

**GREGORY D. WILLIAMS, P.C.**  
Attorney at Law  
Highway 5 at 5-33  
P.O. Box 431  
Sunrise Beach, Missouri 65079

GREGORY D. WILLIAMS

AREA CODE 573  
374-8761  
FAX 374-4432

September 17, 1996

Mr. David Rauch  
Executive Secretary  
Missouri Public Service Commission  
Jefferson City, MO 65102

RE: In re Osage Water Company  
New Application

Dear Mr. Rauch:

Please find enclosed for filing the original and fourteen copies of the Application of Osage Water Company for a certificate of convenience and necessity to provide water and sewer service in certain unincorporated areas of Camden County, Missouri.

If you have any questions regarding this matter, please call.

Sincerely yours,

  
Gregory D. Williams

**FILED**  
SEP 17 1996  
MISSOURI  
PUBLIC SERVICE COMMISSION

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SEP 17 1996  
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#D

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the application of Osage Water Company for permission, approval, and a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a water and sewer system for the public located in unincorporated portions of Camden County, Missouri.

)  
)  
) Case No. WA-97-110  
)  
)  
)

FILED  
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MISSOURI  
PUBLIC SERVICE COMMISSION

APPLICATION

Comes Now Osage Water Company (Applicant), pursuant to section 393.170, RSMo. 1993, and states as follows:

1. Applicant is a Missouri Corporation duly organized and existing under the laws of the State of Missouri with its principal office and place of business located on Highway 54 West, Osage Beach, Missouri, 65065. It is a public utility proposing to render regulated sewer service to the public under the jurisdiction of the Commission. A copy of its Certificate of Incorporation and Articles of Incorporation are attached hereto as Exhibit A.

2. Communications with regard to this application should be addressed to:

Gregory D. Williams,  
President and General Counsel  
Osage Water Company  
P.O. Box 431  
Sunrise Beach, MO 65079-0431

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3. Applicant requests permission, approval, and a certificate of public convenience and necessity to install, own, acquire, construct, operate, control, manage and maintain a water and sewer system for the public in two separate areas of unincorporated Camden County, Missouri. One area is the Chelsea Rose Service Area for which the Company was granted a Water Certificate by the Commission in Case WA-92-141, and within which the Applicant now proposes to also provide regulated sewer service. The second area is "Cimmarron Bay Subdivision," and is more fully described in the proposed tariff attached hereto as Exhibit B, and within which the Applicant proposes to provide both regulated water and sewer service.

4. Applicant has prepared a feasibility study with respect to its proposed sewer operation, which is attached hereto as Exhibit C. Applicant proposes to provide water service at Cimmarron Bay in accordance with its existing tariff, and no feasibility study has been prepared with respect to the proposed extension of water service.

5. There are no municipalities located with in the proposed area, and a letter of consent from the Camden County Sewer District was attached to the Application filed in Case

1.

2X

**SA-94-54. To Applicant's knowledge, no other entities have jurisdiction over sewer service by a public utility within the proposed service area.**

**6. The sewer systems meet all of the requirements of the Commission and the Department of Natural Resources. Copies of the construction and/or operating permits issued by the Department of Natural Resources for the sewage treatment facilities within the proposed service area are attached to this Application as Exhibit D.**

**7. To the knowledge of Applicant, there are no other public utilities or governmental bodies presently operating or offering to provide sewer service within the area proposed to be served.**

**8. The area requested is presently being developed into subdivisions by developers and residential homes have been and will continue to be constructed within the area, all of which will require adequate sewer service. A public need therefore exists for adequate water and sewer service within the area proposed to be served and the public necessity will be promoted by the granting of the authority herein requested.**

**9. The following are the names and address of ten (10) residents of the proposed service areas:**

- 1) Robert & Mary Jane Vaughan, P.O. Box 190, Sunrise Beach, Missouri, 65079.**
- 2) Joe and Debra Cook, Route 2, Box 268, Sunrise Beach, Missouri, 65079.**
- 3) Dennis L. Boos, 1704 Kenwood Ave., P.O. Box 213, New Hampton, IA 50659.**
- 4) Charles & Lisa DeMoss, 416 Nebraska Drive, Columbia, MO 65201.**
- 5) Vernon & Dorothy Hoover, Route 2, Box 217B, Sunrise Beach, Missouri, 65079.**
- 6) Charles Eskridge, HCR 77, Box 241-4, Sunrise Beach, Missouri, 65079.**
- 7) Licata, Inc., 7000 East 40 Highway, Kansas City, Missouri, 64129**
- 8) Mike Dusselier, 25501 East 99, Lee's Summit, Missouri, 64086**
- 9) Dean Johnson, P.O. Box H, Plattsburg, Missouri, 64477**
- 10) CSP Construction, Route 1, Box 226, Sunrise Beach, Missouri, 65079**


**WHEREFORE, Applicant requests the Commission to grant it permission, approval, and a certificate of convenience and necessity authorizing it to install, acquire, build, construct, own, operate, control, manage and maintain a sewer system for the public within the areas referred to in Paragraph 3 hereof and for such further orders as the Commission may deem meet and proper.**

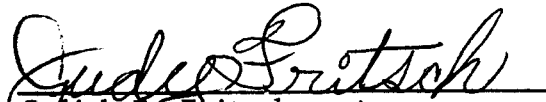
*[Handwritten signature]*

President - General Council # 20072

State of Missouri )  
                                      ) ss.  
County of Cole     )

Comes now Gregory D. Williams and states that the facts alleged in the foregoing application are true to the best of his knowledge, information, and belief.

  
Gregory D. Williams

  
Judith E. Fritsch, notary

**JUDY FRITSCH**  
**NOTARY PUBLIC STATE OF MISSOURI**  
**COLE COUNTY**  
**MY COMMISSION EXP. SEPT 22, 1997**

No. 00306945



**FILED**  
SEP 17 1996  
MISSOURI  
PUBLIC SERVICE COMMISSION

# STATE OF MISSOURI

ROY D. BLUNT, Secretary of State

**FILED**

CORPORATION DIVISION

SEP 17 1996

MISSOURI  
PUBLIC SERVICE COMMISSION

## CERTIFICATE OF INCORPORATION

WHEREAS, duplicate originals of Articles of Incorporation of  
OSAGE WATER COMPANY

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

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

IN TESTIMONY WHEREOF, I hereunto set my hand and affix

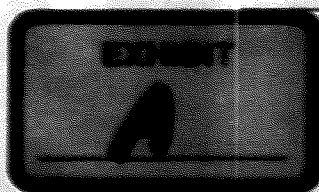
the GREAT SEAL of the State of Missouri. Done at the City of

Jefferson, this 23rd day of SEPTEMBER

19 87



*Roy D. Blunt*  
Secretary of State



\$53.00

**CERTIFICATE OF  
AMENDMENT OF THE  
ARTICLES OF INCORPORATION OF  
OSAGE WATER COMPANY**

Secretary of State  
State of Missouri  
P.O. Box 778  
Jefferson City, MO 65102

Pursuant to the provisions of The General and Business Corporation Law of Missouri, the undersigned Corporation certifies the following:

1. The name of the corporation is Osage Water Company, which is the name under which it was originally organized. The corporation's charter is number 00306945, issued on September 23, 1987.
2. An amendment to the Corporation's Articles of Incorporation was adopted on September 4, 1992 by the Shareholders of the Corporation.
3. Pursuant to said amendment, Article Number III of the original Articles of Incorporation was deleted, and the following Article was adopted in lieu thereof:

**ARTICLE III**

The aggregate number, class and par value of shares which the corporation shall have authority to issue shall be:

Class	Number of Shares	Par Value
A Common	3,000	\$10.00
A Preferred	3,000	None
B Preferred	3,000	\$100.00

The preferences, qualifications, limitations, restrictions, and the special or relative rights, including convertible rights, if any, with respect to each class of the shares of stock listed above are:

1. **Class A Common Stock.** The maximum number of shares of Class A Common Stock that may be issued by the corporation is three thousand (3,000), each of which shall have a par value of ten dollars per share. No shares of Class A Common stock shall be issued for less consideration than ten dollars per share, however, the Board of Directors may, from time to time, fix the consideration to be paid for such shares in excess of ten dollars per share.

**Class A Common Stock shall share equally in the dividends of the corporation after payment of any cumulative preferred dividends with respect to the Class A Preferred Stock and**

any other preferred dividends with respect to other classes of preferred stock that may from time to time be authorized by the Board of Directors.

Class A Common Stock shall participate pro-rata in the proceeds of the liquidation of the corporation, after payment of any sums to which the classes of preferred stock are entitled.

Each share of Class A Common Stock shall be entitled to cast one vote for the election of each director of the corporation, except in the event of Class A Preferred Stock voting rights as provided below. Voting rights shall be cumulative.

2. Class A Preferred Stock. The maximum number of shares of Class A Preferred Stock that may be issued by the corporation is three thousand (3,000) each of which shall have a no par value. No shares of Class A Preferred Stock shall be issued for more or less consideration than one thousand dollars per share.

Class A Preferred Stock shall be entitled to cumulative preferred dividends at the rate of eight percent (8%) per annum from and after the date of issuance of the same. Said cumulative dividends must be paid in full prior to the payment of any dividends with respect to the Class A Common Stock or the Class B Preferred Stock of the corporation.

Class A Preferred Stock shall be entitled to the repayment of one thousand dollars, together with any accumulated but unpaid dividends, in the event of liquidation of the corporation, prior to any payments in liquidation with respect to the Class A Common Stock or the Class B Preferred Stock of the Corporation.

Class A Preferred Stock shall have no voting rights unless the corporation has failed to pay any dividends with respect to said stock for five consecutive fiscal years of the corporation. In such event, the Class A Preferred Stock shall have the exclusive right to vote for the directors of the corporation. Each Class A Preferred share shall be entitled to cast one (1) vote for each position on the Board of Directors. Said votes may be cumulated with respect to any board position. The voting rights of the Class A Preferred Stock shall terminate upon the payment of the corporation of the preferred dividends with respect to said stock for two consecutive fiscal years of the corporation.

3. Class B Preferred Stock. The maximum number of shares of Class B Preferred Stock that may be issued by the corporation is three thousand (3,000) each of which shall have a par value of one hundred dollars (\$1,00.00). No shares of Class B Preferred Stock shall be issued for more or less consideration than the par value of such shares.

