

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>

FEB 13 2018

Missouri Public  
Service Commission

DERALD MORGAN, RICK AND CINDY )  
GRAVER, WILLIAM AND GLORIA PHIPPS, )  
and DAVID LOTT, )

Complainants, )

v. )

File No. WC-2017-0037

CARL RICHARD MILLS, )  
CARRIAGE OAKS ESTATES, )  
DISTINCTIVE DESIGNS, and )  
CARING AMERICANS TRUST )  
FOUNDATION, INC. (f/k/a Caring )  
Americans Foundation, Inc.), CARRIAGE )  
OAKS NOT-FOR-PROFIT WATER AND )  
SEWER CORPORATION )

Respondents. )

**Respondents' Exhibits**  
**for**  
**2/6/2018 Hearing**

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# Carriage Oaks Estates

HOME OWNERS ASSOCIATION  
Est. October 20, 1999

FILED<sup>2</sup>

FEB 13 2018

Missouri Public  
Service Commission

Carriage Oaks Estates HOA  
Homeowners meeting minutes  
Date of mtg. 6-29-14, 4:00 PM

Those in attendance were Bill & Gloria Phipps, Rick & Cindy Graver, Shirley Funk & Dick Mills. Absent were the Lott's & the Morgan's, and Bob & Billy Sykes??? well kind of, sort of, read on for a surprise.

Items on the agenda were reduced to only three things.

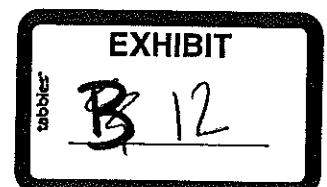
- a) Need for the water storage tank due to watering.
- b) Need for some road repairs and re-sealing.
- c) Need to pump out all septic tanks at the same time every three years to preserve the sand filter from prematurely being polluted needlessly, causing much greater expense later.

Item (a), had been discussed before with considerable misunderstanding as to how it would work. Mills presiding over the meeting and explained the reasons it was critical, considering the damage that was being done trying to water with five small accumulators to back up that amount of water usage. The damage, was explained two years ago would happen, did happen. Starting and stopping a 480 volt motor, about every 5 minutes, while massive watering is going on for hours reached its peak, then failed, with an \$8,600 price tag to replace the pump, motor and wire of 570 feet.

In order to substantially reduce this problem is, to install a storage tank to stop the on/off dilemma. Mills has researched the costs for this to be \$32,000 to \$35,000 with engineering, tank manufacturing and piping approved by the DNR of course. Mills has agreed as the Developer to Pay for the initial cost of installation, like all of the other utilities, and with a interest free loan to the HOA, over a reasonable time required to repay the loan, for the expanded equipment.

There was comment about the possibility of a special assessment or a substantial increase in assessments in order to pay for it, from Bill Phipps. Mills felt that notwithstanding, another major failure of the water or sewer facilities, the storage tank would help immensely. And of course any action by electrical storms, wind or tornados, the current assessment should work, with little or no increase. The last failure hurt badly because it took out about 2/3 of the 2013 assessment to fix it.

Exhibit No. 12  
Date 2/6/18 Reporter WV  
File No. WC-2017-6037



Item (b) the regular sealing of falling leaf court, is needed now, but may have to wait till fall to see how far we can financially stretch, there were also some comments that pot holes trying to form on several areas on Falling Leaf Ct., if they are not attended to soon they will grow into a repaving requirement. This item is on hold.

Item (c) Mills brought up the need for having all the septic tanks in the HOA to be pumped out every three years to preserve and extend the filter bed life, which would be very expensive to replace all the piping and gravel used in the filter bed by holding down the fecal material as much as possible. This could rank right up there with the well failure.

The request was meet with favorably, and all agreed this was a good idea so it will be put in the works very soon, we will need to contact everyone to see where their tank openings are located.

Extra comments: A new "first" took place at the meeting, in that Bob Sykes participated in the meeting by phone from their home in Italy. His only problem was that on his time the meeting started at about 11:00 PM and finished about 2:00 AM, way to go Bob.

