

**Current Big Island  
Property Owners  
[Folsom Ridge Excluded]**

6/2/2006  
Unofficial List

2

#	Property Owner	Comments Enclosed	Water/Sewer Status	#	Property Owner	Comments Enclosed	Water/Sewer Status
1	Abeln P.		Tap(s) Only	51	Kling		Hooked
2	Abeln R.		Tap(s) Only	52	Kwiatkowski		Hooked
3	Adamson	1	Hooked	53	Lane		Tap(s) Only
4	Ashcroft		Not Hooked, No Taps	54	Lee		Tap(s) Only
5	Bachman		Tap(s) Only	55	Lever		Not Hooked, No Taps
6	Baechle		Hooked	56	Mahr	1	Tap(s) Only
7	Beaman	1	Hooked	57	McKean		Not Hooked, No Taps
8	Beaven		Tap(s) Only	58	Middleton		Tap(s) Only
9	Bieg	1	Not Hooked, No Taps	59	Mitchell	1	Tap(s) Only
10	Boos	1	Hooked	60	Nelson		Tap(s) Only
11	Bracken	1	Hooked	61	Norman		Tap(s) Only
12	Briley		Hooked	62	Oler		Tap(s) Only
13	Brinker		Hooked	63	Potter		Hooked
14	Brown		Tap(s) Only	64	Prather		Tap(s) Only
15	Budz		Tap(s) Only	65	Pro	1	Hooked
16	Burchard		Hooked	66	Pugh		Hooked
17	Burford		Hooked	67	Rubert	1	Hooked
18	Burr		Hooked	68	Schweitzer		Hooked
19	Cadwell		Tap(s) Only	69	Sebastian		Tap(s) Only
20	Cole		Hooked	70	Seibolt		Hooked
21	Conley		Hooked	71	Shelton		Hooked
22	Connell		Hooked	72	Shore		Hooked
23	Cottingham	1	Hooked	73	Simmer	1	Hooked
24	Davis		Hooked	74	Smith		Tap(s) Only
25	Deckard		Tap(s) Only	75	Snyder	1	Hooked
26	Dunfee, Jr.		Tap(s) Only	76	Sowell	1	Hooked
27	Easter		Tap(s) Only	77	Sowers J.		Hooked
28	Edwards		Not Hooked, No Taps	78	Sowers T.	1	Hooked
29	Ezard		Hooked	79	Steinhour		Tap(s) Only
30	Foley		Not Hooked, No Taps	80	Stenberg		Hooked
31	Fortney C.		Tap(s) Only	81	Stoyer		Hooked
32	Fortney D.		Tap(s) Only	82	Temares		Hooked
33	Foster		Hooked	83	Thorpe		Tap(s) Only
34	Gannaway		Tap(s) Only	84	Toombs J.		Hooked
35	Goldman		Hooked	85	Toombs L.		Hooked
36	Gooding		Tap(s) Only	86	Truedson	1	Hooked
37	Grayum	1	Hooked	87	Vieth		Hooked
38	Grove		Not Hooked, No Taps	88	Watson		Hooked
39	Gutierrez		Tap(s) Only	89	Wavra		Not Hooked, No Taps
40	Haddock	1	Hooked	90	Weast		Tap(s) Only
41	Hermann		Hooked	91	Weir		Not Hooked, No Taps
42	Hesley		Tap(s) Only	92	Wetzel		Not Hooked, No Taps
43	Hesse		Not Hooked, No Taps	93	White		Tap(s) Only
44	Hiley	1	Tap(s) Only	94	Wicker		Hooked
45	Holstead	1	Hooked	95	Williams		Tap(s) Only
46	Jacobson		Hooked	96	Willoughby		Not Hooked, No Taps
47	Kasten		Hooked	97	Youngblood		Hooked
48	Keck		Tap(s) Only	98	Zahn		Tap(s) Only
49	Kenter		Hooked	99	Zeldin	1	Hooked
50	Klappe		Hooked	100	Martin (new)	1	Hooked

Complainants (Schrader Not Listed, Past Property Owner)