Class B Preferred Stock shall be entitled to cumulative preferred dividends at the rate of eight percent (8%) per annum from and after the date of issuance of the same. Said cumulative dividends must be paid in full prior to the payment of any dividends with respect to the Class A Common Stock.

Class B Preferred Stock shall be entitled to the repayment of its par value, together with any accumulated but unpaid dividends, in the event of liquidation of the corporation, prior to any payments in liquidation with respect to the Class A Common Stock.

Class B Preferred Stock shall have no voting rights unless the corporation has failed to pay any dividends with respect to said stock for five consecutive fiscal years of the corporation. In such event, the Class B Preferred Stock shall have the exclusive right to vote for the directors of the corporation. Each Class B Preferred share shall be entitled to cast one (1) vote for each position on the Board of Directors. Said votes may be cumulated with respect to any board position. The voting rights of the Class B Preferred Stock shall terminate upon the payment of



the corporation of the preferred dividends with respect to said stock for two consecutive fiscal years of the corporation.

Class B Preferred Stock may be called at any time by the Board of Directors of the Corporation by tendering payment of the par value of said stock together with the amount of any accumulated but unpaid dividends through the date of such call. No dividends shall accrue with respect to any shares that have been called and are not surrendered for payment within thirty (30) days of the date of notice of such call.

4. Of the existing outstanding common shares of the corporation, all of the shares were entitled to vote on such amendment, and the amendment was unanimously approved. The number of outstanding shares of any class entitled to vote on the amendment were as follows:

Class	Number Outstanding
Class A Common Stock	50

5. The number of shares voted for and against the amendment was as follows:

Class	Voted For	Voted Against
Class A Common Stock	50	0

In Witness Whereof, the undersigned, William P. Mitchell, President has executed this instrument and it secretary has affixed its corporate seal hereto and attested said seal on the 26<sup>th</sup> day of OCTOBER, 1994.

Corporate Seal

Osage Water Company

Attest:

Gregory D. Williams  
Secretary

William P. Mitchell  
President

William P. Mitchell  
William Patterson Mitchell

David L. Hancock  
David L. Hancock

Gregory D. Williams  
Gregory D. Williams

Being all of the Directors of the Corporation

STATE OF MISSOURI )  
COUNTY OF CAMDEN ) ss

On this 26<sup>th</sup> day of OCTOBER, 1994, before me appeared William Patterson Mitchell, to me personally known, who, being by me duly sworn, did say that she is the President and a Director of Osage Water Company, 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

Notary Public in and for the State of Missouri, do hereby certify that the foregoing is a true and correct copy of the original as the same appears to me.

*Sharon Tolson*  
Sharon Tolson

My commission expires: 5/22/98

SHARON TOLSON  
NOTARY PUBLIC STATE OF MISSOURI  
MORGAN COUNTY  
MY COMMISSION EXP. MAY 22, 1998

ARTICLES OF INCORPORATION  
OF  
OSAGE WATER COMPANY

FILED AND CERTIFICATE OF  
INCORPORATION ISSUED

HONORABLE ROY D. BLUNT  
SECRETARY OF STATE  
STATE OF MISSOURI  
JEFFERSON CITY, MISSOURI 65101

SEP 23 1987

*Roy D. Blunt*

The undersigned natural person of the age of twenty-one years or more for the purpose of forming a corporation under the General and Business Corporation Law of Missouri adopts the following Articles of Incorporation.

ARTICLE I

The name of the corporation is Osage Water Company.

ARTICLE II

The address of the corporation's initial registered office in the State of Missouri is P. O. Box 1157, Osage Beach, Missouri, 65065, and the name of its initial agent at such address is Faye M. Coultas.

ARTICLE III

The aggregate number, class and par value of shares which the corporation shall have authority to issue shall be:

Class	Number of Shares	Par Value
A Common	3,000	\$10.00

The preferences, qualifications, limitations, restrictions and the special or relative rights, including convertible rights, if any, with respect to the shares of stock listed above are:

No holder of shares of the corporation nor of any security convertible into, nor of any warrant, option or right to purchase, subscribe for or otherwise acquire, shares of any class of the corporation, whether now or hereafter authorized, shall, as such holder, have any preemptive right to purchase, subscribe for or otherwise acquire shares of any class of the corporation or any security convertible into, or any warrant, option or right to purchase, subscribe for or otherwise acquire shares of any class of the corporation whether now or hereafter authorized.

#### ARTICLE IV

The number and class of shares to be issued before the corporation shall commence business, the consideration to be paid therefor and the capital with which the corporation will commence business is as follows:

Number of Shares	Class	Consideration To Be Paid	Par Value
50	A Common	\$500.00	\$10.00

The corporation will not commence business until consideration of the value of at least \$500.00 has been received for the issuance of shares.

#### ARTICLE V

The name of the INCORPORATOR is Billie Oth, P. O. Box 1157, Osage Beach, Missouri, 65065.

#### ARTICLE VI

The number of directors to constitute the first Board of Directors of the corporation is two. The number of directors to constitute subsequent Boards of Directors shall be fixed by, or in the manner provided in the bylaws of the corporation. Any change in the members of the Board shall be reported to the Secretary of State within thirty days.

#### ARTICLE VII

The duration of the corporation is perpetual.

#### ARTICLE VIII

The corporation is formed for the following purposes:

To buy or otherwise acquire, to own, hold, to lease, to sell, or otherwise dispose of, and to mortgage or otherwise encumber real property and personal property of all kinds, and to operate, manage and maintain the same;

To own, hold, build, construct, and erect buildings and structures of all types, and to buy, sell, lease, own, manage, operate, maintain, repair, restore and rebuild the same;

To own and operate a general insurance agency; to represent as agent, broker and attorney-in-fact, insurance companies of all kinds; to engage in the general agency and brokerage business of judicial bonds, fidelity and surety bonds, and all other forms of

whatsoever kind of character; to do all things incident to the conduct of a general bond brokerage business; all to the extent permitted a corporation by law;

To borrow money and for such purpose to execute notes, bonds, debentures or any other form of evidence of indebtedness and to secure the payment of the same by mortgages, deed of trust, or other payment of the same by mortgages, deed of trust, or other forms of encumbrance, pledge or other form of hypothecation;

To establish, acquire, purchase, own, hold, sell, assign, transfer or otherwise dispose of, mortgage, pledge or otherwise encumber, shares of stock of this company or of any other corporation or corporations of this State, County, Nation, or Government, or any interest therein, and while owner thereof to exercise all rights, powers and privileges of ownership pertaining thereto;

To loan or otherwise invest its funds, from time to time, secured or unsecured, for such time and upon such terms and conditions as its Board of Directors may authorize;

To buy or otherwise acquire, sell or otherwise dispose of, pledge or otherwise hypothecate, stocks, bonds, notes, debentures, accounts receivable, and all other types of securities, evidences or indebtedness or chooses in action;

To sell or otherwise dispose of stocks, bonds, debentures or other securities issued by the company, or any other corporation, and to pay compensation for services rendered in connection therewith;

To acquire, own, hold, buy, sell, transfer and otherwise dispose of patents and patent rights, trade-marks and trade-names, copyrights, licenses, franchises, permits and other evidence of right;

To engage in the real estate business, and in connection therewith to buy or otherwise acquire, sell or otherwise dispose of, real estate, buildings, houses, residences, office buildings and all other structures of every type whatsoever;

To acquire, deal in, purchase, own, hold, lease, mortgage, or otherwise encumber, develop, exploit, dispose of, operate and manage a going business concern, including, but not limited to a night-club, restaurant, snack-bar, lounge or cafe;

To perform and render the services involving in conducting a public utility, including the furnishing of water or of wastewater services;

To perform and render the services of a general contractor, for residential, commercial and industrial construction; further to engage in the manufacturing, sale and distribution of any and all types, forms, shapes, sizes and colors of building products, which shall include, but not necessarily be limited to, the manufacturing, construction, sale and distribution of prefabricated houses and prefabricated building and housing structures;

To act as agent for others in the sale of franchises, and to act as agent for others and for its own account in selling, owning and otherwise developing and managing any and all types of going business, whether retail or wholesale, and to serve in the capacity of or to employ, either as an employee or as a duly authorized agent or representative, manufacturing representative;

To purchase, incorporate and/or cause to be merged, consolidated, reorganized, or liquidated, and to promote, take charge of and aid, in any way permitted by law, the incorporation, merger, consolidation or liquidation of any corporation, association or entity;

To borrow or raise monies for any of the purposes of the corporation and from time to time, without limit as to amount, to draw, make, accept and endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, convertible or non-convertible, and other negotiable or non-negotiable instruments and evidences of indebtedness, and to secure the payment thereof and of the interest thereon by mortgage on or pledge conveyances of assignment and trust of the whole or any part of the assets of the corporation, real, personal or mixed including contract rights, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such securities or other obligations of the corporation for its corporate purposes.

To conduct business in other States, the District of Columbia, the territories, possessions and dependencies of the United States, and in any and all foreign countries, to have one or more offices out of the State of Missouri, and to hold, purchase, lease, let, mortgage and convey both real and personal property out of said State as well as therein;

To purchase, take, receive or otherwise acquire, hold, or pledge, transfer or otherwise dispose of its own shares; provided that the corporation shall not purchase either directly or indirectly its own shares when its net assets would be reduced below its stated capital; notwithstanding the foregoing the corporation may purchase its own shares for the purposes of (a) eliminating fractional shares, (b) collecting or compromising claims of the corporation or securing any indebtedness to the corporation previously incurred, (c) paying dissenting

shareholders entitled to payment for their shares in the event of a merger or consolidation or a sale or exchange of assets, or (d) affecting, subject to the provisions of "The General and Business Corporation Act of Missouri", the retirement of the redeemable shares of the corporation by redemption or by purchase at not to exceed the redemption price; and provided further that the shares of its own capital stock belonging to the corporation shall not be voted upon by the corporation;

In general, to carry on any other business in connection with the foregoing permitted to manufacturing and business companies, and to have and exercise all the powers conferred by the laws of Missouri upon corporations formed under the law hereinbefore referred to, and to any and all things hereinbefore set forth to the same extent as natural persons might or could do.

#### ARTICLE IX

The corporation is to have and to exercise all powers necessary or incident to carry out its corporate purposes; and can exercise all other powers permitted by law, and to possess and enjoy all rights and powers which now or at any time hereafter may be granted to or exercised by a corporation of this character.

