

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Cancellation of the)
Certificate of Service Authority of)
Woodland Heights Utilities, Inc.)

Case No. WD-2006-_____

**MOTION TO OPEN CASE AND CANCEL
CERTIFICATE OF SERVICE AUTHORITY AND ACCOMPANYING TARIFFS**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and moves that the Commission open a case and cancel the certificate of convenience and necessity it granted to Woodland Heights Utilities, Inc. to provide water and sewer service, as well as its tariffs. Staff further recommends that the Commission approve the transfer of the assets of Woodland Heights Utilities, Inc. to Public Water Supply District No. 1 of Crawford County. In support of its Motion, Staff respectfully states as follows:

1. The Commission granted Woodland Heights Utilities, Inc. (“Woodland Heights”) a certificate of convenience and necessity to provide water and sewer service to the Woodland Heights Subdivision near Sullivan, Missouri, in Crawford County, Missouri, in Case No. 16,189 in February 1968. The company filed a tariff to provide water service, P.S.C. Mo. No. 1, in 1969. The last modification to that tariff was in 1979. The company also filed a tariff to provide sewer service, P.S.C. Mo. No. 1, in 1969. The last modification to that tariff was in 1993.

2. Woodland Heights was a Missouri corporation. The corporation was dissolved five times between 1984 and 1997 because it failed to file its annual registration reports with the Missouri Secretary of State, but was reinstated each time until the final dissolution of August 18, 1997. Section 351.476(1) RSMo. (2000) states “A dissolved corporation continues its corporate existence but *may not carry on any business except that appropriate to wind up and liquidate its business and affairs....*”

3. In the attached affidavit, Staff provides the results of its investigation into the company's disposition. In light of the results of that investigation, Staff requests that the Commission cancel the certificate of convenience and necessity it granted to Woodland Heights, as well as its tariffs. See Appendix A. Staff further recommends that the Commission approve the transfer of the assets of Woodland Heights to Public Water Supply District No. 1 of Crawford County (the District).

4. The transfer of assets, as discussed in Appendix A, resulted from the abandonment of the water and sewer systems by their owners. As a result of compliance problems, the Department of Natural Resources filed suit against Woodland Heights and its principal, R.M. Alexander, in the early 1990's. By the mid 1990's, litigation continued and Mr. Alexander served time in jail related to the litigation. About this time, the company was administratively dissolved for the final time. Moreover, its owners issued a Quitclaim Deed to the public water supply district that was created under the aegis of the Circuit Court of Crawford County to address the situation.

5. Thus, as recounted in Appendix A, in July 2000, Judge Seay of Crawford County declared the results of an election to create a public water supply district valid. See Appendix B. Thereafter, on November 13, 2000, the Judge granted a petition to amend the Decree of Incorporation and included sewer facilities and service within the powers of the public water supply district. See Appendix C. During this same period, on or about November 1, 2000, the property owned by Woodland Heights was transferred to the District. See Appendices D and E.

6. To the best of the Staff's knowledge, the District is now serving the entire area that Woodland Heights was authorized to serve, and has been operating these treatment facilities since the date of sale. In addition, to the best of the Staff's knowledge, all customers previously

served by Woodland Heights are now receiving safe and adequate water and sewer service from the District.

7. Section 393.190 (1) RSMo 2000 requires regulated water and sewer companies to obtain the approval of the Commission prior to transferring their facilities or system to another entity. "Every such sale, assignment, lease, transfer, mortgage, disposition, encumbrance, merger or consolidation other than in accordance with the order of the commission authorizing same shall be void." *Id.* If Woodland Heights was the owner of the water and sewer systems when they were sold to the District, then Woodland Heights should have obtained Commission approval before the sale occurred.

8. Prior approval for the transfer of the system was not sought by Woodland Heights. As a result, the statutory violation gives rise to cause for a complaint. However, in Staff's view, the reality is that the facilities have been transferred to the District and Missouri customers are receiving safe, adequate and continued water and sewer service from the District. As a corporate entity, Woodland Heights has ceased to exist and by transferring its assets, attempted to wind up its operations by transferring them to the public realm, with no objection from the public entity acting as a recipient. The assets used to provide service are now in the hands of a judicially-sanctioned public water supply district. For these reasons, the Staff recommends that the Commission leave the transfer that took place in 2000 undisturbed.

