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JUL 8 2019

Missouri Public  
Service Commission

Exhibit No.: 1

Issue: Certificate of Convenience and Necessity

Witness: Carl Richard Mills

Sponsoring Party: Applicant

Type of Exhibit: Direct Testimony

Case No.: WA-2018-0370

Date Prepared: January 3, 2019

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

	)	
	)	
	)	
In the Matter of Carl R. Mills Trust for a	)	File No. WA-2018-0370
Certificate of Convenience and Necessity	)	
Authorizing it to Install, Own, Acquire,	)	
Construct, Operate, Control, Manage, and	)	
Maintain Water Systems in Carriage Oaks	)	
Estates	)	

**DIRECT TESTIMONY OF CARL RICHARD MILLS ON BEHALF OF APPLICANT**

Stone County, Missouri  
January 3, 2019

~~Carl~~ Mills  
 Exhibit No. 1  
 Date 6/24 Reporter JMB  
 File No. WA-2018-0370

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1  
2 **DIRECT TESTIMONY OF CARL RICHARD MILLS**

3 *Introductions and Witness Qualifications*

4 **Q: Please state your name.**

5 My name is Carl Richard Mills.

6 **Q: Where do you current reside?**

7 I currently reside in the Carriage Oaks Estates subdivision at 209 Falling Leaf Court,  
8 Branson West, Missouri.

9 **Q: How long have you live there?**

10 I have lived at my current residence since 1999.

11 **Q: Where are you currently employed?**

12 I am currently retired. Prior to retiring, I was the owner and founder of Chicago Power  
13 Fluid Corporation, a company which specialized in designing actuators and other power fluid  
14 mechanism for municipal projects, nuclear and non-nuclear power stations, refineries, defense  
15 projects, offshore oil and gas, dams, water control and wastewater projects all across the world.  
16 Prior to starting my own company, I served in the military and taught fluid power mechanics. In  
17 1990, I sold Chicago Power Fluid and eventually moved back to the Ozarks to retire. In 1999,  
18 my late wife and I bought a large plot of land in Stone County and began developing Carriage  
19 Oaks Estates.

20 **Q: What is your relationship to the case today?**

21 I am the Applicant seeking a Certificate of Convenience and Necessity from the Public  
22 Service Commission.

23 *Application for Certificate of Convenience and Necessity*

1 **Q: Why did you file for a Certificate of Convenience and Necessity with the Public Service**  
2 **Commission?**

3 As mentioned in my previous answer, I am the developer and owner of Carriage Oaks  
4 Estates, a small subdivision located in Stone County. As the developer, I have operated the water  
5 system in Carriage Oaks Estates since the subdivision's creation in approximately 1999. In early  
6 2017, select homeowners from the subdivision filed a complaint with the Public Service  
7 Commission in the case of *Derald Morgan et al. v. Carl R. Mills et al.* (WC-2017-0037),  
8 demanding, among other things, that the Public Service Commission force me to turn over the  
9 water and wastewater system of Carriage Oaks Estates to the homeowners. While the  
10 Commission found that they did not have jurisdiction over the wastewater system of Carriage  
11 Oaks Estates, they found that they did have jurisdiction over the water system, and as a result, a  
12 Certificate of Convenience and Necessity was necessary.

13 **Q: When did you originally file your Application for a Certificate of Convenience and**  
14 **Necessity with the Public Service Commission?**

15 I originally filed my Application for a Certificate of Convenience and Necessity on June  
16 9, 2018.

17 **Q: Did you ever amend your Application for the Certificate of Convenience and Necessity?**

18 Yes, I filed the Amended Application for Convenience and Necessity on October 2, 2018.

19 **Q: Why did you amend your Application?**

20 On the original Application, the Carl R. Mills Trust was listed as the applicant because I  
21 was under the belief that the water system of Carriage Oaks Estates had been transferred into my  
22 personal trust in previous years. I later learned that the water system had not been transferred  
23 into my personal trust and was still held by myself as an individual. The Amended Application

1 revised the name of the applicant to Carl R. Mills to reflect the true owner of the water system.  
2 Aside from that distinction, the Amended Application had no other changes from the originally  
3 filed Application.

4 **Q: Does Exhibit 1 attached hereto represent a truthful and accurate depiction of the**  
5 **Amended Application for Certificate of Convenience and Necessity you filed with the**  
6 **Public Service Commission on October 2, 2018?**

7 Yes.

8 **Q: Are there any areas of your Amended Application for Certificate of Convenience and**  
9 **Necessity that you would like to provide additional comments on?**

10 Yes, in particular I would like to shed some additional light on Exhibit D and Exhibit E  
11 of the Amended Application as the Intervenors in this case have misconstrued these Exhibits in  
12 their opposition.

13 In Appendix D, I was asked to set forth the cost associated with the construction of water  
14 system used in Carriage Oaks Estate. In contrast to the underlying assumption that this water  
15 system was newly constructed, the water system for Carriage Oaks Estates was constructed in  
16 approximately 1999 and had been operating without the PSC's oversight for the past 19 years.  
17 Given that such a long period of time had passed, the records associated with such construction  
18 were no longer easily accessible, despite multiple efforts to locate them. The information set  
19 forth in Appendix D represents my good faith estimate and recollection of the various cost  
20 associated with such water system construction. Please note the various expenses have been  
21 separately listed so outside sources can easily verify and independently evaluate such estimates.

22 In Appendix E, I was asked to propose the rates to charge for water service. In  
23 determining what would be a fair and comparable rate to propose, I reached out to Ozarks Clean

1 Water, a local competitor, to request a quote as to what they would charge for providing water  
2 services in Carriage Oaks Estates. The proposed rates attached in Appendix E represent the exact  
3 figures provided by Ozarks Clean Water for similar services.

4 **Q: In connection with your Amended Application, did the PSC staff ask you to provide**  
5 **additional information?**

6 Yes.

7 **Q: Did you fully comply with the request of the PSC staff?**

8 Yes, I turned over all information which was available to the PSC staff. I will note,  
9 however, the PSC staff asked for a large quantity of information which did not exist. For the past  
10 19 years, I have operated the water system like that of a small subdivision, not a large regulated  
11 water utility. Therefore, a number of the information requested by the PSC was simply not  
12 applicable to how the water system had previously been operating.

13 After I turned over all of my materials to the PSC Staff, these materials were  
14 independently examined and the PSC Staff ultimately recommended that the Certificate of  
15 Convenience and Necessity be granted.

16 ***Tartan Factors***

17 **Q: Are you generally familiar with what is commonly referred to as the Tartan Factors?**

18 Yes, these are the five (5) criteria the Public Service Commission examines in  
19 determining whether it is appropriate to issue a Certificate of Convenience and Necessity to an  
20 applicant.

21 **Q: Do you believe your application has fulfilled all of the Tartan Factors?**

22 Yes, despite the claims of the Intervenors, I believe all of the Tartan Factors have been  
23 met within my Application.