#### ARTICLE X

Except as otherwise specifically provided by statute, all powers of management and direct control of the corporation shall be vested in the Board of Directors.

The Board of Directors shall have power to make, and from time to time, amend and alter the bylaws of the corporation; provided, however, that the paramount power to repeal, amend and alter the bylaws or to adopt new bylaws, shall always be vested in the shareholders, which power may be exercised by a vote of a majority thereof present at any annual or special meeting of the shareholders, and the Directors thereafter have no power to suspend, repeal, amend or otherwise alter any bylaws or any portion thereof so enacted by the shareholders, unless the shareholders in enacting such bylaws or portion thereof shall otherwise provide.

#### ARTICLE XI

No contract or other transaction between this corporation and any other firm or corporation shall be affected or invalidated by reason of the fact that any of the Directors or Officers of this corporation are interested in or are members, shareholders, directors, or officers of such other firm or corporation; and any director or officer of this corporation may

be a party to, or may be interested in, any contract or transaction of this corporation or in which this corporation is interested, and no such contract shall be affected or invalidated thereby; and each and every person who may become a director or officer of this corporation is hereby relieved from any liability that might otherwise exist from this contracting with this corporation for the benefit of himself or any person, firm, association, or corporation in which he may be in any wise interested.

## ARTICLE XII

Each director or officer, or former director or officer of this corporation and his legal representatives, shall be indemnified by the corporation against liabilities, expenses, counsel fees and costs reasonably incurred by him or his estate in connection with, or arising out of, any action, suit, proceeding or claim in which he is made a party by reason of his being or having been such director or officer; and any person who, at the request of this corporation, served as director or officer of another corporation in which this corporation owned corporate stock, and his legal representative, shall in like manner be indemnified by this corporation; provided, that in neither case shall the corporation indemnify such director or officer with respect to any matter as to which he shall be finally adjudged in any such action, suit or proceeding to have been liable for negligence or misconduct in the performance of his duties as such director or officer. The indemnification herein provided for, however, shall apply also in respect of any amount paid in compromise of any such action, suit or proceeding or claim asserted against such director or officer (including expenses, counsel fees, and costs reasonably incurred in connection therewith), provided the Board of Directors shall have first approved such proposed compromise settlement and determined that the officer or director involved was not guilty of negligence or misconduct; but, in taking such action, any director involved shall not be qualified to vote thereon, and if for this reason a quorum of the Board cannot be obtained to vote on such matter, it shall be determined by a committee of three persons appointed by the shareholders at a duly called special meeting or a regular meeting. In determining whether or not a director or officer was guilty of negligence or misconduct in relation to any such matter, the Board of Directors or committee appointed by the shareholders, as the case may be, may rely conclusively upon a opinion of independent counsel selected by such Board or Committee. The right to indemnification herein provided shall not be exclusive of any other rights to which such director or officer may lawfully be entitled.



IN WITNESS WHEREOF, these Articles of Incorporation have been signed this 16th day of September, 1987.

Billie Oth  
BILLIE OTH

STATE OF MISSOURI )  
                          ) ss  
COUNTY OF CAMDEN )

On this 16th day of September, 1987, before me personally appeared Billie Oth, to me known to be the person described in and who executed the foregoing and states that the statements contained therein are true.

George M. Coates  
Notary Public

My commission expires: June 7, 1990

P.S.C.MO. No. \_\_\_\_\_  
Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 1  
For Chelsea Rose and Cimmarron Bay Areas

RULES GOVERNING RENDERING OF  
SEWER SERVICE

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FILED

SEP 17 1996

MISSOURI  
PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE COMMISSION



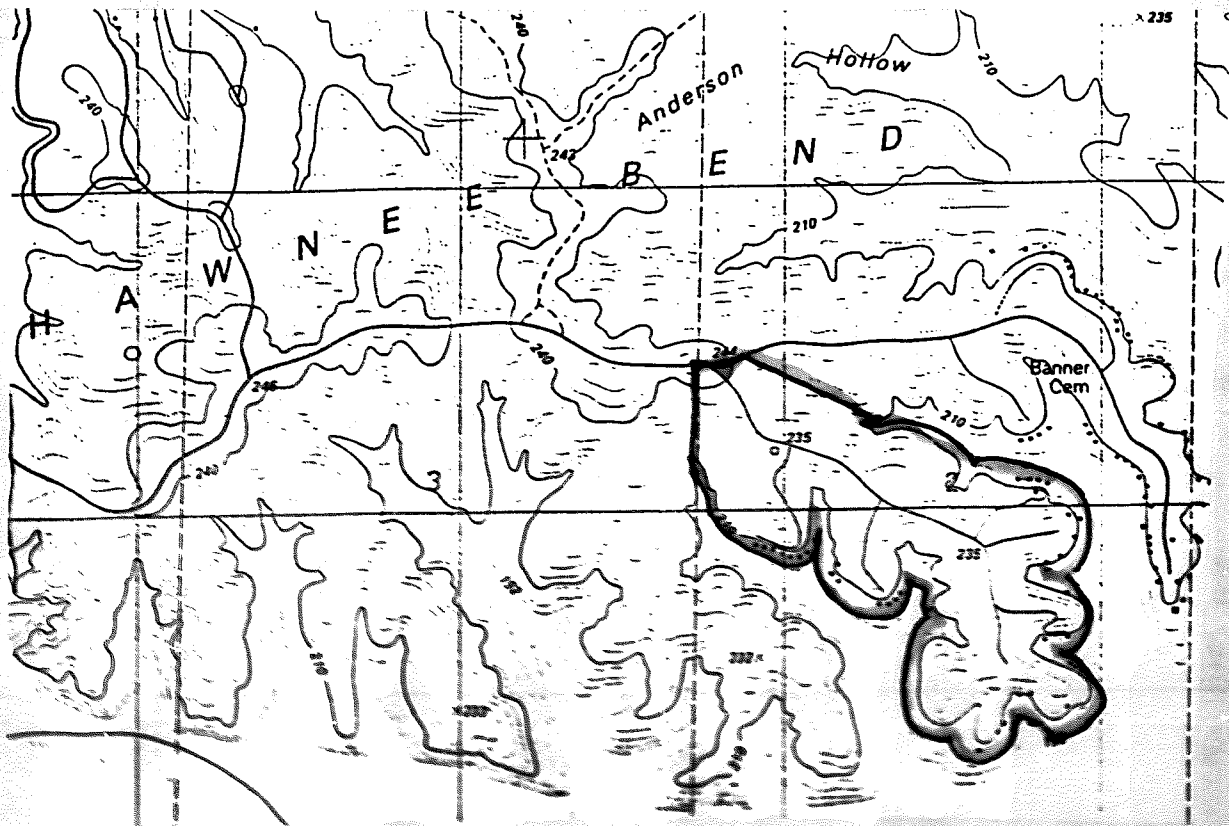
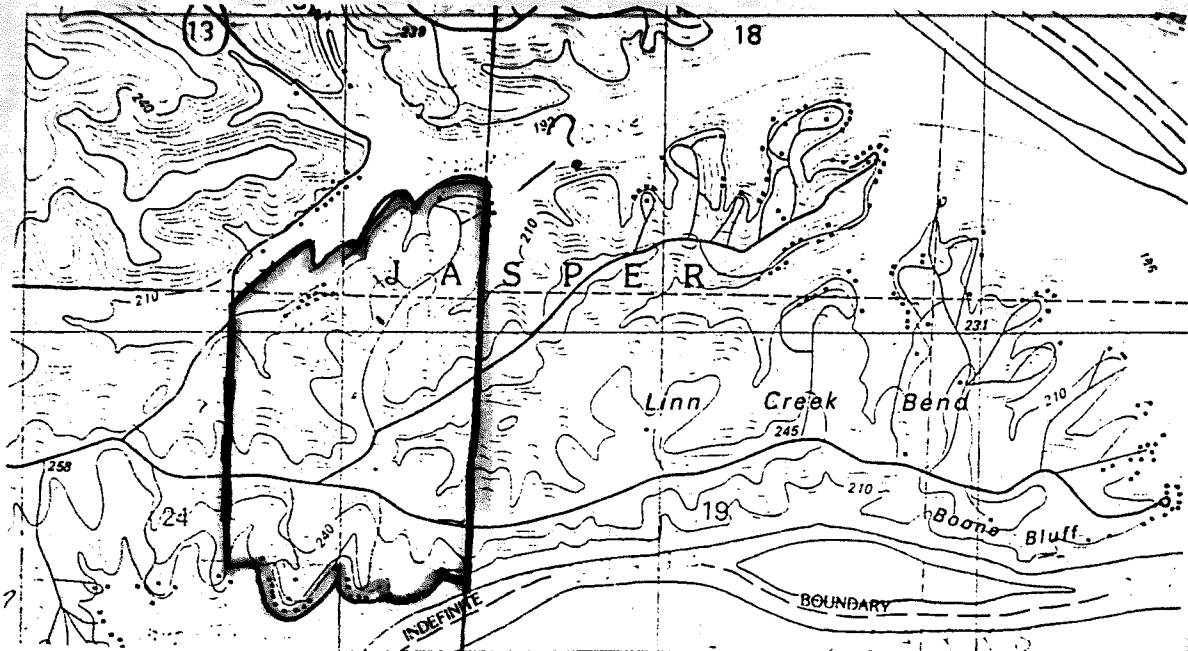
DATE OF ISSUE September 1, 1996

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY: Gregory D. Williams, President, Highway 54 South, Osage Beach, Missouri

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

**MAP OF SERVICE AREAS**



P.S.C.MO. No. \_\_\_\_\_  
Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 3  
For Chelsea Rose and Cimmarron Bay Areas

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**WRITTEN DESCRIPTION OF SERVICE AREAS**

The Service Area is that land in Jasper Township, Camden County, Missouri, described as follows:

**Chelsea Rose Service Area**

All that part of the East Half of the Southeast Quarter of Section 13 lying Southeast of Crabtree Cove and Crabtree Hollow, and that part of the East Half of Section 24 lying North of the Lake of the Ozarks and North of Shepherds Cove, all in Township 39 North, Range 17 West.

**Cimmarron Bay Service Area**

All of Lots 63 through 122, Shawnee Bend No. 5 Subdivision.

