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GORDON R. UPCHURCH
STEVEN L. KAMIENSKI

September 16, 2003

FILED

SEP 22 2003

Missouri Public Service Commission
Attn: Mr. Dale Hardy Roberts
PO Box 360
Jefferson City MO 65102

Missouri Public
Service Commission

RE: In the matter of the application of Village Greens Water Company, a certificate of convenience and necessity

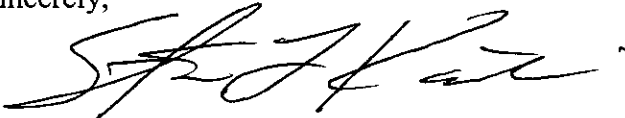
Dear Mr. Roberts:

Enclosed please find the following items:

1. Application;
2. Exhibit A—Certificate of Good Standing for Village Greens Water Company;
3. Exhibit B—map;
4. Exhibit C—legal description;
5. Exhibit D—Feasibility Study;
6. Exhibit E—Copy of relevant correspondence with Department of Natural Resources;
7. Item 1—Report and Specifications for Village Greens;
8. Item 2—Water System Distribution Plan Village Greens; and
9. Item 3—Missouri Public Water System Financial Capacity Worksheets.

If you have any questions, please call.

Sincerely,



STEVEN L. KAMIENSKI
email: kamienski@bbd-law.com

SLK/cal
Enc.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

SEP 22 2003

Missouri Public
Service Commission

In the matter of the application of Village)
Greens Water Company, a certificate of)
convenience and necessity authorizing it to)
construct, install, own, operate, control,) Case No. _____
manage, and maintain water system for the)
public, located in the Village of Parkway,)
Franklin County, Missouri.)

APPLICATION

COMES NOW Village Greens Water Company (hereinafter "Applicant"), pursuant to Section 393.170, RSMo. (1986), 4 CSR 240-2.060 and 4 CSR 240-3.600 and, for its application for a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage, and maintain a water system for the public in the Village of Parkway, Franklin County, Missouri, states to the Missouri Public Service Commission (hereinafter "Commission") as follows:

1. Applicant is a Missouri corporation duly organized and existing under the laws of the State of Missouri with its principal office and place of business located at 960A Plaza Drive, St. Clair, Missouri 63077. A Certificate of Good Standing from the Missouri Secretary of State and Articles of Incorporation are attached to this Application (Exhibit A). No annual report or assessment fees are overdue at the time of the submission of this Application. By this Application, Applicant proposes to provide water service to the public as a public utility pursuant to the jurisdiction, regulation and supervision of the Commission.

2. Correspondence, communications, orders and decisions regarding this matter should be addressed to:

Jay Rice
960A Plaza Drive
St. Clair, Missouri 63077
Telephone (636) 629-6565

Steven L. Kamienski
Baylard, Billington & Dempsey, P.C.
30 South McKinley
Union, Missouri 63084
Telephone (636) 583-5103
Facsimile (636) 583-1877

3. By this application, Applicant seeks permission, approval and a certificate of public convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a water system for the public in the Village of Parkway, Franklin County, Missouri, as set forth on the map attached to this Application (Exhibit B) and as legally described by metes and bounds attached to this Application (Exhibit C).

4. Attached hereto and incorporated herein by reference is a feasibility study containing a description of Applicant, plans and specifications for the proposed facilities and estimated costs associated with the construction and operation of the proposed facilities during the first three (3) years; plans for financing ; proposed rates and charges and an estimate of the number of customers, revenues and expenses during the first three (3) years of operation (Exhibit D).

5. There are currently no persons residing in the proposed service area.

6. The Village of Parkway is not a part of a water district. A letter of preferential status cannot be obtained.

7. The Applicant has received a permit to construct from the Department of Natural Resources. A copy of all relevant correspondence is attached hereto and incorporated herein by reference (Exhibit E).

