

**HURRICANE DECK HOLDING COMPANY  
P. O. BOX 431  
SUNRISE BEACH, MO 65079**

**PHONE 573/374-8761**

**FAX 573/374-4432**

December 30, 2005

To Homeowners in

Chelsea Rose  
Cinnamon Ridge  
Cinnamon Hollow  
Zane's Addition

RE: Water and Sewer Issues

Dear Homeowners:

Several years ago we entered into an agreement with Osage Water Company to provide operation and maintenance of the water and sewer systems we built for our subdivisions, as Greg and I did not wish to be in the utility business. When the president had insufficient funds to operate the company, he delivered the company records on our doorstep in July, 2001. Since that time I have been managing temporarily until the systems could be sold.

Although the company was under contract to be sold last spring, the Public Service Commission refused to allow the sale, and instead, on October 21 asked Camden County Circuit Court to allow them to appoint a "receiver" to seize and liquidate OWC's assets.

Fortunately, Hurricane Deck Holding Company never transferred ownership of its water and sewer systems to OWC. The receiver has elected not to enter into an agreement providing operation and maintenance to HDHC. We do not believe that OWC can be sold, or will ever be financially stable enough to manage these systems as long as the Missouri Public Service Commission is in control.

Therefore, we have determined the best course of action at this point is to turn the systems over to the homeowners. Articles of Incorporation have already been filed with the Secretary of State, and a copy is enclosed for your information. Also enclosed is an accounting for the past two (2) months which itemizes a portion of the actual costs for your systems for that period. I have divided the total amount spent by the number of customers (30) and am billing you for that amount, which is due on January 22.

In order to form the Homeowner's Association Board, three (3) people are required to serve. After the Board is elected, it can make decisions regarding establishing a reserve fund for future repairs. If you are interested in serving on this new Board, please indicate which position you would like - President, Vice-President, or Secretary on your payment of your assessments.

The Water Company telephone line has been disconnected, and until the Board is elected you may call Jeff Smith directly at 216-1276 for service issues, or me at 216-2389 for billing matters. Thank you in advance for your patience and cooperation during this transition.

Sincerely,

  
Debra J. Williams  
Secretary

Enclosures: Summary of partial actual expenses  
Articles of Incorporation of Chelsea Rose Land Owners Association, Inc.

Attachment A, p. 2