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**FILED**

JUN 27 2006

Missouri Public  
Service Commission

Exhibit No. 2  
Date 6-2-06 Case No. WC-2006-0082  
Reporter Sarah Peterski

# Suggestions for Resolution of Water/Sewer Issues on Big Island

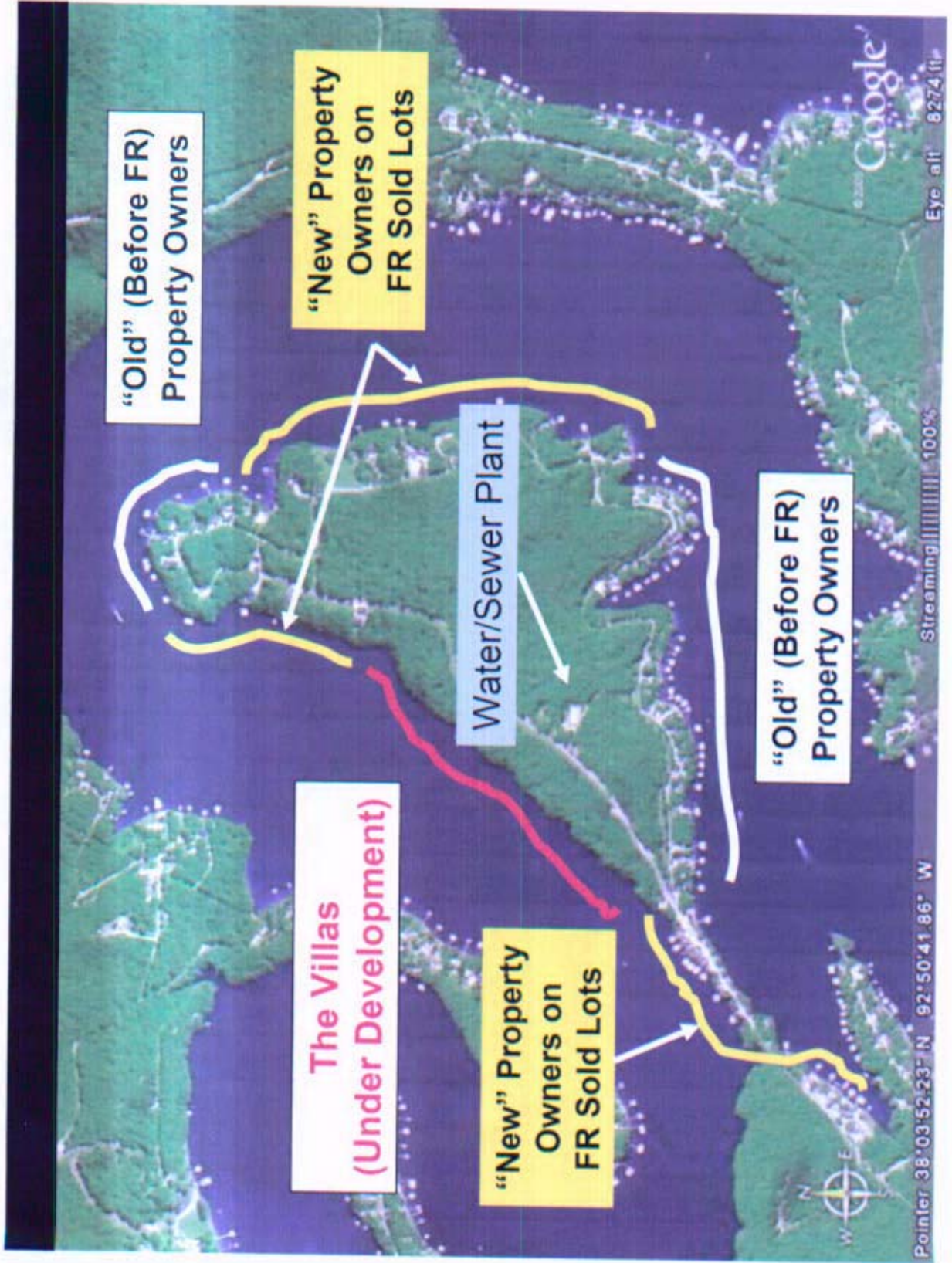


Formal Comments from Phil Hiley  
Big Island Property Owner and Resident

# Personal Data

- **Homeowners** Phil and Tonie Hiley (3184 Big Island Dr)
- **BI Property Status**
  - Owned lots for ~40 Years; lake home for ~30 years.
- **Current HOA Status: Non-customer and non-member**
  - Not hooked on; paid FR \$4800 for a sewer tap;
  - Paid quarterly tap fees to HOA (now \$15/qtr), seemed fair.
  - Never ratified HOA by-laws to avoid potentially large personal liability of an improperly installed new system.
- **Leadership History on Big Island**
  - Led resident's group in '04 against FR to prevent multifamily zoning on BI;
  - Led resident's group in '04 working with FR on new development;
  - Initiated effort in May '05 to set up a new homeowner's association (with FR);
    - **Effort postponed in August, '05 to await outcome of PSC rulings on present complaints.**

# Development on Big Island

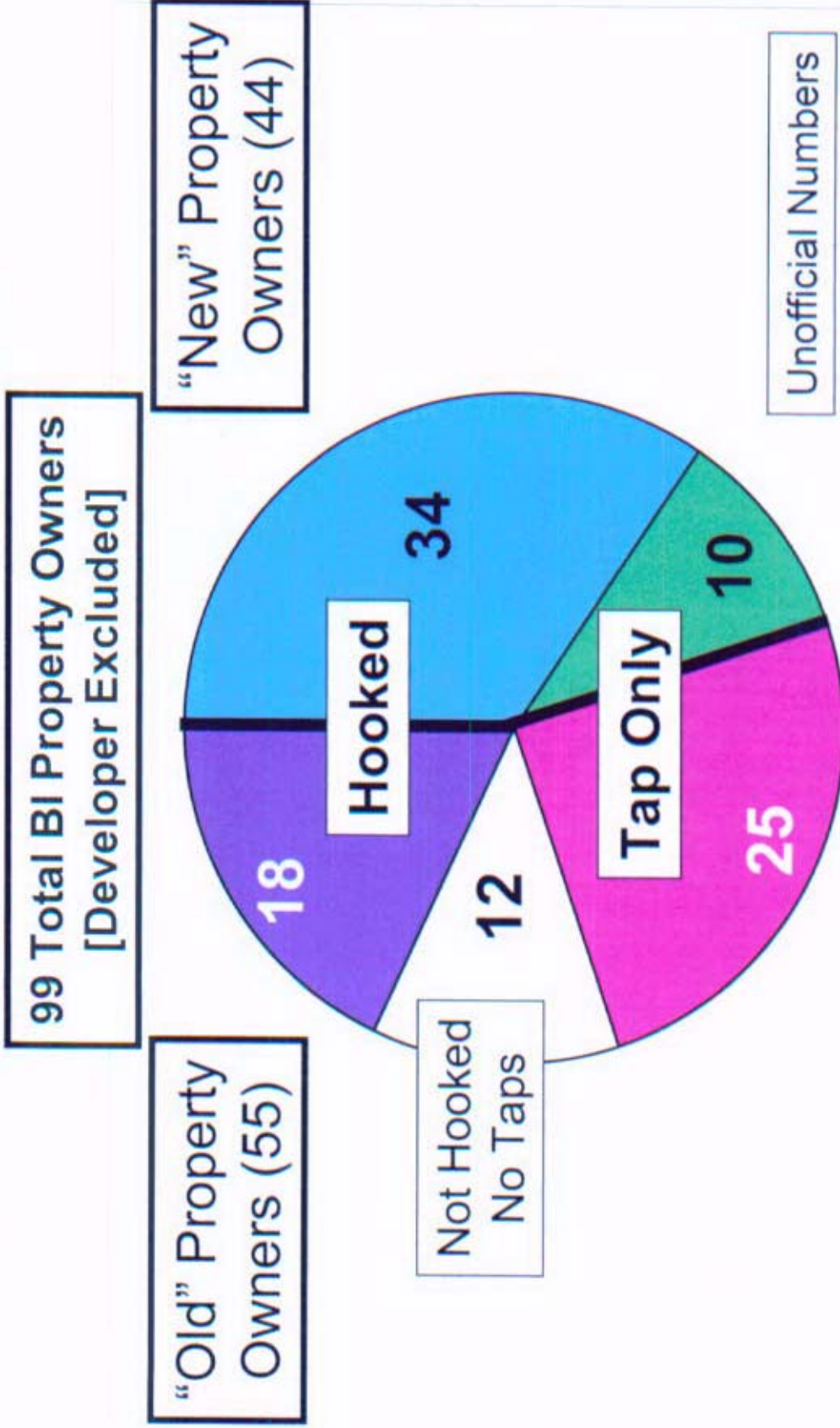


# History Perspective

- **State-of-the Art System Provided by FR for All BI Property Owners (PO)**
  - Benefit to “before FR” PO ..... Voluntary water and/or sewer hook-on allowed;
  - Benefit to FR ..... Hook-on fees (\$4800 sewer/\$2000 water) provided for construction capital (\$200K to \$250K total, my estimate).
- **Water/Sewer Association (HOA) set up to operate system**
  - Many non-customers did not ratify HOA by-laws; even a few customers did not;
  - 3 board members appointed by FR; 2 elected from residents; FR has 1 vote per lot;
  - Monthly fees charged to customers and non-customers.
- **Several construction problems from 1998 to 2005, including the well known “water/sewer lines in the same trench” violation (corrections mandated by DNR, now complete).**
- **Current HOA by-laws call for homeowners to take over operating the system in Sept of 2006. All board members to be elected.**

# The Stakeholders

~50% of Big Island Families Now Use the System



# The Issues – My View

## Issue 1 -- PAST ILLEGAL FEES

### Allegation: FR/HOA Has Operated as a Public

#### Utility. My Comments....

- Fact -- fees were charged to non-customers/non-members;
- We (non-customers/non-members) paid the fees; they were fair, like an “availability” fee;
- Others did not pay for various reasons -- their choice; FR called them members anyway;
- To my knowledge, no one was ever disconnected;
- The problem (“you’re a member, you owe fees --no I’m not, no I don’t”) should have been resolved by FR long ago -- it never was;

### Resolution: PSC needs to make a ruling.

# ● The Issues – My View (cont'd) ●

## Issue 2 -- FUTURE REGULATION

**Allegation: FR Is Not Fit to Run the System; It Should Be Regulated by PSC without FR.**

### **My Comments .....**

- Yes, FR had serious installation and some recent start-up problems that could have been avoided or mitigated with better management oversight.
- But it is working now, and most customers seem satisfied with system checks (esp. clean water) and adequacy of troubleshooting;
- FR could continue to run the system efficiently in the future as a nonprofit corporation under DNR rules, with PSC permission;
- **Maybe there is a better way.....**

**Resolution: A Water/Sewer HOA Under Homeowner Control.**



# **Suggested Resolution**

- **Set-up a 393 nonprofit utility under state statutes, with PSC and FR assistance:**
  - The homeowners already have some experience in running the system and having a say in its efficient operation, we should be able to take over;
  - If a PSC regulated, for-profit utility is allowed, the homeowners would then pay extra for FR earning a profit, and pay extra for PSC fees. Not desirable.
- **Under the 393, satisfy 3 PSC criteria:**
  - Members include hooked-on customers only;
  - (1) vote per customer;
  - Association must own or lease the system so that it has complete control.