8. The proposed area of operation will be the Village Greens Subdivision with the limits of the subdivision as recorded in the Franklin County Records Office. Village Greens is a 73 lot residential subdivision on approximately 27 acres. Applicant is in the process of negotiating a Water Easement Agreement with Mount Zion Baptist Church under which Applicant will provide water service to Mount Zion Baptist Church and Mount Zion Baptist Church will abandon their private well once connected to the Village Greens Water Company system. The subdivision and

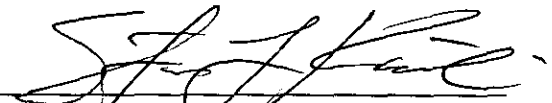
Mount Zion Baptist Church will be the only area served by the water system. The Village of Parkway has no specific restrictions or requirements but Franklin County Zoning Regulations require a dense subdivision to provide central water. One alternative would be individual or multiple wells serving several homes. The chosen central water system will provide the best central water system. The source of water will be a deep well located at the highest point of the subdivision capable of delivering approximately 100+ gallons per minute of flow. A public need exists for adequate water service within the proposed area of operation and the public convenience and necessity will be promoted by the granting of the authority requested herein.

WHEREFORE, Applicant respectfully requests that the Commission issue its order:

- (a) Granting Applicant permission, approval and a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a water utility system for the public in the Village of Parkway, Franklin County, Missouri, as more particularly described in Exhibit B and Exhibit C; and
- (b) Granting such further relief as the Commission deems appropriate.

Respectfully submitted,

BAYLARD, BILLINGTON & DEMPSEY, P.C.

By: 

STEVEN L. KAMIENSKI - 48732
30 S MCKINLEY, UNION, MO 63084
TELEPHONE: 636-583-5103
FACSIMILE: 636-583-1877

ATTORNEY FOR VILLAGE GREENS
WATER COMPANY

STATE OF MISSOURI



Matt Blunt
Secretary of State


**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

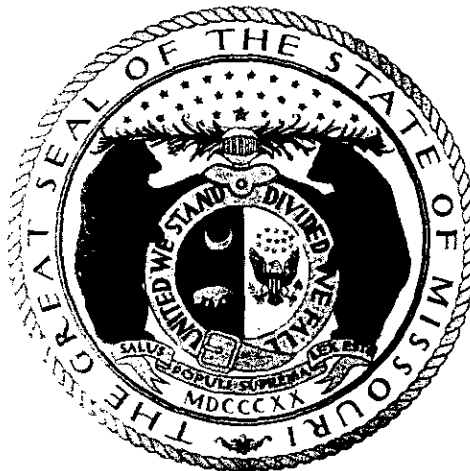
I, MATT BLUNT, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

**VILLAGE GREENS WATER COMPANY
CC0524745**

was created under the laws of this State on the 27th day of May, 2003, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and an imprinted the GREAT SEAL of the State of Missouri, on this, the 22nd day of August, 2003


Secretary of State



Certification Number: 6037876-1 Page 1 of 1 Reference:
Verify this certificate online at <http://www.sos.state.mo.us/businessentity/verification>

STATE OF MISSOURI



Matt Blunt
Secretary of State
CERTIFICATE OF INCORPORATION


WHEREAS, duplicate originals of Articles of Incorporation of

Village Greens Water Company
CC0524745

have been received and filed in the Office of the Secretary of State, which Articles, in all respects, comply with the requirements of General and Business Corporation Law.

NOW, THEREFORE, I, MATT BLUNT, Secretary of State of the State of Missouri, do by virtue of the authority vested in me by law, do hereby certify and declare this entity a body corporate, duly organized this date and that it is entitled to all rights and privileges granted corporations organized under the General and Business Corporation Law.

IN TESTIMONY WHEREOF, I have set
my hand and imprinted the GREAT SEAL
of the State of Missouri, on this, the 27th
day of May, 2003.