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DATE OF ISSUE September 1, 1996

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY: Gregory D. Williams, President, Highway 54 South, Osage Beach, Missouri

P.S.C.MO. No. \_\_\_\_\_  
Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 4  
For Chelsea Rose and Cimmarron Bay Areas

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**SCHEDULE OF RATES**

Availability: Sewer service is available to customers adjacent to the Company's collector sewers and who are connected to the Company's water system.

Flat rates for unmetered customers,

sewer - mobile homes in parks and apartments..	\$23.90/month
single family units.....	\$23.90/month
commercial.....	\$23.90/month

and metered rates:

sewer - based on water usage the monthly charge would be calculated according to:

a minimum (to include 6000 gal./mo.) of.. \$23.90/month  
plus a usage rate per 1000 gallons of.... \$3.98/thousand

P.S.C.MO. No. \_\_\_\_\_  
Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 5  
For Chelsea Rose and Cimmarron Bay Areas

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**SCHEDULE OF SERVICE CHARGES**

Construction inspection charge per connection.....	\$100.00
Disconnect and reconnect charge.....	\$500.00
Returned check charge.....	\$15.00
New Service Connection .....	\$500.00
Over Due Bills .....	1.5%/month

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 1 DEFINITIONS

- (a) "B.O.D." denotes biochemical oxygen demand. It is the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory conditions expressed in milligrams per liter.
- (b) A "COLLECTING SEWER" is a pipeline, including force lines, gravity sewers, interceptors, laterals, trunk sewers, manholes, lampholes and necessary appurtenances, including service wyes, which is owned and maintained by the Company, located on public property or on private easements, and used to transport sewage waste from the Customer's service connection to the point of disposal.
- (c) The "COMPANY" is Osage Water Company acting through its officers, managers, or other duly authorized employees or agents.
- (d) The "CUSTOMER" is any person, individual, partnership, association, corporation or governmental body which has contracted with the Company for sewer service or is receiving sewer service from the Company, or whose facilities are connected for utilizing sewer service.
- (e) A "CUSTOMER'S SERVICE SEWER" is a pipe with appurtenances installed, owned and maintained by the customer, used to conduct sewage from the customer's premises to the collecting sewer, excluding service wyes or saddles.
- (f) The "DATE OF CONNECTION" shall be the date the permit for a service connection is issued by the Company. In the event no permit is taken and a service connection is made, the date of connection shall be determined based on available information, such as construction/occupancy permits, or water or electric service turn-on dates.
- (g) "DISCONTINUANCE OF SERVICE" is the cessation of the use of service by the customer as verified and recognized in writing by the Company.
- (h) "DOMESTIC SEWAGE" is sewage, excluding storm and surface water, resulting from normal household activities.
- (i) A "FOUNDATION DRAIN" is a pipe installed inside or outside the foundation of a structure for the purpose of draining ground or subsurface water away from the foundation.

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 1 DEFINITIONS (continued)

- (j) "NON-DOMESTIC SEWAGE" is all sewage other than domestic sewage including, but not limited to, commercial or industrial wastes. (See Rule 6 pertaining to Improper Waste and Excessive Use.)
- (k) "pH" is the relative degree of acidity or alkalinity of water as indicated by the hydrogen ion concentration. PH is indicated on a scale reading from 1-14, with 7 being neutral, below 7 acid, and above 7 alkaline; more technically defined as the logarithm of the reciprocal of the hydrogen ion concentration.
- (l) "PUMP UNIT" is a self contained device which grinds and/ or pumps separates solid from liquid waste, retaining the solids or reducing them so they may be pumped with the liquid waste under pressure to collecting sewers or a recirculating sand filter or other treatment facility. The device when appropriate will include a septic tank of for the purpose of storing solid waste separated from liquid effluent. The device also contains level controls for interim storage of liquid waste and intermittent pump operation as a function of liquid level and appropriate malfunction alarms, pressure controls, and check valves to insure cooperative operation with similar units.
- (m) "REPAIRABLE PARTS" consist of one motor, one pump, one liquid level control, one heater, if applicable, one pressure release valve, two check valves, one gate valve, and one alarm system.
- (n) "SEPTIC TANK" consists of a non-baffled septic tank with a storage capacity of 300 gallons or greater constructed of concrete or other permanent material approved by the Company.
- (o) A "SERVICE CONNECTION" is the connection of a service sewer to the Company collecting sewer either at the bell of a "Y" branch or the bell of a saddle placed on the barrel of the collecting sewer.
- (p) "SUSPENDED SOLIDS" are the concentration of insoluble materials suspended or dispersed waste expressed in milligrams per liter on a dry weight basis as determined by standard procedures.
- (q) The word "UNIT" shall be used herein to define the standard user or property served and shall include mobile homes or any building, residential, commercial, or industrial, owned or leased and each unit of any multi-unit structure.



RULES GOVERNING RENDERING OF  
SEWER SERVICE

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Rule 2 GENERAL

- (a) Every Customer, upon signing an application for service or accepting service rendered by the Company, shall be considered to have expressed consent to be bound by these rates, rules and regulations.
- (b) The Company's rules governing rendering of service are set forth in these numbered sheets. The rates applicable to appropriate class of service are set forth in rate schedules and constitute a part of these rules.
- (c) The Company reserves the right, subject to the authority to the Public Service Commission of Missouri, to prescribe additional rates or rules, or to alter existing rates or rules as it may deem necessary or proper.
- (d) At the effective date of these rules, all new facilities, construction contracts, and written agreements shall conform to these rules in accordance with the statutes of the State of Missouri and authority of the Public Service Commission of Missouri. Pre-existing facilities which do not conform with these rules may remain, if said facilities do not cause any service problems and reconstruction is impractical in the Company's judgment.
- (e) The Company shall have the right to enter upon the Customer's premises for the purpose of inspecting for compliance with these rules. Company personnel shall identify themselves and such inspections shall be conducted during reasonable hours.
- (f) Each Customer connected to the Cimmarron Bay or other recirculating sand filter system must furnish at his own expense one septic tank and one pump unit of suitable capacity which must either be purchased through or approved by the Company prior to the installation on the Customer's premises. Installation costs of the pump unit, electrical service, and service sewers between the dwelling and the pump unit and the Company's collecting sewers shall be the responsibility of the Customer. Electricity costs for pump operation shall be the responsibility of the Customer.
- (g) All Septic tanks and Repairable Parts must be either purchased from the Company or meet its specifications which shall be on file at the Company's office.

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 2 General (continued)

- (h) The Company will locate the point to which the service connection will be made and the Customer shall furnish the materials for connection from the pump unit to the Company's collecting sewers. All taps are to be done by the Company. Application, accompanied by any authorized connection fee, must be filed in writing 48 hours in advance, stating the street, house number, name of applicant, name of property owner and time at which tap is to be made, and the Company shall not be required to supply sewer service unless this condition is met. One connection shall not service more than one property without the written consent of the Company.
- (I) If the Customer does not have metered water service by the Company, upon the installation of any pump unit a stop cock shall be placed on the Customer's service sewer within three (3) feet of the Company's collecting sewer. Said stop cock shall include a provision for locking said stop cock in the closed position. Said stop cock will be furnished, owned, and maintained by the Company.
- (j) In all cases of discontinuance of sewer service pursuant to the Company's approved rules, sewer service may be discontinued by the Company by either terminating water service at the water meter, where available, or by locking the stop cock in the closed position where metered water service is not available. Service shall not be resumed again except upon payment of all delinquent charges, plus any applicable approved service charge to cover the costs of effectuating resumption of service.
- (k) The gravity service sewer from the building to the pump unit, the tank, and the pressure service sewer from the pump unit to the collecting sewer shall be owned and maintained by the customer.

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Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 10  
For Chelsea Rose and Cimmarron Bay Areas

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**Rule 3 LIMITED AUTHORITY OF COMPANY EMPLOYEES**

- (a) Employees or agents of the Company are expressly forbidden to demand or accept any compensation for any service rendered to its Customers except as covered in the Company's rules.
- (b) No employee or agent of the Company shall have the right or authority to bind it by any promise, agreement or representation contrary to the letter or intent of these rules.

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DATE OF ISSUE September 1, 1996

DATE EFFECTIVE \_\_\_\_\_

ISSUED BY: Gregory D. Williams, President, Highway 54 South, Osage Beach, Missouri

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

**Rule 4 APPLICATIONS FOR SEWER SERVICE**

- (a) A written application for service, signed by the customer and accompanied by the appropriate fees and other information required by these rules and regulations, must be received from each Customer before service is provided to any premises. Said application must state the name of the owner of said premises and, in the case of a commercial or industrial Customer, must also state the quantity and strength of effluent to be discharged from said premises into Company's sewer system. Every Customer, upon signing an application for any service rendered by the Company or upon taking of service, shall be considered to have expressed consent to the Company's rates, rules and regulations. The Company shall have the right to refuse service for failure to comply with the rules and regulations herein, or if the customer owes a past due bill not in dispute for sewer service at any location within the Company's area. In any case, where unusual construction or equipment expense is necessary to furnish the service, the Company may require a contract specifying a reasonable period of time for the Company to provide the service. If the Customer is a tenant, the Company shall notify the owner of property that the owner may be responsible for payment of the sewer service bill and what the Company's billing rules are.
- (b) A prospective commercial or industrial Customer shall, upon request of the Company, present in writing to the Company a list of the devices which are to be attached to the Company's lines, giving the location of any buildings. The Company will then advise the Customer of the form and the character of the waste water collection facilities available.
- (c) No substantial addition to the water using equipment or appliances connected to the sewer system of the Company for commercial or industrial customers shall be made except upon written notice to and with the written consent of the Company.
- (d) Any change in the location of an existing service connection requested by the Customer shall be made at his expense.
- (e) Customer service sewers will not be extended along public streets or roadways or through property of others in connecting with collecting sewers. If a service connection is requested at a point not already served by a collecting sewer of adequate capacity, the collecting sewer shall be extended in accordance with Rule 11 - Collecting Sewer Extensions.

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**Rule 4 APPLICATIONS FOR SEWER SERVICE (continued)**

- (f) New service connections shall be authorized when a service connection fee is paid to the Company based on the Schedule of Service Charges.
- (g) When a service is to be connected the plumber employed by the Customer shall obtain the connecting accessories from the Company. The plumber shall advise the Company 24 hours in advance of when he expects to have service installed so a representative of the Company can inspect the installation. The Company must approve all connections prior to trench backfilling.
- (h) When sewer charges are based on water usage, the Company reserves the right to refuse sewer service to any applicant unless said applicant agrees to install a water meter accessible to the Company, so that there will be a basis for sewer charges.