# Suggested Resolution

## -- Not Without Challenges --

### Disadvantages (Per PSC )

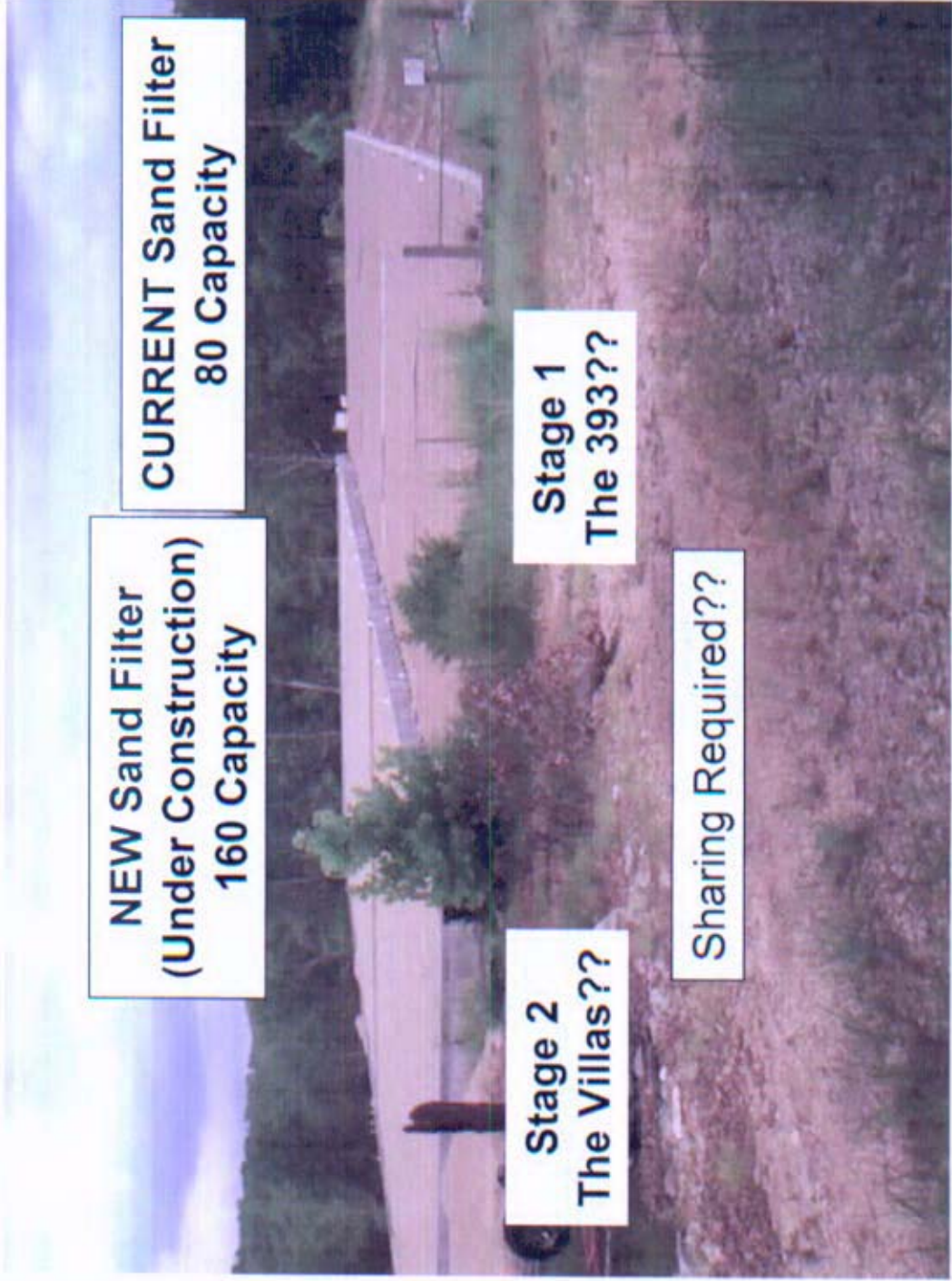
- "existing customers could assert some control over additional development".

- "...the level of cooperation (for a 393) nonprofit utility may not exist".

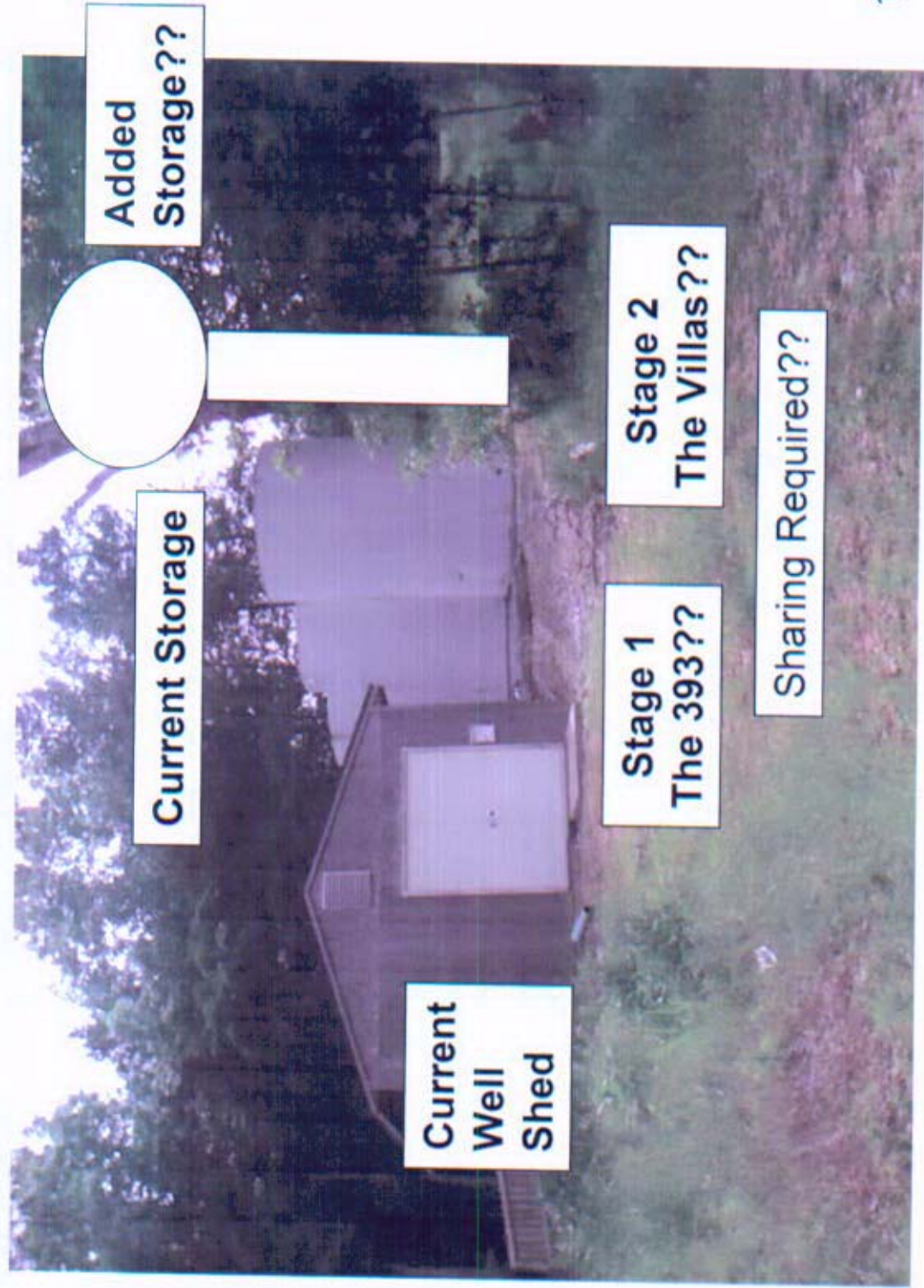
### Possible Fixes

- New development excluded;
- Members run the 393 system, daily operation by qualified subcontractors;
- 393 facilities segregated from new development ("The Villas"); some sharing req'd?
- Required 393 facilities transferred from FR (much of system already paid for through tap fees).
- Yes, there is some fence mending to do, but it can be done.