1 *(A) Need for Service*

2 **Q: Is there a need for your water service within Carriage Oaks Estates?**

3 Yes. Absent my provision of water services, there are no other parties which provide  
4 water services within the boundaries of Carriage Oaks Estates. Pursuant to the Easements,  
5 Covenants and Restrictions governing all lots within Carriage Oaks Estates (a copy of which was  
6 properly recorded with the Stone County Recorder of Deeds and supplied to each homeowner  
7 prior to the purchase of their lot), all residents of Carriage Oaks Estates must connect to the  
8 water system provided by the developer of the subdivision. The use of private wells is strictly  
9 prohibited in accordance with the Easements, Covenants and Restriction and the Department of  
10 Natural Resources regulations.

11 *(B) Qualification of the Applicant*

12 **Q: Are you qualified to operate the water system within Carriage Oaks Estates?**

13 Yes, I am qualified to operate the water system within Carriage Oaks Estates. The  
14 Intervenors have painted me out to be an elderly man who only has experience as a developer.  
15 What the Intervenors fail to mention, or even acknowledge, is my career prior to developing  
16 Carriage Oaks Estates.

17 While I may not have fancy degrees like some of the Intervenors, my experience speaks  
18 for itself. In the 1960s I formed Chicago Fluid Power Corporation. My company specialized in  
19 designing actuators and other power fluid mechanics for municipal projects, nuclear and non-  
20 nuclear power stations, refineries, defense projections, offshore oil and gas, dams, water control  
21 and wastewater projects all across the world. Among some of my greatest accomplishments was  
22 assisting in developing a solution to solve the water control and wastewater issues for the city of  
23 Chicago, which was later adopted by cities across the United States. Additionally, the

1 development of an actuator which withstood over three years of countless testing and was later  
2 approved for use in nuclear power plants ranks high in my professional accomplishments.

3 Attached as Exhibit 2 are a select group of pictures which capture projects I worked on  
4 during my years at the company. In 1990, I sold Chicago Fluid Power to Hanna Corporation.

5 Additionally, I have successfully operated the water system of Carriage Oaks Estates for  
6 the past 19 years with no issues and have regularly complied with all testing requirements. In  
7 their recommendation, the PSC Staff also found that I have provided safe and adequate water  
8 service for Carriage Oaks Estates in past years, and, as such, was qualified to operate the water  
9 system.

10 **Q: The Intervenors also claim that you do not have the temperament or good judgment to**  
11 **operate the water system. Is that true?**

12 I do not believe temperament is an element within the Tartan Factors, I can reassure the  
13 Commission that my temperament is fair.

14 While the Intervenors have made several allegations that I have a short temperament,  
15 they have failed to provide any specific examples of my tendency to “seek vengeance on the  
16 homeowners”. In the past, in my role as both the developer and President of Carriage Oaks  
17 Estates Homeowners Association, I have had to issue warnings to certain homeowners for blatant  
18 violations of the subdivision rules, such as failure to install a water meter or overgrown  
19 vegetation on the easements. None of these acts were done in an effort to be spiteful, but rather  
20 to ensure that all residents follow the rules and regulations of the subdivision. My desire to  
21 enforce the rules and regulations of Carriage Oaks Estates should not be equated to having a  
22 short temperament or being classified as a vindictive person.

23 ***C. Financial Ability of the Applicant***



1 **Q: Moving on to the next factor, do you have the financial ability to install and operate the**  
2 **water system within Carriage Oaks.**

3 Yes, I have the financial ability to install and operate the water system within Carriage  
4 Oaks. In my role as a developer, I paid for the entire installation of the water system within  
5 Carriage Oaks Estates when it was constructed in 1999. I also paid for the subsequent upgrade to  
6 the water system entirely out of my own pocket.

7 ***D. Economic Feasibility***

8 **Q: Do you believe your proposal to operate the water system in Carriage Oaks Estates is**  
9 **economically feasible?**

10 Yes, I believe my proposal to operate the water system in Carriage Oaks Estates is  
11 economically feasible. As noted in the Public Service Commission Staff's recommendation, the  
12 economic feasibility of the operation is demonstrated through the fact that the operations support  
13 the current expenses.

14 ***E. Public Interest***

15 ***Q: Do you believe your proposal to operate the water system in Carriage Oaks Estates***  
16 ***promotes public interest?***

17 Yes, I believe my operation of the water system promotes public interest. In addition to  
18 meeting all of the four prior elements (which in most cases supports a finding of public interest),  
19 the successful operation of the water system for the past 19 years with no major issues helps to  
20 support the finding of public interest.

21 **Quality Allegations**

22 ***Q: In recent filings, the Intervenors have made certain allegations concerning the water***  
23 ***quality in Carriage Oaks Estates. In particular, they have noted: 1) reduced water pressure***

1 *and/or water slow restrictions; 2) the presence of rock, grit and sediments; and 3)*  
2 *extraordinary iron content. Would you like to address these allegations?*

3 Yes, I would like to address these allegations raised by the Intervenors. First and  
4 foremost, as I have stated to the PSC in my response to Data Request No. 5, Intervenors have  
5 never mentioned these alleged issues with the water system until their filing with the PSC. Why,  
6 after over two years of litigating the issues surrounding the water system, are these issues just  
7 now being raised? If these were truly issues, why were they not mentioned sooner? I ask that you  
8 please do not fall for the Intervenors' feeble attempt to try to muddy the water of the issues at  
9 hand.

10 In the 19 years of the water and sewer service existence in Carriage Oaks Estates, I have  
11 not had a single request come from any residence regarding problems involving volume, flow or  
12 pressure. The drinking water is tested by the county at least once or twice per year for quality,  
13 and has not had a negative report in any years.

14 Regarding the claim of sediments, Carriage Oaks Estates furnishes tap on capabilities for  
15 both water and sewer at each residential lot. The lot owner will contract a developer to build their  
16 house and plumbers to install their plumbing, complete with pleated paper filters as required on  
17 drawings given to each purchaser of a lot. We do not filter water at the well house—a fact which  
18 every resident knows. Consequently every house is to be equipped with at least one 10" Pleated  
19 Paper Filter. By doing this they will guarantee there will be NO rock, grit or sediment or even  
20 rust in their system, provided they change the filter at least twice per year which everyone has  
21 done as far as I know. If there were any complainers of this kind of issue it would only be  
22 someone who did not follow the requirements everyone else did.

23 *Future of Water Service in Carriage Oaks Estates*

1 **Q: What is your plan for the future of the water system in Carriage Oaks Estates?**

2 In the near future, I would like to turn over the operation side of the water system to  
3 Ozarks Clean Water, a local certified not-for-profit water corporation. I have spoken many times  
4 to Ozarks Clean Water about their desire and ability to operate the water system, and have been  
5 assured they are both willing and able to take over operations. I will, however, remain as the  
6 owner of the water system.

