map of the irrigation site depicting the wetted application area, set back distances and any other descriptions to limitations of irrigation on the area, and the distance from the wetted application area to: existing and proposed dwellings; public use areas, property line, roads and/or highways, sinkholes, losing streams, other structure or physiographic feature that may provide a direct connection between groundwater and surface, existing potable water supply wells;

f. an operation and maintenance manual for the collection system, lagoon and land application site;

Lagoon Pump Down and Maintenance

5. On or before May 15, 2005, defendant Jaeger is ordered to land apply the contents of the lagoon so as to achieve two feet of freeboard and notify the Department of Natural Resources when these levels have been reached.

6. On or before September 30 of each year, defendant Jaeger is ordered to land apply the contents of the lagoon to the minimum operating level of two feet from the bottom of the lagoon and notify the Department of Natural Resources when these levels have been reached.

7. At all times in the future, Defendant Jaeger is ordered to operate and maintain the lagoon so as to prevent the contents of the lagoon from overtopping the lagoon berms.

8. Defendant Jaeger is ordered to notify the Department of Natural Resources' Northeast Regional Office on the morning of the day when any and all land application activity takes place. Such notice shall consist of a telephone call to DNR at (660) 385-8000.

9. Defendant Jaeger is ordered to maintain and provide records to the Department's Northeast Regional Office showing the dates and times of land application, the amount and rate of irrigation water, and the monitoring activities conducted.

10. Defendant Jaeger is ordered to own and maintain all necessary equipment, fuel, and labor to effectively conduct all land application activities required by this Order.

11. Defendant Jaeger is ordered to own and maintain all necessary maintenance, replacement parts, and labor for operation of the lift station and all sewer collection lines serving Lost Valley Subdivision.

12. Defendant Jaeger is ordered to mow and maintain the lagoon berm, maintain a parameter fence around the lagoon, provide a locked entry gate to the lagoon, and to install and maintain appropriate warning signs on the parameter lagoon fence.

Electricity and Sewer Bills

13. Defendant Jaeger is ordered to fully pay the electric bill for the electricity servicing the lift station at Lost Valley Subdivision so as to assure continued electric service be provided to the sewage system.

14. Defendant Jaeger is ordered to utilize monies received from the collection of sewer bills solely and exclusively for the operation and maintenance of the collection lines, lagoon and land application site.

Construction Permit for the Collection System

15. Within twenty (20) days of the date of this Order defendant Jaeger shall submit to the Department, for Department review and approval, a construction permit application, with appropriate fees, for the collection system serving Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Defendant Jaeger shall complete construction within sixty (60) days of the issuance of the construction permit.

Missouri State Operating Permit

16. Within thirty (30) days of the entry of this Order, defendant Jaeger shall submit to the Department, for Department approval, an application for a Missouri State Operating Permit for the lagoon serving the Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and

satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Said application shall include the appropriate fees and shall contain the establishment and identity of the continuing authority as required by Missouri State regulations. Upon issuance of said permit by DNR, Jaeger shall comply with its terms.

Capacity Limitation

17. In order to prevent wastewater hydraulic overloading of the lagoon, defendant Jaeger shall impose and enforce a ban on construction of new sewer extensions that connect to the Lost Valley Subdivision lagoon until completion of a construction of a mechanical wastewater treatment facility or completion of modifications to the existing lagoon, and upon obtaining a Missouri State Operating Permit authorizing same.

Department of Natural Resources Access and Jaeger's Representative

18. Until determination of the provisions of this Order, the Department and its agents shall have authority to enter any facility covered by this order at all times for the purposes of:

- a. any monitoring progress of activity required by this order;
- b. verifying any data on information submitted to the Department in accordance with the terms of this order; and
- c. obtaining samples.

This provision in no way limits, expands or otherwise affects any right of entry held by the plaintiff pursuant to applicable federal or state laws, regulations or permits.