# Sewer System Sand Filters



# Water System Storage



# **SUMMARY**

**The intent was always to have eventual homeowner control. Now, the current system is built and it works. Let's cooperate and move on as planned.**

- Yes, the homeowners will have to work together, just as we have in the past.**
- Yes, FR will need to work with us to set up a 393, after which they can devote full energy to their new developments.**
- Yes, we would certainly need to accept PSC's offer to help set it up for our situation.**
- Yes, it will be hard, but better for the long run!<sup>12</sup>**

**YAHOO! MAIL**

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Print - Close Window

**Date:** Wed, 31 May 2006 20:32:27 -0700 (PDT)  
**From:** "Sheryl Adamson" <kingsuperlube@yahoo.com>  
**Subject:** June 2 Meeting  
**To:** "Phil & Tonie Hiley" <tphiley@yahoo.com>

Ron & Sheryl Adamson  
3048 Big Island Dr  
Roach, Mo 65787

**To:** Missouri Public Service Commission  
**Re:** Case # WC 2006-0082 Orlor vs Folsom Ridge (Big Island)

We are Big Island residents and members of the Big Island Home Owners Association who are enjoying the current benefits of Big Island utilities as they are. We have no complaints about the system as it is and are completely and totally satisfied with the service provided by Folsom Ridge.

In the very recent past, we were working in our yard and discovered a wet spot where our sewer line hooks into the system. The next day we called Folsom Ridge and told them of our problem. They immediately came and fixed the leak with no charge to us. While we were chatting with them, we asked if they knew anything about septic tanks and asked them about a problem we were having with that. The next day we discovered that they had sent someone over to look into that problem as well. This was something that had nothing to do with their system (neither the installation of or the maintenance of) and we still were not charged.

Our fear is that if PSC regulates our system, how soon will they address a problem and with what kind of fees? We enjoy personal interaction with a developer who has gone out of his way to provide for all of us. He has been more than generous with Big Island neighbors as a whole. Yes, in the past there have been problems; what developer doesn't have problems in a project of this size; however, he has worked hard to remedy those problems and has kept us all well informed of every action.

It has occurred to us that these complaints are most certainly not about quality of service or safety, but rather personal whettas. It should be evident to all by now that just a handful of people are unhappy for personal reasons and will remain unhappy whatever the outcome. It should be sad that all of us will have to pay the price for these few.

In summary, we are happy with the way it is now and most certainly vote "no" to any changes!

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Do you Yahoo!?  
Everyone is raving about the all-new Yahoo! Mail Beta.

Sharon Beaman

1353 Big Island Drive

Roach, MO 65787

June 1, 2006

State of Missouri

Public Service Commission

RE: Case #WC-2006-0082

Dear Sirs:

This letter is being submitted to you for your consideration on Case # WC-2006-0082, Orlor vs. Folsom Ridge, LLC. I am sorry that I will be unable to attend this hearing.

My husband and I moved to Big Island in May of 2004. We were soon welcomed by Ben Pugh and his wife. They wanted our email address and offered to obtain a Big Island Directory for us. At that first meeting, we were very aware of their aversion toward further development of Big Island and their dislike for Reggie Golden. When we received our Big Island Directory it had a petition with a note attached directing us to "sign and return" to the Camden County Planning and Zoning Committee. This petition was an effort to prevent Folsom Ridge, LLC from developing on Big Island. During the next few months, messages were left on our phone to either meet to discuss issues or to sign the petition or to attend a party. We always managed to politely decline. Finally, we told them that we did not want to get involved and we were not going to take sides. This, however, did not stop the bitter comments about the developers from Ben Pugh whenever our paths would meet.

When the Planning and Zoning Board ruled in Folsom Ridge's favor, Ben Pugh came to our door and said, "Well, it looks like we can't stop them." But, he said that he was "going to keep fighting them."

Now the time has come to take a stand. I truly believe that Ben Pugh and Cathy Orlor are so full of hatred for Folsom Ridge, LLC that they will never be content until Reggie Golden and the members of Folsom Ridge are out of Big Island. In a recent email, they claimed that they are protecting the residents of Big Island. That, because most of us are part-timers and want to relax and get away from stress, that we have "overwhelming issues of complacency and apathy." I dare them to make that statement! Who gave them permission to be our caretakers? They are not even members of the HOA. Just who is

interrupting our relaxation and causing us stress? They are. And, if we are complacent, what does that tell you? We are happy with the system the way it is!!! Ben even told some of the residents on Portage Road to hold off on asphaltting their road because he was going to make them dig the water line back up again. As soon as one situation is resolved, he tries to create another.

Ben Pugh has profited from all the improvements on Big Island. His property value has greatly increased because the developers are making this a first class community. Apparently, his septic system, like many at the lake, must have needed replacement or he wouldn't have hooked up to Folsom Ridge's. Now, because of his and Cathy's actions, we, the Big Island Water/Sewer customers are going to suffer if you take the ownership of the system away from the HOA. We just moved from Gregg Williams privately owned water system, and I know that being privately owned does not mean that it will be better, just more expensive. The HOA can hire an engineer

to do periodic inspections. All corrections have been made and the DNR is keeping a very watchful eye on the construction of the water/sewer system.

In conclusion, I am pleading with you to keep the system as it is. And, only allow the members of the HOA to be connected to the water/sewer system. Of the nine complainants, only one is connected and that is just sewer. Now, he is the one complaining because he connected himself and says its illegal. Sounds like some kind of crazy scheme to me. The developers have spent an enormous amount of time and money at Big Island. They have had to fight every step of the way. Their hands are tied with the 1 vote per customer rule. They need to have some control so that they can make some progress and protect their investment.

Respectfully yours,

Sharon Beaman



**YAHOO! MAIL**

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**From:** "Bieg, Catherine M" <Catherine.Bieg@kraft.com>  
**To:** "Phil and Tonie Hiley" <tphiley@yahoo.com>  
**Subject:** RE: Big Island Information Packet: Public Hearing 2 June  
**Date:** Fri, 19 May 2006 11:30:16 -0500

Tonie...Can you turn in what I have written below? I did notice a typo, which I corrected. We won't be back down to the lake before the meeting. Let me know...Cathy

**Catherine (Cathy) M. Bieg**  
Customer Business Manager  
Associated Wholesale Grocers  
636-938-3241 - Office  
636-938-7627 - Fax  
catherine.bieg@kraft.com - EMail  
26750 - Audix

-----Original Message-----

**From:** Phil and Tonie Hiley [mailto:tphiley@yahoo.com]  
**Sent:** Friday, May 19, 2006 10:57 AM  
**To:** Bieg, Catherine M  
**Subject:** RE: Big Island Information Packet: Public Hearing 2 June

Cathy,  
You have to write up your own statement and give it to someone to turn in. They will not let us speak for anyone else.  
You could give it to Snyders or to us.  
Tonie

**"Bieg, Catherine M" <Catherine.Bieg@kraft.com> wrote:**

Tonie...

Could you please ensure that our opinion is added to those that are not supportive of the action desired by the "complainants". Thanks so much.

...Cathy

We acknowledge that Folsom LLC has had violations in the past on the sewer and water lines. However, at this time they appear to have corrected their mistakes to date and have taken ownership of managing the sewer and water for Big Island in an acceptable manner to us. At the present time we have a good sewer and water system, at a very reasonable rate. Their service is good. Folsom LLC has demonstrated, on several occasions, their willingness to work out issues with the residents of Big Island. Consequently, we believe any issues with Folsom LLC controlling the water and sewer system through ownership of the majority of the lots could be reasonably worked out with the homeowners. We are not in favor of Folsom LLC losing control of their development on Big Island.

