

LAYTON & SOUTHARD, LLC

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Stephen R. Southard

ssouthard@laytonsouthardlaw.com

February 14, 2007

Office of the Missouri Public Service Commission

Colleen M. Dale

Secretary

Benjamin Lane

Regulatory Law Judge

Governor Office Building

200 Madison Street

Jefferson City, MO 65101

FILED³

FEB 21 2007

**Missouri Public
Service Commission**

General Counsel's Office

PO Box 360

200 Madison Street, Suite 800

Jefferson City, MO 65102

Lewis R. Mills, Jr.

PO Box 2230

200 Madison Street, Suite 650

Jefferson City, MO 65102

Hillcrest Utilities Company

Legal Department

601 Sheridan Drive

PO Box 8

Chaffee, MO 63740

Brandco Investments, LLC

Legal Department

155 South Minnesota

Cape Girardeau, MO 63703

RE: Case No.: WM-2007-0261

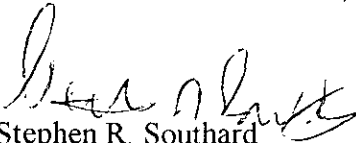
Dear Sirs:

Enclosed herewith please find a Certified Copy of Notice in the above-numbered case along with information as requested in the Notice of Deficiency which has been issued. A copy of the same has been forwarded to the General Counsel's office, Hillcrest Utilities Company, Lewis R. Mills Jr. and Brandco Investments LLC.

If you have any questions regarding this matter, please let me know.

Yours very sincerely,

LAYTON & SOUTHARD, LLC



Stephen R. Southard

SRS:ag
Enclosure

FILED³

FEB 21 2007

Missouri Public
Service Commission

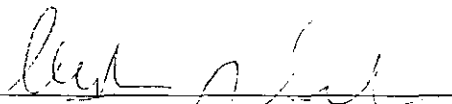
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Transfer of Assets of)
Hillcrest Utilities Company from Blomeyer) Case No.: WM-2007-0261
Investments, Inc. to Brandco Investments, LLC)

RESPONSE TO NOTICE OF DEFICIENCY

COMES NOW Stephen R. Southard, Attorney for Blomeyer Investments, Inc.
(f/k/a M&W Development Co.) and hereby submits the requested documents to the
notice of deficiency.

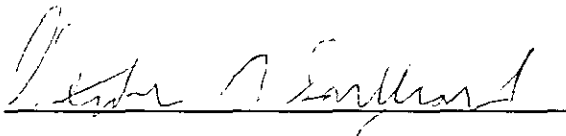
LAYTON & SOUTHARD, LLC


Stephen R. Southard #43363
24 S. Silvers Spring Rd.
PO Box 1238
Cape Girardeau, MO 63702-1238
573.335.3359
Attorneys for Blomeyer Investments Inc

The undersigned certifies that a copy of the foregoing was served upon all of the parties or their attorneys by:

- delivering a copy to the attorney;
- leaving a copy at the attorney's office;
- transmitting a copy by facsimile transmission;
- mailing a copy to the attorney's last known address.

Dated this 14th day of February, 2007.



**BLOMEYER INVESTMENTS, INC.
HILLCREST UTILITIES COMPANY**

601 SHERIDAN DRIVE * CHAFFEE, MO 63740

Tel: 573-887-6786

Fax: 561-750-9432

E-mail plelake@aol.com

February 8, 2007

**The Missouri Public Service Commission
General Counsel's Office
Colleen M. Dale
Secretary
200 Madison Street, Suite 800
Jefferson City, MO 65102**

**Re: Case No. WM-2007-0261
In the Matter of the Transfer of Assets of Hillcrest Utilities Company
From Blomeyer Investments, Inc. to Brandco Investments, LLC**

4 CSR 240-2.060 Applications

(H) The character of business performed by Blomeyer Investments, Inc./ Hillcrest Utilities Company, is in the matter of real estate and owning/operating Hillcrest Utilities Co., a water and sewer service company, located in Hillcrest Manor Subdivision, Route K, Cape Girardeau, MO 63701.

(K) Blomeyer Investments, Inc./Hillcrest Utilities Company, has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of the application;

(L) Blomeyer Investments, Inc./Hillcrest Utilities Company, does not have any annual report, assessment fees, or taxes overdue.

I, Betty L. Montgomery, am the Secretary/Treasurer of Blomeyer Investments, Inc. and Hillcrest Utilities Company, a corporation(s) organized and existing under the laws of the state of Missouri, with their principal offices located at 601 Sheridan Drive, Chaffee, MO 63740 and for whose behalf I make this affidavit.

