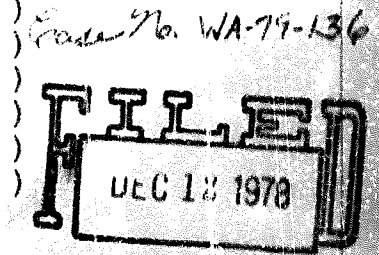


BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of
THE APPROVAL OF BATSON DEVELOPMENT
COMPANY, FOR PERMISSION, APPROVAL, AND A
CERTIFICATE OF CONVENIENCE AND NECESSITY
AUTHORIZING IT TO CONSTRUCT, INSTALL, OWN,
OPERATE, CONTROL, MANAGE AND MAINTAIN A
SEWER SYSTEM AND A WATER SYSTEM FOR THE PUBLIC,
LOCATED IN AN UNINCORPORATED AREA IN BUTLER
COUNTY, MISSOURI.



APPLICATION FOR CERTIFICATE OF
CONVENIENCE AND NECESSITY

PUBLIC SERVICE COMMISSION

COMES NOW, Batson Development Company, Applicant, pursuant to Section
393.170, RSMo 1969, 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 at Poplar Bluff, Missouri, 63901. It is a public utility proposing to render sewer and water service to the public under the jurisdiction of the Commission. A copy of its Certificates of Incorporation and Articles of Incorporation are attached to this Application as Exhibit "1".
2. Communications in regard to this Application should be addressed to: William C. Batson, Jr., President, Batson Development Company, Poplar Bluff, Missouri, 63901; Norman L. Chadwick, P.O. Box 310, Poplar Bluff, Missouri, 63901.
3. Applicant requests permission, approval, and a Certificate of Public Convenience and Necessity to install, own, acquire, construct, operate, control, manage and maintain a sewer and water system for the public in an unincorporated area in Butler County, Missouri, as set forth on the map attached to this application as Exhibit "2", and legally described by metes and bounds attached to the application as Exhibit "3".
4. The Feasibility Study is attached to this Application and made a part hereof as Exhibit "4".
5. There are no municipalities located within the proposed areas.

6. Said sewer and water system meets all requirements of the Commission and the Department of Natural Resources.

7. There are no other public utilities or governmental bodies being operated or rendering sewer and water service within the area proposed to be served.

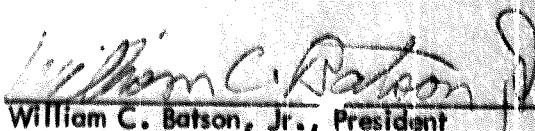
8. The area requested is rapidly being developed into subdivisions by developers and plans are being made to build residential homes and other establishments within the area, all of which will need adequate sewer and water service. Therefore, a public need exists for adequate sewer and water service within the area proposed to be served and the public convenience and necessity will be promoted by the granting of the authority herein requested.

9. Following are the names and addresses of 10 residents of the proposed service area:

William Batson, III, Route 9, Poplar Bluff, Missouri 63901; John Gowen, Route 9, Poplar Bluff, Missouri 63901; Lela M. Jones, Route 9, Poplar Bluff, Missouri 63901; Ronnie Pratt, Route 9, Poplar Bluff, Missouri 63901; Sid Ferguson, Route 9, Poplar Bluff, Missouri 63901; K. M. Link, Route 9, Poplar Bluff, Missouri 63901; Doug Link, Route 9, Poplar Bluff, Missouri 63901; Joe West, Route 9, Poplar Bluff, Missouri 63901; James West, Route 9, Poplar Bluff, Missouri 63901; William C. Batson, Jr., Route 1, Poplar Bluff, Missouri 63901.

WHEREFORE, Applicant requests the Commission to grant its permission, approval and a Certificate of Convenience and Necessity authorizing it to install, acquire, build, construct, own, operate, control, manage and maintain a sewer and water system for the public within the area referred to in Paragraph 3 hereof and for such further orders as the Commission may deem just and proper.

