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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Public Hearing

April 7, 2010

Joplin, Missouri

Volume 8

In the Matter of)
Missouri-American Water Company's)
Request For Authority To) File No.
Implement A General Rate Increase) WR-2010-0131
For Water Service Provided in)
Missouri Service Areas)

NANCY DIPPELL, Presiding,
REGULATORY LAW JUDGE

MARK HUGHES,
JOSHUA HARDEN,

ADVISORS TO COMMISSIONERS
DAVIS AND KENNEY.

REPORTED BY: KAREN S. ROGERS, Registered
Professional Reporter, Certified Realtime Reporter

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A P P E A R A N C E S

(Continued)

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A P P E A R A N C E S

(Continued)

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P R O C E E D I N G S

3

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(Proceedings began at 6:38

5

p.m. on Wednesday, April

6

7, 2010, with appearances

7

as noted.)

8

JUDGE DIPPELL: Let's go ahead then and go

9

on the record.

10

The Missouri Public Service Commission has

11

set this time for a local public hearing in Case

12

Number WR-2010-0131, in which Missouri-American

13

Water Company seeks to implement a general rate

14

increase.

15

My name is Nancy Dippell. I'm a regulatory

16

law judge assigned to this case, and it's my job to

17

run the official local public hearing part of this

18

meeting this evening.

19

Also with me, as you've been introduced

20

already, but I'll introduce them again, is Mark

21

Hughes, who is the advisor to Commissioner Davis,

22

and Josh Harden, who is the advisor to Commissioner

23

Kenney.

24

This is an official hearing of the

25

commission, and the statements taken this evening

1 will be under oath or affirmation and will be
2 recorded by the court reporter.

3 The court reporter is transcribing this
4 hearing so that the commissioners and any of the
5 other parties who aren't here this evening can read
6 the transcript and hear the comments.

7 It's also being recorded in -- with our
8 office in Jefferson City and will be put up on our
9 website, the recording will be.

10 I wanted to thank Missouri Southern State
11 University for allowing us to use their facilities
12 this evening.

13 And just to state that the statements
14 you've heard this evening and that you might hear
15 are obviously not the opinions of the university.
16 They've just been kind enough to loan us their
17 facilities.

18 And the purpose of this hearing is to
19 receive comments from the public regarding the rate
20 increase.

21 But the commission also wants to hear about
22 your service quality issues, billing issues,
23 customer service issues, or other concerns that you
24 have about water as a -- related to
25 Missouri-American specifically.

1 The company is not here to present
2 witnesses. And we had earlier a question and answer
3 session, and hopefully you got your questions
4 answered at that time.

5 And neither Mr. Harden, Mr. Hughes, nor I
6 will be answering questions during this part of the
7 event either.

8 When you call your name, we'll ask you if
9 you can come forward and stand at the podium if
10 you're able. I will ask you to either swear or
11 affirm, and then you'll be able to give your
12 comments.

13 After you've given your comments, there may
14 be some questions for you from myself or the others
15 up here or from some of the attorneys. And I would
16 ask you to remain at the podium until you've been
17 excused.

18 Let's see. I guess I'll begin by letting
19 the attorneys make their entries of appearance. Can
20 we begin with public counsel?

21 MR. MILLS: Certainly. On behalf of the
22 Office of Public Counsel and the public, my name is
23 Lewis Mills. My address is Post Office Box 2230,
24 Jefferson City, Missouri, 65102.

25 JUDGE DIPPELL: And staff of the

1 commission?

2 MS. HERNANDEZ: Good evening. Again, my
3 name is Jennifer Hernandez, and I represent the
4 staff of the Missouri Public Service Commission.
5 Our address is PO Box 360, Jefferson City, Missouri,
6 65102.

7 And may the record also reflect the staff
8 members here tonight are Kim Bolin, Jim Busch, Lisa
9 Kremer, and Kevin Kelly. Thank you.

10 JUDGE DIPPELL: Thank you. And for
11 Missouri-American?

12 MR. REICHART: Thank you, Judge. Appearing
13 on behalf of Missouri-American Water Company, John
14 J. Reichart. My address is 727 Craig Road, St.
15 Louis, Missouri, 63141.

16 JUDGE DIPPELL: And do any of the other
17 parties have attorney representatives here this
18 evening? Not seeing any. Thank you.

19 Well, I'll begin by calling witnesses as
20 they are listed on the sign-up sheet. When we get
21 to the end, I'll ask if there is anyone else who
22 would like to speak or if there's someone else has
23 signed up.

