

FILED²

BEFORE THE PUBLIC SERVICE COMMISSION OF THE
STATE OF MISSOURI

SEP 19 2005

Missouri Public
Service Commission

Joseph J. Schrader)
(your name))
Complainant,)
)
vs.)
)
Folsom Ridge, LLC (Owning and)
(utility company's name))
Controlling The BIHOA Respondent.)

Case No. _____

COMPLAINT

1. Complainant resides at 1105 Yorktown Place,
DeLand, FL. 32720

2. Respondent, Folsom Ridge, LLC, Big Island Homeowners'
(Company's name and address)
Association, P.O. Box 54, Longmont, Co. 80502 is a public utility providing
service to complainant's residence. (former)

3. As the basis of this complaint, complainant states the following facts: My wife
and I moved to Big Island (BI) in May of 1997. Our address at
that time was HCR 67, Box 766, Roach, MO. 65787.

From the time Folsom Ridge LLC (FR) purchased the major
portion of the island (for development) and began construction
I was very much involved. I spent many hundreds of hours in
meetings with FR, attorneys John Walker and ~~Latter~~ Lew Bridges
(both representing the Big Island Concerned Citizens group (BICC),
other members of the BICC, local and county officials, state
representatives, the Dept. of Natural Resources, and numerous
other state officials. This required many trips to Jefferson City
for meetings, as well as too many phone calls to count, reams of
paper work, correspondence, fax communications, and hundreds of

out of pocket dollars---all for the purpose of trying to get FR to provide a set of realistic governing documents for the proposed Big Island Home Owners Association (BIHOA) and to make certain that the construction of the sewer and water system was properly done in accordance with sound industry standards and within the codes and regulations as per MO. DNR.

Unfortunately, when we moved from Missouri to Florida in ~~June of 2003~~, I did not retain any of the documents which I had accumulated during that time. As a result I am not able to document the following statements and comments, but I assure that they are factual to the best of my recollection.

- 1 - FR started construction of the sewer and water system prior to receiving a permit from DNR.
- 2 - On the eventual application for a permit to ~~construct~~ construct the system, they stated that a HOA was in place. (It was not.)
- 3 - A letter by Mr. David Lees (a partner in FR). construction manager for the system, stated that no service fee would be charged until homeowners connected to the system.
- 4 - No mention of a HOA or required membership was stated by FR.
- 5 - The system was not installed as per the DNR permit and did not meet the National Plumbing code. As a result major re-construction was necessary.
- 6 - After the system was operating, several residents were connected before DNR issued an operating permit to FR.
- 7 - FR advised, in writing to, all of those who had paid either the \$4,800.00 sewer connect fee or \$2,000.00 water connect fee, if they did not sign and ratify the proposed covenants their money would be returned and they would forfeit their right to ever connect to the system.
- 8 - The monthly charge of \$5.00 for sewer and \$2.00 for water (if not connected to the system) was never bilaterally agreed upon, nor is it included in any of the current governing documents. It was strictly a unilateral decision by FRLLC.
- 9 - The eventual increase to \$7.00 and \$5.00 was made by the Board of Directors at an illegal (there was not a quorum present) annual members meeting.

- 10- All of my correspondence to the BIHOA was forward to Mr. Charles McElyea, who claimed to be the attorney representing the BIHOA when, in my opinion, he was actually representing FR. All of his statements were clearly beneficial to FR and not to the BIHOA.
- 11 - There was a period of time, possibly up to 1 year, when the elected board members' terms had expired and elections had not been made for their replacements.
- 12 - As clearly stated in many of the BIHOA documents, the sewer was designed for 80 homes. Included in that number are those who have paid their connect fee (\$4,800) prior to construction but have not yet connected. This in effect guaranteed that those who paid the fee would always have the opportunity to connect to a system with ample capacity. Unfortunately FR has sold connecting rights well over 100 owners.
- 12a - Because of the above "guarantee", I felt that perhaps a \$5.00 monthly fee was in order since certain costs, such as insurance, testing, etc. would be the same regardless of the number of homes connected. I began voluntarily paying the \$5.00 monthly fee.
- 12b - However, when the rate was increased (illegally) and since by then FR had sold well over the 80 connection rights and had not constructed an addition to the system, as they are required to do as per the BIHOA documents, I stopped making payments.
- 13 - In June of 2003, we decided to sell our property and listed with the Stacey Shore office of Remax, which was located on Big Island. After 3 months we had an offer to purchase our property. In the meantime Stacey Shore became the exclusive sales agent for sales of spec homes and lots on Big Island for FR. Also she had been appointed to the Board of Directors of the BIHOA. We felt that, as a board member, she would have privy to the BIHOA financial records. We also felt that since we had discontinued making the monthly payments it could adversely effect the sale of our home. As a result we paid the back fees and included a letter to the BIHOA confirming that it was a voluntary payment.

Throughout my several years of involvement with FR and their handling of the BIHOA, their construction of the sewer and water system, and general development of Big Island, we were constantly bombarded with threats, lies, and one case of physical assault by Mr. David Lees on me.

In my opinion FR does not have the ability or common sense to operate and manage a HOA or utility unless it is totally and strictly regulated and their activities are constantly monitored.


I hope that this information is helpful in resolving the issues as set out in case #WC-2006-0082.

respondent: _____

WHEREFORE, complainant now requests the following relief: That a temporary injunction, and/or leagal action that would take precedence and supercede the transfe
of liability, (September 01, 2005), and the transfer of ownership,
(September 01, 2006), to the actual members of the Big Island Homeowners
Association, until a determination and ruling can be made as to the BIHOA
(continued on next p

9/02/05

Date _____


Signature of Complainant

Signature of Complainant

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page 6

and its legal operation as a HOA, (meeting all those requirements), or its legal operation as a public utility, (meeting all those requirements). The BIHOA, under the ownership and control of Folsom Ridge, LLC, has been operating in a wreckless and negligent manner since its establishment. We as homeowners, have done everything within our capabilities to resolve these issues with F.R. with no resolve in sight. We now ask the PSC for a determination and ruling in this situation.