The meeting went into unexpected overtime do to an announcement by Mills that it was his intention to sell/give Carriage Oaks LLC to his relatively new 501(c)(3) Public Charity he established around 2011, called Caring Americans Trust Foundation Inc. or left by him in his Revocable Trust established in 1976. Which would be ran by the board of directors of said charity.

This was meet with considerable surprise, and instant speculation, comments were flying as to what impact this was going to have on Carriage Oaks Estates itself?

By way of explanation it will have a very positive impact on the development, in that the board of directors and myself will still be there as always, doing what I would do if I did not have any extra help doing the same thing I do now. We would still sell lots the same way, manage it the same way, use the same Deed Restrictions as always, in fact we need to make some changes in that with the homeowners input of things it needs right now. No major changes would ever take place that would have a negative impact on the overall development, "ever". In fact that needs to be put into the Restrictions as well.

Please do not make any prejudgments of the capabilities of the Charity, and its board, these are dedicated people giving their personal time and talents for free. These are successful people wanting to give back to others, who need help and have not been as successful. The mission statement is "Caring Americans help people who change lives."

We are a charity that help other charities, who are very good at what they do but, are not always financially practical and may go under for that reason alone, and they need help.

I will enclose a brochure of Caring Americans for you to look over, we have operated in Missouri only so far, but if success smiles on us we will go nation wide with our scope.

I apologize if this scared or upset anyone, but I think you will be very comfortable and as pleased as I am with its cause.

I have invited one of the homeowners to visit our next board meeting of Caring Americans on July 25th, to meet some of the board members and the CEO that will be running his part of the program under the direction of the board.

When Caring Americans takes over Carriage Oaks LLC, we will probably want one of the homeowners to set on the board to see what goes on, and offer any suggestions they feel would improve Carriage Oaks Estates. By then we may even pick up a developer to put on the board, that may want develop phase III for expenses only.

There are many great possibilities ahead, I hope you will become as enthused as I am.

Have a Great Day

Dick Mills

Any further comments by anyone are appreciated, or if I have left out, or forgotten anything, please advise. Sorry my English Teacher friend is not here to edit all my errors.

# Carriage Oaks Estates

HOME OWNERS ASSOCIATION

*Est. October 20, 1999*

July 18, 2014

Carriage Oaks Estates HOA

Homeowners additional Meeting Minutes  
of Meeting on 6-29-14 by Bob Sykes

After the above meeting was concluded, I was a little taken back by the speculation responses, so rather than write up the minutes right away I called Bob back and asked if he had heard the responses over the phone as they were in progress. He said that he had, so I asked him to write up the minutes as he felt he heard them, that perhaps I was a little too close to the subject to be objective, and he said he thought he could. Then after a day or so, I felt bad that I had put this into Bob's lap, and went ahead and wrote up the minutes as I saw them.

Now Bob has emailed his minutes, to me with some personal comments he had written in red print, with the additional comment, that I could erase those if I wanted. I am leaving them in, as they are dead on correct, and I appreciate the analysis taken by someone who was at least, verbally at the meeting, while not in person. The only corrections I have of Bob's minutes would be the attendees, in that the Lott's were not there nor the Morgan's of Lots 3A&4A, not 5A&6A. If anyone else who was there wants to weigh in on my comments or Bob's, they would be received and appreciated regardless.

Additional news, I have contacted Tillman, also Boerman Haulers of sewage, Tillman said they were too busy, Boerman has not called back yet, but intends to. These are the only reputable known Haulers in this area.

I also have a call in for Joe Montgomery, of Montgomery tanks for an appointment to get his input and quote for the storage water tank we need, also I have a quote from a Consulting Engineer, for engineering services.

So thanks again Bob for your input and observation, anyone else have any input, please do, this is the appropriate time to do so. Hope everyone is well.