It is our belief that some of the complaints are coming from residents who have issues with Folsom LLC that are unrelated to the water and sewer system. These nine people have decided to speak for the rest of us without knowing our opinion or consulting us. This issue will have an impact on all of us. We would prefer that the system not be regulated by PSC. It is currently being managed by Folsom LLC to our satisfaction in a cost effective manner.

We hope the PSC board will take into account those of us who want the present system to remain under its current management without PSC regulation.

Thank you.

Gary & Cathy Bieg, 624 Southern Hills Drive, Eureka, MO 63025/Lot 94 - Big Island

**Catherine (Cathy) M. Bieg**

Customer Business Manager  
Associated Wholesale Grocers  
636-938-3241 - Office  
636-938-7627 - Fax  
catherine.bieg@kraft.com - EMail  
26750 - Audix

-----Original Message-----

**From:** Phil and Tonie Hiley [mailto:tphiley@yahoo.com]

**Sent:** Monday, May 15, 2006 9:56 PM

**To:** Sheryl and Ron Adamson; Mike and Susan Baechle; Fred and Sharon Beaman; Bieg, Catherine M ; Dennis and Sheryl Boos; Leon and Pat Briley; Bob and Chris Brinker; Roy and Sandy Budz; Bob & Faye Burchard; Bill and Gay Burford; Barbara Burr; Mary Liberton & Phil Cadwell; Lynn Cole; Lynn and Judy Cole; Michael and Barbara Conley; Evan and Janette Connell; Bill and Pam Cottingham; Scott and Tammy Davis; Don and Carole Deckard; John and Charlene Dunfee, Jr.; Larry and Sherrie Fields; Bill and Elaine Foley; Ed and Vicki Foster; Charles and Donna Gannaway; Fred and Carol Goldman; Brent & Mary Gooding; Craig & Gwen Gooding; Jim and Toni Grayum; Greg and Colleen Gutierrez; Galen and Leinda Haddock; Bob and Grace Hermann; Mark and Debbie Hesley; Jeanne Hesse; Tonie Bachman Hiley; Pam and Jeff Holstead; Howard and Ro Jacobson; Bruce and Valerie Kasten; Steve and Shirley Kleppe; Curtis and Glenna Kling; Jim and Linda Kwiatkowski; Gary and Susan Lane; Larry Lee; Ken and Carol Lever; Geary and Mary Mahr; Cheryl Martin; Laura McKean; Jerome and Marsha Middleton; Bill and Pat Mitchell; Art and Sarah Nelson; Donald and Karen Norman; Gary and Vicki Potter; Eugene and Joan Prather; John and Marilyn Pro; Laurie Rellihan; Phil and Laurie Rellihan; Milton and Donna RuBert; Elmer and Nina Sebastian; Larry and Mary Seibolt; Jeff and Stacy Shore; Robert and Sharon Smith; Gail and Betsy Snyder; Lee and Sharon Sowell; Jim and Francine Sowers; Tom and Chris Sowers; Wayne and Lori Stenberg; Tom and Sally Thorpe; Jerry and Pam Toombs; Larry and Rita Toombs; John and Janna Vieth; Jim and Jennifer Watson; UNEXPECTED\_DATA\_AFTER\_ADDRESS@.SYNTAX-ERROR

**Subject:** Big Island Information Packet: Public Hearing 2 June

Big Island Property Owners (Non-Complainants Only)

As promised, attached is the information packet regarding the 2 June PSC Hearing. Included is a summary of the fact/issues and the options available for operating the community water/sewer system in the future as I understand them. Guidelines for addressing the commission are included in the attachment. Please call if you need additional information or have any questions at 573-317-9305 or email tphiley@yahoo.com .

Phil and Tonie Hiley

**Dennis Boos  
Sheryl Boos  
2974 Big Island Drive  
Roach, MO 65787**

May 30, 2006

To: Missouri Public Service Commission  
Re: Case # WC-2006-0082 Orier vs. Folsom Ridge, LLC

I am here today to speak for myself and to represent my husband's interest also in this hearing. We purchased some of the first lots available from Folsom Ridge in Big Island Development. Several years later we purchased a home and lots in the process of being built that were adjacent to our lots we had purchased originally. This makes us both hooked and non-hooked owners of taps. From that aspect I think we have a good idea of both sides of these complaints.

It is clear with the information given by your committee that you have given us only two choices in this matter. Both choices have clear advantages to: 1. The developer, and 2. The homeowners. It seems that "neither" of these choices combine what is truly needed to make a smooth transition between buying property, building a house, and then receiving water and sewer services from the developer. It would seem that there should be a different kind of association that begins with development and than transitions into ownership by residents. Without that kind of transition, a development could not progress through a period of years without violating PSC guidelines as they are now set.

My concerns are that through this complaint process that "we" the purchasers in the development, will loose any voice we now already have in this water and sewer entity. As customers, it has been a good aspect to have that voice, an opportunity to discuss, elect board members, and cast our votes on all issues concerned with the water and sewer services we receive and will receive in the future.

The major resounding complaint from all the complaints filed is about the control issue with Folsom Ridge of the BIHOA. I would like to concede that on a technical point, yes, they have control if wanted. The reality of their vote has never been executed at any BIHOA meeting to our knowledge. Instead, we the voting members have cast the decisions on all fee issues, including the one to assess fees to non-hooked taps. This process was discussed by the board members, of whom we have non-Folsom Ridge elected people representing our interests, and then presented at a member meeting and then discussed again and voted and approved at these meetings. We did this to initially start charging fees and to subsequently increase marginally those fees, and just most recently, "reduce" those fees back down. All of this was done based on an annual budget that was also discussed and approved at member meetings. We don't see how all of this process constitutes Folsom Ridge being in "Control" of our association. They have done nothing but work with us to keep our costs down to the lowest possible amount they can and still keep bills paid associated with the system's upkeep and annual running requirements.

It is our main concern that we will now loose this voice we have in our water/sewer community and have nothing to say about fees or take any votes deterring such fees that will be given. The complainants have been present at many of these BIHOA meetings. If they had acted and become members, they too would have an EQUAL say in these matters. The way they have gone about bringing their concerns out to be addressed is not an equal say in anything. I believe they

have taken it upon themselves to represent us as a body, "for our good" as one of them has stated in a letter. By this kind of action of filing formal complaints to you, the PSC, they have not done it with an open voice, but behind closed doors amongst their neighbors, plotting the next attack on Folsom Ridge, the Developer.

We would like to see the water/sewer remain in a HOA and have a voice in all matters concerning its fee pricing and future aspects of how it is run and the result, to us, the customers. If the complaints result in the loss of that communication process, how will anyone convey what they desire to the developer without filing either another complaint or a lawsuit? These are the means that we believe these few complainants would rather take than work out a solution with the rest of the customers who own property on Big Island. It is assumed by them, that they are against Folsom Ridge, but in reality they are really against their own neighbors best interests.

It has been said by Cathy Orlor that no residents are capable of the management and operations of a water/sewer system, and that many residents have shown none or very little interest to resolve any issues. The only resolution they have ever come to any of us with, is to join them to file a lawsuit. They are set out to stop Folsom Ridge development by whatever means they see fit in using. At this time they are using the PSC as their tool. None of them has ever come to a meeting and asked us to discuss their fee problems and what we might do about reversing the situation, at least to my knowledge. If they would have taken this avenue first, and we could have addressed it by the process I have talked about before, we may have been able to easily fix a problem that none of the members of BIHOA thought was an illegal, voted and approved fee decision. That decision was based on building a "pot" so to speak in our fund in case of breakdowns and unforeseen expenses. It was discussed about, and the idea's came up as to whether we should wait until such expenses and then assess a special fee each time we needed money, or instead to just set a fee on "all" taps to build a reserve in our account for each year. People like ourselves that had non-hooked taps were definitely "Involved" at that meeting. So Ms. Orlor's assumption that part-time residents don't get involved is that, just an assumption, without any basis.