Secretary of State



STATE OF MISSOURI...OFFICE OF SECRETARY OF STATE
MATT BLUNT, Secretary of State

File Number: 200315611518
Date Filed: 05/27/2003 09:29 PM
Matt Blunt
Secretary of State

ARTICLES OF INCORPORATION FOR A CLOSE CORPORATION
(Submitted in duplicate)

The undersigned natural person of the age of eighteen years or more for the purpose of forming a statutory close corporation under The General and Business Corporation Law of Missouri adopts the following Articles of Incorporation:

ARTICLE ONE

The name of the corporation is:

Village Greens Water Company

a statutory close corporation.

State of Missouri
Creation - General Business - Domestic 3 Page(s)



T0315013560

ARTICLE TWO

The name and address of its initial registered agent in this state is: BBPA, Inc., 30 South McKinley, Union, Missouri 63084.

ARTICLE THREE

The aggregate number, class and par value, if any, of shares which the corporation shall have authority to issue are as follows:

3,000	Common	\$10.00
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There are no preferences, qualifications, limitations or special or relative rights, including convertible rights in respect to the shares.

ARTICLE FOUR

Unless a written shareholder agreement is entered into by and among the shareholders and the corporation and is in effect at such time, the transfer of shares: (a) by a living shareholder are governed by section 351.770; and (b) of a deceased shareholder are governed by sections 351.780, 785 and 790.

ARTICLE FIVE

The name and place of residence of the incorporator is as follows: David L. Baylard, 4473 Schoenberg Road, New Haven, MO 63069.

ARTICLE SIX

The corporation does not have a board of directors.

ARTICLE SEVEN

The duration of the corporation is perpetual.

ARTICLE EIGHT

The corporation is formed for the following purposes:

To supervise and operate a water and sewer system.

To buy, sell, exchange, lease, let, grant and take licenses in respect of, improve, develop, repair, manage, maintain and operate real property of every kind. To erect dwellings, apartment houses and other buildings, private or public, of all kinds, and to sell or rent the same. To buy, sell, mortgage, exchange, lease, let, hold for investment or otherwise use and operate real estate of all kinds, improved or unimproved, and any right or interest therein.

To purchase, buy, acquire, import, own, hold, market, promote, sell, export, dispose of and generally deal in and with on its own behalf all kinds of real and personal property.

To exercise all of the powers granted under the provisions of Section 351.385 of the Revised Statutes of Missouri 1978 and Amendments thereto.

To purchase, take, receive or otherwise acquire, hold, own, pledge, transfer or otherwise dispose of its own shares, subject to the provisions of Section 351.390 of the Revised Statutes of Missouri 1978 and Amendments thereto.

To operate any lawful business under the laws of the State of Missouri.

The foregoing clauses shall be construed both as objects and powers, and it is hereby expressly provided that the foregoing enumeration of specific powers shall not be held to limit or restrict in any manner the powers of this corporation, nor shall this corporation be required to exercise all of such powers at any one time.

ARTICLE NINE

Jay Rice has authority to dissolve the corporation at will.

ARTICLE TEN

The following statement shall appear conspicuously on each share certificate:

The rights of shareholders in statutory close corporation may differ materially from the rights of shareholders in other corporations. Copies of the articles of incorporation and by laws, shareholders' agreements, and other documents, any of which may restrict transfers and affect voting and other rights, may be obtained by a shareholder on written request to the corporation. (351.760, RSMo)

ARTICLE ELEVEN

The effective date of this document is the date it is filed by the Secretary of State of Missouri.

IN AFFIRMATION THEREOF, the facts stated above are true.