19. Jaeger shall immediately employ, maintain and/or hire a representative to operate and maintain the collection system, the lagoon, and the land application area so as to ensure that adequate personnel are on site to comply with the Missouri Clean Water Law and

relevant regulations. Jaeger shall immediately provide said representative's name to the Department.

General Terms

20. This Court shall retain jurisdiction to enforce the terms and conditions of this Order.

21. This Order shall terminate:

- a. when the Order set forth herein have been completed; and
- b. when defendant Jaeger has achieved complete compliance with the Missouri Clean Water Law for the collection and wastewater treatment system at the Lost Valley Subdivision and the entities being served by the wastewater treatment system.

IT IS SO ORDERED,


Robert M. Clayton, Circuit Judge

Date: 3 May 2005

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)
)
)
Plaintiff,)
)
v.)
)
KEN JAEGER,)
)
)
Defendant.)

FILED
GINA JAMESON
JUL 12 2006
CIRCUIT CLERK
RALLS COUNTY, MO

Case No. CV805-12CC

SECOND JUDGMENT OF CONTEMPT AGAINST DEFENDANT KEN JAEGER

COMES NOW this day the parties hereto, the State of Missouri represented by the Missouri Attorney General's Office and the Defendant in person and represented by his attorney, James F. Lemon, whereupon plaintiffs' Motion for Contempt coming on regularly to be heard and being called, the parties are now ready to proceed, in the matter of the failure of Defendant Ken Jaeger to comply with this Court's Judgment and Order of May 3, 2005, and the Judgment of Contempt against Defendant Ken Jaeger of April 11, 2006, is taken up, evidence adduced, and the matter is submitted to Court, and the Court finds as follows:

1. The State filed a Petition for Civil Penalties and Injunctive Relief against Defendant Ken Jaeger ("Defendant") on January 19, 2005, alleging Defendant's failure to comply with the Missouri Clean Water Law and implementing regulations at Defendant's

Lost Valley Subdivision wastewater treatment system and collection system located in Ralls County, Missouri.

2. After a hearing on May 3, 2005, this Court entered a Judgment and Order of Preliminary Injunction Against Defendant Ken Jaeger ("Judgment and Order") on May 3, 2005. A true and correct copy of said Judgment and Order is attached to this Second Judgment of Contempt and incorporated herein as Exhibit A. Defendant is aware of and has notice of the Judgment and Order and has the ability to comply with the terms contained therein.

3. After a hearing on April 11, 2006, this Court entered a Judgment of Contempt against Defendant Ken Jaeger ("Judgment of Contempt") on April 11, 2006. A true and correct copy of said Judgment of Contempt is attached to this Second Judgment of Contempt and incorporated herein as Exhibit B. Defendant is aware of and has notice of the Judgment of Contempt and has the ability to comply with the terms contained therein.

4. At page 6, paragraph 1, of the April 11, 2006, Judgment of Contempt, Defendant Ken Jaeger was ordered to immediately comply with all aspects of the May 3, 2005, Judgment and Order.

5. At page 6, paragraph 2, of the April 11, 2006, Judgment of Contempt, Defendant Ken Jaeger was ordered, within sixty (60) days of the date of the Judgment of Contempt, to complete the following upgrades to the existing wastewater collection

system and no-discharge wastewater treatment system at the Lost Valley Subdivision so that a Missouri State Operating Permit could be issued for the collection and treatment system:

A. Defendant Ken Jaeger shall submit to the Department for Department Review and approval, a complete application and appropriate fee for a construction permit. This application shall also include plans, specifications, and a final engineering report sealed by an engineer licensed in the State of Missouri. The final engineering report shall comply with 10 CSR 20-8.020 and shall adequately address the following outstanding issues that were not resolved in the February 2, 2006, revision of the PER developed for this collection and treatment system.