9. Moreover, the statute of limitations to seek penalties for the illegal transfer has long since expired, as the transfer took place in 2000 and a two-year statute of limitations applies to the Commission's claims.¹

¹ "If the penalty is given in whole or in part to the state, or to any county or city, or to the treasury thereof, a suit therefor may be commenced, by or in behalf of the state, county or city, at any time within two years after the commission of the offense, and not after." Section 536.390 RSMo. (2000); see also *Division of Labor Standards*,

10. Section 393.190 (1) RSMo. (2000) requires that in the event an entity seeks to transfer its franchise or property, it must file with the commission a statement as to the impact of the transfer on the tax revenues of the political subdivisions where its structures, facilities or equipment being disposed of are located. In this case, as Woodland Heights ceased operating in or before 1997, it has had no revenues; and thus, the transfer has had and will have no impact on the tax revenues of the political subdivisions where its assets are located.

11. The factual basis for seeking cancellation of Woodland Heights' certificates is that the corporate entity that was granted the certificates no longer exists and the systems operated by Woodland Heights have been transferred to another entity.

12. Although the Commission's authority to cancel a water or sewer certificate is not specifically set out in Chapter 393 of the Missouri statutes, the Commission has previously allowed regulated entities to discontinue operations in cases where cancellation was sought by the service provider and also where the service provider had ceased to exist.² The Commission's authority to cancel certificates of convenience and necessity has been limited by the Missouri Supreme Court, where cancellation of one certificated entity's authority is sought by another, potentially competing certificated entity (and against the will of the entity whose certificate is to be cancelled). *State ex rel. City of Sikeston v. Pub. Serv. Comm'n*, 82 S.W.2d 105 (Mo. 1935). The *Sikeston* court stated that "no provision was or ever has been made by the Legislature for the commission to eliminate competition between private companies already in existence and doing business in the same territory" other than through purchase. *Id* at 110. In this case, however, the

Department of Labor and Industrial Relations, State of Missouri v. Walton Construction Management Co., Inc., and Quick Electric, Inc., 984 S.W.2d 152 (Mo.App. W.D. 1998).

² See 16 Mo. P.S.C. (N.S.) 142, *Burma Builders*; also see *In the Matter of Ozark Shores Water Company's Application for an Order Canceling the Certificate of Public Convenience and Necessity*, Case No. WD-2001-701; *In the Matter of the Cancellation of the Certificate of Convenience and Necessity and Tariff of the Lake Hannibal Sewer Corporation*, Case No. SD-2004-0144.

certificated entity has legally ceased to exist and no representative of the company remains with authority to object to the cancellation of its certificate.

13. The Commission need not hold a hearing, if, after proper notice and opportunity to intervene, no party requests such a hearing. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494 (Mo. App. 1989).

14. This pleading will be served via certified mail upon the address provided most recently by Woodland Heights to the Commission (which is identical with that provided to the Missouri Secretary of State), as well as upon its Missouri registered agent.

WHEREFORE, the Staff requests that the Commission grant Staff's Motion and cancel the certificates of service authority it granted to Woodland Heights Utilities, Inc. to provide water and sewer service in Case No. 16189 and its corresponding tariffs, both entitled P.S.C. Mo. No. 1.

Respectfully submitted,

/s/ David A. Meyer

David A. Meyer
Senior Counsel
Missouri Bar No. 46620

Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
(573) 751-8706 (Telephone)
(573) 751-9285 (Fax)
david.meyer@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to the following this 12th day of April 2006.

/s/ David A. Meyer

Office of the Public Counsel
P. O. Box 7800
Jefferson City, MO 65102

Woodland Heights Utilities, Inc.
593 Sappington Bridge Road
Sullivan, MO 63080

R. M. Alexander
Registered Agent for Woodland Heights Utilities, Inc.
601 Sappington Bridge Road
Sullivan, MO 63080
(via certified mail)

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

AFFIDAVIT OF JAMES A. MERCIEL, JR.