BATSON DEVELOPMENT COMPANY


William C. Batson, Jr., President

STATE OF MISSOURI)
) SS
COUNTY OF BUTLER)

William C. Batson, Jr., first being duly sworn, on his oath states: That he is President of Batson Development Company, and as such duly authorized by its Board of Directors to make this affidavit on its behalf.

William C. Batson, Jr.
William C. Batson, Jr.

Subscribed and sworn to before me this 15th day of November, 1978.

My Commission Expires: Jan 10, 1981

Norman L. Chadwick

Notary Public Norman L. Chadwick

WATER SYSTEM DESCRIPTION

All the North one-half of the Northeast Quarter of Section 36, all the West half of the Southeast Quarter of the Southeast Quarter of Section 25; all of the West half of the Southeast Quarter of Section 25; all of the West half of the Northeast Quarter of Section 25; all of the North half of the Northwest Quarter of Section 25; all the Southwest Quarter of the Northwest Quarter of Section 25; and all that part of the Southwest Quarter of the Southeast Quarter of Section 24 described by metes and bounds as follows:

Beginning at the Southeast corner of Section 24, Township 25 N, Range 5 East; thence, S $89^{\circ} 20' 20''$ W, along and with said South Line a distance of 653.90 feet to a point of beginning; thence, N $00^{\circ} 19' 14''$ W, a distance of 646.64 feet; thence, N $89^{\circ} 41' 47''$ W a distance of 333.0 feet; thence, S $00^{\circ} 17' 03''$ E a distance of 652.25 feet; thence, S $89^{\circ} 20' 20''$ W a distance of 333.0 feet to the point of beginning.

SEWER METES AND BOUNDS DESCRIPTION

All of that part of the Southwest Quarter of the Southeast Quarter of Section 24 and all that part of the Northwest Quarter of the Northeast Quarter, the Southwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 25 all in Township 25 North, Range 5 East of the 5th Principal Meridian, Butler County, Missouri, described as follows: From the Southeast corner of the Southwest Quarter of the Northeast Quarter of Section 25; thence, N 00° 10' 05" E, along and with the East line of the Southwest Quarter of the Northeast Quarter, a distance of 560.37 feet to the Point of Beginning; thence, S 89° 20' 20" W a distance of 124.8 feet to the cul-de-sac right-of-way; thence, Southwesterly, along and with said cul-de-sac right-of-way, an arc distance of 112.69 feet; thence, S 89° 20' 20" W a distance of 10.0 feet; thence, S 01° 10' 13" W a distance of 160.0 feet; thence, S 89° 20' 20" W a distance of 320.0 feet; thence, S 00° 50' 11" W a distance of 120.0 feet; thence, S 00° 48' 45" W a distance of 120.0 feet; thence, S 89° 20' 20" W a distance of 136.0 feet; thence, S 02° 24' 27" E a distance of 119.15 feet to the South line of the Southwest Quarter of the Northeast Quarter; thence, N 89° 04' 16" W a distance of 652.16 feet to the West line of the Southwest Quarter of the Northeast Quarter; thence, N 00° 01' 51" E, along and with said West line, a distance of 1299.40 feet; thence, N 89° 59' 09" W a distance of 340.33 feet; thence, N 00° 10' 04" E a distance of 1316.0 feet to the North line of the Northeast Quarter of the Northwest Quarter; thence, N 89° 20' 20" E, along and with said North line, a distance of 677.0 feet; thence, N 00° 17' 03" W a distance of 652.25 feet; thence, S 89° 41' 47" E a distance of 333.0 feet; thence, S 00° 19' 14" E a distance of 646.64 feet to the South line of the Southwest Quarter of the Southeast Quarter of Section 24; thence, N 89° 20' 20" E, along and with said South line, a distance of 653.9 feet; thence, measure S 00° 10' 05" W, along and with the East line of the Northwest Quarter of the Northeast Quarter, a distance of 1202.3 feet; thence, S 00° 10' 05" W, along and with the East line of the Northwest Quarter of the Northeast Quarter and the Southwest Quarter of the Northeast Quarter, a distance of 890.85 feet to the Point of Beginning.