i. 10 CSR 20-6.010 (3) identifies Continuing Authorities, which can be issued permits to collect and/or treat wastewater. The PER did not identify a continuing authority that will accept the collection and treatment system as required by the above regulation. In order to obtain an operating permit, proof of a proper continuing authority shall be submitted as required by 10 CSR 20-6.010(3)(A); and

ii. In accordance with 10 CSR 20-8.020(15)(F)2 the required storage period for this site is 90 days. The PER indicates that the current lagoon system does not meet minimum design criteria for days of storage. In order

to obtain an operating permit the permittee shall demonstrate that the lagoon has the required storage; and

iii. A proper irrigation system is required to meet the design and application rates listed at 10 CSR 20-8.020(15)(F) 3 through 7. The irrigation system currently in place does not meet these requirements. In order to obtain an operating permit a properly designed land application system shall be installed; and

iv. 10 CSR 20-8.020(13)(A)4 provides the lagoon seal and seepage requirements. Specific information describing the procedure to be used to determine if the lagoon is seeping, including seepage rates, pollutants to be monitored in the test holes, and how that data will be compared to the wastewater in the lagoon is required; and

v. The Department has identified operating problems with the lift station serving the hotel and theater. This lift station was observed discharging wastewater outside of the collection system. In order to obtain an operating permit for the collection system this lift station shall be repaired and operational control shall be established.

If the Department comments on the application or determines the submitted application to be incomplete, Defendant Ken Jaeger shall address and satisfy said Department comments and resubmit a completed application responsive to

Department comments within fifteen (15) days of the date of the Department comment letter. Defendant Ken Jaeger shall retain the services of a professional engineer licensed in the State of Missouri to conduct regular construction inspections during the construction authorized by the construction permit.

Defendant Ken Jaeger shall begin construction within twenty (20) days of the issuance of the construction permit and shall complete construction as approved in the construction permit within one hundred and twenty (120) days of the issuance of the construction permit. Defendant Ken Jaeger shall submit to the Department a complete application for the operating permit identifying the continuing authority for the operation, maintenance and modernization of the wastewater collection and treatment system serving the Lost Valley Subdivision and nearby businesses within thirty (30) days of completing the construction. This application for the operation permit shall also include the appropriate annual fee and an engineer's certification of the construction under this construction permit.

6. At page 9, paragraph 3, of the April 11, 2006, Judgment of Contempt, Defendant Ken Jaeger was ordered to, within sixty (60) days, complete construction on the collection system serving the Lost Valley Subdivision according to Construction Permit No. 25-2521. As part of this construction, Defendant Ken Jaeger shall connect the service connections of the existing homes in the Lost Valley Subdivision to the newly constructed sewer system. Defendant Ken Jaeger was also ordered to retain the services

of a professional engineer licensed in the State of Missouri to conduct construction inspections and obtain the engineer's certification of construction and submit the certification to the Department within thirty (30) days of completing the construction.

7. At page 9, paragraph 4, of the April 11, 2006, Judgment of Contempt, Defendant Ken Jaeger was ordered to immediately repair any and all roads and/or yards that were damaged as a result of construction activities on the collection system serving the Lost Valley Subdivision at Defendant's own expense.

8. Defendant Ken Jaeger, with full and complete knowledge of the Judgment and Order and the Judgment of Contempt, has intentionally and contemptuously failed and refused to abide by the terms of this Court's order as described above in paragraphs 4, 5, 6 and 7.

9. At page 9, paragraph 5, of the April 11, 2006, Judgment of Contempt, Defendant Ken Jaeger was ordered to pay a fine for failure to meet any of the deadlines set forth in the April 11, 2006, Judgment of Contempt according to the following schedule:

- A. Five Hundred Dollars (\$500.00) per day for the first thirty (30) days; and
- B. One Thousand Dollars (\$1,000.00) per day after the first thirty (30) days.

10. The April 11, 2006, Judgment of Contempt ordered Defendant Ken Jaeger to appear before this Court on July 5, 2006, to report his compliance with the April 11, 2006, Judgment of Contempt.