24 And then everyone will be allowed to speak
25 if you change your mind and hadn't signed up, so.

1 The first person is Bill Pate.

2 (The witness approaches
3 the stand.)

4 (The witness was placed
5 under oath by Judge
6 Dippell.)

7 * * * * *

8 BILL PATE,

9 of lawful age, having been called to the witness
10 stand and being first duly sworn, offered commentary
11 as follows:

12 JUDGE DIPPELL: Could you state your name
13 and spell it for us.

14 MR. PATE: Bill, B-I-L-L, Pate, P-A-T-E.

15 JUDGE DIPPELL: And go ahead with your
16 comments.

17 MR. PATE: I want to thank all of you for
18 providing this opportunity for us to testify. And I
19 realize that particularly when you look at prorating
20 the salaries for the people in the room this
21 evening, it's a considerable expenditure to make
22 this opportunity available, and I'm appreciative.

23 I'm a -- I am a Missouri-American Water
24 Company customer. I have been since I moved to this
25 community in 1985. I have never had any complaints

1 about their service and -- nor do I have any this
2 evening.

3 My concern is around the issue of
4 conservation. At a hearing of another utility rate
5 proposal that was held in this auditorium on the
6 23rd of March of this year, Mr. Clayton of the
7 Public Service Commission mentioned that
8 conservation of resources is an increasing interest
9 of the Public Service Commission, and I think this
10 -- that it should be taken into consideration in
11 this case.

12 I would like to see that issue be part of
13 the operating cost for the -- for the water company,
14 whatever the rate decision is made.

15 We have a local group of professionals,
16 and I hasten to add that I'm not a member of that
17 group. I'm not a professional in this -- on this
18 subject.

19 We have a local group of professionals who
20 are concerned about the availability of water in
21 this area in the future as -- if projected growth
22 takes place.

23 And of course, the less demands on
24 infrastructure that has already been mentioned --
25 that subject infrastructure has already been

1 mentioned this evening.

2 But the less stress on it and the less
3 demands on it, the longer it should be expected to
4 live -- to last.

5 Regarding homeowners and landlords, it
6 would be my suggestion that the water company take a
7 proactive position to work with them in such issues
8 as on the outside, collecting rainwater, encouraging
9 people to plant native -- plants native to the area
10 that do not require irrigation.

11 And encouraging drip irrigation systems or
12 even to encourage seeing the beauty in brown dormant
13 grass in the middle of the summer.

14 Inside, proposing -- suggesting things like
15 toilets that minimize water use, timely repair of
16 leaks, and the use of gray water.

17 For the community I would like to see the
18 water company make public statements regarding
19 potential use of water for industries that may be
20 coming into the community.

21 We may -- as much as jobs are an issue for
22 many people, we may be facing an era in which we
23 cannot simply afford some industries moving to this
24 community because we will not have the water that
25 they demand.

1 And I wonder if there are things that could
2 be done with run-off, which I guess you could think
3 of as public gray water.

4 I would hope that the company could address
5 these issues by providing experts at no cost to go
6 to their customers' homes. And when I say
7 customers, I mean both industrial and private
8 individuals.

9 But making visits to make recommendations
10 on how to conserve water and to provide low-cost or
11 no-cost loans to their customers so that the rate of
12 -- the rate on an investment would be improved.

13 I guess in short I'm asking that the water
14 company be a good corporate citizen, but -- and that
15 is not to suggest they have been a poor corporate
16 citizen. I don't mean to imply that at all.

17 What I do mean to state is that I think
18 that much like the debate of if we're in an era of
19 peak oil, I think we may be getting into an era of
20 peak water.

21 And I would like to invite those of you
22 from out of town to feel welcome to return to a
23 visit of -- to Joplin not for a rate increase and
24 these proposals would perhaps postpone increases in
25 the future.

1 In conclusion I want to thank you again for
2 this opportunity and for scheduling this evening
3 between the end of March madness and the beginning
4 of the master's.

5 JUDGE DIPPELL: Thank you, Mr. Pate. I
6 just have one question for you.

7 You mention that had there was a local
8 group of professionals. Is that some kind of
9 organized group or organization?

10 MR. PATE: Yes. It meets on a regular
11 basis. I don't attend meetings. I just see the
12 accounts in the paper, and I don't remember the name
13 of it.

14 JUDGE DIPPELL: Okay. Okay. That was
15 going to be my question. Were there any questions?

16 MR. REICHART: No.

17 MS. HERNANDEZ: No. Thank you.

18 MR. MILLS: I don't have any questions, but
19 I want to thank you very much for your testimony.
20 That was very insightful.