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 5 INSIDE PIPING AND CUSTOMER SEWER SERVICE

- (a) The Customer will provide the service sewer at his expense and risk. As a condition of service, inside requirements of all governmental units having jurisdiction and the Company's rules must be met at the time of connection to the system. The Company may deny service or may discontinue service where footing drains, downspouts, or other sources of surface or storm water are permitted to enter the sewer system through either the inside piping or through the building sewer.
- (b) A separate and independent Customer service sewer shall be required for every building.
- (c) Existing service sewers may be used in connection with new buildings only when they are found on examination and test to meet all requirements or the Company.
- (d) The Customer's service sewer shall be one of the following: ductile iron soil pipe, vitrified clay sewer pipe, or PVC, ASTM specification of equal; or other suitable material approved by the Company. Joints shall be tight and waterproof. Any part of the Customer's service sewer that is located within ten (10) feet of a water service pipe shall be constructed according to AWWA standards. The pipe shall be bedded according to the manufacturer's specifications; and on undisturbed earth or on fill compacted to 95% Proctor density. Fill may be non-organic soil or aggregate.
- (e) The size and slope of the Customer's service sewer shall be subject to the approval of the Company, but in no event shall the diameter be less than four (4) inches. The slope of such four (4) inch pipe shall not be less than one-eighth (1/8) inch per foot.
- (f) Whenever possible the Customer's service sewer shall be brought to the building at an elevation below the basement floor. No building sewer shall be laid parallel to or within three (3) feet of any bearing wall. The depth shall be sufficient to afford protection from frost. The Customer's service sewer shall be laid at a uniform grade and in straight alignment insofar as possible. Changes in direction shall be made only with properly curved pipes and fittings.
- (g) In all buildings in which any building drain is too low to permit adequate gravity flow to the collecting sewer, sanitary sewage carried by such drains shall be lifted by approved artificial

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 5 INSIDE PIPING AND CUSTOMER SEWER SERVICE (continued)

means and discharged to the building sewer. No water operated sewage ejector shall be used.

- (h) All excavations required for the installation of a Customer's service sewer shall be open trench work unless otherwise approved by the Company. Pipe laying and backfill shall be performed in accordance with the latest published engineering specifications of the manufacturer of the materials used and all applicable local plumbing codes, except that no backfill shall be placed until the work has been inspected by the Company. Only those jointing materials and methods which are approved by the Company may be used.
- (i) The connection of the customer's service sewer into the collecting sewer shall be made at the "Y" branch, if such branch is available at a suitable location. If the Company's collecting sewer is vitrified clay pipe of 12" diameter or less and there is no properly located "Y" branch at a suitable location, a "Y" branch shall be installed at a location specified by the Company. If the Company's collecting sewer is greater than 12" in diameter, or is PVC of any size, a neat hole may be cut at a location specified by the Company, and a saddle installed to which the Customer's service sewer will be connected. The invert of the customer's service sewer at the point of connection shall be at the centerline or higher elevation than the collecting sewer. A smooth neat joint shall be made, and the connection made secure and watertight.
- (j) The Customer is obligated to construct, repair, and maintain the service sewer from the collecting sewer to the building of the applicant. Such construction and maintenance shall be subject to the approval of an inspector of the Company.
- (k) The Company will locate the point to which service sewer connection will be made and the Company will furnish a "Y" branch, when a "Y" has not previously been installed, or other outlet at the collecting sewer which shall be located in the public right-of-way or Company easement. All connections are subject to inspection and approval by the Company. An application for new connection must be filed in writing 24 hours in advance stating the street, house number, name of the applicant, name of the property owner, and the time at which connection is to be made. The Company will not be required to supply sewer service until each such connection has been inspected and approved by it. In the event the Customer or the Customer's agent shall damage a "Y" branch or go onto the public right-of-way or Company easement and cause damage to the

Rule 5 INSIDE PIPING AND CUSTOMER SEWER SERVICE (continued)

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Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 15  
For Chelsea Rose and Cimmarron Bay Areas

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

**Rule 5 INSIDE PIPING AND CUSTOMER SEWER SERVICE (continued)**

collecting sewer, then the Customer shall be responsible for the cost of repair or replacing any such damage. The "Y" branch is considered part of the collecting sewer.

- (1) Company personnel may not work on piping or facilities not owned by the Company unless authorized by the Company.

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**ISSUED BY:** Gregory D. Williams, President, Highway 54 South, Osage Beach, Missouri



**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**Rule 6 IMPROPER OR EXCESSIVE USE**

- (a) The following requirements for the use of sewer service provided by the Company shall be observed. Violation of the requirements will result in the discontinuance of service to the Customer or an additional charge for excess loads. The Company may also require the Customer to install facilities to prevent excessive loads and other adverse impacts upon the Company's system.
- (b) No person shall discharge or cause to be discharged any storm water, surface water, ground water, swimming pool water, roof runoff, sub-surface drainage, or cooling water into Company's collecting sewers.
- (c) No person shall discharge or cause to be discharged any of the following described waste waters into the Company's collection sewers:
- (1) Any liquid or vapor having a temperature higher than 150 degrees F.
  - (2) Any waste water which may contain more than 100 parts per million, by weight, or fat, oil or grease.
  - (3) Any waste water which may contain more than 25 parts per million, by weight, of soluble oils.
  - (4) Any gasoline, benzene, naptha, fuel oil, or other flammable or explosive liquid, solid or gas.
  - (5) Any garbage that has not been properly shredded.
  - (6) Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the sewage works.
  - (7) Any waste waters having a PH lower than 5.0 or higher than 9.0, or having any other corrosive property capable of causing damage or hazard to structures, equipment and personnel of the sewage works.
  - (8) Any waste waters containing toxic materials in sufficient quantity to disrupt the operation of treatment facilities.
  - (9) The Company may specify limits on allowable concentration of heavy metals that may be discharged to the sewer.

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

**Rule 7 DISCONTINUANCE OF SERVICE BY COMPANY**

- (a) The Company reserves the right to discontinue services for any of the following reasons:
- (1) For failure to comply with these rules.
  - (2) For nonpayment of utility bill (see Rule 9), including a water utility bill owed to the Company.
  - (3) For resale of sewer service.
  - (4) For an unauthorized sewer connection to Company sewers.
- (b) Discontinuance of service to a premises for violation of these Rules shall not prevent the Company from pursuing any lawful remedy by action at law or otherwise for the collection of moneys due from the customer.
- (c) If the Company discontinues its service for any violation of these rules, then any Moneys due the Company shall become immediately due and payable.
- (d) The Company has the right to refuse or to discontinue service to any premises to protect itself against fraud or abuse.
- (e) At least thirty (30) days prior to physical discontinuance of service, the Company will mail a written notice to the Customer and to the property owner if different than the customer by registered or certified mail, return receipt requested, with a copy thereof forwarded to the Public Service Commission. Said notice shall state the violation and service may be discontinued at any time after the expiration of the notice period, provided satisfactory arrangements for continuance of the service have not been made by the Customer and the Company. This thirty (30) day notice may be waived where discharge of materials which might be detrimental to the health and safety of the public or cause damage to the sewer system of the Company is discovered. In the event of discontinuance of service to protect health and safety as above provided, the Customer and the Commission shall be notified immediately thereof with a statement concerning the reasons for such discontinuance.
- (f) Reconnection of any customer disconnected by authority of this rule will be made subject to payment of the cost of reconnection.
- (g) Tenants of rental property shall be given the opportunity to pay delinquent bills in lieu of disconnection of service.
- (h) The Company will perform a disconnect at Customer's request with the cost paid for by the Customer.

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Osage Water Company  
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Original Sheet No. 18  
For Chelsea Rose and Cimmarron Bay Areas

**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

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**Rule 8 INTERRUPTIONS IN SERVICE**

- (a) The Company reserves the right to limit sewer service in its collecting sewers at any time for the purpose of making repairs to the sewer system.
- (b) Whenever service is limited for repairs, all Customers affected by such limitation will be notified in advance whenever it is possible to do so. Every effort will be made to minimize limitation of service.
- (c) No refunds of charges for sewer service will be made for limitations of service unless due to willful misconduct of the Company.
- (d) In order to avoid overloading the capacities of the Company collecting sewers and treatment facilities, the Company reserves the right at all times to determine and regulate, in a reasonable and non-discriminatory manner, the maximum amounts or strength of the wastes discharged into the Company's collecting sewers when they are greater than normal domestic sewage.

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ISSUED BY: Gregory D. Williams, President, Highway 54 South, Osage Beach, Missouri

RULES GOVERNING RENDERING OF  
SEWER SERVICE

**Rule 9 BILLS FOR SERVICE**

- (a) The charges for sewer service shall be at the rates specified in the applicable tariffs on file with the Missouri Public Service Commission. The point of assumption of sewer service shall be at the service connection. Service charges for connection or disconnection are set forth in the Schedule of Service Charges.
- (b) A Customer who has made application for service to a premises shall be held liable for all service furnished to such premises until the customer notifies the Company in writing to discontinue service, or the Company observes the disconnect.
- (c) A Customer is liable for payment for all monthly service charges for sewer service to a premises from the date of connection until the date the Company inspects the discontinuance of service. At least five days prior to discontinuance of service, the Customer shall notify the Company of the date, place, and time in writing.
- (d) Bills for sewer service will be mailed or delivered to the Customer's last address as shown by the records of the Company, but failure to receive the bill will not relieve the Customer from the obligation to pay the same.
- (e) Payments shall be made at the office of the Company or at an equally convenient location designated by the Company. However, payment must be received by the close of business on the date due.
- (f) A separate bill shall be rendered for each Customer's sewer service. However, a combined bill for water and sewer service may be rendered where a Customer received both water and sewer service from the Company.
- (g) The Company shall have the right to render bills monthly. Bills shall be due and payable to it no later than twenty-one (21) calendar days from the date of rendition, unless such due date falls on a Sunday, a legal holiday, or other day when the office is closed, in which case the due date shall be extended to the next business day. All bills for service shall state the due date. Bills unpaid after the stated due date will be delinquent and the Company shall have the right to discontinue service in accordance with Rule 7. The Company shall not be required to restore or connect any new service for such delinquent Customers until the unpaid account due the Company under these Rules and Regulations has been paid in full.
- (h) Neither the Company nor the Customer will be bound by bills rendered under mistake of fact as to the quantity of service rendered or as a result of clerical error.