The resolution to these complaints we seek, would be to have the PSC come out with a better ruling and guideline to structure an HOA that would accommodate what is really needed by BOTH, the Residents and the Developer to continue in a positive way forward. If this process continues, and the complainants are still not satisfied and will not concede to have their investment returned to them and not be part of the water/sewer on Big Island, it will only hurt ALL homeowner's land investments for future resale. We believe they don't really want a resolution and are already plotting for the next suit they can conjure up and file against Folsom Ridge.

Help us to stop this cycle so that it does not set a precedent for the future. We need precise guidelines that spell out what a developer and the community are supposed to do during the transition period of building the entire development.

Thank you for listening to our views. We appreciate this opportunity to finally be heard and hopefully let you know that this group "is" a minority on Big Island and that we don't share their opinions.

Sincerely,  
Sheryl Boos

May 24, 2006

Public Service Commission State of Missouri  
Mr. Morris L. Woodruff, Deputy Chief Regulatory Law Judge

RE: Case No. WC-2006-0082 (Big Island Water & Sewer Systems)

Dear Sirs:

We moved into our new home at 2810 Big Island Drive, Roach, Missouri 65787, on August 1, 2000. And while we fully realize that Folsom Ridge has made some mistakes. To the best of our knowledge those have been corrected and approved by DNR. For ourselves we have not had any problem with the way Folsom Ridge has provided water and sewer service to us and believe they have kept the cost of such services at a reasonable rate.

We believe it is a shame that so few with so little actual connections to the water and sewer systems can create so much turmoil, and may potentially cost those of us who are actually connected and satisfied with the system as is a great deal of additional costs. Further, it is our opinion, that no matter what is the final decision of the PSC, it will not stop the complaints, it will only add the PSC to the equation.

I am sure the DNR can provide if requested information on many of the complaints which you can judge for yourselves the validity of same. We further believe if there were a monetary cost for filing frivolous complaints this situation would never have gotten to this point.

In conclusion, we respectfully request that the PSC allow the current systems to continue as is, and not allow the complainants to use the PSC to penalize those of us who are satisfied with the current setup. However, we do believe a valid solution to the complainants complaints would be to refund them any monies paid for services not received, i.e., to those not connected, and to allow those who are connected and so dissatisfied to be disconnected, and let the rest of us continue to receive our water and sewer services as currently provided by Folsom Ridge.

Respectfully submitted,

*Marilyn J. Bracken*

Marilyn J. Bracken  
2810 Big Island Drive  
Roach, Missouri 65787  
Ph. #573-346-6376

Respectfully submitted,

*Donald D. Bracken*

Donald D. Bracken  
2810 Big Island Drive  
Roach, Missouri 65787  
Ph. #573-346-6376

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# YAHOO! MAIL

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**From:** "Pam Cottingham" <pamcott@fidnet.com>  
**To:** "Phil and Tonie Hiley" <tphiley@yahoo.com>  
**Subject:** Re: Friday's PSC Hearing  
**Date:** Wed, 31 May 2006 17:56:13 -0500

Phil,  
I am planning to be at the PSC meeting Friday. I have not prepared a statement as yet because I am at a loss for what to say. We, of course, would rather not have the PSC run the system. I have not been unhappy with the way things are being run now although we are paying for the service to our house and monthly tap fees for the two lots we own next to our house that are not connected. If I didn't have to pay for those other two lots that would make me happier but we have been paying it.

Our house has a well and a septic system. We hooked onto the central system because we felt it was better for the lake and Big Island environmentally.

It is my opinion that the 393 Non-Profit would be the preferable solution for our situation. If we are able to control our costs maybe more people would be willing to connect and the operating cost per household would be less.

Is my presence at the meeting enough or do you need us to prepare a formal statement?

Thanks for all your work on this matter.

Pam Cottingham

Phil and Tonie Hiley

1 June, 2006

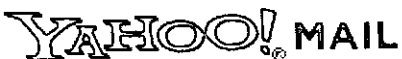
Our stance is that we are satisfied with the current situation. The fact that we know nothing about running a sewer/water system tells me that as a homeowner and user, we do not want to take ownership, responsibility, or liability. Leave it as is.

Jim & Toni Grayum  
66 Portage Park Ln

Dear Phill, I'm writing you to express my desire to what type of operation I would like to see implemented. The way the old system was, served us well in the past and I see no reason why it wouldn't serve us well in the future. I have had no problem with water quality in the past. I have had water tests on two different occasions and results were fine. I'm not for any added costs to a system that's not broke. One of the reasons we picked the location was because of low utility costs. I see no reason to go to a "for profit" system. I was vice president of Water district number 9 in Smithville MO. This was a non-profit organization. The sheer complexity of going to a, for profit system, would seem to me as a deterrent to the homeowners. I hope you can convey my concerns for me at the upcoming meeting. Yours truly,

Galen Haddock





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**From:** TOBYMAHR@aol.com  
**Date:** Wed, 31 May 2006 19:55:22 EDT  
**Subject:** PSC MEETING  
**To:** tphiley@yahoo.com

TO WHOM IT MAY CONCERN;

GEARY AND I ARE NOT CUSTOMERS OF THE SEWER AND WATER OF BIG ISLAND. IN OTHER WORDS WE HAVE NOT HOOKED UP TO THE SEWER, BUT WHAT WE HAVE DONE IS PAID OUR \$4800.00 TO BE ABLE TO HOOK UP AT A LATER DATE IF WE SO CHOSE. HOWEVER, WE ARE BILLED BY FOLSOM -RIDGE FOR SERVICES OF THE SEWER WHICH WE DO NOT RECEIVE THEIR SERVICE. WE FEEL THE MONEY PAID FOR A SERVICE WE DON'T RECEIVE SHOULD BE REFUNDED TO US AND OTHERS ON THE ISLAND WHO HAVE PAID FOR NO SERVICE.

INSTEAD OF PSC TAKING OVER THE SEWER SYSTEM ON THE ISLAND, PERHAPS THEIR COULD BE OTHER OPTIONS WORKED OUT WITH PSC'S HELP.

THANK YOU FOR THE COURTESY OF A MEETING TO HEAR COMMENTS FROM THE RESIDENTS OF BIG ISLAND.

SINCERELY,

MARY AND GEARY MAHR  
1886 BIG ISLAND DR.  
ROACH, MO. 65787

Pamela Holstead, Attorney  
3458 Big Island Drive  
Roach, MO 65787

May 17, 2006

To: Missouri Public Service Commission  
Re: Case # WC-2006-0082 Orlor vs. Folsom Ridge (Big Island)

Since I am a Big Island resident and will not be able to attend the public hearing on June 2, 2006, I am requesting this letter be presented at that hearing and become a part of the official record.

Developer, Folsom Ridge, purchased a large parcel of undeveloped land on Big Island at Lake of the Ozarks. There were a number of pre-existing homes on the Island at the time of the purchase. All of the complainants are owners of pre-existing homes. The developer installed a community water and sewer system which would service his future development. As a courtesy, the developer allowed nearby pre-existing homeowners to purchase taps for their houses with the understanding they could connect to the community utility system at that time or in the future. A document was subsequently recorded which created the Big Island Homeowners Association - the governing entity for the new community water & sewer system. (It could have been more appropriately named Big Island Water and Sewer Association.) Pre-existing homeowners who purchased taps and hooked into the system, or now had the option of hooking into the system, were asked to sign a ratification of the homeowners association agreement. Those who signed ratifications clearly obligated themselves to abide by the rules for the use of the system. They received the benefit of community water and sewer and agreed to the responsibilities which accompanied that benefit. However, in several instances homeowners purchased taps but later refused to sign ratifications and in at least one instance, a pre-existing homeowner actually hooked up to the sewer system but refused to sign a ratification. Instead of disconnecting that homeowner from the system, the association allowed them to remain on line.