21 MR. PATE: Thank you.

22 (The witness is excused.)

23 MEMBER OF THE AUDIENCE: Can you turn the
24 speaker up? I could hardly hear him, and I'm right
25 down here by him.

1 JUDGE DIPPELL: They tried to tell me that
2 the microphones are not actually amplifying in the
3 room. So perhaps I should ask everyone to try to
4 speak up when you come down here. It looks like a
5 microphone, but pretend it's not.

6 Alan Scherle?

7 (The witness approaches
8 the stand.)

9 JUDGE DIPPELL: Hopefully his testimony was
10 picked up well on the internet, and you could always
11 watch it again if you needed to.

12 (The witness was placed
13 under oath by Judge
14 Dippell.)

15 * * * * *

16 ALAN SCHERLE,
17 of lawful age, having been called to the witness
18 stand and being first duly sworn, offered commentary
19 as follows:

20 JUDGE DIPPELL: Thank you. If you could
21 state your name and spell it, please.

22 MR. SCHERLE: It's Alan Scherle. A-L-A-N,
23 S-C-H-E-R-L-E.

24 JUDGE DIPPELL: Go ahead with your
25 comments.

1 MR. SCHERLE: Okay. This is the third time
2 I've been here complaining about Missouri-American
3 Water Company.

4 Three years ago they tore my driveway up,
5 and they trespassed across my yard and put a water
6 pipe across my property.

7 My deed on my land says that property is
8 for road purpose only. I had several attorneys look
9 at it. They are legally trespassing. They do not
10 want to take care of it.

11 We've got several thousand dollars of
12 damage to our truck from where they left the hole in
13 the driveway. Got medical bills from my wife got
14 hurt out there three years ago.

15 They haven't paid nothing. I just think
16 they ought to pay me for going across my property.

17 JUDGE DIPPELL: Have you -- I assume you've
18 contacted the company?

19 MR. SCHERLE: I've contacted the company at
20 least a hundred times, and they filed a complaint
21 against me for harassment for calling them.

22 My attorney talked to the prosecutor and
23 got it thrown out. I was getting ready to sue them
24 last year, and my attorney died.

25 But I finally got all the papers from --

1 his secretary filed everything to me to get a new
2 attorney.

3 I've talked to several attorneys on the
4 phone. They said they are legally trespassing when
5 they got that water line.

6 They're wanting thousands of dollars of
7 increase, and I think they ought to start paying me
8 for going across there. To me they owe me several
9 thousand dollars the way it is now.

10 They do not want to take care of it. I've
11 brought it to the service commission several times
12 to date hoping, and nobody has yet.

13 JUDGE DIPPELL: You've contacted the -- our
14 consumer's --

15 MR. SCHERLE: Yes. At the last two
16 meetings, I was assured somebody would be getting
17 hold of me, but nobody ever has.

18 JUDGE DIPPELL: Okay. Well, I would ask
19 you to talk to some of the people who are here
20 tonight.

21 I have to tell you that when it comes to
22 trespassing and civil charges, that the commission
23 doesn't have really much jurisdiction in that area.

24 MR. SCHERLE: Well, I'm going to keep
25 coming to every meeting till it's took care of. I'm

1 not going away.

2 JUDGE DIPPELL: But certainly if there's
3 some area in our jurisdiction, the commission staff
4 would be happy to talk to you about that.

5 MR. SCHERLE: That's fair.

6 JUDGE DIPPELL: Is there anything else?

7 MR. SCHERLE: No. I just think they're a
8 lousy company. It's been three years ago years, and
9 nobody's come up to see what the problem is.

10 JUDGE DIPPELL: All right. Is there any
11 further questions for Mr. Scherle?

12 MR. REICHART: I don't have any.

13 MS. HERNANDEZ: No.

14 JUDGE DIPPELL: Any questions?

15 MR. MILLS: No. Did you get one of these
16 orange sheets?

17 MR. SCHERLE: No.

18 MR. MILLS: Okay. Pick one up when you go
19 out because it's got the address of my office and
20 the way to contact us. And if you don't get it --

21 MR. SCHERLE: Yeah, I got all the papers
22 from my attorney. I'll fax you all the papers.

23 MR. MILLS: If you want to follow up, it's
24 got my information on the back of this orange sheet.
25 And feel free to contact my office, and we'll see if

1 we can help you out.