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 9 BILLS FOR SERVICE (continued)

- (i) When bills are rendered for a period of less than a complete billing period due to the connection or termination of service, the billing shall be for the proportionate part of the monthly charge, or where water usage is the basis for the charge, at the appropriate rate for water used, or a proportionate part of the residential rate, whichever is applicable. Customers terminating with less than one month's service shall pay not less than the monthly minimum.
- (j) If a Customer is a tenant, the owner of the property will be ultimately responsible for payment of bills for service, provided the Company has made reasonable effort to collect bills due from the Customer. All notices of delinquent bills or disconnection shall also be sent to the owner of the property.
- (k) Where sewer service is to be supplied to several users in tenements, apartments or stores under one roof, from one connection, the Company will supply service only to the owner or agent of said property.
- (l) The Company may require a security deposit or other guarantee as a condition of new service if the customer still has an unpaid account with a utility providing the same type of service accrued within the last five years; or has diverted or interfered with the same type of service in an unauthorized manner within the last five (5) years; or is unable to establish a credit rating with the Company. Adequate credit rating for a residential customer shall be established if the Customer owns or is purchasing a home, is or has been regularly employed for at least one year, has an adequate and regular source of income, or can provide credit references from a commercial credit source.
- (m) The Company may require a security deposit or other guarantee of payment as a condition of continued service if: the water or sewer service of the Customer has been discontinued for non-payment of a delinquent account not in dispute, the utility service to the unit has been diverted or interfered with in an unauthorized manner; or the customer has failed to pay undisputed bills before the delinquency date for five (5) billing periods out of the previous twelve (12) billing periods.
- (n) The amount of a security deposit shall not exceed the utility charges applicable to the most recent three (3) billing periods, computed on actual usage where available, or estimated usage where actual usage records are not available.
- (o) No interest shall be paid with respect to security deposits.

RULES GOVERNING RENDERING OF  
SEWER SERVICE

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- (p) After a customer has timely paid proper and undisputed utility bills by the due dates for a period of not less than one (1) year, credit shall be established or re-established, and the deposit and any interest due shall be refunded. The utility may withhold full refund of a security deposit pending resolution of a disputed matter.
- (q) The utility shall provide a receipt to the Customer for deposits received, and shall also keep accurate records of all deposits, including the customer's name, service address, amount, and dates of attempts to refunds and other activity regarding the account.

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Osage Water Company  
Name of Issuing Corporation

Original Sheet No. 22  
For Chelsea Rose and Cimmarron Bay Areas

RULES GOVERNING RENDERING OF  
**SEWER SERVICE**

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Rule 10 SPECIAL CONTRACT FOR EXCESSIVE CAPACITY

In the event that the Customer to be served proposes to discharge into Company's system an abnormally high volume or strength of waste as to require an enlargement of Company's existing sewage treatment plant or the construction of a temporary sewage treatment plant, and/or the construction or reconstruction of sewer lines, service shall be provided to such customer under the terms and conditions of a mutually satisfactory contract, in form approved by the Public Service Commission of Missouri, pursuant to which the cost of such improvements will be financed in such a manner as to be fair and reasonable to both parties and so as not to constitute a burden upon the Company or the existing Customers of the Company.

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ISSUED BY: Gregory D. Williams, President, Highway 54 South, Osage Beach, Missouri

RULES GOVERNING RENDERING OF  
SEWER SERVICE

Rule 11 COLLECTING SEWER EXTENSIONS

(a) Extension of collecting sewers by the Company. The Company will extend its collecting sewers within its certificated area under the following terms and conditions:

(1) Upon receipt of written application for service in compliance with Rule 4, the Company will provide the Applicant(s) and itemized estimate of the cost of the proposed extension. Said estimate shall include the cost of all labor and materials required, including manholes, cleanouts, lift stations, reconstruction of existing sewers (if necessary), and the direct costs associated with supervision, engineering, permits, and bookkeeping. Applicable income tax cost calculated at the maximum rate will be added.

(2) Applicant(s) shall enter into a contract with the Company for the installation of said extension and shall tender to the Company a contribution in-aid-of construction equal to the amount determined in (a)(1), plus the appropriate customer connection fee(s). Applicant(s) shall have the option of installing the collector sewer extension under the provisions of Rule 11b in lieu of entering into said contract.

(3) If, as a result of reasonably unforeseen circumstances, the actual cost of the extension exceeds the estimated cost of the extension, the Applicant(s) shall pay the added cost.

(4) The cost to an Applicant or Applicants connecting to a sewer that was contributed by other Applicants shall be as follows:

I. For single-family residential Applicants that are applying for service in a platted subdivision, the Company shall divide the actual cost of the extension (including income taxes) by the number of lots abutting said extension to determine the per lot extension cost. When counting lots, corner lots which abut existing sewers shall be excluded.

II. For single-family residential Applicants that are applying for service in areas that are unplatted in subdivision lots, the Applicants' cost shall be equal to the total cost of the extension times 100 feet divided by the total length of the extension in feet.



**RULES GOVERNING RENDERING OF  
SEWER SERVICE**

**Rule 11 COLLECTING SEWER EXTENSIONS (continued)**

III. For industrial, commercial, or multi-family residential Applicants, the cost will be equal to the amount calculated for a single-family residence in Paragraphs (4)I. or (4)II. above multiplied times a water usage factor. The water usage factor shall be determined by dividing the average monthly usage in gallons by 6,000 gallons, but shall not be less than 1.

(5) Refunds of contributions shall be made to Applicant(s) as follows:

I. Should the actual cost of extension be less than the estimated cost, the Company shall refund the difference as soon as the actual cost has been ascertained.

II. After the Company has closed its books for the year in which a contribution was made, it will determine its actual income tax cost associated with each extension and refund any excess income tax costs collected from each Applicant.

III. During the first ten years after the extension is completed, the Company will refund to the Applicants who paid for the extension moneys collected from Applicants in accordance with Rule 11(a)(4) above.

IV. The sum of all refunds to any Applicant shall not exceed the total contribution, adjusted for taxes associated with the extension, which the Applicant has paid.

V. Each refund shall be distributed to initial Applicant(s) based upon the percentage of the actual extension cost contributed by each Applicant.

(6) Extensions made under this rule shall be and remain the property of the Company in consideration of its perpetual upkeep and maintenance.

(7) The Company reserves the right to connect future extensions to this collecting sewer and the attaching of customers to such further extensions shall not entitle Applicant(s) contracting for the original extension to additional refund.

(8) The pipe used in making extensions under this rule shall be of a type and size which will be reasonably adequate to supply the area to be served. Such determination as to size and type of pipe shall be left solely to the judgment of

RULES GOVERNING RENDERING OF  
SEWER SERVICE

**Rule 11 COLLECTING SEWER EXTENSIONS (continued)**

the Company. If the Company desires a pipe size or lift station larger than reasonably required to provide service to the lots abutting said extension, the additional cost due to larger size shall be borne by the Company.

(b) This rule shall govern the extension of collecting sewers when the Applicant(s) elects to construct said extensions. The Company will connect said extensions to its existing collecting sewers and provide service to Applicant(s) under the following terms and conditions:

(1) Applicant(s) shall enter into a contract with the Company. The contract shall include an estimate of engineering costs and inspection fees and provide that the Applicant construction said collecting sewers to meet the requirements of all governmental agencies and the Company rules, contribute said sewer to the Company with a detailed accounting of the actual cost of construction, and contribute to the Company an amount equal to the Company's estimated income tax cost, calculated at the maximum rate plus Engineering costs and/or inspection fees.

(2) Same as (a)(8).

(3) The Company, or its representative, shall have the right to inspect and test the extension prior to connecting it to the Company's collecting sewers.

(4) Connection of the extension to existing Company collecting sewers shall be made only by representatives of the Company.

(5) The Company shall have the right to refuse ownership and responsibility for the sewers until Applicant(s) has met the contractual obligation as provided in Rule 11(b)(1).

(6) Same as (a)(5).

I. Same as (a)(5)II.

II. Same as (a)(5)III.

III. Same as (a)(5)IV.

IV. Same as (a)(5)V.

(7) Same as (a)(7).

(8) Same as (a)(8).

**FEASIBILITY STUDY  
AND  
RATE ANALYSIS  
FOR PROPOSED  
OSAGE WATER COMPANY  
CHELSEA ROSE AND CIMMARRON BAY  
WATER & SEWER SERVICE AREA  
IN  
JASPER TOWNSHIP,  
CAMDEN COUNTY,  
MISSOURI**

**FILED  
SEP 18 1996  
MISSOURI  
PUBLIC SERVICE COMMISSION**

**FILED  
SEP 17 1996  
MISSOURI  
PUBLIC SERVICE COMMISSION**

Prepared by

Osage Water Company  
P.O. Box 677  
Camdenton, MO 65020



## OSAGE WATER COMPANY

Osage Water Company is a regulated public utility licensed by the Missouri Public Service Commission to provide water service to residents of Osage Beach, Missouri, Sunrise Beach, Missouri, and unincorporated portions of Camden County, Missouri. The Company has been engaged in the water utility business in Osage Beach, Missouri since 1987.

Osage Water Company is a Missouri Corporation. The Company is managed by a Board of three directors, who are also the shareholders and officers of the Corporation. The Company has a president, vice president, and a secretary/treasurer. The president serves as the Chief Executive Officer of the Corporation. The secretary/treasurer is the Chief Financial Officer of the corporation. The vice-president is in charge of new construction operations.

The Company presently provides most of its services on a contractual basis with Water Laboratory Company. It shares its office with Water Laboratory and Jackson Engineering on Highway 54 just south of the Osage Beach city limits. Telephones are answered at this location, which is a toll free call throughout the Lake area, and bills are sent and collected at this location. Financial records are maintained at the secretary/treasurer's law office in Sunrise Beach.

The Company has two principals, both of whom are engaged in professions that complement the water and sewer utility business.