I do hereby certify, sign and affirm, and declare that I am competent to give the preceding declaration based on my personal knowledge, and that the preceding facts are true and correct to the best of my knowledge.

The above mentioned corporation has caused this instrument to be executed in its behalf, pursuant to authority of its board of directors.

WITNESS my signature this 8th day of February, 2007

**BLOMEYER INVESTMENTS, INC.
HILLCREST UTILITIES COMPANY**

BY:


Secretary/Treasurer

BLOMEYER INVESTMENTS, INC.

HILLCREST UTILITIES CO.

P O BOX 8

CHAFFEE, MO 63740

Tel: 573-887-6786

Fax: 561-750-9432

E-mail plelake@aol.com

February 8, 2007

**The Missouri Public Service Commission
General Counsel's Office
Colleen M. Dale
Secretary
200 Madison Street, Suite 800
Jefferson City, MO 65102**

**Re: Case No. WM-2007-0261
In the Matter of the Transfer of Assets of Hillcrest Utilities Company
From Blomeyer Investments, Inc. to Brandco Investments, LLC**

CSR 240-3.605 Filing Requirements for Water/Sewer Utility Applications for Authority to Sell, Assign, Lease or Transfer Assets

(A) Refer to Public Service Commission of Missouri Tariff Sheets 3 & 4 for the legal description of the service area.

The sale includes all company customer accounts, 90 days support from present owners, the water well with property and submersible pumps, all lagoons with property, lift station, and extra vacant lots reserved for future expansion if necessary. January 26, 2007 there were 208 meters billed. There are fewer meters billed than residences due to the fact that the apartment complexes have one master meter that services 8 apartments.

- 1. The company holds no franchise rights.**
- 2. Attached is the Water Permit**
- 3. Refer to Public Service Commission of Missouri Tariff, Sheets 1, 2, 5, 6 for the water rates.**

(D) Blomeyer Investments, Inc. believes the proposed sale of the assets is not detrimental to the public interest but will be advantageous. The interests of the public is serviced by the regulation of a Tariff on file with the Missouri Public Service Commission.

The present owners recently sold the subdivision and has no further interest in the development of the subdivision. The stockholders of Hillcrest Utilities Company are retiring and wish to divest themselves of this investment.

Hillcrest Utilities Company is an operational water/sewer facility.

Brandco Investments, LLC., will be a hands on owner/operator. Bob's Economy, a wholly owned company by the owner of Brandco Investments, LLC, is in the service, repair, and maintenance of water & sewer facilities.

For the past several years Bob's has been and is presently performing both water and sewer repair/maintenance work for Hillcrest. He has performed prompt and exemplary service to the company. He has always been available and is on call to the facility 24 hours/7 days per week. In addition he will be retaining the services of SRW Accounting. SRW Accounting developed the accounting software for the company and has been servicing the facility for 15 + - years in the billing/collection department.

(F) There will be no impact on the tax revenues of the Hillcrest Manor Subdivision, (the subdivision). The recorded Covenants of the subdivision make no mention of any tax consequence that would impact the utilities company. The Covenants mandate the Homeowner's Association to arbitrarily bill, on an annual basis as needed, a nominal road assessment to the homeowners. This fee is capped at a maximum of \$100.00 per year and is collected for road maintenance, repairs and snow removal. Therefore, there is no known tax consequence that would impact the utilities company in association with the subdivision.

Attachments: 1. Tariff, Sheets 3, 4; Legal Description on file with the Missouri
Public Service Commission
 2. Copy of Water Permit
 3. Water Tariff, Sheets 1, 2, 5, 6 ; Rates on file with the Missouri
Public Service Commission

I, Betty L. Montgomery, am the Secretary/Treasurer of Blomeyer Investments, Inc. and Hillcrest Utilities Company, a corporation(s) organized and existing under the laws of the state of Missouri, with their principal offices located at 601 Sheridan Drive, Chaffee, MO 63740 and for whose behalf I make this affidavit.

I do hereby certify, sign and affirm, and declare that I am competent to give the preceding declaration based on my personal knowledge, and that the preceding facts are true and correct to the best of my knowledge.

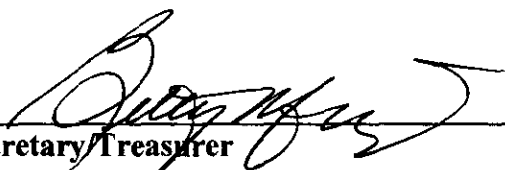
The above mentioned corporation has caused this instrument to be executed in its behalf, pursuant to authority of its board of directors.