Big Island homeowner association meetings were held. At least some of those meetings were attended by both Cathy (Litty) Orlor and Ben Pugh who participated in the discussions. At one such meeting, a majority of the homeowners in attendance decided to start imposing a nominal monthly administration fee on all homeowners who had an "unconnected tap". It was that decision by the homeowners (not the developer) which ultimately led to the filing of these PSC complaints some years later. It seems the simplest resolution would be to rescind that action.

Cathy Orlor (complainant) has a tap which was in place when she and her ex-husband purchased their home on Big Island. She has the option of connecting to community water and sewer but has not done so. Although it is my understanding Ms. Orlor's former husband, Jeff Litty, signed a HOA ratification agreement, Ms. Orlor claims she has not, is therefore not a member of the homeowners association, and cannot be made to pay the nominal monthly administration fee. In an effort to resolve this dispute, the developer and the homeowners association are willing to concede Ms. Orlor did not sign a ratification agreement, is not connected, and is therefore not obligated to pay the nominal administrative fees. (She would be expected to sign a ratification

prior to connecting to the system and would pay a "connection fee" at that time) Although this is the monetary relief she requested, it is no longer the relief she desires. Her complaint with the P.S.C. has become a personal vendetta. The P.S.C. has become Ms. Orler's personal weapon that she is wielding against the developer and the neighbors who have opposed her course of action. Ms. Orler's continued pursuit through the PSC generates substantial legal expenses and loss of time to the developer and the certainty of skyrocketing utility costs to her neighbors. There is a sense of outrage on Big Island that someone who doesn't avail themselves of our water or sewer services is having such a major impact on those who do.

Ms. Orler and Mr. Pugh are partners and ringleaders in the vendetta against the developer. They actively solicited the other complainants. Mr. Pugh purchased a sewer tap only. Like Ms. Orler, he refused to sign the ratification agreement for the homeowner covenants. Like Ms. Orler, he claims he is not a member of the homeowner association. However, Mr. Pugh HAS connected to the community sewer system. Now he claims the developer should be punished by the PSC for providing utility services to non-members - - namely himself. In the interest of making Mr. Pugh happy, we acknowledge he did not sign a ratification agreement to the homeowner covenants, the developer is willing to disconnect Mr Pugh from the community sewer system, return the money Mr. Pugh spent for the sewer tap, and remove it. This is also not acceptable to Mr. Pugh. There are those who believe Mr. Pugh will be satisfied by nothing less than a public hanging of the developer. P.S.C. has become the rope.

I'm not going to address the other complaints because some lack standing, some present issues that are not within PSC jurisdiction, and most of the complaints parrot the issues covered above. Have there been mistakes and valid complaints in the past? You bet. Have they been satisfactorily addressed? Yes. Do we have a safe, efficient (and currently economical) water and sewer system? Absolutely.

It is my understanding the P.S.C. does not regulate water and sewer associations that are operated by a homeowners association..... provided the homeowner's association meets the following two P.S.C. guidelines: 1. Recorded covenants must provide "one vote per customer" as opposed to "one vote per lot"; and 2. Service cannot be provided to individuals who are NOT members of the homeowner association.


**The One Vote Per Customer** rule originated with the 1993 Rocky Ridge case (WD-93-307). The facts in the Rocky Ridge case are substantially distinguished from the facts of the present situation. Unlike Folsom Ridge, Rocky Ridge was not borne out of a new development project. When a development project is completed, it makes little difference whether votes are based on one vote per lot or one vote per customer. Results will be similar if not the same. Folsom Ridge development installed a community water and sewer system to service their brand new Big Island development project which has only scarcely begun. As a public service to the surrounding community, Folsom Ridge made the newly installed utilities available to pre-existing homeowners first. If developers followed the "one vote per customer" rule when establishing a not-for-profit property owner's utility association, they would NEVER offer utility services to pre-existing homes neighboring the development area. Doing so, would give control of a significant developer investment to **individuals who may not want to see nearby virgin**

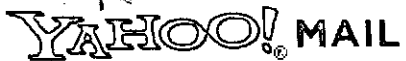
**land developed and could use their new found power to throw up obstacles to that development.** In the current set of circumstances, adhering to the "one vote per customer" rule is detrimental to public policy and would have deprived pre-existing homes of updated community water and sewer services. Developers should not be required to adhere to the "one vote per customer" rule and should instead be permitted to utilize the "one vote per lot" rule .....at least until such time as the project is substantially completed.

P.S.C. guidelines prohibit homeowner associations, who provide utility services, from providing said services to non-members. That is a complaint of Mr. Pugh.....that the homeowner's association is providing service to him, a non-member. The Big Island Homeowners Association was established for the purpose of providing low cost non-profit utility services to all residents of Big Island. The association imposes no dues. Membership is free to everyone on Big Island. Perhaps the covenants should be amended to make that premise abundantly clear. Ms. Orler and Mr. Pugh were never turned away from any of the many homeowner meetings which they attended. The only benefit offered to members of the Big Island homeowners association is the option to become a customer of the utilities which the homeowner association leases from the developer. Mr. Pugh voluntarily availed himself of that option and is receiving sewer services. Anyone who connects to the utility system but refuses to voluntarily subject themselves to homeowner association membership, should be ordered to disconnect from the system.

In summarizing, let it be known that I am opposed to P.S.C. regulation of the Big Island water and sewer system. I believe the current homeowners association should be allowed to continue operating the water and sewer system under the lease agreement with Folsom Ridge. I believe the association should eliminate administrative "tap fees" for all unconnected homeowners. I believe homeowners who connect to the utility system should agree to be members of the association which governs it, or be disconnected. I believe the P.S.C. guidelines should be altered in "new development" situations to allow "one vote per lot" instead of "one vote per customer" as I believe that is in the public's best interest and especially the best interest of pre-existing homeowners. I believe complaints filed in bad faith and pursued in bad faith have the effect of making the Commission an accomplice in a personal vendetta. Such complaints should be dismissed, and those filing ordered to pay respondent's legal expenses.

Thank you,

  
Pamela Holstead.



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**Date:** Tue, 30 May 2006 21:42:24 -0500 (GMT-05:00)  
**From:** "Bill and/or Pat Mitchell" <bigislanders@earthlink.net>  
**To:** tphiley@yahoo.com  
**Subject:** transmittal of info

Phil: or Tonie:

I hope my efforts work. our letter is attached. we are leaving the lake first thing in AM (probably about 8 or so) for Florida. If you cant read or it doesnt work, call us at 573-346-1866,,,,my cell is 321-271-9193 If it needs dressed up, let me know. Bill

**Attachments**

Files:

 **Big\_Island\_info.wps** (7k) [Preview]



Company Name



Address Line 1

Address Line 2

City, State/Province Postal Code

Country

To: Missouri Public Service Commission

RE: Case #WC-2006-0082 Orler vs. Folsom Ridge (Big Island)

We are Big Island property owners since 1994 and part time residents. We will be unable to attend the public hearing on June 2, 2006, and request this letter be presented at the hearing.

We live primarily in Viera, Florida, and spend 2 to 4 months per year at our house on Big Island. Our Big Island home is sometimes used by our family members throughout the year.

We have a sewer tap and paid our connection fee.. but are not hooked on. We do not have a water tap. We are considered Non-Customers of the Big Island Water/Sewer System built by Folsom Ridge.

We have attended several meetings sponsored by Folsom Ridge about their plans for Big Island. During the initial construction, we observed four lines being installed next to each other under the road by our property. We believe they are water and sewer both, but really do not know. We reported a leak from one of the lines last year and it appeared to be water. It was repaired. It is where our sewer tap is located, however we have no confirmation.