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


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In the Matter of Carl R. Mills Trust for a	)	File No. WA-2018-0370
Certificate of Convenience and Necessity	)	
Authorizing it to Install, Own, Acquire,	)	
Construct, Operate, Control, Manage, and	)	
Maintain Water Systems in Carriage Oaks	)	
Estates	)	

**AFFIDAVIT OF CARL RICHARD MILLS**

STATE OF MISSOURI            )  
                                           ) ss.  
 COUNTY OF STONE            )

Carl Richard Mills, being first duly sworn on his oath, states as follows:

1. My name is Carl Richard Mills. I am a Respondent in the above-reference matter. I am over 18 years of age and competent to give testimony.
2. Attached hereto and made a part of for all purposes is my Direct Testimony consisting of 11 pages, Exhibit(s) 1,2, all of which have been prepared in written form for introduction into evidence in the above reference docket.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

  
 Carl Richard Mills

Subscribed and sworn to me this 3<sup>rd</sup> day of January, 2019.

  
 Notary Public

My commission expires: Oct. 25, 2021

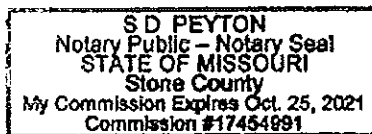


Exhibit 1

*See Attached.*

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

In the Matter of the Carl R. Mills Trust        )  
Certificate of Convenience and Necessity    )  
Authorizing it to Install, Own, Acquire,    )        File No. WA-2018-0370  
Construct, Operate, Control, Manage        )  
And Maintain Water Systems in Carriage    )  
Oaks Estates

**AMENDED APPLICATION FOR CONVENIENCE AND NECESSITY**

COMES NOW Mr. Carl R. Mills (“Mills”) pursuant to Sections 393.140 and 393.170, RSMo and 4 CSR 240-2.060, 4 CSR 240-3.305, 4 CSR 240.3-600 and 4 CSR 240-4.020(2)(B), and for its Amended Application For Convenience and Necessity states as follows to the Missouri Public Service Commission (“Commission”).

**BACKGROUND**

1. Pursuant to the order issued in the case of *Derald Morgan et al. v. Carl Richard Mills et al.*, WC-2017-0037, Mills desires to obtain a certificate of convenience and necessary to install, own, acquire, construct, operate, control, manage and maintain the water system in Carriage Oaks Estates (as defined herein).
2. Mr. Mills, through one of his wholly owned entities, is the developer of Carriage Oaks Estates. Pursuant to the Commission’s order in *Morgan*, Mills is the current owner of the water system which services Carriage Oaks Estates. Additionally, pursuant to the order in *Morgan*, the Commission determined that Mills operates a water company through its ownership of the water system servicing Carriage Oaks Estates.
3. The previous filed Application for Convenience and Necessity wrongfully listed Mills’ personal trust, The Carl R. Mills Trust, as the original owner of the water system.
4. Communications regarding this Application should be addressed to Mills’ legal counsel.

5. Mills has no pending actions, final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates.

6. Mills has no annual report or assessment fees which are overdue.

#### CERTIFICATE

7. Mills request permission, approval and Certificates of Convenience and Necessity to install, own, acquire, construct, operate, control, manage and maintain water services for the public in and around the subdivision located in Stone County, Missouri by the name of Carriage Oaks Estates, as more particularly described on Appendix A ("Carriage Oaks Estates").

8. Attached hereto and marked as Appendix B is a list of ten residents or land owners within Carriage Oaks Estates. It has been identified as Highly Confidential pursuant to the Commission's rules because it contains customer-specific information.

9. There are no other utility companies which provide water services to Carriage Oaks Estates. Additionally, pursuant to the Easements, Covenants and Restrictions governing Carriage Oaks Estates, homeowners must receive water services from the water system owned by Mills.

10. Attached hereto as Appendix C is a plat drawing of Carriage Oaks Estates.

11. The water system owned by Mills and servicing Carriage Oaks Estates was previously constructed in or around the year 2000. Attached hereto as Appendix D is the approximate cost of construction of the water system, including the upgrades to such system which were installed in 2016.

12. Because the water system is already constructed, there will be no financing required.

13. Attached hereto as Appendix E are the rates Mills proposes to charge for the provision of water services.

14. Approximately seven (7) customers will receive water services from Mills.

15. Attached hereto as Appendix F is an approximation of the cost associated with the operation of the water facility during the previous three (3) years.

16. No approval of the affected governmental bodies is necessary for purposes of this Application.

WHEREFORE, Mills Trust request the Commission grant it permission, approval, and a Certificate of Convenience and Necessity authorizing Mills to install, acquire, build, construct, own, operate, control, manage and maintain water systems for the public within the area referred to above.

Respectfully submitted,

**HUSCH BLACKWELL LLP**

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*Attorneys for Mills Trust*

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 2<sup>nd</sup> day of October, 2018 to:

General Counsel's Office  
[staffcounsel@psc.mo.gov](mailto:staffcounsel@psc.mo.gov)

Office of the Public Counsel  
[opcservice@ded.gov](mailto:opcservice@ded.gov)



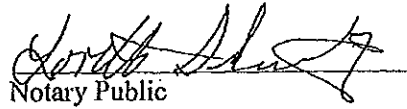
AFFIDAVIT

State of Missouri )  
                          )  
County of Stone )      ss

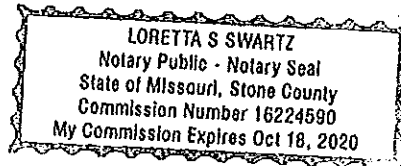
I, Carl Richard Mills, having been duly sworn upon my oath, state that the matters and things stated in the foregoing application and appendices thereto are true and correct of the best of my information, knowledge and belief.



Subscribed and sworn before me this 29 day of September, 2018.

  
Notary Public

My Commission Expires 10/18/2020



Appendix A

See Attached.

Exhibit A

Phase One

DESCRIPTION:

A PARCEL OF LAND SITUATED IN THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 22 NORTH, RANGE 23 WEST, STONE COUNTY, MISSOURI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NW4 OF THE NE4 OF SAID SECTION 12, THENCE S 87°31'18" E ALONG THE NORTH LINE OF SAID NW4 OF THE NE4, 986.78 FEET, THENCE LEAVE SAID NORTH LINE S 00°00'00" W, 1038.06 FEET TO A SET REBAR ON THE CENTERLINE OF A FIFTY (50.0) FOOT-WIDE ROADWAY AT THE POINT OF BEGINNING, THENCE CONTINUE ALONG SAID CENTERLINE S 45°02'48" E, 404.84 FEET TO A SET REBAR, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 188.78 FEET, A DISTANCE OF 69.21 FEET, THENCE S 24°02'25" E, 23.56 FEET TO A SET REBAR, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 123.25 FEET, A DISTANCE OF 56.94 FEET, THENCE S 02°25'57" W, 43.57 FEET TO A SET REBAR, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 292.77 FEET, A DISTANCE OF 99.04 FEET, THENCE 21°48'57" W, 86.74 FEET TO A SET REBAR, THENCE S 51°46'52" W, 401.30 FEET, THENCE ALONG A CURVE LEFT, HAVING A RADIUS OF 607.35 FEET, A DISTANCE OF 99.78 FEET, THENCE S 42°22'07" W, 190.78 FEET TO A SET REBAR, THENCE ALONG A CURVE LEFT, HAVING A RADIUS OF 318.00 FEET, A DISTANCE OF 101.14 FEET, THENCE S 24°08'45" W, 14.54 FEET TO A SET REBAR, THENCE N 75°31'04" W, 97.26 FEET TO A SET REBAR, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 149.58 FEET, A DISTANCE OF 59.21 FEET, THENCE N 52°50'11" W, 35.23 FEET, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 242.90 FEET, A DISTANCE OF 59.70 FEET, THENCE N 38°45'18" W, 81.80 FEET, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 68.61 FEET, A DISTANCE OF 109.15 FEET, THENCE N 52°23'40" E, 293.84 FEET, THENCE ALONG A CURVE LEFT, HAVING A RADIUS OF 294.69 FEET, A DISTANCE OF 59.79 FEET, THENCE N 40°46'08" E, 136.80 FEET TO A SET REBAR, THENCE LEAVE SAID CENTERLINE N 04°34'07" W, 272.32 FEET TO A SET REBAR, THENCE N 07°49'03" E, 198.48 FEET TO A SET REBAR, THENCE N 53°56'40" E, 166.34 FEET TO THE POINT OF BEGINNING, CONTAINING 10.36 ACRES, MORE OR LESS, TOGETHER WITH AND SUBJECT TO ALL EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

DESCRIPTION WELL LOT:

A WELL LOT SITUATED IN THE NE4 OF SECTION 12, TOWNSHIP 22 NORTH, RANGE 23 WEST, STONE COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NW4 OF THE NE4 OF SAID SECTION 12, THENCE N 87°31'18" W ALONG THE NORTH LINE OF SAID NW4 OF THE NE4, 971.71 FEET, THENCE LEAVE SAID NORTH LINE S 02°28'42" W, 955.75 FEET TO THE POINT OF BEGINNING AT A POINT ON THE EASTERLY R/W LINE OF MISSOURI STATE HIGHWAY "DD," THENCE S 14°19'35" E ALONG SAID R/W LINE 62.49 FEET, THENCE ALONG A SEGMENT OF A CURVE LEFT, HAVING A RADIUS OF 538.69 FEET, A DISTANCE OF 62.65 FEET, THENCE LEAVE SAID R/W LINE N 75°40'25" E, 121.36 FEET, THENCE N 14°19'35" W, 125.00 FEET, THENCE S 75°40'25" W, 125.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.36 ACRE, MORE OR LESS, TOGETHER WITH AN ACCESS EASEMENT, THE CENTERLINE BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Phase One Continued

COMMENCING AT THE NORTHEAST CORNER OF THE NW4 OF THE NE4 OF SAID SECTION 12, THENCE N 87°31'18" W ALONG THE NORTH LINE OF SAID NW4 OF THE NE4, 971.71 FEET, THENCE LEAVE SAID NORTH LINE S 02°28'42" W, 955.75 FEET TO A POINT ON THE EASTERLY R/W LINE OF MISSOURI STATE HIGHWAY "DD," THENCE S 14°19'35" E, 62.49 FEET, THENCE ALONG A CURVE LEFT, HAVING A RADIUS OF 538.69 FEET, A DISTANCE OF 348.65 FEET AN EXISTING REBAR ON THE WESTERLY R/W LINE OF A FIFTY (50.0) FOOT-WIDE STREET, THENCE N 38°45'18" W ALONG SAID R/W LINE 85.55 FEET, THENCE ALONG A CURVE RIGHT, HAVING A RADIUS OF 93.61 FEET, A DISTANCE OF 148.92 FEET, THENCE N 52°23'40" E, 10.00 FEET TO THE POINT OF BEGINNING AT A POINT ON THE CENTERLINE OF SAID ACCESS EASEMENT, THENCE N 37°36'20" W, 66.25 FEET TO THE END OF SAID EASEMENT ON THE SOUTH LINE OF THE ABOVE-DESCRIBED WELL LOT AT A POINT THAT IS N 75°40'25" E, 105.01 FEET OF SAID EAST R/W LINE OF M.S.H. "DD."

DESCRIPTION OPEN SPACE:

A PARCEL OF LAND SITUATED IN THE NE4 OF SECTION 12, TOWNSHIP 22 NORTH, RANGE 23 WEST, STONE COUNTY, MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT AN EXISTING STONE AT THE NORTHEAST CORNER OF THE NW4 OF THE NE4 OF SAID SECTION 12, THENCE N 87°31'18" W ALONG THE NORTH LINE OF NE4 OF SAID SECTION 12, 323.22 FEET, THENCE LEAVE SAID NORTH LINE S 00°00'00" W, 1038.06 FEET TO A SET REBAR, THENCE S 53°56'40" W, 166.34 FEET TO A SET REBAR, THENCE S 07°49'03" W, 198.48 FEET TO A SET REBAR, THENCE S 04°34'07" E, 272.32 FEET TO A SET REBAR ON THE CENTERLINE OF A FIFTY (50.0) FOOT-WIDE ROADWAY, THENCE S 40°46'08" W ALONG SAID CENTERLINE 100.00 FEET TO THE POINT OF BEGINNING, THENCE LEAVE SAID CENTERLINE N 49°13'52" W, 225.00 FEET, THENCE S 57°58'31" W, 193.18 FEET, THENCE S 14°19'35" E, 275.02 FEET TO A POINT ON THE CENTERLINE OF SAID ROADWAY, THENCE N 52°23'40" E, 250.86 FEET, THENCE ALONG A CURVE LEFT, HAVING A RADIUS OF 294.69 FEET, A DISTANCE OF 59.79 FEET, THENCE N 40°46'08" E, 36.80 FEET TO THE POINT OF BEGINNING, CONTAINING 1.5 ACRES, MORE OR LESS.

