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** RETIRED

October 4, 1999

SENT BY FEDERAL EXPRESS
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FILED

OCT 5 1999

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
301 W. High Street - Suite 530
Jefferson City, Missouri 65101

**Missouri Public
Service Commission**

SA-2000-248

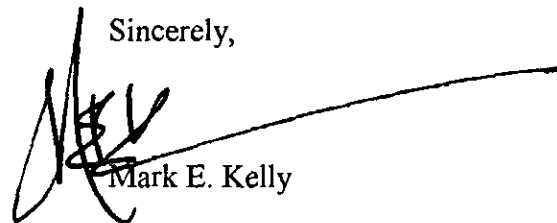
Re: Central Rivers Wastewater Utility, Inc./Wil-Mar Estates Subdivision

Dear Mr. Roberts:

Enclosed for filing on behalf of Central Rivers Wastewater Utility, Inc., please find an original and fourteen (14) copies of the Addendum To Application for Certificate of Convenience for Wastewater's treatment system for the above-referenced subdivision. Would you please see that this filing is brought to the attention of the appropriate Commission personnel.

If there are any questions regarding the filing, please direct them to the undersigned. I thank you in advance for your attention to and cooperation in this matter.

Sincerely,



Mark E. Kelly

MEK/adb

Enclosures

cc: Office of the Public Counsel
Mr. Kevin Hawthorne
Mr. Mark Geisinger

FILED

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

OCT 5 1999

In the matter of the application of Central Rivers)
Wastewater Utility, Inc., a certificate of)
convenience and necessity authorizing it to)
construct, install, own, operate, control, manage)
and maintain sewer system for the public, located)
on an unincorporated area in Clay County, Missouri.)

Missouri Public
Service Commission

Case No. SA-2000-248

ADDENDUM TO APPLICATION

Pursuant to the Public Service Commission's Order Directing Filing of September 24, 1999, Central Rivers Wastewater Utility, Inc., by and through counsel files this Addendum to its Application of September 22, 1999, as follows:

1. A copy of the original Application to the Commission seeking its Certificate of Service and the Addendum to the Application have been served upon the Office of Public Counsel.

2. The landowner of the proposed service area is Couchman Construction, Inc., 14014 Zachary Drive, Liberty, Missouri 64068, (816) 781-8599; there are currently no residents on the proposed use area.

3. The estimated construction cost for the first three (3) years of operation is as follows:

Cost for construction of the Phase I recirculating sand filter and collection system will be paid for by the Developer, Couchman Construction, Inc. Costs for the construction of the project to accommodate development for the first three years will be:

Collection system:

2" (5,800 LF) and 3" (1,100 LF) Pressure Line	\$ 47,500.00
Recirculating Sand Filter	
Phase I	<u>\$ 98,500.00</u>
	\$146,000.00

This cost will be born by the developer. Central Rivers Wastewater Utility, Inc., is currently under contract with Couchman Construction, Inc. to provide the construction of these portions of the project pending review and approval of the system by the Department of Natural Resources. Costs to install individual Septic Tank Effluent Pumping (STEP) systems at individual homes will be based on actual costs to install these units and will be consistent with similar service areas. The current price to install a 1,000 gallon STEP unit is \$4,500.00 as approved by the Missouri Public Service Commission for a similar project (Case SA-98-530) with the understanding that a future review of costs for installation will be made. Most homes in this subdivision will require a 1,500 gallon STEP unit that will each costs no more than \$4,800 to install. See contract between utility and Developer attached hereto as Exhibit A.

4. A Resolution from the Clay County Commission stating that it has no objection to Central Rivers Wastewater Utility, Inc., owning and operating the sewage disposal system in the Wil-Mar Estates Subdivision is attached hereto as Exhibit B. A permit from the Missouri Department of Natural Resources will be provided upon its issuance from the Department of Natural Resources; Central Rivers Wastewater Utility, Inc. does not know when such permit will be issued.

WHEREFORE, Applicant respectfully requests that the Commission issue its order:

(a) Granting Applicant permission, approval and a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a sewer utility system for the public in an unincorporated area in Clay County, Missouri, as more particularly described herein;

(b) Granting such further relief as the commission deems appropriate.

WITHERS BRANT, IGOE & MULLENNIX, P.C.

By:

Mark E. Kelly #33984

Two South Main

Liberty, Missouri 64068

(816) 781-4788 Telephone

(816) 792-2807 Facsimile

ATTORNEYS FOR CENTRAL RIVERS
WASTEWATER UTILITY, INC.

**CENTRAL RIVERS
WASTEWATER UTILITY, INC.**



**MARK GEISINGER
PRESIDENT**

EXHIBIT A

April 6, 1999 (NOTE: Revised from February 16, 1999 proposal)

***Costs for Installation of Wastewater Collection and Treatment System
Wil Mar Estates, Couchman Construction, Inc., Developer***

For the following 8 pages, the following definitions shall be used:

This Document – All of the following pages: Page 1 titled Costs for Installation of Wastewater Collection and Treatment System: Wil Mar Estates, Couchman Construction, Inc., Developer. Page 2 titled Costs for Design and Construction: Wil Mar Estates, Couchman Construction, Inc., Developer. Page 3, Page 4, Page 5 and Page 6 titled Explanatory Notes or Explanatory Notes (cont.). Page 7 the Plan View Sheet labeled Proposed Location of Sewer System. Page 8 titled Agreement for Utility Services: Wastewater Collection and Treatment System at Wil Mar Estates, Couchman Construction, Inc., Developer.