11. On July 5, 2006, this Court reviewed Defendant Ken Jaeger's compliance with the May 3, 2005, Judgment and Order against Defendant Ken Jaeger and the April 11, 2006, Judgment of Contempt against Defendant Ken Jaeger to determine compliance with such Judgments and Orders. This Court finds, and Defendant Ken Jaeger admits, that he has failed to comply with the May 3, 2005, Judgment and Order against Defendant Ken Jaeger and the April 11, 2006, Judgment of Contempt against Defendant Ken Jaeger.

NOW, THEREFORE, it is ordered and adjudged that Defendant Ken Jaeger is again found in contempt of this Court due to his failure to comply with this Court's May 3, 2005, Judgment and Order and this Court's April 11, 2006, Judgment of Contempt against Defendant Ken Jaeger.

IT IS FURTHER ORDERED, that Defendant Ken Jaeger bring his Lost Valley Subdivision into compliance with the Missouri Clean Water Law, Chapter 644, RSMo, and regulations promulgated thereto, in the following manner:

1. Defendant Ken Jaeger is ordered to immediately comply with all aspects of the May 3, 2005, Judgment and Order and the April 11, 2006, Judgment of Contempt against Defendant Ken Jaeger. The May 3, 2005, Judgment and Order and the April 11, 2006, Judgment of Contempt shall remain in full force and effect, including, but not limited to, the schedule of fines contained in the Judgment of Contempt.

2. Defendant Ken Jaeger is also found in contempt of Court and is assessed a fine in the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) for the

violations to date referred to herein. Said amount is due immediately and payable to the "State of Missouri (Ralls County School Fund)" and shall be delivered to JoAnn Horvath, Collections Specialist, Missouri Attorney General's Office, P.O. Box 899, Jefferson City, MO 65102. Execution shall issue forthwith for said sum.

3. Defendant Ken Jaeger is ordered to appear before this Court on September 6, 2006, at 1:30 P.M. to report on his compliance with this Second Judgment of Contempt. If Defendant Ken Jaeger fails to comply with this Second Judgment of Contempt, the Court will consider utilizing any and all extraordinary remedies so as to achieve compliance with the Judgment and Orders of this Court, including, but not limited to, incarcerating Defendant Ken Jaeger.

4. This Court shall determine at a later date the amount of civil penalties Defendant Ken Jaeger shall pay for violations of the Missouri Clean Water Law occurring prior thereto.

5. Defendant Ken Jaeger is ordered to pay all costs of this proceeding.

IT IS SO ORDERED.


Robert M. Clayton, Circuit Judge

Date: JUL 10 2006

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT)
OF)
NATURAL RESOURCES)

Plaintiff,)

v.)

Case No. CV805-12CC

KEN JAEGER,)
Defendant.)

JUDGMENT AND ORDER OF PRELIMINARY INJUNCTION
AGAINST DEFENDANT KEN JAEGER

The matter before this Court is Plaintiffs, State of Missouri, ex rel Nixon's, Request for Preliminary Injunction against Defendant Ken Jaeger to bring his Lost Valley Subdivision development into compliance with the Missouri Clean Water Law so as to prevent further violations of the Missouri Clean Water Law and relevant regulations, and protect the waters of the State of Missouri. The parties appeared and stipulate to the following Judgment and Order:

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. For the purposes of this Judgment, this Court has jurisdiction over the subject matter of this action and over the parties. The subject matter of this action involves allegations of violations of Missouri Clean Water Law found in Chapter 644, RSMo, and its implementing regulations, pertaining to the development and operation of the Lost Valley Subdivision and the lagoon serving the Lost Valley Subdivision located in Ralls County, Missouri.

2. The provisions of this Consent Judgment shall be binding upon the parties to this action as well as their agents, servants, employees, heirs, successors, assigns, and to all persons.

EXHIBIT
A

800-631-6989
ID

firms, corporations and other entities who are, or who will be, acting in concert or privity with, or on behalf of the parties to this action or their agents, servants, employees, heirs, successors, and assigns.

3. Defendant is ordered and preliminarily enjoined to obey, abide by and comply with this Order, and Chapter 644, RSMo, and the regulations adopted pursuant thereto.