S. H. Smith & Co.

November 15, 1978

Mr. William C. Batson, Jr.
Batson Mini-Farms, Inc.
Rt. 1, Box 238 A
Poplar Bluff, Mo. 63901

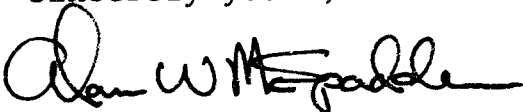
RE: Cost Analysis and Rate Study for Batson Mini Farms
Subdivision

Dear Mr. Batson:

Please find enclosed a copy of the above referenced analysis
for your review and approval.

I trust you will find the analysis satisfactory, however, if
there are any questions, please do not hesitate to call.

Sincerely yours,



Alan W. McSpadden, P.E.
S. H. Smith & Company

dlh

enc.

BATSON MINI-FARMS

ITEMIZED ESTIMATES OF CONSTRUCTION COSTS FOR PROPOSED WATER AND WASTEWATER SYSTEMS.

November 7, 1978

A. Wastewater Collection and Treatment System:

10,145	L.F.	8" PVC Sewer Pipe	@ \$ 4.00	\$ 40,580.00
27	EA.	Manholes	@ 160.00	4,320.00
1	EA.	Lift Station	@	11,400.00
1	EA.	Treatment Plant	@	<u>25,000.00</u>
TOTAL CONSTRUCTION COST				\$ 81,300.00

Future Additions to Wastewater System:

By 1979:	2,500	L.F.	Additional Sewers	@ \$ 4.00	= \$10,000
	1		Treatment Plant	@	= <u>20,000</u>
					\$30,000

By 1981:	Expansion of Treatment Plant	@	\$30,000
	Constructed in 1978		

B. Water Supply and Distribution System:

12,145	L.F.	4" PVC	@ \$ 1.00	\$ 12,145.00
28	EA.	4" Gate Valves	@ 50.00	1,400.00
14	EA.	Flush Hydrants	@ 10.00	1,400.00
1		Well, Pump, Controls, & Well House	@	50,000.00
1		6½' Ø x 60' Stand- pipe	@	<u>5,000.00</u>
				\$ 69,945.00

BATSON MINI-FARMS WATER & SEWER RATES:

November 7, 1978

A. Wastewater System:

1. Construction Cost of Initial System: \$ 81,300.00

2. Cost of additional sewers and treatment
to be added in 1979 = \$ 30,000.00

Present worth of 1979 additions:

$30,000 \times 0.9091^* =$ 27,273.00

* PW factor for 10% interest & n = 1

3. Cost of Expansion of Initial Treatment
Plant in 1981 = \$ 30,000.00

Present worth of 1981 additions:

$30,000 \times 0.7513 =$ 22,539.00

TOTAL PRESENT WORTH OF ALL CONSTRUCTION \$131,112.00

At an annual interest rate of 10% and a 20 year
project life, the equivalent annual cost of the
project capital investments are:

$131,112.00 \times 0.11746^* =$ 15,400.42 per year

* Capital recovery factor of i = 10%
and n = 20

1,283.37 per month

With a total of 165 lots to be served by the collection
system, the monthly charge per user would be:

\$ 1,283.37 / 165 = \$7.78 per user

Monthly Operation and Maintenance (O & M)

Costs will be in addition to the
above fee. The estimated O & M costs are as
follows:

Salaries:	\$ 200.00/month
Power:	\$ 55.00/month
Chemicals:	\$ 35.00/month
	<u>290.00/month</u>