2 MR. SCHERLE: Okay. Thank you.

3 MR. MILLS: You're welcome.

4 MS. HERNANDEZ: I was just going to echo
5 that as well. If you would like to talk to
6 commission staff -- you said you tried to call us?

7 MR. SCHERLE: No. The last two meetings,
8 somebody said they would be getting hold of me in a
9 few days or something.

10 They come out and look at my driveway and
11 stuff, but nobody has ever gotten a hold of me.

12 MS. HERNANDEZ: Were they from the company
13 or from our staff?

14 MR. SCHERLE: From the commission.

15 MS. HERNANDEZ: Okay. If you want to --
16 the gentleman in the back, Jim Busch, if you want to
17 leave your information with him.

18 We also have a sheet similar to what
19 Mr. Mills was explaining to you that has our
20 information.

21 But you could also speak to Jim or Lisa
22 Kremer is out there in the doorway. She does a lot
23 of billing and service analysis.

24 So if you want to leave your information or
25 speak to them tonight, we would be happy to look at

1 it as well.

2 MR. SCHERLE: Like I said, I'm going to
3 keep coming back till this is taken care of.

4 JUDGE DIPPELL: Thank you, sir.

5 MR. SCHERLE: Yeah.

6 (The witness is excused.)

7 JUDGE DIPPELL: Lawrence Buehler.

8 (The witness approaches
9 the stand.)

10 (The witness was placed
11 under oath by Judge
12 Dippell.)

13 * * * * *

14 LAWRENCE BUEHLER,
15 of lawful age, having been called to the witness
16 stand and being first duly sworn, offered commentary
17 as follows:

18 JUDGE DIPPELL: If you could state your
19 name and spell it, please.

20 MR. BUEHLER: It's Lawrence G. Buehler, and
21 it's B-U-E-H-L-E-R.

22 JUDGE DIPPELL: And does Lawrence have an E
23 on the end?

24 MR. BUEHLER: Uh-huh.

25 JUDGE DIPPELL: Okay. Go ahead.

1 MR. BUEHLER: I'm surprised that the
2 commission is anxious to go ahead and give them
3 permission to raise the rates really. You know, my
4 grandkids can't even have the gas to come down here
5 to protest.

6 And you know, I don't know how much the big
7 boys earn, but I would like to see how much they
8 earn. I haven't had time to go over this.

9 But you know, some of the big ones that are
10 taking all the money out of the little people's
11 pockets, and our kids and our grandkids aren't going
12 to have anything. And I mean it.

13 You know, they don't even have the gas to
14 go to work, let alone a job. And I'm very upset
15 because Empire is raising their rates, and here the
16 water company is raising theirs. And half the
17 people can't even afford to come to the meeting.

18 So I'm protesting it very deeply. And the
19 commission also. You know, I can't believe the
20 commission just goes along with this. You know, are
21 you investigating the company to make sure that
22 they're not hoarding the money away somewhere?

23 JUDGE DIPPELL: Were you here for the
24 information session, sir?

25 MR. BUEHLER: No. I missed it because I

1 drove around for 30 minutes looking for the place,
2 you know. If we could, we could hide it a little
3 better, you know, next time.

4 JUDGE DIPPELL: Well, let me --

5 MR. BUEHLER: Excuse me for being so frank,
6 but I'm trying not to get angry. But I'm angry
7 because I drove around here for 30 minutes looking
8 for you, and I didn't have a chance to talk to you
9 before.

10 JUDGE DIPPELL: Okay.

11 MR. BUEHLER: All right.

12 JUDGE DIPPELL: Two comments I'd like to
13 make or suggestions. One is that you discuss it
14 with our staff, Ms. Bolin here especially because
15 she's in the auditing staff.

16 And she can tell you about what it is
17 exactly that the commission staff does and start
18 talking to you --

19 MR. BUEHLER: Can I ask how much the
20 commission earns?

21 JUDGE DIPPELL: Well, those are all public
22 records and --

23 MR. BUEHLER: And I don't have the public
24 records here or I would produce that.

25 JUDGE DIPPELL: And you can look those up

1 on the Secretary of State's website at any time.

2 MR. BUEHLER: Yeah.

3 JUDGE DIPPELL: The second thing is that we
4 have a --

5 MR. BUEHLER: It's more than \$7.50 an hour,
6 isn't it?

7 JUDGE DIPPELL: I'm sure it is, sir.

8 MR. BUEHLER: It better be.

9 JUDGE DIPPELL: There's also a comment card
10 out on the table about tonight's meeting, and we
11 want to hear things about like the location. So we
12 want to know how we can improve this process. So if
13 you would please fill one of those out.