David L. Baylard

Dated: 3-10-03

SECRETARY OF STATE
P.O. Box 778
Jefferson City, MO 65102

EXHIBIT C

Legal Description

Part of the East half of the Southeast qr. In Section Thirty-six (36), Township Forty-two (42) North, Range One (1) West of the 5th P.M., described as follows: Beginning at the Southwest corner of said tract, thence North 0 degrees 45 minutes West 1,457 feet to the South line of Missouri State Highway No. 30, thence South 55 degrees East along said highway 1,195 feet six inches to a point, thence South 0 degrees 30 minutes West 99 feet, thence South 36 degrees East 87 feet, thence South 609 feet 10 inches to the South line of the East half of the Southeast qr. Thence South 89 degrees 45 minutes West 1,022 feet to the place of beginning, as surveyed by B.E. Hammer, Registered Land Surveyor, on September 28, 1943. Part of the East half of the Southeast qr. In Section Thirty-six (36), Township Forty-two (42) North, Range One (1) West of the 5th P.M., described as follows: Beginning at the intersection of the North line of Missouri State Highway No. 30 with the West line of said East half of the Southeast qr. Thence North on said West line 202 feet, thence South 58 degrees 30 minutes East 514.66 feet to the Southwest corner of Lot 8 of Brown Heights Subdivision, thence South 28 degrees East 178 feet to the Southeast corner of said Lot 8, thence South on the West line of Lot 9 of said subdivision 16.5 feet to the North line of Missouri State Highway 30, thence North 55 degrees on said North line 634.5 feet to the point of beginning.

Part of the Southeast qr. of the Southeast qr. in Section Thirty-six (36), Township Forty-two (42) North, Range One (1) West of the 5th P.M. and part of the south half of Lot Two (2) of the Southwest qr. in Section Thirty-one (31), Township Forty-two (42) North, Range One (1) East of the 5th P.M., described as follows: Commencing at an iron peg at the intersection of the South line of Virginia Mines Road with the East line of said Section 36, thence North 56 degrees West 12 feet 4 inches to the point of beginning of the parcel herein described, thence continue North 56 degrees West 51 feet to the Haefer property, thence North 45 degrees 40 minutes East 73 feet to an iron peg in the South line of Missouri State Highway Route "K", thence 60 feet, more or less, to an iron peg in the Northwest corner of the property described in Deed of Record in Book 290 page 215, thence Southwestwardly in a straight line 60 feet, more or less, to the point of beginning.

Part of the Southeast qr. of the Southeast qr. in section Thirty-six (36), Township Forty-two (42) North, Range One (1) West of the 5th P.M., described as follows: Beginning at a stone in the Southeast corner thereof, thence West along the township line 589 links to a pile of stones, thence North 466 links to the Southwest corner of the church lot, thence East 317 links to the Southeast corner of the church lot, thence continue East to the West line of the Virginia Mines Road, thence Southeastwardly along said road to the East line of said qr. qr. section, thence South on said line 308 links to the place of beginning, excepting a strip 20 feet wide off the East side thereof.

Part of the West half of the Southeast qr. in Section Thirty-six (36), Township Forty-two (42) North, Range One (1) West of the 5th P.M., described as follows: Beginning at the intersection of the East line of the West half of the Southeast qr. in said section with the South right of way line of Missouri State Highway No. 30, thence Northwestwardly along the South line of said highway 30 feet to the Northeast corner of a parcel now or formerly owned by Lena Lack, thence South along the East line of the Lack parcel 436 feet to the Southeast corner thereof, thence Southeastwardly parallel with the South right of way line of said highway 30 feet to a point in

the East line of the West half of the Southwest qr., thence North 436 feet to the point of beginning.