Phases Two and Three

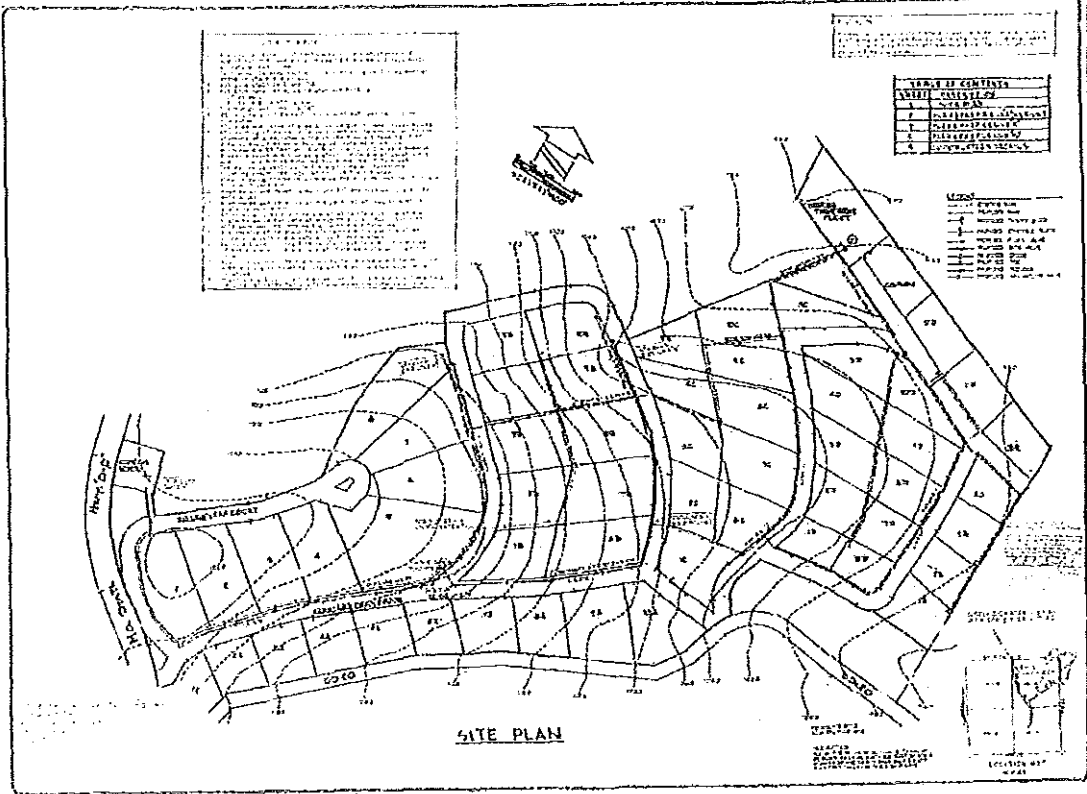
DESCRIPTION:

A PARCEL OF LAND SITUATED IN THE NE4 OF SECTION 12, TOWNSHIP 22 NORTH, RANGE 23 WEST, STONE COUNTY, MISSOURI BEING A PART OF CARRIAGE OAKS ESTATES, PHASE II, AS PER THE RECORDED PLAT THEREOF FOUND IN BOOK 51, PAGE 97 STONE COUNTY RECORDER OF DEEDS OFFICE, AND ADJACENT LAND, ALL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NW4 OF THE NE4 OF SAID SECTION 12, THENCE S 87°31'18" E ALONG THE NORTH LINE OF SAID NW4 OF THE NE4, 986.78 FEET, THENCE LEAVE SAID NORTH LINE S 00°00'00" E, 1038.06 FEET TO THE POINT OF BEGINNING AT THE NORTHERN MOST CORNER OF LOT 8, CARRIAGE OAKS ESTATES PHASE ONE, AS PER THE RECORDED PLAT THEREOF FOUND IN BOOK 45, PAGE 82, STONE COUNTY RECORDER OF DEEDS OFFICE, SAID POINT BEING ON THE CENTERLINE OF TURNING LEAF TRAIL AS NOW LOCATED, THENCE S 44°58'20" E ALONG SAID CENTERLINE 404.89 FEET, THENCE CONTINUE ALONG CENTERLINE ALONG A CURVE RIGHT HAVING A CHORD BEARING AND DISTANCE OF S 34°30'21" E, 68.82 FEET, A RADIUS OF 188.78 FEET, A DISTANCE OF 69.21 FEET, THENCE S 24°00'11" E, 23.56 FEET, THENCE ALONG A CURVE RIGHT HAVING A CHORD BEARING AND DISTANCE OF S 10°45'57" E, 56.44 FEET, A RADIUS OF 123.25 FEET, A DISTANCE OF 56.95 FEET, THENCE S 02°28'18" W, 43.57 FEET, THENCE ALONG A CURVE RIGHT HAVING A CHORD BEARING AND DISTANCE OF S 12°09'46" W, 98.57 FEET, A RADIUS OF 292.77 FEET, A DISTANCE OF 99.04 FEET, THENCE S 21°50'31" W, 86.74 FEET TO THE INTERSECTION WITH THE CENTERLINE OF CARRIAGE OAKS DRIVE AS NOW LOCATED, THENCE S 51°46'52" W ALONG CENTERLINE OF CARRIAGE OAKS DRIVE, 351.30 FEET, THENCE CONTINUE ALONG CENTERLINE ALONG A CURVE LEFT HAVING A CHORD BEARING AND DISTANCE OF S 47°04'29" W, 99.67 FEET, A RADIUS OF 607.35 FEET, A DISTANCE OF 99.78 FEET, THENCE S 42°22'05" W, 190.77 FEET, THENCE ALONG A CURVE LEFT HAVING A CHORD BEARING AND DISTANCE OF S 33°15'24" W, 100.71 FEET, A RADIUS OF 318.00 FEET, A DISTANCE OF 101.14 FEET, THENCE S 24°08'42" W, 14.54 FEET, THENCE S 01°36'39" E, 60.98 FEET, S 40°50'19" W, 38.67 FEET TO A POINT ON THE NORTHERLY R/W LINE OF MISSOURI STATE HIGHWAY "DD", THENCE LEAVE CENTERLINE ALONG SAID R/W LINE ALONG A CURVE RIGHT HAVING A CHORD BEARING AND DISTANCE OF S 31°13'35" E, 92.22 FEET, A RADIUS OF 416.96 FEET, A DISTANCE OF 92.41 FEET, THENCE CONTINUE ALONG R/W LINE S 24°52'38" E, 91.53 FEET TO THE INTERSECTION WITH THE WESTERLY R/W LINE OF COUNTY ROAD "DD-20", THENCE LEAVE NORTHERLY R/W LINE N 65°26'00" E ALONG SAID WESTERLY R/W LINE 59.49 FEET, THENCE CONTINUE ALONG R/W LINE N 14°10'03" E, 195.13 FEET, THENCE N 14°40'43" E, 20.82 FEET, THENCE N 48°49'20" E, 542.48 FEET, THENCE N 57°24'40" E, 267.83 FEET, THENCE N 65°27'51" E, 311.70 FEET TO THE SOUTHERNMOST CORNER OF THE LOT 10A OF SAID CARRIAGE OAKS ESTATES PHASE II, THENCE LEAVE R/W LINE N 30°02'08" W, ALONG THE SOUTH LINE OF SAID LOT 10A, 172.23 FEET, THENCE N 59°57'52" E, 153.08 FEET, THENCE S 80°55'07" E, 148.72 FEET RETURNING TO THE WESTERLY R/W LINE OF SAID COUNTY ROAD "DD-20", THENCE N 19°01'42" E, 50.75 FEET TO THE INTERSECTION WITH THE NORTHERLY R/W LINE OF AN INTERSECTING FIFTY (50) FOOT-WIDE ROADWAY EASEMENT, THENCE LEAVE WESTERLY R/W LINE N 80°55'07" W ALONG SAID NORTHERLY R/W LINE, 51.89 FEET, THENCE LEAVE NORTHERLY R/W LINE N 11°43'24" E, 177.53 FEET, THENCE S 83°55'03" W, 120.26 FEET, THENCE N 20°16'22" W, 159.63 FEET, THENCE N 20°27'48" W, 114.66 FEET, THENCE N 42°48'40" W, 41.03 FEET, THENCE N 43°04'10" W, 165.81 FEET, THENCE N 43°10'01" W, 142.17 FEET, THENCE N 43°08'23" W, 465.20 FEET, THENCE S 47°00'15" W, 422.63 FEET, THENCE S 42°59'45" E, 255.00 FEET, THENCE S 48°01'58" W, 288.55 FEET, THENCE S 44°58'20" E, 94.71 FEET, THENCE N 53°56'26" E, 25.16 FEET TO THE POINT OF BEGINNING, CONTAINING 22.26 ACRES. MORE OR LESS, TOGETHER WITH AND SUBJECT TO ALL EXISTING EASEMENTS AND RESTRICTIONS OF RECORD.