14 MR. BUEHLER: Well, I'm all for keeping the
15 place green like he was. You know, he wasn't
16 complaining about raising the price. He was just
17 going to complain about keeping it green.

18 You know, you're keeping it green all right
19 because you can't afford to drive your cars, you
20 know, to the meeting and be 30 minutes late like I
21 was.

22 But anyway, I'm just going on. So I said
23 what I need to say.

24 JUDGE DIPPELL: And we appreciate your
25 participation.

1 MR. BUEHLER: Okay.

2 JUDGE DIPPELL: Would there be any
3 questions for --

4 MR. BUEHLER: But everybody has told me,
5 you know, this is -- the commission just goes ahead
6 and passes everything anyway, so it doesn't matter.

7 JUDGE DIPPELL: Are there any questions for
8 Mr. Buehler?

9 MS. HERNANDEZ: Kim is right here so we can
10 -- if you want to, we can go out in the hall and
11 talk about the audit, show you what we've done.

12 (The witness is excused.)

13 JUDGE DIPPELL: Paul Barr.

14 (The witness approaches
15 the stand.)

16 (The witness was placed
17 under oath by Judge
18 Dippell.)

19 * * * * *

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1 PAUL BARR,
2 of lawful age, having been called to the witness
3 stand and being first duly sworn, offered commentary
4 as follows:

5 JUDGE DIPPELL: If you could state your
6 name and spell it, please.

7 MR. BARR: Sure. Paul Barr, P-A-U-L,
8 B-A-R-R. Chief financial officer, Joplin schools.

9 I was not here for the informational
10 session earlier, but I did want to thank the
11 commission for the opportunity to testify and
12 mention that as far as a business partner, American
13 Water has been a good partner of ours.

14 They provide good quality water. It's very
15 reliable, and we have no billing issues so they've
16 given us good service.

17 This hearing -- our interest here, I
18 represent the Joplin schools, including the Board of
19 Education, the students, and the patrons. We
20 testify on the heels of the November 28, 2009, rate
21 increase of 24 percent last fall.

22 And I would just like to make the point
23 that the rate percentage that would apply to Joplin
24 schools, I guess we fall under an OPA
25 classification. I'm not quite sure what that stands

1 for.

2 But our rate increase, relative to this
3 hearing, we were informed would be 32.49 percent.
4 So given the economic conditions we're in and
5 budget cuts we're planning for in the school
6 operating budget, we protest the size of the rate
7 increase.

8 We certainly acknowledge that increases are
9 due from time to time and that you have to replenish
10 capital outlay and pay the company bills.

11 But the size of the increase coupled with
12 last fall coupled with the economic conditions is
13 why we're testifying tonight.

14 In terms of a dollar amount, that increase
15 with our budget is roughly \$30,000 increase over a
16 year's time.

17 And that can equate in our budget to a
18 couple of classroom instructional aides are
19 three-fourths of a teacher's salary. So it does
20 have an impact on children or anywhere else
21 throughout the company.

22 Again, we're no different than taxpayers in
23 the community and other businesses. We will find a
24 way to adjust our budget and pay the bills. We're
25 going to be a good corporate citizen.

1 But we ask the commission -- I didn't have
2 time to look back at several years' worth of
3 financial statements, but I know those are available
4 to the commission.

5 And in doing that, I ask you to look at the
6 company's -- the risk that the company's operations
7 assumes in terms of pursuing profit and resulting
8 in profit or loss. There's a risk assumption there
9 by the company. There's a resulting profit or
10 loss.

11 Secondly, there's a risk assumed by the
12 stockholders, and their -- typically their interest
13 in investing is profit. So that's a second player
14 in this picture.

15 And the third player of course is the
16 consumers, the rate payers. But I would ask you to
17 look across those three groups carefully and
18 equitably to see that the risk assumed, the
19 interest, the profits made and what you're asking
20 users to pay is equitable when considering all three
21 for these kind of improvements.

22 Any questions? That's all I have.

23 JUDGE DIPPELL: No. I did want to -- as
24 far as the classification question you had about
25 what class you're in, I would ask you to speak to

1 one of our staff if you want to get that question
2 answered.