James A. Merciel, Jr., of lawful age, on his oath states:

1. I am employed by the Missouri Public Service Commission as Assistant Manager - Engineering.
2. This affidavit supports the cancellation of the certificate of convenience and necessity (Certificate) granted by the Commission to Woodland Heights Utilities, Inc. (WHUI) in Case No. 16,189 in 1968. WHUI's service area is a subdivision near Sullivan, MO. WHUI was providing water and sewer utility service to sixty-eight (68) customers, but abandoned its system and no longer provides service.
3. The Staff and the Commission had experienced problems and issues with WHUI regarding minor operational matters such as tank painting and lagoon maintenance, and annual report filing requirements since the early 1980's, after Mr. R. M. "Max" Alexander (Mr. Alexander) and Madeline Alexander, husband and wife, acquired the stock of WHUI (ref. Case No. WM-83-126). The Commission authorized the Staff to seek penalties for failure to file annual reports in Case No. SC-85-5.
4. The Missouri Department of Natural Resources (DNR) also had experienced problems with WHUI regarding water pollution compliance issues including discharge monitoring,

retaining a certified wastewater facility operator, operating without a permit, and inadequacies with regard to its sewage treatment facility. DNR ultimately filed suit against WHUI and Mr. Alexander. Among the activities in DNR's litigation, Judge William Camm Seay (Judge Seay) issued a Judgment and Order of Injunction on March 5, 1992 against WHUI in Case No. CV191-7-CC in the Circuit Court of Crawford County. Although WHUI had subsequently undertaken some engineering work studying possible upgrades to its facilities as well as proposals to undertake an upgrade project, construction work was never begun nor accomplished by WHUI. Additional activity in DNR's case continued into the year 1997, including a Revised and Agreed Final Judgment of Contempt and Order of Commitment entered on February 14, 1997 by which the court held Mr. Alexander in contempt for which he served jail time.

5. Sometime in 1997 WHUI ceased collecting revenue from its customers, attempted to file bankruptcy (Ref United States Bankruptcy Court Case No. 97-42829-293 filed on March 25, 1997), and effectively abandoned the water and sewer systems. The homeowners association in the subdivision, led by one customer who also owned rental property in the service area, informally began operating the utility system assets owned by WHUI. This person and others also began exploring several alternative utility ownership/operation arrangements.

6. According to an Order Declaring Results of Election and Declaring Decree of Incorporation of Public Water Supply District to be Final and Conclusive, signed on July 5, 2000 by Judge Seay in Case No. CV100-31-CC, Public Water Supply District No. 1 of Crawford County (District) was formed under Chapter 247, RSMo.

7. By signing a Quit-Claim Deed on November 1, 2000, Mr. Alexander and his wife, respectively as president and secretary of WHUI, transferred the real estate assets to the District. The two real estate descriptions therein are known by me to be the lot upon which the water system

well, tank and pumps are located, and a parcel upon which the sewage treatment lagoon is located. WHUI did not seek, and did not have, authority from the Commission to transfer assets.

8. According to an Amended Decree of Incorporation of Public Water Supply District No. 1 of Crawford County, MO, signed on November 13, 2000 by Judge Seay, the District created a common sewer district.

9. According to the Missouri Secretary of State's current records, WHUI is administratively dissolved as a corporation. I have personal recollection, as well as notes in the Water and Sewer Department files, indicating that WHUI forfeited its corporation certificate in 1989. The Missouri Secretary of State rescinded the forfeiture on February 4, 1991. Several other forfeitures and reinstatements occurred since that time, according to the Secretary of State's records.

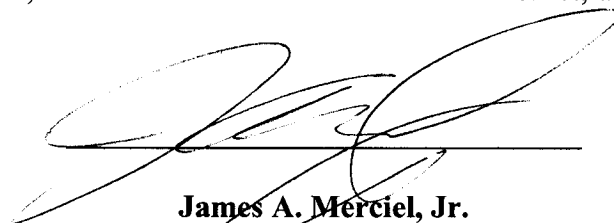
10. WHUI has failed to submit annual reports since at least the year 2000, in addition to previous filing deficiencies addressed by the Commission. The Commission ceased assessing WHUI prior to fiscal year 2000.