Engineering Report

4. Within twenty (20) days of the date of Order, defendant Jaeger is ordered to submit to the Department, for Department review and approval, a preliminary engineering report for a no-discharge wastewater treatment system and collection system that contains information required in 10 CSR 20-8.020 and 10 CSR 20-8.110 - 10 CSR 20-8.220. The preliminary engineering report shall include, but is not limited to, the following information:

- a. the current dimensions of the lagoon, which shall include length, width and depth in one-foot increments of depth;
- b. the location of an emergency spillway for the lagoon and a location that discharges wastewater away from established and/or future home sites;
- c. the design permeability of the pond seal;
- d. an estimation of compaction of the seal;
- e. a map of the irrigation site depicting the wetted application area, set back distances and any other descriptions to limitations of irrigation on the area, and the distance from the wetted application area to: existing and proposed dwellings; public use areas, property line, roads and/or highways, sinkholes, losing streams, other structure or physiographic feature that may provide a direct connection between groundwater and surface, existing potable water supply wells;

f. an operation and maintenance manual for the collection system, lagoon and land application site;

Lagoon Pump Down and Maintenance

5. On or before May 15, 2005, defendant Jaeger is ordered to land apply the contents of the lagoon so as to achieve two feet of freeboard and notify the Department of Natural Resources when these levels have been reached.

6. On or before September 30 of each year, defendant Jaeger is ordered to land apply the contents of the lagoon to the minimum operating level of two feet from the bottom of the lagoon and notify the Department of Natural Resources when these levels have been reached.

7. At all times in the future, Defendant Jaeger is ordered to operate and maintain the lagoon so as to prevent the contents of the lagoon from overtopping the lagoon berms.

8. Defendant Jaeger is ordered to notify the Department of Natural Resources' Northeast Regional Office on the morning of the day when any and all land application activity takes place. Such notice shall consist of a telephone call to DNR at (660) 385-8000.

9. Defendant Jaeger is ordered to maintain and provide records to the Department's Northeast Regional Office showing the dates and times of land application, the amount and rate of irrigation water, and the monitoring activities conducted.

10. Defendant Jaeger is ordered to own and maintain all necessary equipment, fuel, and labor to effectively conduct all land application activities required by this Order.

11. Defendant Jaeger is ordered to own and maintain all necessary maintenance, replacement parts, and labor for operation of the lift station and all sewer collection lines serving Lost Valley Subdivision.

12. Defendant Jaeger is ordered to mow and maintain the lagoon berm, maintain a parameter fence around the lagoon, provide a locked entry gate to the lagoon, and to install and maintain appropriate warning signs on the parameter lagoon fence.

Electricity and Sewer Bills

13. Defendant Jaeger is ordered to fully pay the electric bill for the electricity servicing the lift station at Lost Valley Subdivision so as to assure continued electric service be provided to the sewage system.

14. Defendant Jaeger is ordered to utilize monies received from the collection of sewer bills solely and exclusively for the operation and maintenance of the collection lines, lagoon and land application site.

Construction Permit for the Collection System

15. Within twenty (20) days of the date of this Order defendant Jaeger shall submit to the Department, for Department review and approval, a construction permit application, with appropriate fees, for the collection system serving Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Defendant Jaeger shall complete construction within sixty (60) days of the issuance of the construction permit.

Missouri State Operating Permit

16. Within thirty (30) days of the entry of this Order, defendant Jaeger shall submit to the Department, for Department approval, an application for a Missouri State Operating Permit for the lagoon serving the Lost Valley Subdivision. If the Department comments on the application or determines the application to be incomplete, defendant Jaeger shall address and

satisfy said Department comments and resubmit a completed application within fifteen (15) days of the date of the Department comment letter. Said application shall include the appropriate fees and shall contain the establishment and identity of the continuing authority as required by Missouri State regulations. Upon issuance of said permit by DNR, Jaeger shall comply with its terms.