EXCEPTING PART OF THE SOUTHEAST QR OF THE SOUTHEAST QR OF SECTION THIRTY-SIX (36), TOWNSHIP FORTY-TWO (42) NORTH, RANGE ONE (1) WEST OF THE 5TH P.M., VILLAGE OF PARKWAY, FRANKLIN COUNTY, MISSOURI, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE AFORESAID SECTION THIRTY-SIX (36), THENCE NORTH 87 DEGREES 52 MINUTES 16 SECONDS WEST ON THE SOUTH LINE OF SAID SECTION 36, 20.00 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP FOR THE POINT OF BEGINNING, THENCE CONTINUE ON SAID SOUTH LINE NORTH 87 DEGREES 52 MINUTES 16 SECONDS WEST 286.72 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP, THENCE NORTH 10 DEGREES 40 MINUTES 00 SECONDS EAST 71.94 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP, THENCE NORTH 09 DEGREES 35 MINUTES 49 SECONDS WEST 61.55 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP, THENCE NORTH 03 DEGREES 55 MINUTES 39 SECONDS EAST 201.40 FEET TO A 1/2 INCH IRON ROD ON THE SOUTH LINE OF MT. ZION BAPTIST CHURCH PROPERTY RECORDED IN DEED BOOK 330 PAGE 91, THENCE ON THE SOUTH LINE OF SAID PROPERTY, NORTH 87 DEGREES 24 MINUTES 16 SECONDS EAST 172.22 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP ON THE WEST RIGHT OF WAY OF OLD VIRGINIA MINES ROAD (30' WIDE), THENCE ON SAID WEST RIGHT OF WAY, SOUTH 32 DEGREES 46 MINUTES 08 SECONDS EAST 98.79 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP, THENCE SOUTH 54 DEGREES 31 MINUTES 08 SECONDS EAST 60.09 FEET TO A 1/2 INCH IRON ROD W/PLASTIC CAP (WHICH IS 20 FEET WEST OF THE EAST LINE OF SECTION 36), THENCE SOUTH 01 DEGREES 10 MINUTES 32 SECONDS WEST (PARALLEL WITH SAID SECTION LINE) 232.86 FEET TO THE POINT OF BEGINNING ACCORDING TO SURVEY BY DFG LAND SURVEY IN MARCH, 2001.

EXHIBIT D

Feasibility Study

1. Description of company, its objectives, and area proposed to be served.

Village Greens Water Company (hereinafter "Applicant") was incorporated on May 27, 2003 with the purpose of operating and/or supervising a water system for the Village Greens Subdivision. The area proposed to be served was originally intended to be limited to the Village Greens Subdivision, a 73 lot subdivision located in the Village of Parkway, Franklin County, Missouri (SE 1/4, Sec. 36, Township 42N, Range 1W, of the 5th P.M.) but negotiations have been entered into by and between Applicant and Mount Zion Baptist Church to extend water service to Mount Zion Baptist Church by crossing under State Highway 30. The Missouri Department of Transportation has been contacted regarding this matter. See Exhibit B for a map of the proposed service area, Exhibit C for a legal description of the Village Greens Subdivision and the Report and Specifications for Village Greens prepared by Wunderlich Surveying & Engineering, Inc. attached hereto as **Item 1**.

2. Plan or Plat showing total proposed system and detailed estimate of costs.

A Water System Distribution Plan for the Village Greens Subdivision is attached hereto as **Item 2**. Said plan sets forth the proposed system, specifically the proposed site of the well and well house on the eastern most area of the subdivision, contiguous with lots 26, 27 and 44, the 6" water line(s) throughout the subdivision and all water line appurtenances.

The entire cost of the feasibility study, the engineering and construction of the proposed water system will be paid by Applicant borrowing Eighty Thousand Dollars (\$80,000) from United Bank of Union, 15 E. Main Street, Union, Missouri 63084, on a line of credit payable at prime plus one percent (1%) and the remainder financed through a personal loan from Jay Rice and Anna Rice, owners of Jay Rice Contracting (the subdivision developer). An estimate of costs is as follows:

Land	\$22,000.00
Well	66,500.00
Well House	18,000.00
Pump and Controls	25,000.00
Pressure Tank	40,000.00
Engineering	8,000.00
Line Extensions	<u>55,000.00</u>
	\$234,500.00

3. Description of existing facilities (if any) and detailed costs.

There are currently no existing facilities. Mount Zion Baptist Church is currently served by a private well that is metered showing daily use between 500 and 700 gallons of water. This private well will be vacated pursuant to Missouri Department of Natural Resources guidelines if negotiations are completed with Applicant and connection is established to the proposed system.

4. Description of proposed facilities to be constructed immediately and estimate of costs.

The proposed system will be a ground water well, 12,000-gallon pressure tank, and a 6-inch SDR 21 class 200 PVC distribution system.