11. No customers have contacted the Commission to make complaints about WHUI since approximately 1997.

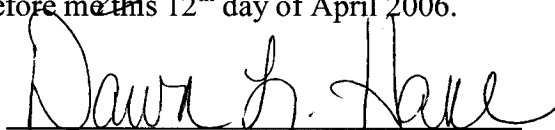
12. The Staff has had no communication with WHUI since approximately 1997, after WHUI abandoned its utility systems. I believe, based on the knowledge that WHUI became inactive and ceased collecting revenue, that it has no money and no longer exists in any fashion. I believe the reason WHUI did not seek authority from the Commission to transfer its assets in 2000 was that it probably was not in existence at that time, and certainly had no financial resources to cover the expenses of doing so. Further, since WHUI no longer exists, I believe that it would be pointless today, and likely impossible, for the Staff or the Commission to attempt any further action regarding past due annual reports, or any past due assessments.

13. Currently, the former customers of WHUI are receiving service from the District, which is a public-owned water and sewer utility that is not subject to the jurisdiction of the Commission. WHUI has approved monthly water rates of \$3.71 plus \$1.22 per 1,000 gallons that have been in effect since 1979. The District currently charges a monthly flat rate of \$25 for water service, but plans to change those rates effective May 1 to \$20 plus \$0.10 per 100 gallons usage. The District is operating the water system in compliance with DNR regulations. WHUI has an approved monthly flat rate of \$10.96 for sewer service that has been in effect since 1993. The District currently charges a monthly flat rate of \$25 for sewer service, but plans to increase the sewer rate to \$27.50 for the first 1,000 gallons water use plus \$2.50 per 1,000 gallons use thereafter. The sewer system still exists as it was when WHUI was active, but the District is at present undertaking a construction project to connect the sewer collection system to the City of Sullivan for wholesale treatment, which will resolve the long-standing issues with the lagoon. If proper applications for transfer of assets to the District had been timely submitted to the Commission by WHUI, it is very likely that the Staff would have recommended approval, based on the transfer being in the public interest.

14. Accordingly, I recommend that the Commission recognize that WHUI effectively abandoned its utility systems, that it transferred its assets to the District, and Cancel the Certificate and tariffs.


James A. Merciel, Jr.

Subscribed and sworn to before me this 12th day of April 2006.



My Commission Expires:



Notary Public
DAWN L. HAKE
My Commission Expires
March 16, 2009
Cole County
Commission #05407643

IN THE CIRCUIT COURT OF CRAWFORD COUNTY, MISSOURI

In RE:

Petition
in Public Water Supply District
Number 1 of Crawford County, Missouri

Case No. CV100-31-CC

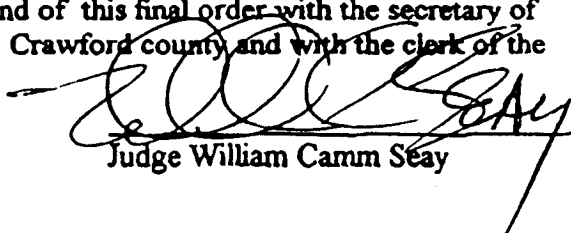
**ORDER DECLARING RESULTS OF ELECTION AND DECLARING DECREE OF
INCORPORATION OF PUBLIC WATER SUPPLY DISTRICT TO BE FINAL AND
CONCLUSIVE**

Now on this 5th day of July, 2000, the court finds that an election was duly held on the 6th day of June, 2000, upon the proposition of incorporation of Public Water Supply District No. 1 of Crawford County, Missouri, and the returns have been duly certified to the court by the judges and clerks of said election.

Upon canvassing such returns, the court finds that 14 electors voted for the proposition and no electors voted against the proposition and that the proposition submitted at said election has been assented to by a majority of two-thirds of the qualified voters of said district voting on such proposition.

It is therefore ordered and declared that the decree of incorporation of said district entered by this court is final and conclusive.