Capacity Limitation

17. In order to prevent wastewater hydraulic overloading of the lagoon, defendant Jaeger shall impose and enforce a ban on construction of new sewer extensions that connect to the Lost Valley Subdivision lagoon until completion of a construction of a mechanical wastewater treatment facility or completion of modifications to the existing lagoon, and upon obtaining a Missouri State Operating Permit authorizing same.

Department of Natural Resources Access and Jaeger's Representative

18. Until determination of the provisions of this Order, the Department and its agents shall have authority to enter any facility covered by this order at all times for the purposes of:

- a. any monitoring progress of activity required by this order;
- b. verifying any data on information submitted to the Department in accordance with the terms of this order; and
- c. obtaining samples.

This provision in no way limits, expands or otherwise affects any right of entry held by the plaintiff pursuant to applicable federal or state laws, regulations or permits.

19. Jaeger shall immediately employ, maintain and/or hire a representative to operate and maintain the collection system, the lagoon, and the land application area so as to ensure that adequate personnel are on site to comply with the Missouri Clean Water Law and

relevant regulations. Jaeger shall immediately provide said representative's name to the Department.

General Terms

20. This Court shall retain jurisdiction to enforce the terms and conditions of this Order.

21. This Order shall terminate:

- a. when the Order set forth herein have been completed; and
- b. when defendant Jaeger has achieved complete compliance with the Missouri Clean Water Law for the collection and wastewater treatment system at the Lost Valley Subdivision and the entities being served by the wastewater treatment system.

IT IS SO ORDERED,


Robert M. Clayton, Circuit Judge

Date: 3 May 2005



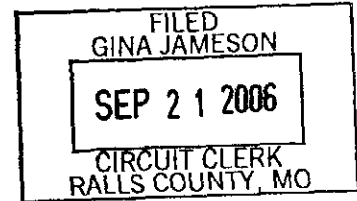
ATTORNEY GENERAL OF MISSOURI

JEREMIAH W. (JAY) NIXON
ATTORNEY GENERAL

JEFFERSON CITY
65102

P.O. Box 899
(573) 751-3321

September 20, 2006



Mr. James F. Lemon
Ahrens, Hale & Lemons, LLC
800 Broadway
P.O. Box 1255
Hannibal, MO 63401

Mr. Joseph Maxwell
Hagan, Hamlett & Maxwell, L.L.C.
210 East Love Street
Mexico, MO 65265

Re: State of Missouri v. Ken Jaeger; Case No. CV805-12CC

Gentlemen:

This letter summarizes the "on the record" commitments and agreements submitted to Judge Clayton at the September 6, 2006 Ralls County Law Day in regard to the above-referenced matter. As you are aware, Judge Clayton approved these terms and ordered that they be outlined in a letter to be filed with the clerk.

First, Mr Jaeger was ordered to repair all roads and complete all service connections to existing homes within 15 days of September 6. The Judge ordered Mr. Jaeger to repair all existing service connections, including Mr. Hellebusch's service connection, within 3 days of September 6.

Second, the Missouri Department of Natural Resources ("the department") agreed to review and comment on MECO Engineering's latest submittal by no later than September 21. The department has completed this review and has sent its comments. Mr. Jaeger has until no later than October 5, 2006 to address the department's comments. The department agreed to review and comment on any further submittals from Mr. Jaeger by no later than October 19. Mr. Jaeger must then address the department's comments on Mr. Jaeger's October 19 submittal, if any, by no later than October 26, 2006.

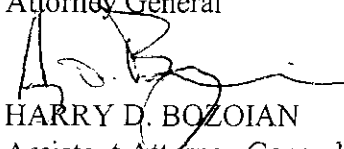
The department has agreed to grant Mr. Jaeger 90 days from September 6, 2006 to identify and obtain a lawful continuing authority, approved by the department, for the operation and maintenance of this wastewater system. The department also agrees to grant Mr. Jaeger 90 days from September 6, 2006 to identify and implement a department approved land application system. The department grants this extension on the land application system in order to give a potential continuing authority the option to select the land application system that will fulfill their needs.