Dick Mills

# Carriage Oaks Estates LLC

Subject: Draft Minutes of the Home Owners Association Meeting of June 29, 2014

## **Attendees:**

Lot 1: Cindy  
Lot 2: Ms Funk  
Lot 3: Bill & Gloria Phipps  
Lot 4: Bob Sykes (by phone)  
Lot 5: Dick Mills (LLC Owner and President)  
Lot 6: David & Melody Lott  
Lots 5a&6a: Did not attend

## **Topic: Water storage tank**

Dick explained the need for a water storage tank to prevent excessive wear and premature failure of the well pump and motor (as we recently experienced). This wear and tear is caused by the unanticipated higher demand for water for non-household use (sprinklers, pools, water features, etc.) which require activation of the pump much more frequently than it is designed for. The recent failure of the equipment cost the HOA \$8,600, or about 2/3 of the annual HOA income from member assessments. A storage tank will significantly reduce pump demand, thereby extending its useful life.

Dick said a 15K gallon tank, constructed on site by Montgomery Tanks in Springfield, MO, costs about \$30K. Gloria said that estimate was the same as the HOA at The Point was given. Dick also said that to add a 6 foot section for a total of a 24K gallon tank, only costs about \$3K more. With only 7 houses constructed so far, it appears the larger tank is the better investment. Dick said he will front the money for the tank which will be repaid gradually through our annual assessments and those of new owner-members. Dick also said that our annual assessments would not be increasing due to the storage tank. All present were in favor of building the new water storage tank.

## **Topic: Homeowner septic tanks need their sludge pumped out every 3 years.**

Dick explained that if owners did not have their septic tanks pumped out every 3 years, the demand on the sand filtration field would cause it to fail at a substantial unbudgeted expense. It was agreed that local vendors would be asked for bids to pump out everyone's septic tank at the same time so we would get lower prices through volume discounts. Homeowners would pay their portion of the bill.

## **Rusty water**

The high concentration of rust in the water was brought up. Homeowners have to replace their relatively expensive filters at least twice a year, if not more frequently. One suggestion was to look into master filters for the well or the new storage tank. Another thought was that the rust in the storage tank may settle to the bottom and be able to be cleaned out from there. These potential options will be investigated.

## **Volunteers**

Dick asked if anyone would like to volunteer to help with some of the work of the LLC. Most urgently, he said he would appreciate if someone could review the books for the last 5 years, and help with the bookkeeping going forward. Recognizing that it would cost the LLC some money, members urged him to have a professional accountant audit the books and ensure they were current before one of the members became the bookkeeper.

## **Ownership and potential disposition of the Carriage Oaks Estates LLC**

With all that Dick Mills has done to keep the utility infrastructure, roads, front gate, common areas, etc. maintained and operating correctly, a discussion ensued as to what would happen if Dick was no longer here (due to selling out or his demise). Where would we turn, who would take over? To save the LLC money, Dick has done as much as he could himself with his tractor, bull dozer, and riding mower. He only contracted with others when their expertise and capabilities were needed. Dick acknowledged that none of us were going to live forever, and explained that he had already made provisions for a charitable trust (Caring Americans Trust Foundation LLC-which he founded) to take over the ownership and operation of the LLC in perpetuity. This news was surprising to most of the homeowners, with several expressing concerns about the potential negative effect of this transition on their property values. Dick tried to reassure the homeowners that having a quality organization with trained individuals managing the LLC in accordance with the written by-laws would be the best way to ensure there was no negative impact to property values. As the meeting broke up, there were still significant concerns about this issue.

**Additional thoughts by Bob Sykes for consideration by members:** It was important to get this issue on the table so HOA members could think about it in the comfort of their homes, and hopefully realize the benefits of Dick's thoughtful planning. Dick will live here for the rest of his life with no intentions of selling the LLC. As the owner of the LLC, Dick has the legal right to transfer/sell/dispose of the LLC to whomever he desires. We are fortunate that his vision is for a prosperous, well cared for LLC. A far worse alternative would be if Dick left the LLC in his will to an individual who could dispose of it at any time and to anyone in order to cash out for their personal gain, leaving the LLC and the HOA members at the mercy of other uncaring owners.

Minutes drafted by Bob Sykes, edited by Dick Mills, submitted to HOA members for approval.