3 MR. BARR: Okay. All right.

4 JUDGE DIPPELL: They can explain what OPA
5 stands for, I'm sure --

6 MR. BARR: Okay. That's fine.

7 JUDGE DIPPELL: -- or just the
8 Missouri-American standpoint. Did you have a
9 question?

10 MR. HUGHES: I have one question.

11 MR. BARR: Sure.

12 MR. HUGHES: As CFO for the schools, do you
13 categorize your cost areas into utilities? Do you
14 have a comparison as to how changes in your water
15 utility rate may have changed when compared to other
16 expense categories?

17 MR. BARR: We -- I mean utilities in
18 general: electric, water. Not so much gas, but
19 those two compared to all of our other operations
20 costs are just exponentially higher on a per year
21 basis when you look back over the last three or four
22 years.

23 MR. HUGHES: Okay. Thank you.

24 JUDGE DIPPELL: Did you have a question?

25 MR. HARDEN: You know, I guess I have got

1 one. You know, obviously cutting costs is going to
2 be the primary or may be a primary way of dealing
3 with --

4 MR. BARR: Right.

5 MR. HARDEN: -- this. Are there other -- I
6 guess what type of analysis goes into other
7 mechanisms to raise, you know, bond issues or
8 increased property tax. You know, at some point in
9 time you can't just cut --

10 MR. BARR: Right.

11 MR. HARDEN: -- and cut and cut.

12 MR. BARR: Right.

13 MR. HARDEN: And I guess, you know, where
14 does that line reach?

15 MR. BARR: The first thing we try to
16 protect and we will protect is the classroom
17 instruction. We're not going to cut anything that's
18 going to hurt the learning environment of the
19 children. So we will protect that at all costs.

20 But as far as other ways to offset
21 increases of this type or to raise revenue, really
22 we have -- we do receive -- in better economic times
23 as the jobs return and people buy cars and different
24 vehicles, we do receive property tax from those new
25 purchases of new cars and boats and things when

1 times are good.

2 Also we do receive additional local
3 property taxes when house values, you know, climb 1
4 or 2 percent or 3 or 4 percent or whatever they
5 might climb over a period of time. We receive more
6 revenue from that.

7 But sales taxes -- also the state collects
8 sales tax throughout the state of Missouri and
9 redistributes back to school districts on a per
10 pupil basis.

11 So again, as the economy comes back -- I
12 mean it's in the -- you know, sales taxes are down
13 now, but as the economy comes back, those taxes
14 ought to climb.

15 So that's just -- we're just the
16 beneficiary of that, you know. We don't take action
17 on our own. Just as sales come back, more taxes
18 come in and get distributed.

19 The state collects individual income tax,
20 corporate income tax. Of course, the state has a
21 state sales tax I mentioned.

22 We -- about 28 percent of our budget is
23 derived from state revenue. So again, as the
24 economies improve or reduce, as they are now, we --
25 our budget has to expand or contract with what the

1 state passes out.

2 So again, if the economy is at a bottom
3 here -- we hope it's at a bottom. As those revenues
4 come back in the state in the coming years, we'll
5 receive more state aid in that direction.

6 But as far as any one thing we can do to
7 control our own destiny, there are two kinds of
8 levies that we can pursue.

9 One is in terms of building buildings. We
10 will ask the public to consider passing a bond issue
11 levy to build a building for a 15- or 20-year bond
12 payoff.

13 That's for capital expenditures only.
14 That's not for paying teachers or paying lights or
15 water or anything.

16 But the other -- the other two we have
17 available to us is an operating levy, which is for
18 the operating budget for the kind of expenses we're
19 talking about.

20 We could at some point ask for an increase
21 in the operating levy. We don't have any plans to
22 do that now.

23 And in our budget this amount of increase,
24 no one thing in our budget, even though these are
25 large percentage increases, would cause us to go out

1 and request a bond operating levy.

2 It would have to be something that would be
3 much more sizable than this, in and of itself. But
4 that is the one tool we have available to us in
5 terms of paying everyday bills, teachers' salaries,
6 lights, and that.

7 MR. HARDEN: Thank you.

8 MR. BARR: And that, of course, is subject
9 to vote approval of the public.

10 JUDGE DIPPELL: Are there any questions?

11 MR. MILLS: No questions.

12 MR. BARR: Thank you.

13 JUDGE DIPPELL: All right. Thank you,
14 Mr. Barr, for your testimony.

15 (The witness is excused.)

16 JUDGE DIPPELL: Was there another -- any
17 other sign-up sheet? Was there anyone else who had
18 signed up?

19 I'm at the end of this sign-up sheet. Is
20 there anyone else who wishes to testify that didn't
21 sign up?

22 (A hand is raised in the
23 audience.)