We believe it to be in the best interest to continue with Folsom Ridge providing water and sewer services, however they should have independent supervision of the systems and not PSC regulation. We further believe the non-customers should not be required to pay for something they are not receiving. If non-customers were charged and paid any monthly fees, they should have all the monthly fees they paid returned. Connection fees should not be returned.

We further believe the PSC should provide the Department of Natural Resources copies of all proceedings in the matter relating to Big Island Home Owners Association and Folsom Ridge with specific recommendations that the Department of Natural Resources take an active, more aggressive role, in providing for the health and safety of the Big Island residents now and in the future as the population increases.

Sincerely,

Your name goes here





Open Letter to the Public Service Commission

May 30, 2006

Re: Case # WC-2006-0082

John and I have had our home on Big Island since July 1988. When Folsom Ridge Developers bought the island and offered a hi-tech sewer system which was environmentally friendly and clean water at a reasonable cost, we signed up immediately. We continue to be pleased with both systems since we were initially connected.

We support a system that prevents any pollution to the Lake. We believe that the Big Island Homeowners Association working with Folsom Ridge is in the best position to maintain the high quality and low cost of the sewer and water systems.

The Homeowners Association is full of talented people who can work together to maintain the best interests of the homeowners.

Thank you for your consideration.

John and Marilyn Pro

# YAHOO! MAIL

67

Print - Close Window

**From:** M1Rubert@aol.com  
**Date:** Tue, 30 May 2006 17:10:16 EDT  
**Subject:** Re: May 27 Meeting Summary  
**To:** tphiley@yahoo.com

Hello Phil,  
The 393 non profit home owners association set up under state statutes sounds to me like a reasonable solution to all of the current problems. This is my recommendation. ( You may "QUOTE" )  
You may also turn this in as our recommendation at the meeting.  
Thanks, Milton RuBert  
Donna's E-mail address is: djrubert@aol.com





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My name is Jean Grudel. Roger Simmer and I own 2 1/2 lots on Big Island. We have two taps, one is connected and one and one is not. We are very happy with the present arrangement and would like it to remain the same with Folsom Ridge.

**YAHOO! MAIL**

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Print - Close Window

**Date:** Thu, 1 Jun 2006 20:29:46 -0400 (EDT)  
**From:** "Betsy&Gail" <stoney04@peoplepc.com>  
**To:** "Phil Hiley" <tphiley@yahoo.com>  
**Subject:** Hey guys..Here's Gail's 2cents

PSC

We know that Folsom LLC has had violations in the past on the sewer and water lines, however at this time they seem to be doing a very good job and have corrected their mistakes to date. At the present time we have a great sewer and water system, at a very reasonable rate. Their service is good.

We think that the problems with FR controlling the water and sewer system through ownership of the majority of the lots could be altered and worked out with the homeowners in some reasonable way, so Folsom doesn't loose control of their development on Big Island.

It's obvious that some of the complaints are coming from people that have a personal vendetta against Folsom Ridge. Nine people have decided to speak for the rest of us without even knowing our opinion or consulting anyone. This issue will have a large impact on those of us who'd rather not be regulated.

We hope the PSC board will take into account those of us who want the present system to remain viable and without PSC regulation.

Gail G. Snyder  
3352 Big Island Drive  
Roach, MO 65787

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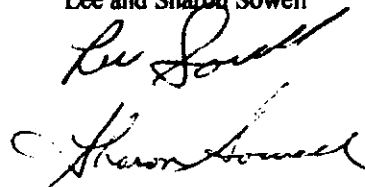
May 30, 2006

To whom it may concern,

We have owned the home at 1536 Big Island Drive since November 2000. We have not had any known problems with the water system or sewer utility. We are opposed to any third party including any government agency taking over our water and sewer system. It is our opinion that any problems should be handled internally.

Thank you for your time. If you have any questions for us please contact us at (636)390-4371.

Lee and Sharon Sowell

The block contains two handwritten signatures in cursive. The first signature is for Lee Sowell and the second is for Sharon Sowell. Both signatures are written in black ink and are positioned below the printed name 'Lee and Sharon Sowell'.

574 Victoria Drive  
Labadie, Missouri 63055

# YAHOO! MAIL

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**From:** "Tom & Chris Sowers" <sowers@rollanet.org>  
**To:** "Phil and Tonie Hiley" <tphiley@yahoo.com>  
**Subject:** PSC Hearing  
**Date:** Wed, 31 May 2006 09:01:10 -0500

Phil...i will be unable to attend the PSC meeting this friday but would like you to enter my comment below.

I am hooked up to both the water and sewer facilities at my home on Big Island and pay the regular monthly fees...

I have also have two unimproved lots with both sewer and and water taps that i have been paying monthly fees.

I am not in favor of Folsom Ridge's continued control of these services and their use of one vote per lot to change such things as the restrictive covenants of the development...they have abused and degradated what was sold to me as a Single Family residential development.

I am also not in favor of regulation of the sewer and water service by the PSC.

As I understand the situation only a 393 will meet these desires.

Tom Sowers,  
 35 Year Residential Subdivision Developer  
 Rolla, Missouri

6/2/06

My name is Judy Truesdell. My husband Steve & I live at 102 Portage Park Lane, on Big Island. We are full timers and hooked up to both sewer & water. We have no complaints with Folsom Ridge in control of the association & in charge of its operation on a daily basis.

In no way are we in favor of PSC control!

9 complaints: 1 which is no longer involved and 1 not hooked to the system. This in no way is a majority!

We would like to see things stay just as they are. Folsom Ridge in control of the association and in charge of operating the system on a daily basis.

We are not in favor of PSC control.

Judy Truesdell  
Steve F. Truesdell

**YAHOO! MAIL**

Print - Close Window

**From:** "Joyce Zeldin" <joycezeldin@hotmail.com>  
**To:** tphiley@yahoo.com  
**Subject:** water/sewer district  
**Date:** Mon, 29 May 2006 22:02:13 -0500

To whom it may concern:

I am a homeowner on Big Island, Roach, Missouri 65787. I wish to have Folsom Ridge continue managing the water/sewer district for the Big Island neighborhood. I believe that every lot owner should have one vote. I also believe that those who are not hooked up should not be billed for fees accordingly.

Thank you for your consideration in this matter.

Sincerely,

Joyce Zeldin  
124 Portage Park Lane  
Roach, Missouri 65787

573-346-2993

Dear Public Service Commission.

- My name is Cheryl Martin and I own property at 1064 Big Island Dr. I am a single woman on Disability. Please know that FONSOM RIDGE / Reggie Golden have ALWAYS provided us with Quality Community Water and Central Sewer at an affordable price.

- It is my belief that there are a few "CRANKS" on Big Island who have made a career out of calling the DNR etc etc etc on a systematic daily basis because of long held personal unfounded grudges.

FONSOM RIDGE / Reggie Golden have only brought good things to us. Such as paved roads, Community Water, Central Sewer and beautiful landscaping along with miles + miles of walking trails.

- I realize one voice against such a huge entity as The PUBLIC

SERVICE Commission, will likely  
not add up to much.

But please believe me.... Reggie  
Golden / Folsom Ridge have only  
brought great things to our little  
Island, and I really resent  
that just a small number of bitter  
unhappy people can have such a  
great voice and cause financial  
hardship to those of us who struggle  
to remain here. Reggie Golden/  
Folsom Ridge - is a God send. He is  
a man of high caliber and I respect  
and am very grateful to him.

Yours Sincerely

Cheryl M. Martin  
1064 Big Island Dr.  
Rochester Mo 65707

573-216-1773





PSC Public Hearing  
Camdenton. Mo  
2 June, 2006



Copies of Formal Comments  
Submitted through Phil and Tonie Hiley