As you are aware, the court has reset this matter for the November 7, 2006 Law Day to review Mr. Jaeger's compliance with the orders of the court. If you feel a meeting is necessary in the interim, I will be happy to travel to the Hannibal area to assist in bringing this matter to a conclusion.

Thank you and if you should have any questions, please feel free to contact me.

Sincerely yours,

JEREMIAH W. (JAY) NIXON
Attorney General



HARRY D. BOZOIAN
Assistant Attorney General
(573) 751-8803

HDB:ls

Enclosures

cc: Paul Dickerson, MDNR-APCP
Brenda Bethel, MDNR-NERO
Gina Jameson, Ralls County Circuit Clerk

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI
AT NEW LONDON, MISSOURI
10TH JUDICIAL CIRCUIT

State of Missouri, ex rel. Nixon
PLAINTIFF

FILED
GINA JAMESON
NOV - 7 2006
CIRCUIT CLERK
RALLS COUNTY, MO

11/7/06
DATE
10V090500012
CASE NUMBER

VS

Ken Jaeger
DEFENDANT

ORDER

Cause passed to January 2, 2007, Snow Day at 11 AM. Defendant to repair all roads immediately and to address and repair all items listed in the agreed upon punch list ~~provided~~ provided to defendant by the State. All previous orders to remain in effect.

[Signature] 3753
Attorney Bar N

Addr

[Signature] 426874
Attorney Bar N

Addr

Year

Phone N

SO ORDERED

[Signature]
Judge

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT OF)
NATURAL RESOURCES)

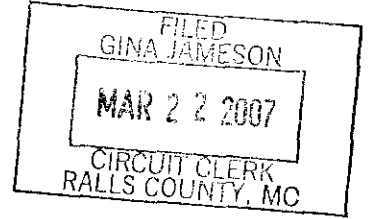
Plaintiff,)

v.)

KEN JAEGER,)

Defendant.)

Case No. CV805-12CC



ORDER

This matter was called on March 6, 2007, at 11:00 a.m. Defendant Jaeger appeared with his counsel, James Lemon, and Joe Maxwell. The State was represented by Harry D. Bozoian, Assistant Attorney General. Arguments were heard and presented to the Court. The Court hereby finds and orders that defendant Jaeger must complete the following by no later than May 1, 2007:

1. Defendant Jaeger shall relocate the control panels serving the lift stations located in the motel owned by Howard Burditt and the control panels located in the building owned by Sue Moses. The control panels shall be relocated so that they ~~may~~ ^{WILL} be ~~assessable~~ ^{ss} by the operator of the wastewater treatment system. In the alternative, defendant Jaeger ~~shall~~ ^{MAY} seek ~~an~~ ^{AND SECURE LICENSE} agreements with Mr. Burditt and Ms. Moses to allow access to the control panels so as to allow the operator of the wastewater treatment system access to these panels, **WHICH SHALL BE IN WRITING AND PERPETUAL IN DURATION.**

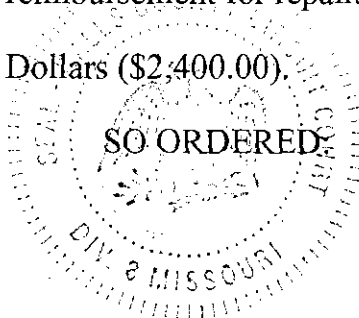
2. Defendant Jaeger is ordered to obtain a construction permit from the Missouri Department of Natural Resources to construct the emergency spillway for the wastewater treatment lagoon serving the Lost Valley Subdivision. The spillway shall be constructed in accordance with the Engineering Report submitted and accepted by the Department in August of 2006.


3. Defendant Jaeger is ordered to contact the Canon Water Supply District #1 in order to determine whether said water supply district will accept a pump, haul and spread method of disposal of the wastewater produced at the Lost Valley Subdivision and whether said water supply district would agree to accept the system as the lawful continuing authority.