O & M Costs per User = $290/165 =$ \$ 1.75

Total Monthly Sewer Bill = \$9.53 per user

B. Water System

1. Construction Cost of System: \$ 69,945.00

At an annual interest rate of 10% and a 20 year project life, the equivalent annual cost of the water system investment is:

$$\begin{aligned} \$69,945.00 \times 0.11746 &= \$ 8,215.74 \text{ per year} \\ &= 684.64 \text{ per month} \end{aligned}$$

Monthly O & M Costs:

Salaries @	400.00
Power @	155.00
Chemicals @	<u>50.00</u>

TOTAL MONTHLY COST OF SYSTEM: \$ 1,289.64

The water system will serve a total of 264 connections. Therefore the proposed water rate must generate an average monthly bill of: $\$1,289.64 / 264 = \$ 4.89$ based upon an average water consumption rate of 6,000 gallons per month per connection. The following rate schedule will produce a monthly bill of \$5.00 for 5,000 gallons of water:

1st 1,000 gal.	=	\$ 1.60 (minimum charge)
next 1,000 gal.	=	1.30
next 1,000 gal.	=	1.10
next 2,000 gal.	=	1.00/1000 gal.
all over 5,000 gal.	=	0.75/1000 gal.

Assuming an average monthly water consumption rate and 264 connections, this rate will produce a monthly income of:

$$\begin{aligned} 5.00 \times 264 &= \$1,320 \text{ and a yearly income of:} \\ 12 \times 1320.00 &= \$15,840.00 \end{aligned}$$

C. The total required monthly water and sewer bill will be:

Sewer:	\$ 9.53 (flat rate)
Water:	<u>5.00</u>
	\$14.53

D. Estimated Yearly Income for Next Three Years:

1. Sewer System: It has been assumed that approximately one-half of the total lots to be served will be developed in the first 3 years, with the remainder thereafter. Therefore approximately 25 lots are to be developed each year. The resulting annual income for the sewer system would be as follows:

1st year: 25 lots @ 114.36 per lot = 2,859.00
 2nd year: 50 lots @ 114.36 per lot = 5,718.00
 3rd year: 75 lots @ 114.36 per lot = 8,577.00

TOTAL INCOME FOR 1st THREE YEARS = \$17,154.00

The annual O & M expenses will be constant for the three year period at \$3,480.00 per year

or, for the period \$ 10,440.00
 net income for period \$ 6,714.00

2. Water System: When installed, the water system will serve 35 connections immediately, plus an additional 25 connections the first year. The system will add approximately 25 lots per year thereafter. The resulting annual income will be as follows:

1st year: 60 connections @ \$60.00 per connection = \$3,600.00
 2nd year: 85 connections @ 60.00 per connection = 5,100.00
 3rd year: 110 connections @ 60.00 per connection = 6,600.00

TOTAL INCOME FOR 1st THREE YEARS = \$15,300.00

The annual O & M expenses will be constant for the three year period at: 7,260.00 per year, or for the period: \$21,780.00
 Net income (loss) for period: (\$ 6,480.00)



STATE of MISSOURI

JAMES C. KIRKPATRICK, Secretary of State

Corporation Division

Certificate of Incorporation

WHEREAS, duplicate originals of Articles of Incorporation of
BATSON DEVELOPMENT 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, JAMES C. KIRKPATRICK, Secretary of State of the State of Missouri, by virtue of the authority vested in me by law, do hereby certify and declare
BATSON DEVELOPMENT COMPANY

a body corporate, duly organized this day and that it is entitled to all rights and privileges granted corporations organized under The General and Business Corporation Law; that the address of its initial Registered Office in Missouri is

Route 1, Box 238 A, Poplar Bluff

that its period of existence is perpetual; and that the amount of its Authorized Shares is

30,000 @ no par



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the GREAT SEAL of the State of Missouri, at the City of Jefferson, this 8th day of December, 1977.