It is further ordered that pursuant to RSMo 247.040(7) the clerk of the circuit court shall file certified copies of the decree of incorporation and of this final order with the secretary of state of Missouri, and with the recorder of deeds of Crawford county and with the clerk of the Crawford county commission.


Judge William Camm Seay

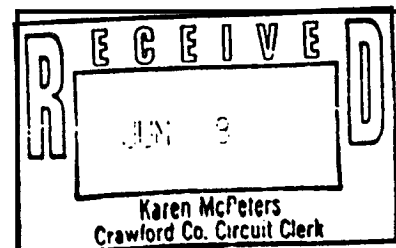
STATE OF MISSOURI)
) SS.
COUNTY OF CRAWFORD)

I, Karen McPeters, do hereby certify that this is a true copy of the original Order Declaring Results of Election and Order Declaring Decree of Incorporation of Public Water Supply District to be Final and Conclusive as the same appears on final and of record. Witness my hand and the seal of said Court on this ____ day of _____, 2000.

FILED

JUL 05 2000

KAREN A. MCPETERS
CIRCUIT CLERK
CRAWFORD CO., MO



APPENDIX B

IN THE CIRCUIT COURT OF CRAWFORD COUNTY, MISSOURI

**IN RE: PETITION FOR AMENDED
DECREE OF INCORPORATION
OF PUBLIC WATER SUPPLY
DISTRICT NO. 1 OF CRAWFORD
COUNTY, MISSOURI IN ORDER
TO CREATE A COMMON
SEWER DISTRICT AND
TREATMENT FACILITIES**

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) FILED
KAREN A. MC PETERS
CIRCUIT CLERK
CRAWFORD COUNTY, MO
CASE NO: CV100-31-CC

**AMENDED DECREE OF INCORPORATION OF
PUBLIC WATER SUPPLY DISTRICT NO. 1
OF CRAWFORD COUNTY, MISSOURI**

Now on this 13TH day of November, 2000, the same being a regular judicial day of this court, a hearing was had on the Petition for an Amended Decree of Incorporation of Public Water Supply District No. 1 of Crawford County, Missouri, in order to create a common sewer district and treatment facilities, filed with the clerk of this court on October 4, 2000.

The Court, being fully advised in the premises, finds:

That the petition is in due and proper form, signed by the five board members of Public Water Supply District No. 1 of Crawford County, Missouri, and certified by one of the signers of the petition, and has been duly filed in duplicate with the clerk of this court accompanied by a cash deposit of Fifty Dollars (\$50.00).

That due notice of said hearing has been signed by the clerk of this court and published in the Steelville Star, a weekly newspaper of general circulation in this county for three (3) successive issues, the last such date of publication being the 25th day of October, 2000, as provided by law, and an affidavit of publication having been previously filed with the Court.

That it is in the public interest to amend the decree of incorporation of Public Water Supply District No. 1 of Crawford County, Missouri, to create a common sewer district and treatment facilities.

NOW THEREFORE, the court orders and decrees:

That said petition is hereby granted and said Decree of Incorporation of Public Water Supply District No. 1 of Crawford County, Missouri, is hereafter amended to authorize said district to engage in the construction, maintenance and operation of common sewer treatment facilities and to provide sewer service to all residents located within the district boundaries.

That the boundaries of said district shall be as set forth in Petitioners' Exhibit A attached hereto and made a part of this decree by reference.

That no vote of the residents of the district is required pursuant to RSMo 247.035, and that the Amended Decree of Incorporation entered by this court is final and conclusive.

It is further ordered that pursuant to RSMo 247.040(7) the Clerk of the Circuit Court shall file certified copies of the Amended Decree of Incorporation and of this final order with the Secretary of State of Missouri, and with the Recorder of Deeds of Crawford county and with the Clerk of the Crawford County Commission.


Honorable Judge William Camm Seay

STATE OF MISSOURI)
) SS.
COUNTY OF CRAWFORD)

I, Karen McPeters, do hereby certify that this is a true copy of the original Amended
Decree Of Incorporation as the same appears on file and of record.
Witness my hand and the seal of said Court on this 13th day of November, 2000.