Ground Water Well:

A request was made to Missouri Department of Natural Resources, Division of Geology and Land Survey concerning a casing depth letter for a community well. DNR-DGLS estimated the casing depth to be 320-feet below the existing ground elevation. It was recommended that a pilot hole be constructed to the total depth of the well. DNR-DGLS requires the well driller to send samples of the cuttings to their office to determine the exact casing depth for the proposed well.

At the total drill depth of 800 to 850-feet, the well should yield 100+ gallons per minute (gpm) of water. The original target yield for the well was 155 gpm, however according to DNR-DGLS this would require the well depth to approach 1,400-feet and the estimated yields at this depth are unpredictable.

After consulting a local well driller, it was decided to use an 8-inch well, with a 20-hp pump set at approximately 550-feet. This was based on the well driller's information from when he constructed the closest community well to our site for The City of St. Clair. Final depth of the well pump will be determined after the well shaft is drilled and a draw down test has been performed.

The discharge for the pump will be 3-inch in diameter. The discharge piping will have two inline check valves. The first valve will be spaced approximately 40-feet above the pump, and the second will be placed approximately 150-feet above the pump. The well discharge will connect to the well house piping just above the sanitary split ring seal, and it will terminate with a 3-inch tee connection. The run of the tee shall be plugged. The 1-inch diameter screened vent pipe and the electrical connection for the submersible motor can enter through the side of the well casing or through the top of the sanitary split ring seal. The sanitary split ring seal will require a depth gauge.

Well House:

The well will discharge into a 12,000-gallon pressure tank. This tank was sized assuming 100 homes with 3.5 persons per home and 35 gallons of gross tank volume per person. Village Greens currently has 73 residential building lots. Assuming a total flow of 1 gallon per minute per home, the peak flow for Village Greens would be 73 gallons per minute. The estimated yield for the well pump is 100+ gpm.

The pressure tank will be operated by a Master Level Hydromaster controller. The hydromaster controller will operate through the 40/60 psi pressure range. By operating the pressure tank with a permanent water seal of 1/3 of its gross volume, it is assumed the tank will yield 1/3 the gross volume for usable water storage or approximately 4,000 gallons. The remaining volume of the tank will be compressed air. The compressed air will be absorbed into the water within the tank. To make up the absorbed air, an oil-less air compressor will be connected to the pressure tank, and the master level control will operate an air valve connected to the pressure tank.

The Master Level Controller will determine the water level in the pressure tank with probes. When the water level reaches the high level well pump shut off probe, the master level will sense the pressure in the tank. If the pressure in the tank is too low the air valve will be opened and allow compressed air to be added to the pressure tank until the desired high pressure is reached. In case the air valve fails, the pressure tank will be equipped with a 701b pressure release valve.

The well house will be standard wood frame construction. The interior of the well house will be sheathed with 26 gauge metal panels with baked enamel paint to protect the walls. A 4-inch floor drain will be provided in case of a leak in the front of the well house. The back of the well house will be on a granular floor. An interior drain tile will be installed along the footing of the building and discharge to the exterior to drain the rear of the building.

in case a leak or the draining of the pressure tank. A 4-kw wall mounted heater will be provided for heat during the winter months. Chlorine disinfection is not intended at this time. A room will be constructed to house the chlorine equipment if it becomes necessary to disinfect in the future.

Distribution System:

The distribution system shall consist of 6-inch SDR 35 Class 200 PVC pipe. Because the pressure tank will be operating through the 40-60 psi pressure range, the distribution system should not be below 35 psi at any part of the proposed system. At the lowest point in the proposed distribution system the high pressure will be approximately 93 psi. The homes built in these areas will require a pressure reducing valve located inside the home.

The distribution system was analyzed assuming 1 gallon per minute per home. The EPNET program developed by the EPA was used to perform the calculations. This program employs the Hardy-Cross Method to determine the flow through the pipes. These calculations have been included.