James C. Kirkpatrick
Secretary of State

RECEIVED OF: BATSON DEVELOPMENT COMPANY

..... Fifty-three and no/100 Dollars, \$53.00

For Credit of General Revenue Fund, on Account of Incorporation Tax and Fee.

00196549

No.

Dorothy M. Miller
Deputy Collector of Revenue

ARTICLES OF INCORPORATION

The undersigned natural persons 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 adopt the following Articles of Incorporation.

ARTICLE I

The name of this corporation shall be Batson Development Company

ARTICLE II

The Corporation shall be located in Poplar Bluff, Missouri, and the name of the initial registered agent of said corporation is William C. Batson, Jr., and the address is Route 1 Box 238 A, Poplar Bluff, Mo.

ARTICLE III

The aggregate number of classes and par value, if any, of share which the Corporation shall have authority to issue shall be thirty thousand, (\$30,000.00), shares, no par value, with stated value of one dollar, (\$1.00), per share.

ARTICLE IV

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

<u>NO. OF SHARES</u>	<u>CLASS</u>	<u>CONSIDERATION TO BE PAID</u>	<u>AMOUNT OF CONSIDERATION PAID TO BE CAPITAL</u>
\$1,000	Common	\$1,000.00	\$1,000.00

The Corporation will not commence business until consideration of the value of at least five hundred dollars, (\$500.00), has been received for the issuance of shares.

ARTICLE V

Each stockholder of record of the Corporation shall have the pre-emptive right to purchase newly issued stock of the class he

owns in an amount proportionate to his holdings of record in such class of stock. Stockholders of record shall be notified of the availability of any new issue by United States Mail directed to their address of record on the books of the Corporation and shall have thirty (30) days time to exercise their pre-emptive right at the price and terms determined by the Board of Directors of said Corporation.

ARTICLE VI

The name and place of residence of each incorporation is as follows:

<u>NAME</u>	<u>STREET</u>	<u>CITY</u>
William C. Batson, Jr.	Rt. 1 Box 238 A	Poplar Bluff, Mo. 63901
Ruby Jane Batson	Rt. 1 Box 238 A	Poplar Bluff, Mo. 63901

ARTICLE VII

The number of directors to constitute the Board of Directors is two.

ARTICLE VIII

The duration of the Corporation is perpetual.

ARTICLE IX

That the corporation is formed for the following purposes:

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

To conduct and carry on in general the business of land developing which includes purchasing, selling, supplying, servicing, constructing any and all types of structures and business's including the development of all facilities that may be necessary for the development and placing on the market for sale, land that has been so developed. This would include the furnishing of water, gas, electricity, sewers, and charging for same.

1. To construct, display, and advertise any and all types of residential structures and business structures upon property and developed for the purpose of reconveying to other parties, for rentals or for use in any business pursuit.
2. To borrow money and for such purpose to execute notes, bonds, debentures of any other form of evidence of indebtedness and to secure the payment of the same by mortgage, deed of trust or other form of encumbrance, pledge or other form of hypothecation.
3. To buy, lease, contract for, invest in or otherwise acquire any real or personal property, or any interest therein, or all or any part of the good will rights, franchises, property and business of any person, partnership association or corporation, to pay for same in the stock of any class or in cash, bonds, or other obligations of the corporation or otherwise, to hold, utilize and in any manner dispose of the whole or any part of the rights and property so acquired to assume in connection therewith any liabilities of any person, entity, partnership association or corporation and conduct in any lawful manner the whole or any part of the business thus acquired.
4. To sell, lease, exchange, convey, mortgage, pledge, transfer, assigns and deliver and otherwise dispose of all or any part of the property, assets and effects of the corporation, and receive in payment therefore cash or stocks, bonds, notes, debentures or other securities or evidence of indebtedness or obligations or any liabilities, restrictions or other requirements imposed by law.
5. To deal, transact, carry on any and all such business as may arise out of or to be connected with the carrying on of the above mentioned purposes of the corporation.
6. To obtain the necessary license, permits, or any other authorization required by the county, state, or federal government to enable the corporation to carry out any and all of the above purposes stated.