Karen A. McPeters
Clerk
By: Debbie Walls,
Deputy

IRVIN R. ZWIBELMAN
ATTORNEY AT LAW

P.O. BOX 6728
CHESTERFIELD, MO 63006
(314) 579-9997
FAX (314) 579-9994

235 NORTH CLARK STREET
SULLIVAN, MO 63080
(573) 468-4233

Please Reply to Chesterfield Office

November 3, 2000

Mr. James S. Cole
Attorney at Law
7700 Bonhomme Avenue, 7th Floor
Clayton, MO 63105

RECEIVED
11/6/00
mac

Re: Max Alexander-Chapter 13 Case

Dear Mr. Cole:

Pursuant to your correspondence of October 26, 2000, I enclose a properly signed and executed Quit-Claim Deed from Woodland Heights Utilities, Inc., a Missouri Corporation, and R.M. Alexander and Madeleine Alexander, husband and wife to Water Supply District #1, Crawford County.

Please forward the Deed to Elizabeth Dietzmann, the Attorney in Rolla.

Your prompt attention to this matter is greatly appreciated, since the case against Max Alexander is once again coming up for a review in a couple of weeks.

Sincerely,

Irvin R. Zwibelman

IRZ/sl
Enc: Quit-Claim Deed
cc: Elizabeth Dietzmann
Doug Nelson

Deed Recorded Crawford County Scott
11/13/2000

APPENDIX D

QUIT-CLAIM DEED

THIS DEED, made and entered into this 1st day of November 2000, by and between Woodland Heights Utilities, Inc. a Missouri corporation, and R.M. ("Max") Alexander and Madeleine Alexander, husband and wife, County of Crawford, State of Missouri, party of the first part, and Public Water Supply District #1 Crawford County, State of Missouri, party of the second part.

WITNESSETH, that the said party of the first part, for and in consideration of the sum of Ten Dollars (\$10.00) paid by the said party of the second part, the receipt of which is hereby acknowledged, does by these presents, **REMITSE, RELEASE and FOREVER QUIT-CLAIM** unto the said party of the second part, the following described Real Estate, situated in the County of Crawford, State of Missouri, to wit:

Lot Seventeen (17) of Block D of Woodland Heights Subdivision being part of the Southwest Qr. Of the Northwest Qr. Of Section 19, Township 40 North, Range 2 West, and

A part of the North Half of the Northwest Quarter of Section 19, Township 40 North, Range 2 West described as follows: Starting at the Southwest corner of the Northwest Quarter of Section 19; thence run North on section line a distance of 1299.4 feet to a point; thence run East with property line a distance of 797.7 feet to a property corner, thence North 270 feet this being the point of beginning of the property to be conveyed herein; thence North 361.09 feet to a point; thence South 73° 14' East a distance of 299.77 feet; thence South 55° 46' East a distance of 364.3 feet to a point; thence South 28° 43' East a distance of approximately 90 feet to a point that is South 89° 13' East of the point of beginning and which is the North line of Block F of Woodland Heights Subdivision as proposed; thence North 89° 13' West to the point of beginning.

TO HAVE AND TO HOLD the same, together with all rights and appurtenances to the same belonging, unto the said party of the second part, and to its heirs and assigns forever. So that neither the party of the first part, nor their heirs, successors, assigns, nor any other person or persons for them,

or in their name or behalf, shall or will hereafter claim or demand any right or title to the aforesaid premises, or any part thereof, but they and every one of them shall, by these presents, be excluded and forever barred.

IN WITNESS WHEREOF, the said party of the first part has executed these presents the day and year first above written.

WOODLAND HEIGHTS UTILITIES, INC.