WITNESS my signature this 8th day of February, 2007

BLOMEYER INVESTMENTS, INC.
HILLCREST UTILITIES COMPANY

BY: _____

Secretary/Treasurer



FORM NO. 13

P.S.C.MO. No. 2

{ Original } SHEET No. 3
{ Revised }

Cancelling P.S.C.MO. No. All previous tariffs

{ Original } SHEET No. _____
{ Revised }

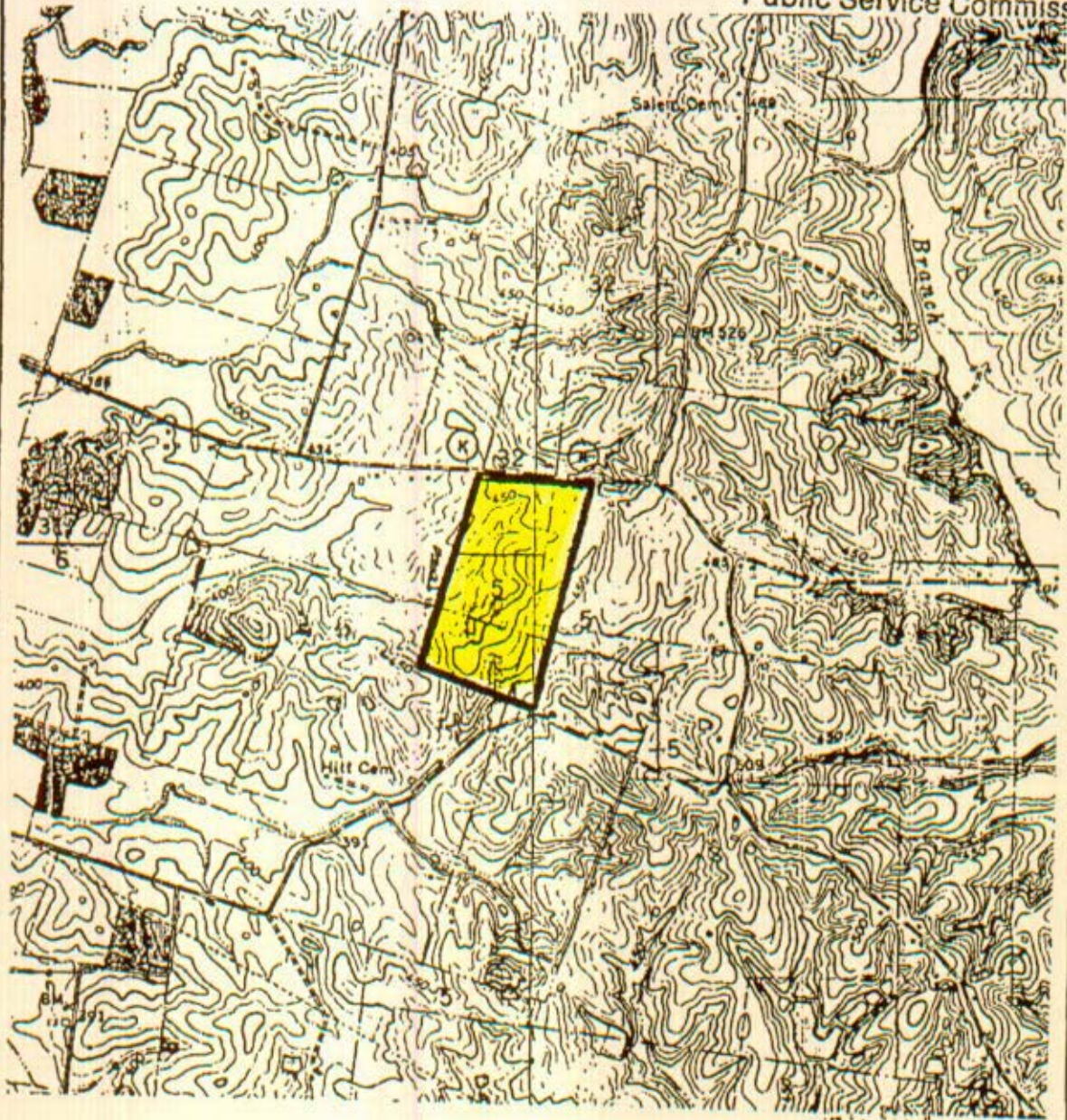
Hillcrest Utilities Company
Name of Issuing Corporation

