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UNION, MISSOURI 63084

AREA CODE 636 583-5118 FACSIMILE 583-5110

September 15, 2006

SEP 1 9 2006

Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102-0360

Missouri Public Service Commission

Re:

Missouri Public Service Commission vs. Franklin County Service Company, Melody Lake Water & Sewer LLC, Melody Lake Ranch Associates, Inc. and

Gerald Johnston

Case No. WC-2006-0363

Greetings:

Enclosed please find, pursuant to the Public Service Commission's Order, RESPONDENT'S RESPONSE TO STAFF RECOMMENDATION, AMENDED OPERATING AGREEMENT, and RESOLUTION approving the same. I am also enclosing my MOTION TO WITHDRAW in this matter in that I will no longer be representing Melody Lake Water & Sewer, LLC, Melody lake Ranch Associates, Inc. or Franklin County Service Company. There has been a change in management of the Association and my Motion to Withdraw is at the direction of my clients.

Sincerely,

HANSEN, STIERBERGER, DOWNARD, MELENBRINK & SCHROEDER, LLC

BY:

Jonathan L. Downard

JLD:mc Enc.

cc:

Robert V. Franson

General Counsel's Office

P.O. Box 360

Jefferson City, MO 65102

Lewis R. Mills, Jr. Attorney at Law P.O. Box 2230

Jefferson City, MO 65102

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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The Staff of the Missouri Public Service Commission,)		Service Commission
Complainant,)	Case No. WC-2006-0363	ommissio.
V.)		
)		
Franklin County Service Company, Melody)		
Lake Water & Sewer, LLC, Melody Lake)		
Ranch Associates, Inc., Gerald Johnson)		
)		
Respondent	Ĺ		

RESPONDENT'S RESPONSE TO STAFF RECOMMENDATION

Comes Now the Respondents, by their attorneys Hansen, Stierberger, Downard, Melenbrink & Schroeder, by Jonathan L. Downard, and as and for Respondents and each of their response states to-wit:

- 1. Respondents AGREE with the following recommendations of Staff:
 - a) That the Commission, on a prospective basis approve the transfer of assets from Franklin County Service Company to Melody Lake Water & Sewer, LLC..
 - b) If Melody Lake can show a modification of its Operating Agreement so that it is consistent with the Rocky Ridge Ranch points, then the certificates and tariffs of Franklin County may be canceled, and Melody Lake will operate as a utility that is not subject to Commission jurisdiction.
 - c) If Melody Lake cannot show such a modification of its Operating Agreement, then the Commission may issue a Certificate of Convenience and Necessity to Melody Lake, to become effective on the effective date(s) of tariff sheets adopting Franklin County's water and sewer tariffs, or the effective date(s) of new tariffs filed by

Melody Lake.

d) If Tariff sheets are filed, as contemplated by the above, then Franklin county's

certificate and tariffs may be canceled on the effective date of Melody Lake's tariff

sheets, as appropriate; and

e) If the Commission approves the transfer of assets from Franklin County to Melody

Lake, then after any and all matters ancillary to the transfer, certificates and tariff are

completed, the Staff believes that other allegations with respect to this case, including

Staff's complaint, could be considered resolved and closed.

WHEREFORE, having fully replied to Staff's recommendations, request that a

future agreement entered into by the parties, reflecting the above, be approved and for such other

and further relief as the Commission deems just and proper.

President, Melody Lake Water & Sewer LLC HANSEN, STIERBERGER, DOWNARD

MELENBRINK & SCHROEDER

3V. / /////

Jonathan/L. Downard #34585

80 North Oak Street

Union/Missouri 63084

(636) 583-5118

Attorney for Respondents

Certificate of Service

I hereby certify that copies of the foregoing have been mailed and or transmitted by facsimile to all counsel of record this 13th day of September 2006.

Jonathan L. Downard