ARTICLE X

Each and every share of the stock of this corporation hereto issued or which may be hereafter issued is and shall be held, owned and transferred subject to all the terms, conditions, and options herein contained.

If any holder of any shares of the stock of this corporation desires to dispose of the same or of any part thereof, he shall not transfer or otherwise dispose of the same to any person unless and until he has first complied with the provisions hereof and given the corporation which is entitled to the benefits of this contract an opportunity to purchase the same as herein provided.

For the purpose of this agreement the price for which the stock shall be sold and purchased shall be the book value of the stock as of the last monthly audit and financial statement as prepared by the accountant of said corporation.

If a stockholder desires to sell his stock during his lifetime he shall give the Secretary of the corporation written notice of such desire and the corporation shall have the right to purchase such stock at any time within thirty (30) days after such notice at the price determined by the preceding section.

All the conditions, covenants and options herein contained shall bind each of the parties hereto, their heirs, executors, administrators and assigns, and also any receiver or trustee in bankruptcy or insolvency except as a rejection of the same may be authorized or directed by order of court and all shares of stock in the corporation in the hands of any person whomsoever, shall at all times be subject to the provisions hereof, and in the event of any transfer of any stock, each and all the conditions, agreements, and options herein contained shall immediately attach to and bind said stock in the hands of the transferee and the failure to exercise any of the options herein contained shall not relieve said stock of any part thereof from the conditions hereof and all said options and agreements shall again attach to said stock and bind each successive holder thereof as soon as he acquires the same.

No stock shall be transferred on the books of the corporation unless all terms and conditions of this agreement are complied with. In case of violation of this agreement by the attempt to transfer share of stock without the compliance of the terms hereof, the corporation shall have the right to compel the holder or transferee to transfer and deliver such shares in accordance with such options and at the price herein provided. Each certificate evidencing the ownership of shares of stock shall contain upon its face reference to this provision of the Articles of Incorporation to give notice thereof to any purchaser. Nothing herein contained shall be construed to prevent any stockholder of the corporation from pledging his stock for security for a debt or obligation, but in the event the pledge is foreclosed, the person acquiring such stock by said foreclosure, shall hold same under the terms and conditions of this agreement and shall immediately give the corporation as herein provided, the option to purchase the shares so acquired under such pledge at the price and upon the terms as provided.

ARTICLE XI

The power to make, alter, amend or repeal the By-Laws of the Corporation shall be vested in the Board of Directors.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 23rd day of November, 1977.

William C. Babson
Ruby Jane Babson

STATE OF MISSOURI)
) SS
COUNTY OF BUTLER)

*Magistrate
Court Clerk*

I, *Alicia Williams*, a ~~Notary Public~~, do hereby
certify that on the *3rd* day of November, 1977, personally
appeared William C. Batson, Jr. and Ruby Jane Batson, who being
by my first duly sworn, declared that they are the persons who
signed the foregoing document as incorporators, and that the
statements therein contained are true.

Alicia Williams
~~Notary Public~~
Magistrate Court Clerk

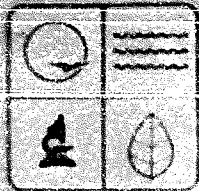
MY COMMISSION EXPIRES:

FILED AND CERTIFICATE OF
INCORPORATION ISSUED

DEC 8 1977

James G. Harrison
Corporation Dept. SECRETARY OF STATE

Handwritten notes and signatures in the bottom left corner, including a date stamp "DEC 15 1977".