For Hillcrest Manor Subdivision
Community, Town or City
Cape Girardeau County, MO

MAP OF SERVICE AREA
Water Service

FEB 27 1989

MISSOURI
Public Service Commission



*Indicates new rate or text
+Indicates change

APR 8 1989

DATE OF ISSUE March 8, 1989
month day year

DATE EFFECTIVE April 8, 1989
month day year

ISSUED BY [Signature]
name of officer

Secretary, P.O. Box 602, Cape Girardeau, M
title address 6370

FORM NO. 13

P.S.C.MO. No. 2
ALL PREVIOUS TARIFF

{ Original } SHEET No. 4
{ Revised }
{ Original } SHEET No. _____
{ Revised }

Cancelling P.S.C.MO. No. _____

HILLCREST UTILITIES COMPANY
Name of Issuing Corporation

For HILLCREST MANOR SUBDIVISION
Community, Town or City

CAPE GIRARDEAU COUNTY, MO

RECEIVED

LEGAL DESCRIPTION OF SERVICE AREA	FEB 27 1989
MISSOURI Public Service Commissioner	
<p>Part of the Northwest part of U.S. Private Survey No. 234, part of the northwest fractional quarter of Section 5, part of the northeast part of U.S. Private Survey No. 217; part of the southeast part of U.S. Private Survey No. 211; part of the southwest part of U.S. Private Survey No. 218, all in Township 30 North, Range 13 East; and part of the east part of U.S. Private Survey No. 211, and part of the west part of U.S. Private Survey No. 218, and part of the southeast fractional quarter of Section 32; all in Township 31 North, Range 13 East, County of Cape Girardeau, State of Missouri, described as follows:</p> <p>Begin at the southwest corner of an 85.00 acre parcel of land conveyed to Clinton M. Wunderlich and Morris C. Montgomery, which point of beginning bears S. 7 degrees 42' W, and along the west line of said parcel, 726.0 feet from the southeast corner of said Survey No. 211; thence N. 7 degrees 42' E, along the west line of said parcel of land, 2330.39 feet to the south line of Missouri State Route "K"; thence with the following courses and distances with said south line, S. 87 degrees 12' E, 782.58 feet to the point of curve of a 2 degree 02' curve to the right; thence in an easterly direction with said 2 degree 02' curve to the right; thence in an easterly direction with said 2 degree 02' curve to the right, 361.55 feet to the point of tangent of said curve; thence S. 79 degree 52' E, 4.9 feet to the point of curve of a 1 degree 58' curve to the left; thence in an easterly direction with said 1 degree 58' curve to the left, 325.31 feet to the point of tangent of said curve; thence S. 86 degree 17; E, 4.7 feet to the east line of said 85.00 acre parcel of land; thence leaving said south line of Route "K", S. 7 degree 23' W, with said east line 2717.1 feet to the southeast corner of said parcel of land; thence N. 63 degree 31' W, with the south line of said parcel, 359.5 feet; thence N 72 degree 50' W, with said south line, 1166.2 feet to the point of beginning:</p>	
*Indicates new rate or text +Indicates change	APR 3 1989 Public Service Commissioner

DATE OF ISSUE MARCH 8, 1989 DATE EFFECTIVE APRIL 8, 1989
month day year month day year

ISSUED BY BETTY L. MONTGOMERY, SECRETARY, P O BOX 602, CAPE GIRARDEAU, MO
name of officer title address

Betty L. Montgomery

DEPARTMENT OF NATURAL RESOURCES

STATE OF MISSOURI



PERMIT OF APPROVAL

FOR A COMMUNITY WATER SUPPLY
TO DISPENSE WATER TO THE PUBLIC

PERMIT NO. 4036038

GRANTED TO

HILLCREST UTILITIES, INC., CAPE GIRARDEAU COUNTY

(HILLCREST MANOR SUBDIVISION)

ISSUED IN ACCORDANCE WITH SECTION 640.115

MISSOURI REVISED STATUTES AND RULES AND REGULATIONS (10 CSR 60)

PROMULGATED UNDER SECTION 640.100

(See Reverse)

By *Fred A. Lague*
Director, Department of Natural Resources

Date JUNE 25, 1980

Missouri Safe Drinking Water Act, RSMo,

- 640.115.1** No source of supply shall be used without a written permit of approval from the Department of Natural Resources, or water dispensed to the public without first obtaining such permit of approval.
- 640.120.1** The Department of Natural Resources may authorize variances and exemptions from state primary water regulations.