4. Defendant Jaeger is ordered to fix or compensate resident Roy Howard's damaged driveway. Defendant Jaeger is also ordered to level, seed and straw the Kelly's yard in the Lost Valley Subdivision.

5. Defendant Jaeger is ordered to continue road maintenance on all roads serving the Lost Valley Subdivision including, but not limited to, placing more gravel on said roads.

The Court continues to take under advisement the request of the citizens for reimbursement for repairs to the road in the amount of Two Thousand Four Hundred Dollars (\$2,400.00).




Robert M. Clayton, Circuit Judge

MAR 21 2007

IN THE CIRCUIT COURT OF RALLS COUNTY, MISSOURI

STATE OF MISSOURI ex rel.)
JEREMIAH W. (JAY) NIXON, the)
MISSOURI CLEAN WATER)
COMMISSION and the)
MISSOURI DEPARTMENT OF)
NATURAL RESOURCES)

Plaintiff,)

v.)

KEN JAEGER,)

Defendant.)

Case No. CV805-12CC

FILED
GINA JAMESON
MAY 14 2007
CIRCUIT CLERK
RALLS COUNTY, MO

ORDER

This matter was called on May 1, 2007, at 11:00 a.m. Defendant Jaeger appeared with his counsel, James Lemon. The State was represented by Harry D. Bozoian, Assistant Attorney General. Arguments were heard and presented to the Court. The Court hereby finds and orders that defendant Ken Jaeger must complete the following items within the time-frames specified below:

1. By no later than June 1, 2007, Defendant Jaeger shall relocate the control panels serving the lift station located in the building owned by Sue Moses. The control panel shall be relocated so that it will be assessable by the operator of the wastewater treatment system.

2. By no later than May 15, 2007, Defendant Jaeger shall construct the emergency spillway for the wastewater treatment lagoon serving the Lost Valley Subdivision in accordance with the Engineering Report submitted and accepted by the Department of Natural Resources (the "Department") in August of 2006.

3. Defendant Jaeger has submitted to the Department an estimate from Schmitt Irrigation and Pump Service for a Water-Reel irrigation system, a bid from Thompson Contracting for operating a Water-Reel irrigation system, a bid from Thompson Contracting for operating a fixed irrigation system, and an estimate to pump and haul wastewater produced at the Lost Valley Subdivision to the City of Hannibal's wastewater treatment plant. The Department will provide Defendant Jaeger comments with regard to the above bids and estimates by no later than May 15, 2007. Defendant Jaeger is to respond to the Department comments by no later than May 29, 2007. On June 4, 2007, Defendant Jaeger is ordered to appear before the Cannon Water Supply District #1 in order to determine whether said water supply district will accept a Water-Reel irrigation system, a fixed irrigation system, or a pump and haul method of disposal of the wastewater produced at the Lost Valley Subdivision and whether said water supply district would agree to accept the system as the lawful continuing authority.

4. Defendant Jaeger is ordered to continue road maintenance on all roads serving the Lost Valley Subdivision including, but not limited to, grading and placing more gravel on the road at or near the entrance of the Lost Valley Subdivision.

5. Defendant Jaeger is ordered to remove all rocks, dirt piles, construction debris and any other debris on the lots owned by John Noonan and Roy Barks by no later than June 1, 2007. In addition, Defendant Jaeger shall have these two lots graded and seeded by no later than June 1, 2007.

6. By no later than June 4, 2007, Defendant Jaeger is ordered to obtain all easements necessary for the operation and maintenance of the sewer collection system serving the Lost Valley Subdivision, including, but not limited to the easements for the

collection lines and lift stations located at the Salt River Motel and the Opry House. Said easements shall be assignable to the ultimate continuing authority identified in this matter.

7. Defendant Ken Jaeger is ordered to appear before this Court on June 26, 2007, at 11:00 a.m. to report on his compliance with this Order.

8. All previous Judgments and Orders of this Court are to remain in full force and affect.

SO ORDERED:


Robert M. Clayton, Circuit Judge

Date: MAY 07 2007