24 MEMBER OF THE AUDIENCE: How are you
25 doing?

1 MR. HARDEN: Hi.

2 (The witness approaches
3 the stand.)

4 (The witness was placed
5 under oath by Judge
6 Dippell.)

7 * * * * *

8 DENNIS ROBBINS,

9 of lawful age, having been called to the witness
10 stand and being first duly sworn, offered commentary
11 as follows:

12 JUDGE DIPPELL: Thank you. If you could
13 state your name and spell it, please.

14 MR. ROBBINS: Yes. Dennis M. Robbins,
15 R-O-B-B-I-N-S.

16 JUDGE DIPPELL: Okay. Thank you. Go ahead
17 with your comments.

18 MR. ROBBINS: Okay. Thank you. I'm not
19 sure to what end I'm here for, other than I'm still
20 confused more -- I'm more confused than when I got
21 here. I'm confused about the average gallon per
22 average customer in the Joplin area usage.

23 And if somebody could correct me on that,
24 but I thought they said 5500 gallons per month was
25 the average. But bottom line, I own a small mobile

1 home park south of Joplin, and I write the checks.

2 And I look at my bills on my utility bills,
3 and my water usage doesn't change. But like I
4 stated earlier, my water bill is three times higher
5 than what it was in 2006.

6 I don't care how they come up with their
7 math, I still have to pay them or they shut my water
8 off.

9 You know, I've had to pay them \$2,000 since
10 the beginning of the year, in three months. And it
11 comes out to a lot more than the way they're
12 figuring it.

13 But anyway, I'm stuck between a rock and a
14 hard place because they're in this to make a profit,
15 and I understand that.

16 But if they're already making a profit in
17 this economy, personally I think they're
18 dissatisfied because I'm darn sure not. I'm taking
19 losses.

20 I work two full-time jobs, and then I --
21 and I put that money in to keep the park afloat
22 because I can't sell the park because the utility
23 bills have went up so much that I can't get an
24 investor to buy the park.

25 Because the utility bills have increased so

1 much in the last three years that it's made it where
2 it's not appealing to an investor.

3 I went to my accountant before I came here
4 and went over this with him. And just with what
5 Missouri-American Water bills are now and Empire
6 Electric's compared to what they were in '06, he
7 said I need to ask 30 to 35,000 less for my park
8 because of the increased utility bills.

9 And if they get a 20 percent increase and
10 Empire does, then I'm slammed with another \$15,000
11 loss in the value of my property.

12 And then you stated to that gentleman
13 earlier, well -- to the gentleman from the school,
14 "Well, can the school possibly just get more
15 property tax out of everybody?"

16 Well, you know, here you want us to pay a
17 20 percent increase on water, 20 percent on
18 electric, and then you want to hit us up with more
19 property taxes to help the school system out so
20 that we can pay their water bill and their electric
21 bill.

22 And I'm just totally at a loss what to do
23 with this problem. I didn't even know this was
24 going on until I opened my bills because I had to
25 run down and pay another \$780 today so they wouldn't

1 shut me off.

2 And I opened it up and found this hearing
3 in here. And I realize it probably doesn't do a lot
4 of good other than to vent, but I'm appreciative of
5 the fact I even get to vent at this point.

6 I just have nowhere to go with this. I
7 just go out and work nights and weekends so I can
8 keep on the damn park and keep paying these bills.

9 And I agree with the one gentleman that was
10 speaking earlier. I mean -- I don't know. I don't
11 know. That's probably all I have to say.

12 JUDGE DIPPELL: Mr. Robbins, how many -- I
13 don't know what you call them.

14 MR. ROBBINS: Families.

15 JUDGE DIPPELL: Units or spaces or --
16 families?

17 MR. ROBBINS: 14.

18 JUDGE DIPPELL: 14?

19 MR. ROBBINS: And a point I'd like to make
20 on that, no one -- we do not water any yards, and we
21 do not have any gardens.

22 This is strictly for their usage in their
23 homes, which some of them are 3 bedrooms, some 2
24 bedrooms.

25 And what I've -- I've worked with

1 Missouri-American Water local. They're very good to
2 work with. I'll be honest with you. They're very
3 sympathetic to my cause.

4 And I've got nothing but good to say for
5 the people that I've talked to and helped me
6 locally. They've come out anytime I've requested,
7 and they look at my meter.

8 And I've learned to read their meter, trust
9 me. And I learned -- I mean I learned how to see
10 how fast that dial needs to go around.