Missouri Public Drinking Water Regulations, Code of State Regulations, Section 60.

- 10 CSR 60-3.010(1)(E)7.** Permits are effective until revoked.
- 10 CSR 60-3.010(1)(F)** The department may modify or revoke a permit to dispense water subject to the appeal provisions of section 640.130.4, RSMo (1978), upon a finding that any of the following events have occurred:
- 1.** The holder of a permit ceases to function as a public water supply.
 - 2.** The holder of a permit fails to correct an operating deficiency or comply with these regulations within a reasonable time after receipt of notice from the department.
 - 3.** The department determines that an emergency condition exists in a water supply which endangers, or could be expected to endanger, the health of a person or persons consuming affected water.

FORM NO. 13

P.S.C.MO. No. 2

{ Original } SHEET No. 1
~~Revised~~

ALL PREVIOUS TARIFF

Cancelling P.S.C.MO. No. _____

{ Original } SHEET No. _____
{ Revised }

HILLCREST UTILITIES COMPANY

For HILLCREST MANOR SUBDIVISION

Name of Issuing Corporation

Community, Town or City

CAPE GIRARDEAU COUNTY, MO

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TITLE PAGE

FEB 27 1989

MISSOURI
Public Service Commission

HILLCREST UTILITIES CO.

RATES

RULES AND REGULATIONS

APPLYING TO WATER SERVICE

IN

HILLCREST MANOR SUBDIVISION

FILED WITH THE

PUBLIC SERVICE COMMISSION OF MISSOURI

FILED

APR 3 1989

*Indicates new rate or text

+Indicates change

Public Service Commission

DATE OF ISSUE MARCH 8, 1989
month day year

DATE EFFECTIVE APRIL 8, 1989
month day year

ISSUED BY BETTY L. MONTGOMERY, SECRETARY, PO BOX 602, CAPE GIRARDEAU, MO

name of officer

title

address

63702



HILLCREST UTILITIES COMPANY
Name of Issuing Corporation

For

HILLCREST MANOR SUBDIVISION
Community, Town or City
CAPE GIRARDEAU COUNTY, MO

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*Indicates new rate or text +Indicates change		Public Service Commission

DATE OF ISSUE MARCH 8, 1989
month day year

DATE EFFECTIVE APRIL 8, 1989
month day year

ISSUED BY BETTY L. MONTGOMERY, SECRETARY, P. O. BOX 602, CAPE GIRARDEAU, MO
name of officer title address

Betty L. Montgomery

{ Original }
{ ~~XXXXXX~~ }
{ Revised }

ALL PREVIOUS TARIFF

Cancelling P.S.C.MO. No. _____

{ Original }
{ Revised }

HILLCREST UTILITIES COMPANY

HILLCREST MANOR SUBDIVISION

Name of Issuing Corporation

For

Community, Town or City

CAPE GIRARDEAU COUNTY, MO

RECEIVED

SCHEDULE OF RATES

WATER

FEB 27 1989

MISSOURI
Public Service Commission

Rate Schedule W-1

Availability:

Any metered customer adjacent to the Company's water distribution mains using standard water service.

Price Schedule

Monthly minimum per customer	\$ 3.58
per 1,000 gallons	\$ 1.84

Taxes

Any applicable Federal, State or local taxes computed on billing basis shall be added as separate items in rendering each bill.

Delayed Payment Clause

For a bill not paid within the period stated thereon, a charge of 8% per annum will be added.

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APR 8 1989

Public Service Commission

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ISSUED BY BETTY L. MONTGOMERY, SECRETARY, PO BOX 602, CAPE GIRARDEAU, MO

HILLCREST UTILITIES COMPANY
Name of Issuing Corporation

For HILLCREST MANOR SUBDIVISION
Community, Town or City
CAPE GIRARDEAU COUNTY, MO

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SCHEDULE OF SERVICE CHARGES
FOR WATER SERVICE

FEB 27 1989

MISSOURI
Public Service Commission

These charges are applicable to the Company's services provided for in the corresponding rules:

Reconnection charge after service disconnection by Company for violation of the Company's Rules and Regulations. (See Rule # 7) \$ 15.00

Turn-off and turn back on charges applicable to customers requesting temporary disconnection. (See Rule # 8) \$ 15.00

Tapping, Meter Hook-up and Inspection Fees 3/4" (inch) connection \$ 35.00

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