Appendix C

See Attached.



THE PLAN IS A PRELIMINARY DESIGN AND IS SUBJECT TO CHANGE WITHOUT NOTICE. THE ENGINEER ASSUMES NO LIABILITY FOR THE ACCURACY OF THE INFORMATION PROVIDED HEREON. THE USER OF THIS PLAN SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND FOR VERIFYING THE ACCURACY OF ALL DATA AND CONDITIONS. THE ENGINEER'S OFFICE IS NOT RESPONSIBLE FOR THE CONSTRUCTION OF THE PROJECT OR FOR THE RESULTS THEREOF.

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1	GENERAL NOTES
2	PLAN
3	PROFILES
4	CONNECTIONS
5	CONSTRUCTION DETAILS

JACK L. ROY, P.E.  
 CIVIL ENGINEER  
 1000 N. 10TH ST.  
 DENVER, CO 80202

**WATER DISTRIBUTION EXTENSION**  
**CARRAGE CANS ESTATES BLEEDING**  
**SITING COUNTY, MICHIGAN**

SHEET NO. 1 OF 5

**SITE PLAN**

## Appendix D

### Well and Water Main Cost (reconstructed from installation in 1999 to 2000):

<u>Item</u>	<u>Cost</u>
Well Drilling System, 760 ft. deep, 6" diameter with 700ft casing, 15 HP 480 VAC at approx. 60 GPM delivery, with 5 119 Accumulator tanks storage, operating between 45 and 65 PSI	\$93,000
Well house with concrete floor, lighting, and electrical control panels for system	\$6,800
3500 feet 4" PVC Bell Hub pipe, 300 ft 1 1/2" PVC pipe, 30 ea. 1 1/2 saddle adapters, etc.	\$8,600
Open 2 ft. wide x 3 ft deep ditch with back hoe, including Rock Hammer equip., remove trees, full length for water lines with room for vaults and air release valves, and pressure reducing valve, clean out for bedding materials (approximately 70 hours of time for machines and operators)	\$17,500
Labor to install pipe connections including vaults, valuing, risers, bleed valves, pressure reducing valves, bedding material before and after pipe laid; two men, truck, trailer, bobcat or tractor (approximately 90 hours of time)	\$20,700
<b>TOTAL:</b>	<b>\$146,600</b>

### Upgrades in 2015<sup>1</sup> to include well storage tank, valve manifold, dual pumps and accumulator

<u>Item</u>	<u>Cost</u>
Upgrade water system with 12 ft. x 36 ft. water storage tank delivered and set in place	\$29,408.75
Dual Pump/Motors, with piped valve manifold surface mounted in well house 60 GMP	\$9,946.61
<b>TOTAL</b>	<b>\$39,355.36</b>
<b>GRAND TOTAL</b>	<b>\$185,955.36</b>

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<sup>1</sup> Upgrade verbally approved by the homeowners at the 2014 HOA meeting, but never paid for by homeowners



**Appendix E**

**Proposed Rates**

Monthly base rate for water:	\$68.25 (include first 3,000 gallons of water)
Cost per 1,000 gallons of water:	\$5.36 per 1,000 gallons (up to 20,000 gallons per month)
	\$7.16 per 1,000 gallons (above 20,001 gallons per month)

**Appendix F**

**Approximation of Cost for Operation for Previous 3 Years**

**2015**

<b><u>Item</u></b>	<b><u>Total Yearly Cost</u></b>
Utilities for Water System	\$1,235
Testing	\$500
Permits	\$300
Management Related Services o Includes: o Weekly check of operating equipment , equipment grounds and chemical levels (Approximately 1 hour per week @ \$75 per hour) o Collection and delivery of water samples (4 times per year @ \$100 for each collection)	\$4,200
Maintenance Related Services o Includes: o Bush hogging, weed eating and mowing in water facility area (Approximately 10 times per year @ \$200 per occurrence) o Removal of vegetation from filter beds (Approximately 2time per year @\$125 per occurrence)	\$2,250
<b>TOTAL</b>	<b>\$8,485</b>

**2016**

<b><u>Item</u></b>	<b><u>Total Yearly Cost</u></b>
Utilities for Water System	\$1,600
Testing	\$500
Permits	\$300
Service Calls/Repairs	\$710
Management Related Services	\$4,200

<ul style="list-style-type: none"> <li>○ Includes: <ul style="list-style-type: none"> <li>○ Weekly check of operating equipment , equipment grounds and chemical levels (Approximately 1 hour per week @ \$75 per hour)</li> <li>○ Collection and delivery of water samples (4 times per year @ \$100 for each collection)</li> </ul> </li> </ul>	
<b>Maintenance Related Services</b> <ul style="list-style-type: none"> <li>○ Includes: <ul style="list-style-type: none"> <li>○ Bush hogging, weed eating and mowing in water facility area (Approximately 10 times per year @ \$200 per occurrence)</li> <li>○ Removal of vegetation from filter beds (Approximately 2time per year @\$125 per occurrence)</li> </ul> </li> </ul>	\$2,250
<b>Chemicals</b>	\$350
<b>TOTAL</b>	<b>\$9,910</b>

**2017**

<u>Item</u>	<u>Total Yearly Cost</u>
Utilities for Water System	\$1860
Testing	\$500
Permits	\$300
<b>Management Related Services</b> <ul style="list-style-type: none"> <li>○ Includes: <ul style="list-style-type: none"> <li>○ Weekly check of operating equipment , equipment grounds and chemical levels (Approximately 1 hour per week @ \$75 per hour)</li> <li>○ Collection and delivery of water samples (4 times per year @ \$100 for each collection)</li> </ul> </li> </ul>	\$4,200