BY R M Alexander
R.M. ("Max") Alexander,
President

ATTESTED

BY Madelaine Alexander
Secretary

Corporate Seal

R M Alexander
R.M. ("Max") Alexander

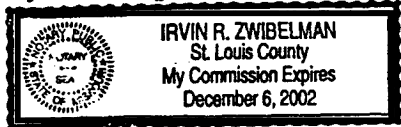
Madelaine Alexander
Madeline Alexander

STATE OF MISSOURI)
) SS.
COUNTY OF FRANKLIN)

On this 1st day of NOVEMBER, 2000, before me appeared R.M. ("Max") Alexander, President of Woodland Heights Utilities, Inc., to me personally known, who, being by me duly sworn, did say that he is the President of Woodland Heights Utilities Inc., a corporation of the State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation, by authority of its Board of directors; and said President acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

My Term Expires:



[Signature]

Notary Public

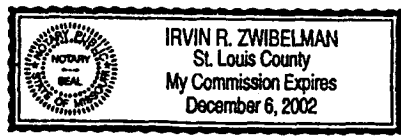
STATE OF MISSOURI)
) SS.
COUNTY OF FRANKLIN)

On this 1st day of NOVEMBER 2000, before me personally appeared R.M. ("Max") Alexander and Madeleine Alexander, husband and wife, to me known to be the persons described in and who executed the same as his and her free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

My Term Expires:

SEAL



[Signature]

Notary Public

CRAWFORD COUNTY TITLE CO.

600 WEST WASHINGTON

CUBA, MO 65453

(573) 885-6470

FAX 573-885-2758

Crawford County
Public Water Supply District #1
P.O. Box 807
Sullivan, Missouri 63080
Attention: Robert Hathman

February 12, 2004

Re: Public Water Supply
District #1
File No. 2-54-04

Dear Robert,

Pursuant to your request and because this service is given for a nominal consideration, the Crawford County Title Company does not guarantee the accuracy or correctness of the information shown, and the liability of the Crawford County Title Company shall not exceed the amount of the charge made for such service.

We have examined the records from February 11, 1984 to February 11, 2004 at 11:00 A.M., on the following described real property, situated in Crawford County, Missouri, to-wit:

Lot Seventeen (17) of Block D of Woodland Heights
Subdivision being part of the Southwest Quarter of the
Northwest Quarter of Section 19, Township 40 North, Range 2
West.

A part of the North Half of the Northwest Quarter of Section 19, Township 40 North, Range 2 West described as follows:
Starting at the Southwest corner of the Northwest Quarter of Section 19; thence run North on Section line a distance of 1299.4 feet to a point; thence run East with property line a distance of 797.7 feet to a property corner; thence North 270 feet, this being the point of beginning of the property to be conveyed herein; thence North 361.09 feet to a point; thence South 73° 14' East a distance of 299.77 feet; thence South 55° 46' East a distance of 364.3 feet to a point; thence South 28° 43' East a distance of approximately 90 feet to a point that is South 89° 13' East of the point of beginning and which is the North line of Block F of Woodland Heights Subdivision as proposed; thence North 89° 13' West to the point of beginning.

Subject to Amended Decree of Incorporation authorizing the construction, maintenance and operation of common sewer treatment facilities and service, as set forth and recorded in Book 460 at Page 886, Deed Records of Crawford County, Missouri.

APPENDIX E

Subject to all easements of record and also subject to the Building and Use Restrictions applying to "Woodland Heights Subdivision" which are recorded in Book 175 at Page 145 of the Deed Records of Crawford County, Missouri; and also subject to all easements set forth in said Building and Use Restrictions, and also all easements indicated on the recorded plat of said subdivision, and also subject to all easement rights pertaining to streets and drives which are indicated on the recorded plat of said subdivision.

and find the title to be in Public Water Supply District #1 Crawford County.

There are no Deeds of Trust or Judgments. (Except Judgments, if any, against the owner or previous owners entered in the associate circuit, juvenile, probate or criminal division of the circuit court which may be a lien on the premises in question, but not certified with the circuit court). (Federal Court Judgments, if any, not included).

There are no Mechanic's Liens. (The property may be subject to the liens of mechanic's or materialmen for labor or material used to erect or repair improvements, if any, within six months preceding the date of this letter).

This property is tax exempt.

The property may be subject to the rights or claims of parties in possession not shown by the public records. Also, it may be subject to easements or claims of easements not shown by the public records.

No representation is intended with regard to any restrictions which may affect the use of this property by reason of any zoning laws or ordinances enacted by a governmental body.

Very truly yours,



John L. Woodward
President

JLW/sr