- Gregory D. Williams is the President, Secretary/Treasurer and General Counsel for the Company. Mr. Williams holds an undergraduate degree, with honors, in Economics from the University of Missouri, and a Law Degree, cum laude, from the Missouri School of Law. He is engaged in the private practice of law in Sunrise Beach, Missouri, and also owns and operates a title plant and title company in Camden and Morgan Counties. Mr. Williams provides general legal representation for the company on a contract basis, and represents the company or oversees representation of the Company on regulatory matters.
- The Vice-president is William Patterson ("Pat") Mitchell. Mr. Mitchell holds an undergraduate degree in economics, and has completed the course work for a Masters Degree in Civil Engineering. He is a principal in Water Laboratory Company, a corporation whose principal business is the operation, maintenance, and testing of water wells and wastewater treatment facilities in Central Missouri. Water Laboratory Company presently operates the water wells owned by Osage Water Company on a contract basis, as well as providing office staff for the day to day operations of the Company. The other principals in Water Laboratory Company are family members of Pat Mitchell.

Mr. Mitchell is also the owner of Jackson Engineering, a professional corporation providing civil engineering services at the Lake of the Ozarks, and which specialized particularly in the design of water systems and wastewater treatment

facilities. Mr. Mitchell hold a Missouri Real Estate License, and a Class A Water and Sewer Operator's License.

The Company is owned by the Officers and their affiliates.

## CHARACTERISTICS OF PROPOSED SERVICE AREAS

The Chelsea Rose Service Area is an existing water service area certificated to Osage Water Company. The Application proposes that the Company will also provide regulated sewer service to its existing water customers within this area. The Company presently provides sewer service to these customers on an unregulated basis, as the system presently has less than 25 connections. The Cimmarron Bay Service Area is a new subdivision located on Shawnee Bend, and unincorporated portion of Camden County. The Developer of the subdivision has constructed the water and sewer systems and has tendered a deed to the same to the Company. The deed is being held in escrow pending approval of the company's application. The Company is presently operating these water and sewer systems, and believes it would be in the best interests of the public if it continued to do so on a regulated basis.

Camden County has been one of the fastest growing Counties in the State of Missouri during the past two decades in terms of permanent population growth. While these statistics alone are sufficient to justify a thorough review of the status and adequacy of waste water treatment facilities in the area, they do not reflect an even larger growth rate of residential housing units that have been constructed for tourist and seasonal use, and which are therefore not included in permanent population counts.

The primary factor motivating residential development and population to Camden County is the Lake of the Ozarks. The Lake of the Ozarks is a privately owned and operated impoundment, which was constructed by Union Electric Company in the late 1920's and early 1930's. Unlike most other man-made lakes in the United States, the Lake of the Ozarks was not constructed by the U.S. Army Corps of Engineers, and the regulations governing the Lake of the Ozarks are different from those of Corps lakes. The principal difference is that private ownership of land surrounding the Lake of the Ozarks extends to the waters edge, and, in some instances, beneath the Lake itself. In contrast, ownership of land adjoining Corps lakes is limited to property more than 100 yards from the mean high water mark of the lake.

This difference in ownership rights adjoining the Lake of the Ozarks appears to have had a very significant impact on development around the Lake of the Ozarks. Tourists and vacation home owners appear to prefer the Lake of the Ozarks as a vacation and second home site, presumably because of the ease of access to the Lake from surrounding property. Development around the Lake has been in a steady pattern since the completion of Bagnell Dam in 1931. However, during the past 15 years, that development has reached such a large installed base that the same rate of growth has resulted in an extremely large quantitative growth each year.

During the past decade, the area which experienced the most rapid quantitative growth was the Osage Beach-Lake-Ozark-Horseshoe Bend area located in Northeast Camden County. However, the area experiencing the most rapid percentage growth rate is the Laurie-Sunrise Beach area located in North Central Camden County and Southern Morgan County. The development in Osage Beach has been characterized by large commercial resorts and high density multi-family condominium projects. The development in the Sunrise Beach area has been characterized by single family dwellings in small subdivision projects.

During the last decade, the municipalities of Osage Beach and Lake Ozark constructed a joint sewer system to provide sewer service to all of the residential and commercial developments within their municipal limits. However, the system is a monolithic system characterized by numerous lift stations and which proved very costly to construct and to operate. The cost of this system has proven to be a deterrent to additional development within the municipalities, other than very large scale projects. Rather, small developers appear to prefer areas outside of these municipalities for their projects. In addition, fear of the costs of operation and repair of this monolithic system has generated substantial opposition from residents adjoining these municipalities to annexation by the cities. Therefore, it appears unlikely that there will be sufficient growth in the municipal sewer systems to adequately provide service to areas outside of the existing municipal limits.

In 1986 Camden County formed by referendum vote a County-wide sewer district. However, the County Commissioners appointed themselves as the Commissioners of the sewer district and have never taken any action toward actually providing sewer service in the County. Rather, the Commissioners have authorized Osage Water Company to provide sewer service in a northern portion of the County known as Jasper Township. Osage Water Company believes that the County views sewer service as a politically sensitive topic, particularly in light of the negative political impact of the Osage Beach-Lake Ozark system, and will not in the foreseeable future take any action to provide sewer service through the County Sewer district.

In Jasper Township there are no municipal sewer systems. Jasper Township includes all of the Sunrise Beach North, Sunrise Beach South, Chelsea Rose, and Shawnee Bend water service areas presently served by the Company. The Village of Sunrise Beach has authorized the Company to provide water and sewer service within its municipal limits.

## REGULATED SEWER UTILITIES

To the Company's knowledge, there are presently no regulated sewer utilities within the proposed service area, nor are there any municipally owned or other non-regulated sewer utilities within the proposed service area, other than the Camden County Sewer District, which does not provide any service at this time.

## CHARACTERISTICS OF EXISTING FACILITIES

The Chelsea Rose treatment facility is a 22,000 gpd extended aeration sewage treatment plant. Residences in the subdivision are connected to the plant through gravity sewer lines. The Cimmarron Bay treatment facility is a recirculating sand filter system. Each residence in the subdivision is connected to a septic tank, and each septic tank has an effluent pump which transmits the effluent to the sand filter by a small diameter pressure line. Water at Cimmarron Bay is provided by a newly constructed public drinking water supply and distributed to residences through a four-inch looped system.

## OPERATIONAL CONSIDERATIONS

Current DNR regulations will require 25 visits per month to each treatment plant in the service area.<sup>1</sup> Osage Water Company has negotiated a proposed 3 year contract with Water Laboratory Company to provide the necessary inspection services, together with necessary lab work, telephone response, and emergency repairs, for a fixed rate of \$200.00 per month. Water Laboratory Company has extensive staff available to provide the necessary support services to operate the treatment facilities owned or constructed by the Company. Because of its joint ownership with Jackson Engineering, Water Laboratory Company is able to provide both operation and design work to the Company, as needed. Because Water Laboratory serves as a contract wastewater and water operator in a much larger geographic area than the proposed service area, it is able to provide a more extensive staff than the Company would be able to hire from the revenue it will derive from the proposed service area. Thus, superior service to customers will be provided through the contractual arrangement with Water Laboratory Company than the Company could provide if it hired its own staff.

## FACILITY PLANS

The day to day activities of the Company will be administered through its joint office with Jackson Engineering and Water Laboratory Company on Highway 54 in Osage Beach, Missouri. Construction operations will be administered through Jackson Engineering and Hancock Construction. Easement acquisition and documentation will be administered through the President's law practice.

<sup>1</sup> 10 CSR 20-9.010 (5) (B) 1. All types-daily frequency. In the past, DNR has interpreted this to require testing on all normal working days (5 days per week), excluding legal holidays. DNR enforcement action has been consistent with interpretation of the regulations.

## ADMINISTRATION PLANS

Day to day operations will be under the supervision of Pat Mitchell, the Company Vice-President, and will be carried out on a contract basis by Water Laboratory Company and Jackson Engineering. The Company contracts with Water Laboratory Company for the operation and maintenance of its existing water systems, and will do likewise for its sewer systems when PSC approval is finalized for sewer operations.

General Management and policy of the Company is determined by the Board of Directors, which presently consists of the principals of the Company.

## EMPLOYMENT AND PERSONNEL PLANS

The Company does not directly employ any individuals. At the present time, the Company contracts for its operation and maintenance with Water Laboratory Company and Jackson Engineering. The Company does not anticipate that this arrangement will change as a result of the granting of this certificate, as the Company will not be large enough to employ the staff needed for all of its operations on a full time basis. The Company does anticipate that at some future time, after sufficient growth has occurred, that it will hire its own employees and discontinue all or part of its contractual arrangements with Water Laboratory Company and Jackson Engineering.

Water Laboratory Company and Jackson Engineering provide general office administration, telephone answering and service dispatching, billing, and cash receipts and depositing, as well as operation and maintenance of the Company's water wells and the sewer systems that the Company anticipates acquiring. The personnel that provide these services are as follows:

William Patterson ("Pat") Mitchell holds a bachelor of science degree in economics from Indiana State University, and has completed all course work for a Masters Degree in Civil Engineering from the University of Missouri - Columbia. He holds a Class A Water and Sewer Operator's License, and a Missouri Real Estate Broker's License. He is the president and chief executive officer of the Company in charge of day to day operations.

Jim Jackson, P.E., holds a Bachelor of Science degree in engineering and a Masters degree in Civil Engineering, both from the University of Missouri-Columbia. Mr. Jackson is retired from the United States Navy. He is licensed as a Professional Engineer in the State of Missouri.

Richard Stone holds a bachelors of science degree in civil engineering from the University of Missouri-Columbia. He holds a Class C Operator's License for both Water and Sewer Systems. Mr. Stone is an E.I.T. - Engineer in Training, and will obtain a P.E. License upon satisfactory completion of his training period.

Linda Kaihlert is a senior at Columbia College in Business Administration with a major in accounting. She serves as the Office Manager for the Company and Jackson Engineering.

William ("Bill") Mitchell hold a Masters of Science in Biology and a Masters of Science in Hospital Administration. He also holds a Class C Operators License for both Water and



Sewer systems. He is the chief executive officer and principal shareholder of Water Laboratory Company.