MISSOURI DEPARTMENT OF NATURAL RESOURCES
948 Lester St. Poplar Bluff, Missouri 63901 (314) 785-0832

3.100 BUTLER COUNTY
Batson Mini-Farms

January 13, 1978

Mr. William C. Batson
Route 1, Box 238A
Poplar Bluff, MO 63901

Dear Mr. Batson:

This concerns your proposal for wastewater treatment to serve Batson Mini-Farms located in Butler County, Missouri. Principally the proposal is sound and would appear to provide a sound plan for wastewater disposal.

Two items which should be addressed to comprehensively cover the entire scope of development are as follows:

1. A plan for continued operation and maintenance must be submitted. As you have previously indicated that it is your intention to form a private sewer company regulated by P.S.C. A letter reflecting the date of filing will fulfill this need prior to construction, and certification by P.S.C. will allow us to proceed with approval for operation.
2. The proposed method of wastewater disposal for the entire development should be considered. A proposal with implementation based on events such as percentage of sale would be an acceptable approach.

Upon reply to the above comments, further consideration can be given to your proposal.

Yours truly,

James A. Burris, P.E.
Regional Administrator

JAB:vf

cc: Water Quality Program

Joseph P. Teasdale Governor
Carolyn Ashford Director
Poplar Bluff Regional Office

FRIEDEWALD AND CHADWICK

ATTORNEYS AT LAW

306 VINE STREET - COMMERCE BANK BUILDING

POPLAR BLUFF, MISSOURI 63901

**EDWARD F. FRIEDEWALD
NORMAN L. CHADWICK**

JOHN A. CLARK

**TELEPHONE
A/C 314-788-4806**

November 17, 1978

RECEIVED

NOV 20 1978

**Mr. Gary W. Duffy
Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65101**

**COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION**

Re: Batson Mini Farms

Dear Mr. Duffy:

In response to your letter of April 20, 1978, to Mr. Batson of the Batson Construction Company, I have assisted him in the preparation of the Application for Certificate of Convenience and Necessity for the approval and Certificate to Construct and Operate a Sewer System and Water System in Butler County, Missouri. The application and the following enclosures are attached hereto:

1. Certificate of Incorporation, Batson Development Company
2. Articles of Incorporation, Batson Development Company
3. Plats Number 1-6 inclusive, showing all of the area included in the proposal, together with surveyor's metes and bounds descriptions of these areas.
4. Feasibility study dated November 15, 1978, of S. H. Smith & Company a Consulting Engineers firm of Poplar Bluff, Missouri.
5. Letter of January 13, 1978, Department of Natural Resources acknowledging preliminary proposal.

We have made a combined application for both a water supply system and a sewage system.

There are two basic distinctions to be pointed out between the water and the sewage system proposals. The geographic area covered by the water system encompasses all of the land shown on Plats 1-6, attached. The geographic area covered by the sewage system only

Mr. Gary Duffy
November 17, 1978
Page One

involves the land shown on Plat 6. The metes and bounds descriptions of all of these plats are attached to the plats. The other major distinction between the two systems is that a large number of lots in the area to be furnished by this water system were sold before it was contemplated that a water system would be put in, therefore, no amount was added to the costs of the lots for a future water system. The lots were sold based solely upon the value of the land at the time of sale. The request for rights on the water system, therefore, is to include the amortization over a long period of years of the cost of the system.

On the other hand, the proposed sewage system encompasses only the land described in Plat #6. These lots will be sold in contemplation of the sewage system and the cost of the system will be added into the price of the lots.

The applicant has submitted a proposal to the Missouri Department of Natural Resources. They have advised him that his initial proposal is sound and advised him that a certification by the Public Service Commission will allow their department to proceed with approval for operation. A copy of the letter of Mr. James A. Burris of that department is attached for reference.

If there is any information I have not furnished, please call it to my attention in order that we may do so. I will appreciate your acknowledgement of receipt of this information and advice as to when we may anticipate a hearing.

Yours truly,

Norman L. Chadwick

Norman L. Chadwick

NLC:kw

Enclosures