

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>

OCT 27 2006

In Re the Matter of the Joint Petition of )  
Frimel Water System, Inc. and Lake )  
Lorraine Property Owners' Association )  
for Authority for Frimel Water System, )  
Inc. to Transfer its Assets and Cease )  
Operations )

Case No. WM-2006-0459

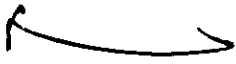
Missouri Public  
Service Commission

**NOTICE OF COMPLIANCE WITH ORDER DATED SEPTEMBER 20, 2006**

Come now Frimel Water System, Inc. and Lake Lorraine Property Owners' Association and give notice and proof of compliance with the Order dated September 20, 2006, as follows:

1. The past due assessment of \$165.48 for fiscal year 2007 has been paid.
2. Lake Lorraine Property Owners' Association hereby submits a copy of the Amendments to the By-Laws of Lake Lorraine Property Owners' Association, duly approved October 22, 2006.
3. Lake Lorraine Property Owners' Association submits a copy of the Notice given to all members regarding the changes to its Constitution and By-Laws, which Notice clearly states that approval of such changes will result in the water system no longer being regulated by the Commission.
4. Copy of Notice attached, per the above.

Applicants pray the Commission give final approval to the transfer of assets of Frimel Water System, Inc. to Lake Lorraine Property Owners' Association, and that the Certificate of Convenience and Necessity and outstanding tariffs for Frimel Water System, Inc. be cancelled.

  
\_\_\_\_\_  
Ray Dickhaner #23821

Attorney for Frimel Water System, Inc.  
and Lake Lorraine Property Owners' Association  
P.O. Box 20  
Hillsboro, MO 63050  
ray@dickhaner.us  
636-797-5600 - voice  
636-797-4900 - fax

The undersigned certifies that a complete copy of the foregoing instrument was mailed to Harold Stearley, Regulatory Law Judge, PO Box 360, Jefferson City, MO 65102, General Counsel's Office, Post Office Box 360, Jefferson City, Missouri 65102 and Lewis R. Mills, Jr., Post Office Box 2230, Jefferson City, Missouri 65102; on this 24<sup>th</sup> day of October, 2006.

  
\_\_\_\_\_  
Ray Dickhaner

October 24, 2006  
C:\My Documents\Lorraine\Compliance.not.wpd  
lf

# **AMENDMENTS TO CONSTITUTION & BY-LAWS OF LAKE LORRAINE PROPERTY OWNERS' ASSOCIATION**

The following Amendments were adopted by more than two-thirds of the lot owners of Lake Lorraine Subdivision, at the regular meeting of October 22, 2006, which same Amendments are adopted by virtue of Article VI - Amendments of the Constitution and By-Laws of Lake Lorraine Property Owners' Association:

## **CONSTITUTION**

### **Article III - Officers**

This Article of the Constitution and By-Laws is amended to provide for a separate office of Vice President, from the separate office of Treasurer. References to the Vice President having Treasurer duties are deleted.

### **Article IV - Membership**

Members of Lake Lorraine Property Owners' Association shall be property owners in Lake Lorraine Subdivision (whose current assessments are paid in full) or be customers of Frimel Water System, Inc. (or its successors). Members by virtue of their status as customers of the water system, who are property owners within Lake Lorraine Subdivision and do not have their assessments paid in full, shall only participate in water system decisions and shall not have a vote on subdivision issues.

## **BY-LAWS**

### **Article I - Members**

Members in the Association shall include customers of Frimel Water System, Inc. (or its successors), but only to the extent of participation and voting on issues pertaining to the water system, or its related charges.

### **Article II - Dues**

Original Article II - Dues is deleted in its entirety.

### **Article III - Directors and Election of Officers**

Paragraph 1 of Article III is deleted in its entirety and in its place the following Paragraph 1 is inserted:

1. The Directors shall consist of the President, Vice President, Secretary, Treasurer and three members of the Executive Board.

#### **Article IV - Officers**

This Article of the Constitution and By-Laws is amended to provide for a separate office of Vice President, from the separate office of Treasurer. References to the Vice President having Treasurer duties are deleted.

The Treasurer shall have the following duties:

The Treasurer shall have full custody of all funds of the Association and shall keep full and accurate account of all receipts and disbursements.

The Treasurer shall provide a statement of accounts at each regular meeting and as called upon, at special meetings.

The Treasurer shall deposit all monies in the name and to the credit of the Association in such depository as may be directed by the Board of Directors.

The Treasurer's books shall be audited at the close of each year by a person or Certified Public Accountant, as authorized by the Board of Directors.

The Board of Directors may, by majority vote, inspect the Treasurer's records at any time.

#### **Article VI - Salaries**

Article VI is deleted in its entirety and in its place is substituted the following Article VI:

No salaries or other compensation shall be paid or allowed the Officers or Directors of the Association.

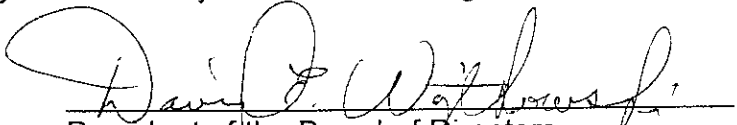
#### **Article VIII - Water System**

A new Article VIII to the By-Laws shall read as follows:

**Article VIII - Water System.** The Association shall operate the water supply system which presently serves the Lake and surrounding property owners as a not-for-profit operation. All customers of the water system shall be entitled to participate in any votes concerning the expenditure of water system revenue or the charge which is made to customers of the water system. No

lot owner of Lake Lorraine Subdivision who is not a customer of the water system shall participate in water system decisions, expenditures or charges.