<p>Maintenance Related Services</p> <ul style="list-style-type: none"> <li>○ Includes: <ul style="list-style-type: none"> <li>○ Bush hogging, weed eating and mowing in water facility area (Approximately 10 times per year @ \$200 per occurrence)</li> <li>○ Removal of vegetation from filter beds (Approximately 2time per year @\$125 per occurrence)</li> </ul> </li> </ul>	\$2,250
<b>TOTAL</b>	<b>\$9,110</b>

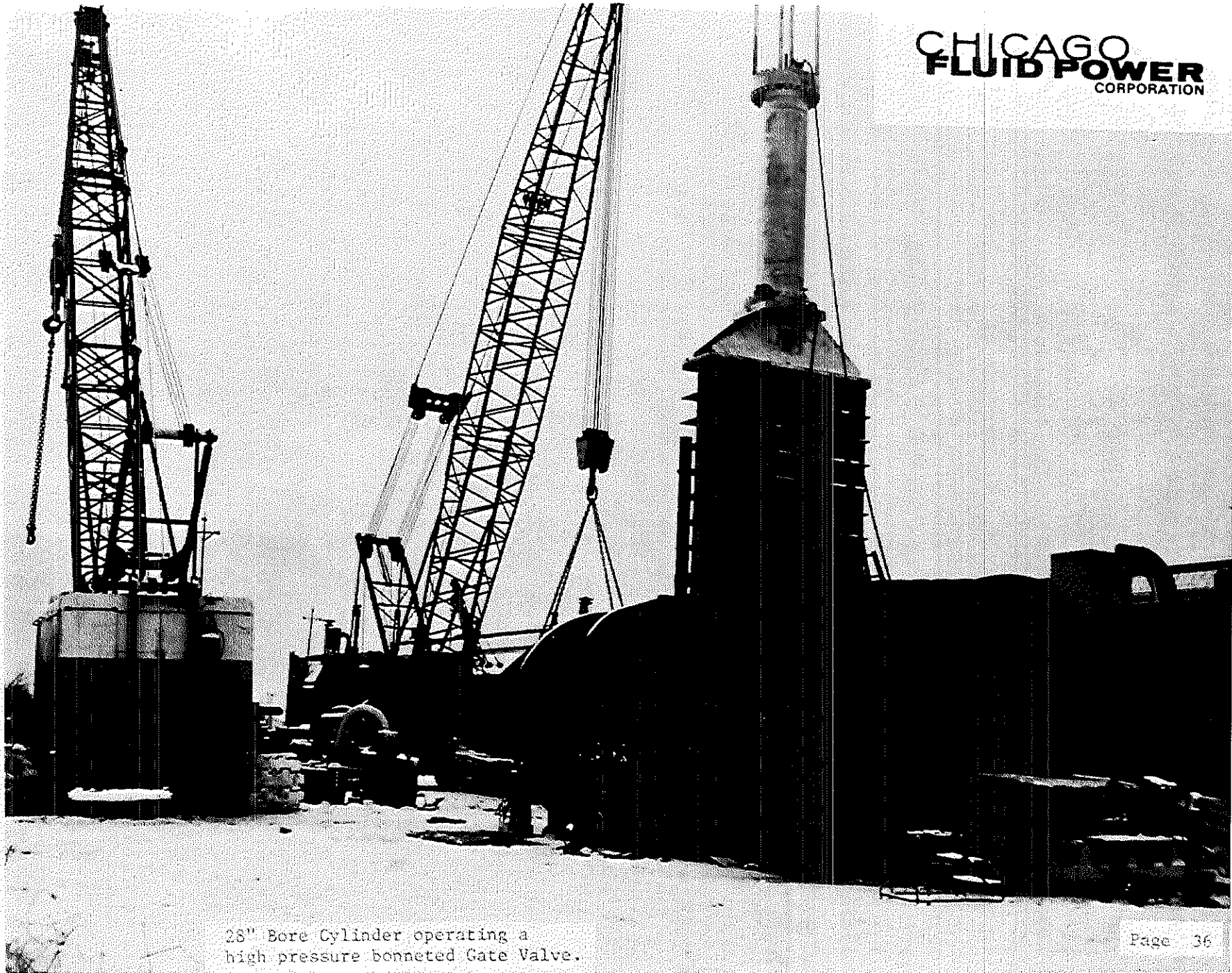
**Appendix B**

**List of Property Owners in Carriage Oaks Estates**

<b><u>Name</u></b>	<b><u>Address</u></b>
Rick and Cindy Graver	96 Falling Leaf Ct. Branson West, MO 65737
Shirley Funk	106 Falling Leaf Ct. Branson West, MO 65737
Bill and Gloria Phipps	132 Falling Leaf Ct. Branson West, MO 65737
Bob and Billie Sykes	170 Falling Leaf Ct. Branson West, MO 65737
Caring Americans Trust Foundation, Inc.	209 Falling Leaf Ct. Branson West, MO 65737
David and Melody Lott	197 Falling Leaf Ct. Branson West, MO 65737
J. Derald and Elizabeth Morgan	108 Carriage Oaks Drive Branson West, MO 65737
Dr. Marian Stewart	516 Iowa Colony Road Hollister, MO 65621
Joseph R. Mills	4 Marne Dr. Lake St. Louis, MO 63367
Donald B. Mills	378 Hancock Ave So. Elgin, IL 60177