11 And if that dial is moving even a hair
12 faster than it should be, I go door to door, and I
13 check for toilet leaks. I crawl under every trailer
14 and check for a leak.

15 I walk my property and check for leaks
16 because I've had a major leaks. And I just had a
17 major leak in January, and that's where that cost
18 is; that doesn't have anything to do with my cost.

19 The leak ended up costing me \$2900 in water
20 and \$1300 in repairs, and I had to do that leak
21 request. And I just got it back two days ago.

22 And don't get me wrong, I'm appreciative of
23 that. You know, it cut 371 off my bill, but then I
24 still had to come with \$4,000, you know, or I get
25 shut down.

1 And then I'll be honest with you guys. I
2 don't know if you know how that works from a legal
3 point of view.

4 But whether I pay my water bill or not, if
5 I can't and they shut me off, then I can be sued by
6 my tenants because I'm legally responsible to keep
7 water going for them.

8 So that's why I go out and work two jobs at
9 50 years old so I can pay these bills to keep these
10 people -- and guys, the other question is, kind of
11 like you said to the gentleman from the school, I
12 can't raise the rent for none of these people.

13 I haven't did a rent increase in four
14 years. I have single mothers living out there, and
15 then I have disabled people and elderly who can't
16 even pay their rent.

17 And I don't kick the ones out that can't
18 pay their rent because some of them, I'll tell them
19 if they just pay their own electric bill, they can
20 -- I'll eat their rent.

21 Because -- this isn't your problem, but it
22 goes hand in hand. But sometimes the electric bills
23 are higher than what the rent is. And so I'm
24 fighting at those machines too and going to those
25 and dealing with that.

1 You guys are just a small part of the
2 problem, I'll be honest with you. It's just with
3 this problem and the electric, it's killing me.

4 But the increase if this goes through, just
5 to me personally, it's going to hit me with about
6 another 15 to 18 hundred a year from what my bills
7 are now. And that's a hard hit for me right now.

8 Anyway, thank you.

9 JUDGE DIPPELL: Thank you very much for
10 your comments.

11 MR. HUGHES: Thank you.

12 MR. HARDEN: Thank you.

13 JUDGE DIPPELL: Do you have any questions?

14 MR. MILLS: Just you know, it -- from your
15 description it doesn't sound like there's any
16 reason that your bills should have tripled in three
17 years.

18 So I know you had a chance to talk to some
19 people from the company during the question and
20 answer session.

21 MR. ROBBINS: Mm-hmm.

22 MR. MILLS: If you can't get to the bottom
23 of that question from them, contact me at the
24 information on this orange sheet.

25 MR. ROBBINS: I think I got one of those.

1 If not, I'll grab one. Okay.

2 MR. MILLS: If not, grab one on the way out
3 and make sure that you get an answer to that
4 question because that just doesn't sound right.

5 MR. ROBBINS: Okay. Thank you.

6 MS. HERNANDEZ: And also Lisa Kremer. I
7 think she's probably outside at the front table, but
8 she does a lot of billing and analysis. So I'm sure
9 she can help you look at it too.

10 MR. ROBBINS: Okay. Thank you.

11 JUDGE DIPPELL: Thank you, sir.

12 MR. ROBBINS: Thank you.

13 (The witness is excused.)

14 JUDGE DIPPELL: Is there anyone else who
15 would like to testify?

16 (There is no response from
17 the audience.)

18 JUDGE DIPPELL: I'm not seeing anybody
19 else. I appreciate you all coming out this evening
20 to participate. The commission does take your
21 comments seriously.

22 And there will be an evidentiary style
23 hearing later where the company will present its
24 case, and the other parties will present their
25 cases. And after all of that review is when the

1 commission will make their decision.

2 So I again thank you for coming and thank
3 the university for letting us be here, and we can go
4 off the record.

5 (The hearing was concluded
6 at 7:14 p.m. on Wednesday,
7 April 7, 2010.)

8 (No exhibits were marked
9 during the course of this
10 hearing.)

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CERTIFICATE OF REPORTER

STATE OF MISSOURI)
) SS:
COUNTY OF GREENE)

I, Karen S. Rogers, Registered Professional Reporter, Certified Realtime Reporter, and Notary Public in and for the State of Missouri, do hereby certify that I was personally present at the taking of the proceedings as set forth in the caption sheet hereof; that I then and there took down in stenotype the proceedings had at said time; and that the foregoing is a full, true, and accurate transcription of such stenotype notes so made at such time and place, all to the best of my skill and ability.

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No exhibits were marked during the
course of this hearing.