According to the Design Guide for Community Public Water Supplies, the distribution system cannot have fire hydrants. Flushing hydrants will be attached to the system. No fire flow was intended with this design.

An estimate of costs is as follows:

Well	\$66,500.00
Well House	18,000.00
Pump and Controls	25,000.00
Pressure Tank	<u>40,000.00</u>
	\$149,500.00

5. Description of additional facilities proposed to be constructed in each of the next three years and estimate of costs.

Following the initial construction, the proposed water system will have the necessary facilities and infrastructure to provide sufficient capacity for at least the initial three years of operation.

6. Type of existing dwelling units, population, and actual water used, if applicable.

There are currently no existing dwelling units in the subdivision. If negotiations are concluded with Mount Zion Baptist Church to connect to the proposed system, the Church is currently served by a private well that is metered evidencing daily use of 500 to 700 gallons per day. Nothing would indicate that the potential usage by Mount Zion Baptist Church would differ from their current usage levels.

7. Type of dwelling units, population estimated to be added in each of the next three years and estimates of water usage.

The proposed water system will primarily serve the Village Greens Subdivision, a 73 lot residential subdivision that will consist of single-family homes constructed one per lot. Obviously the size of each family will vary greatly among the residents of the subdivision but a conservative range based on 3 to 6 members in a family would result in a population range of 219 to 438. Best estimates for build-out of the subdivision is as follows:

2003 – Year One	10 Homes
2004 – Year Two	30 Homes
2005 – Year Three	50 Homes

The estimated usage is between 6000 and 7000 gallons of water per month per household.

** Please note the response to 6 above, regarding Mount Zion Baptist Church.

8. Proposed rates, connection fees, and other charges (also existing rates and charges if any).

\$28.00 per month minimum for 3,000 gallons of water
\$2.00 per 1,000 gallons after minimum

\$800.00 hook-up fee. Must use remote read meter with check valve that may be purchased through the proposed water system.

\$75.00 deposit

\$50.00 reconnection charge

There are no current customers therefore there are currently no existing rates or charges.

9. Statement of current income from existing facilities.

There are no existing facilities therefore there is no current statement of income.

10. Detailed estimate for operating expenses for each of the next three years.

See **Item 3** - Missouri Public Water System Financial Capacity Worksheets attached hereto as **Item 3**.

11. Statement of operating expenses in connection with existing facilities, if any.

There are no existing facilities therefore there is no current statement of operating expenses.

12. Detailed estimate of operating expenses for each of the next three years.

See **Item 3** - Missouri Public Water System Financial Capacity Worksheets attached hereto as **Item 3**.

13. Plans for financing and proposed capital structure of the company.

The entire cost of the feasibility study, the engineering and construction of the proposed water system will be paid by Applicant borrowing Eighty Thousand Dollars (\$80,000) from United Bank of Union, 15 E. Main Street, Union, Missouri 63084, on a line of credit payable at prime plus one percent (1%) and the remainder financed through a personal loan from Jay Rice and Anna Rice, owners of Jay Rice Contracting (the subdivision developer). A water connection fee of \$800.00 will be charged per meter

14. Plans for the protection of the financial integrity of the utility during the development years.

Jay Rice and Anna Rice, owners of Jay Rice Contracting (the subdivision developer), understand the proposed water system will probably not be profitable during the development years and have personally guaranteed the loan with United Bank of Union and have structured their personal loan with Applicant to require payments based on ability to pay.

15. Name of professional operator and his/her qualifications, or operation-management firm to be responsible for operation and maintenance of the facilities.

Mr. Bob Wideman
Wideman Well Drilling
Highway 47 N
St. Clair, Missouri 63077
(636) 629-2881

16. Name of person or management firm to be responsible for managing the utility's business activities, and contact person for customer inquiries.

Mr. Jay Rice
960A Plaza Drive
St. Clair, Missouri 63077
(636) 629-6565

17. Copy of Proposed Management Contracts.

There are currently no proposed management contracts.