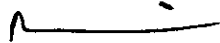
All customers of the water system shall have a reasonable right of inspection of the financial records relating to the water system and the charges therefor.

  
President of the Board of Directors  
Lake Lorraine Property Owners' Association

STATE OF MISSOURI            )  
  ) SS  
COUNTY OF JEFFERSON        )

Before me personally appeared David Waitkowski, President of the Board of Directors of Lake Lorraine Property Owners' Association, and did swear that the Amendments contained herein were well and truly adopted by more than two-thirds of the members attending the Regular Meeting of the Lake Lorraine Property Owners' Association, as same was held October 22, 2006.

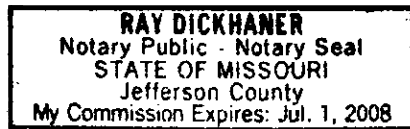
Subscribed and sworn to before me this 24<sup>th</sup> day of October, 2006.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

C:\My Documents\Lorraine\By-Laws.amd.wpd




# NOTICE

TO: Property Owners/Water Users of  
Lake Lorraine Subdivision and Frimel Water System

Please take notice that the annual meeting of the Lake Lorraine Property Owners' Association at Jefferson College, Arts and Science Building, Lecture Hall #2, on October 22, 2006 at 1:00 p.m., shall include, in addition to proposed technical changes to the Constitution and By-Laws which are in the previous Notice of Meeting, changes with respect to matters involving the water distribution system. If passed, the changes will result in the water system and related charges no longer being regulated by the Public Service Commission of the State of Missouri. Determinations of rate and management of the system will be solely governed by the water users in the Lake Lorraine Property Owners' Association and those non-resident users of the water system. To the extent appropriate, the annual meeting shall also serve as a public hearing concerning Frimel Water System, Inc., the water distribution system and the regulation thereof.

This Notice is required by Order of the Public Service Commission of the State of Missouri and is furnished for such purposes.



\_\_\_\_\_  
President or Secretary  
Lake Lorraine Property Owners' Association

# ***NOTICE!***

The Lake Lorraine Property Owners' Association regular scheduled meeting will be

October 22, 2006

Jefferson College, Arts & Science Building

Lecture Hall #2

1:00 p. m.

Agenda Items include:

- Presentation by Dave Taylor of Drilling Service Co. on options to fix leak in the Lake
- Report on Frimel Water System
- Proposed amendments to Constitution and By-laws
- Status of projects
- Election of Officers for 2007

***Plan To Attend !***

MINUTES OF GENERAL MEETING OF  
LAKE LORRAINE PROPERTY OWNERS ASSOCIATION (LLPOA)

The General Meeting of the LAKE LORRAINE PROPERTY OWNERS ASSOCIATION (LLPOA) was held on October 22, 2006, at 1:00 p.m., Jefferson College, Hillsboro, Missouri. Officers and Board Members Present: David Wojtkowski, Carl Keener, Robert Markham, Billie Norman, Marlyn Edmonds, and Trustee, Susan Wojtkowski. Absent: Paul Berndt and Michael Noakes. See attached for members/visitors in attendance.

Carl Keener explained the process involved to change the management and ownership of Frimel Water System Inc. to the LLPOA. Carl received DS1 certification and will handle the duties of water systems operator. Susan Wojtkowski was retained as trustee to perform accounting and bookkeeping; meters should be read and payments made monthly. Doyle Kirchner was retained as meter contractor. Bob Markham explained the electric upgrade scheduled for the well house. DNR Primacy Fee increased as of 09/01/06, and increase will be added to the rate when new meter cards are issued-no increase in the rate for water planned.

David Wojtkowski read the proposed Amendments to the LLPOA Constitution and By-Laws as drafted by Attorney Ray Dickhaner. After discussion, Motion made, seconded, and approved to accept proposed Amendments, 29 yes, 0 no. Property owner Dan Stodgell advised he is not a member of the LLPOA and requested this statement be entered into these minutes.

Robert Taylor, consultant and former owner of Strata, a drilling service company, presented slide presentation and explained 1955 installation of dam, repairs which his company made in 1981, and the repairs needed now to seal the seam in the bedrock and stop the leak in the lake of approximately 300 gallons per minute. Over time, without repair, leak would continue to lower the lake level and although not currently a safety issue, could lead to a potential failure of the dam.

Bob Clay with Department of Natural Resources said the DNR would work with Strata and oversee any repairs. Dave Woj. advised special assessment would be needed to help pay the approximate cost of \$80,000 to repair leak; dam passed safety inspection by DNR this month, but DNR advised boats cannot be left in spillway and boats on the bank must be tied up.

Potholes in subdivision roads will be repaired as necessary, and bids will be sought for grading and/or paving of Scenic Knoll. Bid by Cole's Tree Service was accepted for snow removal during 2006-2007 winter season. Stan Lay will get bids for repair of subdivision entrance sign.

Grantorship: LLPOA is in the legal process of attaining grantorship from Solar-X of St. Louis and Transitions, Inc. LLPOA must be subdivision Grantor to pursue any special assessment or bank loan to cover large expenditures, i.e., lake repair or road upgrade/repaving.

Motion made, seconded and approved-Board will pursue alternate payment plans for repair of leak in the lake and upgrade and/or repaving of subdivision roads and present proposals at the January 2007 LLPOA General Meeting.

Election: Nominated and by unanimous vote, the following were elected to serve as Officers and Board Members for the coming year: Dave Wojtkowski, President; Marlyn Edmonds, Vice President; Carl Keener, Treasurer; Daphne Jennewein, Secretary; Board Members-Bob Markham, Billie Norman, Mike Noakes. Meeting adjourned.

Respectfully

*Susan Wojtkowski*

Susan Wojtkowski for Paul Berndt, Secretary