### ANTICIPATED OPERATION COSTS

The cost of electricity for the Chelsea Rose Plant is approximately \$1,000 per year, or \$83.33 per month. Water Laboratory Company presently charges \$200 per month for operation, testing, and reporting for the sewer plant. The plant does not presently have enough customers to require sludge removal. The insurance cost per plant is anticipated to be \$34.<sup>2</sup> Based on current experience for Waterlab, repair costs are anticipated to average \$7.00 per month per plant.<sup>3</sup> Chemicals, primarily chlorine, are anticipated to cost \$50 per month for 7 months of the year, which is an annual average of \$30 per month. Total monthly operating costs for the Chelsea Rose Plant are expected to average \$354.33. Billing costs are \$1 per customer per month by agreement with Water Laboratory Company. However, since there are no proposed sewer customers who are not existing water customers, no additional charge will apply to the existing water customers, as the water and sewer bills can be consolidated together.

The Company does not have sufficient information from which to estimate the cost of operation of the Cimmarron Bay system, however, from the limited information available, it appears that the costs will be substantially less for a recirculating sand filter system than for an extended aeration plant. For purposes of this application, it is assumed that the cost of operation of the Cimmarron Bay System will be the same or less than the cost of operation of the Chelsea Rose System.

### CAPITAL REQUIREMENTS, FINANCING

The Chelsea Rose Sewer System was acquired by the Company in connection with its 1992 water certificate case in exchange for preferred stock. No additional capital will be required for this system. The PSC Staff (Greg Meyer) established the value of this system for rate making purposes at \$23,079 in Case SA-94-54. By Staff's calculations, the revenue required for return on equity, debt service, depreciation, and tax on equity earnings totals to \$3659 per year, or \$304.92 per month.

The Cimmarron Bay water and sewer systems have been contributed by the Developer without charge. The Company will incur tax consequences as a result of this contribution, however, it appears that the company has sufficient depreciation and net operating loss carry-forward for federal income tax purposes to offset the income arising from this

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<sup>2</sup> This average is based upon current insurance costs which average \$400 per year. The annual rate has been divided by 12 to estimate a monthly rate.

<sup>3</sup> The costs which have been included in the repair estimate are turbine oil at \$6 per gallon, air filters at \$6 each, and belts at \$20 each for changes on extended aeration lobe blower/motor equipment.

CIAC. Therefore, no additional capital appears to be necessary for the acquisition of this system.

The Company has also incurred legal, engineering, and consulting fees in the preparation and development of this and its prior regulatory sewer cases totaling \$45,704.18.<sup>4</sup> The Company agreed in Case SA-94-54 that these costs would be recovered at the rate of \$1 per customer per month, until such time as there are sufficient sewer customers served by the company to allow those costs to be included in the Company's rate base without a disproportionate increase in the rate to the consumer. The Company proposes to continue that treatment under this application.

### TOTAL OPERATING COSTS, ANTICIPATED RATES

This results in a total operating expense of \$354.33 per plant each month, or \$708.66 for both sewer plants. The monthly capital cost of \$304.92 has been added to the operating cost, plus the regulatory expense of \$13 per month, for a total cost per month of \$1026.58. There are presently 16 customers provided with sewer service by these two plants. The Company proposes to charge a rate of \$23.90 per customer. This rate was established by agreement with the PSC Staff in Case SA-94-54. This will result in revenue of \$382.40, for a net deficit of \$644.18 arising monthly from sewer operations. As shown by the 5 year projection attached as Exhibit B, projected customer growth on these two systems will eventually result in a positive net operating revenue for these operations. However, the Company does intend to seek an increase in the rate after 2 years in the event that projected customer growth is not attained.

### ADJUSTMENT OF RATES FOR NON-STANDARD CUSTOMERS

The standard residential service rate of \$23.90 assumes that the average customer consists of 3 people, each of whom generates 100 gallons of waste water per day, with an average density of 200 parts per million.<sup>5</sup> Future multi-family and commercial rates will be determined for such customers by dividing the actual gpd by 300 gpd to derive a customer equivalent volume multiplier.<sup>6</sup> The rates will be further adjusted for density by dividing

<sup>4</sup> These consist of \$23,757 in legal fees in Case SA-94-54, \$1,947.18 in Case WA-95-164, \$5,000 in consulting engineer's fees in Case SA-94-54, and \$10,000 in design engineer's fees in Case SA-94-54. Detailed breakdowns of these expenses were provided to the Staff in Case SA-94-54 prior to reaching the agreed upon rate of \$23.90. Legal fees in this matter have been estimated at \$5,000 in this total.

<sup>5</sup> BOD of waste water is proportional to the aeration required to treat the water and therefore proportional to the electric bill. In essence, less dense sewage requires less aeration, and therefore costs less to process. More dense sewage requires more aeration, and therefore costs more to process. Standard residential sewage is assumed to have an average density of 200 ppm. Customer's whose normal waste water outflow deviates substantially from this norm should have their rates adjusted to account for the additional cost of treating higher density waste.

<sup>6</sup> This means that multifamily or commercial users which generate substantially more than 300 gpd will be treated as more than one customer for purposes of determining the rate that they are charged.

the Actual Density by 200 parts per million.<sup>7</sup> Thus, the rate charged for multi-family and commercial customers will be a multiple of the standard residential rate calculated on an individual basis for each non-standard customer. The Company does not have any non-standard sewer customers at the time of this application, but reserves the right to amend its tariffs in accordance with the following formula at such time as it receives a request for service from a non-standard customer. The formula for determining non-standard rates is as follows:

$$\text{Multi-Family \& Commercial Rate} = \text{Actual Flow} / 300 \text{ gpd} \times$$

$$\text{Actual Density} / 200 \text{ ppm} \times \text{Residential Rate}$$

### CONCLUSION

The Company believes that the granting of a Certificate of Convenience and Necessity for Chelsea Rose and Cimmaron Bay is in the public interest in that it will provide regulated water and sewer service to residents of those areas who otherwise will not have access to regulated service..

In the long term, the Company will be able to develop treatment facilities which service larger geographic areas than those now in operation, resulting in the service of a larger number of customers by fewer facilities than is currently the average in Camden County. Because of the economies of scale described above in the construction and operation of treatment facilities, this will result in a net savings to the general public in the long term in comparison to the costs that would otherwise be incurred in the absence of an incentive for long term planning.

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<sup>7</sup> This means that high density sewage will be subjected to a higher rate than normal residential sewage, the rate being determined in proportion to the deviation of the actual density from 200 ppm. This will result in the rates paid by customers more closely reflecting the actual cost incurred in processing their waste water rather than the average cost of treatment, and will tend to reward and promote conservation on the part of the consumer.

**Exhibit B**

**Osage Water Company Sewer System  
Five Year Projection of Income and Expense**

	1997	Year 2	Year 3	Year 4	Year 5
<b>Cust. Equiv. in Servic</b>	20.00	25.00	31.00	37.00	45.00
<b>Gross Receipts</b>	5,736.00	7,170.00	8,890.80	10,611.60	12,906.00
<b>Operating Expenses</b>	12,318.96	12,318.96	12,318.96	12,318.96	12,318.96
<b>Gross Profit</b>	(6,582.96)	(5,148.96)	(3,428.16)	(1,707.36)	587.04
<b>Overhead Expenses</b>					
<b>Officers Salaries</b>					
<b>President</b>	0.00	0.00	0.00	0.00	0.00
<b>Vice-President</b>	0.00	0.00	0.00	0.00	0.00
<b>Sec/Treasurer</b>	0.00	0.00	0.00	0.00	0.00
<b>Staff</b>					
<b>cretary/Receptionist</b>	0.00	0.00	0.00	0.00	0.00
<b>Rent</b>	0.00	0.00	0.00	0.00	0.00
<b>Telephone</b>	0.00	0.00	0.00	0.00	0.00
<b>Utilities</b>	0.00	0.00	0.00	0.00	0.00
<b>Office Supplies</b>	0.00	0.00	0.00	0.00	0.00
<b>Postage</b>	0.00	0.00	0.00	0.00	0.00
<b>Accounting</b>	0.00	0.00	0.00	0.00	0.00
<b>Legal Fees</b>	0.00	0.00	0.00	0.00	0.00
<b>Miscellaneous</b>	0.00	0.00	0.00	0.00	0.00
<b>Directors Fees</b>	0.00	0.00	0.00	0.00	0.00
<b>Total Overhead</b>	0.00	0.00	0.00	0.00	0.00

STATE OF MISSOURI  
DEPARTMENT OF NATURAL RESOURCES  
MISSOURI CLEAN WATER COMMISSION



# MISSOURI STATE OPERATING PERMIT

In compliance with the Missouri Clean Water Law, (Chapter 644 R.S. Mo. as amended, hereinafter, the Law), and the Federal Water Pollution Control Act (Public Law 92-500, 92nd Congress) as amended,

Permit No. MO-0111104  
Owner: Hurricane Deck Holding Company  
Owner's Address: P.O. Box 431, Sunrise Beach, Missouri 65079  
Operating Authority: N/A  
Operating Authority's Address: N/A  
Facility Name: Chelsea Rose Subdivision  
Facility Address: Lake Road F-125B, Sunrise Beach, Missouri 65079  
Legal Description: SE ¼, SE ¼, Sec. 13, T39N, R17W, Camden County  
Receiving Stream & Basin: Lake of the Ozarks (Lake of the Ozarks Basin)  
(10290109-02-00) (L2)

FILED  
SEP 17 1996  
MISSOURI  
PUBLIC SERVICE COMMISSION

is authorized to discharge from the facility described herein, in accordance with the effluent limitations and monitoring requirements as set forth herein:

### FACILITY DESCRIPTION

Outfall #001 - Subdivision - SIC #4952

Extended aeration/chlorination/sludge holding/sludge disposal is by contract hauler.

Design population equivalent is 187.6.

Design flow is 18,760 gallons per day.

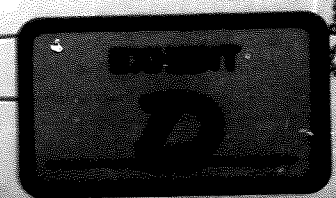
Design sludge production is 3.4 dry tons/year.

This permit authorizes only wastewater discharges under the Missouri Clean Water Law and the National Pollutant Discharge Elimination System; it does not apply to other regulated areas. This permit may be appealed in accordance with Section 644.051.6 of the Law.

May 10, 1996  
Effective Date

July 1, 1997  
Expiration Date

*John A. Young*  
John A. Young  
Director, Division of Environmental Quality  
*[Signature]*  
Director of Staff, Clean Water Commission



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