Exhibit 2

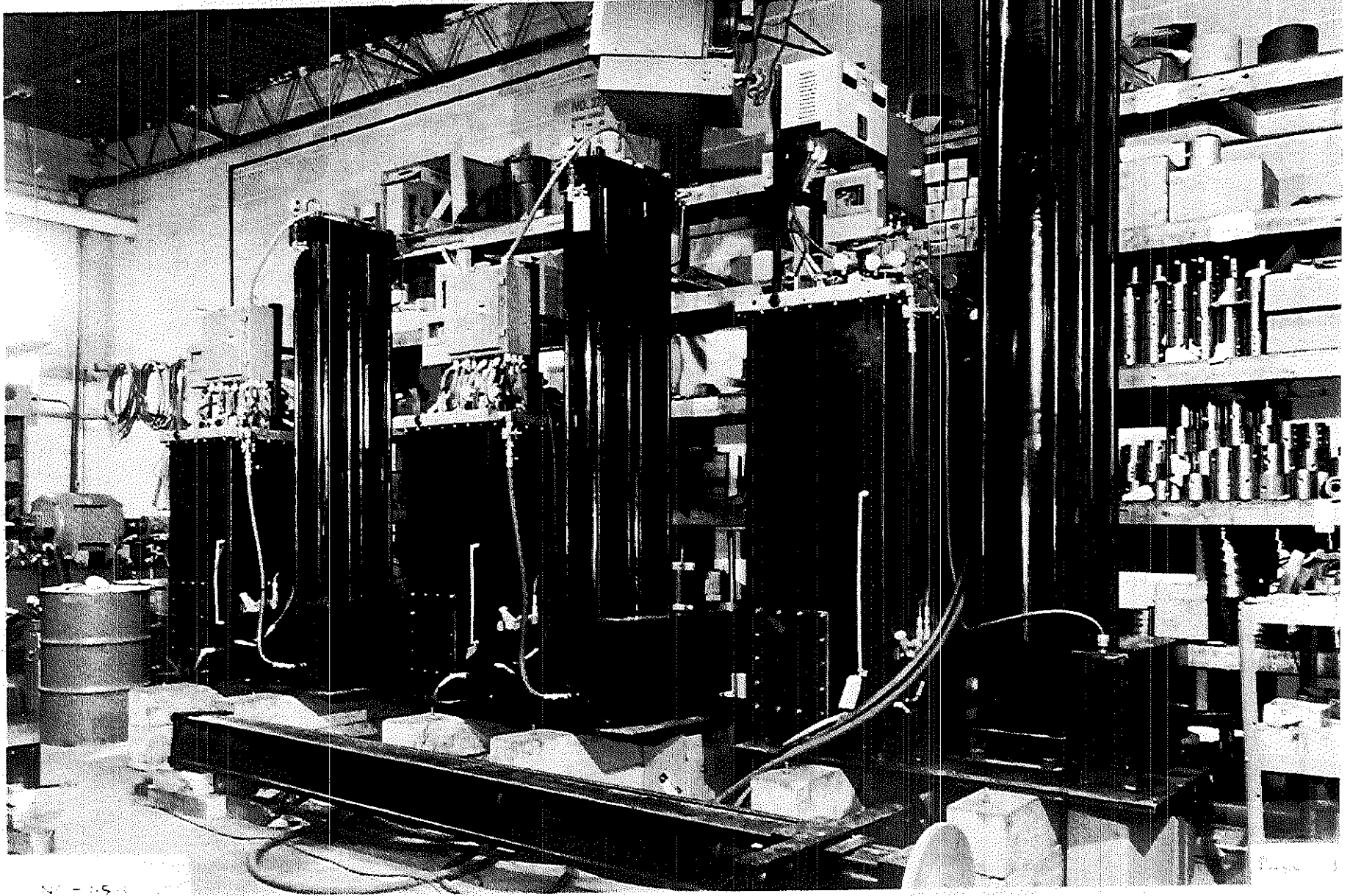
*See Attached.*



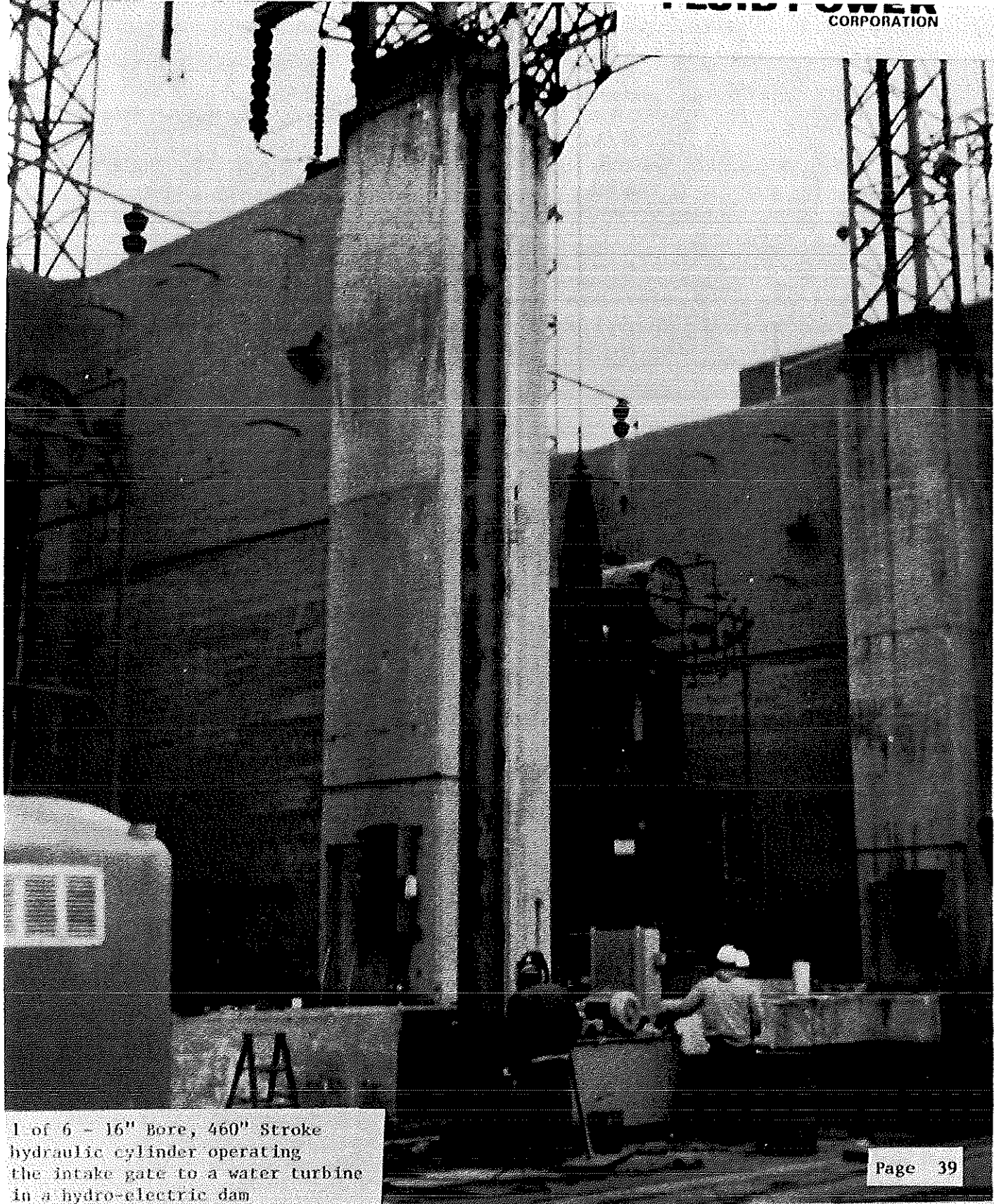
28" Bore Cylinder operating a  
high pressure bonneted Gate Valve.

**CHICAGO**  
**FLUID POWER**  
CORPORATION

Chicago De... Tunnel Project  
18 Foot Stroke, Fail Close,  
Electro-Hydraulic Actuators  
With monitoring system on  
Sluice Gates







1 of 6 - 16" Bore, 460" Stroke hydraulic cylinder operating the intake gate to a water turbine in a hydro-electric dam



Hydraulic and Pneumatic Show with 28" Bore cylinder which has complete manifold air circuitry for fail-safe main steam isolation valve operation. Shows redundant trains A&B, cylinder and air valve panel designed to withstand 110 PSI ambient pressure. Made for TVA Nuclear Power Stations. Made 48 pieces

**CHICAGO**  
**FLUID POWER**  
CORPORATION