Developer - Couchman Construction, Inc.

Utility Company - Central Rivers Wastewater Utility, Inc.

NPDES permit – National Pollutant Discharge Elimination System permit.

Collection system – wastewater collection system main lines consisting of 2" and 3" pipe unless otherwise denoted.

Wastewater treatment system – wastewater treatment system capable of treating domestic wastewater to an effluent quality capable of meeting or exceeding NPDES permit requirements.

PSC – Missouri Public Service Commission.

DNR – Missouri Department of Natural Resources.

Development – Wil Mar Estates Lots 1 through 90 excluding Lots 7, 8, 9, 10, 11, 12, 13 and 14.

Obligations of Utility Company and Developer:

- Utility company to construct and install wastewater treatment and collection system.
- Utility Company will file for a certificate of convenience and necessity from the Missouri Public Service Commission to operate and charge fees for sewer service in the proposed area.
- Developer will pay for the installation of the collection system and will not recuperate any cost for installation of the collection system from the Utility Company.
- Developer will pay for the installation of a wastewater treatment system capable of treating approximately 27,600 gallons per day of domestic wastewater to an effluent quality that meets or exceeds Missouri Department of Natural Resources requirements for a National Pollutant Discharge Elimination System permit.
- Developer will receive \$500.00 from the Utility Company after the Utility Company receives payment for installation of a STEP collection unit that connects to the Utility Company's main sewer collection line. This payment is recuperation of cost associated with installation of the wastewater treatment system. It will be the responsibility of the Developer to recuperate costs incurred for installation of the wastewater treatment system over and above \$500.00/customer by including those costs in the sale of the lots.
- The Utility Company guarantees that the prices listed on Sheet 2 of this document and agreed upon by the Utility Company and the Developer will remain fixed and not change for a period of two calendar years from the date at which this agreement is signed and agreed upon by both parties.
- The costs associated with installation of the collection system and the wastewater treatment system are detailed on Page 2. Explanatory notes for individual items are included on Sheets 3 and 4 and 5 of this document.

***Costs for Design and Construction:
Wil Mar Estates, Couchman Construction, Inc., Developer***

ITEM NUMBER	DESCRIPTION	COST
1	Wastewater Collection and Treatment System Design	\$ 11,000.00
2	Regulatory Submittals (DNR, PSC, other)	\$ 2,120.00
3	Wastewater Treatment System (Phase I)	\$ 98,500.00
4	Wastewater Treatment System (Phase II)	\$ 86,380.00
5	Collection System (Phase I)	\$ 39,420.00
6	Collection System (Phase II)	\$ 7,800.00
7	Collection System (Phase III)	\$ 23,750.00
8	Collection System (Phase IV)	\$ 25,550.00
Cost to Developer Paid to Utility Company for Construction of Wastewater Collection and Treatment System if Entire Project is Completed Within Two Years		\$ 294,520.00
Cost per Lot to Developer Paid to the Utility Company for 79 lot Development		\$ 3,728.10
Cost per Lot to Developer Paid to the Utility Company After Recuperation of \$500.00/customer with 79 customers served		\$ 3,228.10
Initial Capital Cost for Phase I Construction		\$ 151,040.00

7325
bill
45
2628

- *The costs outlined on this page do not include Rock Removal as defined as: solid mineral material that cannot be removed with a 3/4 cubic yard capacity power shovel.

Explanatory Notes:

General:

- Developer shall furnish to Utility Company a computer file of the topographic survey and site plan survey information for the site. The computer file shall be in *.dwg or *.dxf format. Proposed design fees are based upon the assumption that Developer will furnish this information to Utility Company in a timely fashion with respect to when Developer wants sewer system designed. Developer may choose not to furnish this information, however, design fees may change. The main reason for Developer to furnish this information is to ensure that the collection line and treatment plant are located where they will not interfere with Developer's future construction of roads or other construction.
- Utility Company will install the collection line in a manner that will allow for location of the mains at a later date. Developer is expected to inform all other potential utility companies or utility districts that a central sewer system is installed and that other utility companies shall contact Central Rivers Wastewater Utility, Inc. at (816) 470-3300 at least 24 hours prior to installation of any part of another utility. Developer is also to contact Central Rivers Wastewater Utility, Inc. prior to construction of roads so that the sewer line can be marked.
- After design of collection and treatment system, Utility Company will furnish staking coordinates to Developer or Developer's engineer. Developer will be responsible for acquiring staking for where Developer wants these lines installed. Adjustments to staking coordinates by Developer's engineer shall be furnished to Utility Company. As-builts of actual location of the sewer line and treatment plant will be furnished to Developer for his records. Later modification or movement of these lines required of the Utility Company by the Developer for convenience or cost savings to the Developer may result in further construction fees. Movement or modification of the lines required by the Utility Company for its convenience will not cause additional construction fees to Developer. Developer will provide an 8' utility easement outside the right-of-way of the road for installation and maintenance of the collection main.
- Collection system costs are based on the assumption that collection lines will be 36" deep. If for convenience or cost savings for other Development construction, Developer requests that collection systems be installed deeper than 36", design and construction cost may increase.
- Utility Company will install all pipe sleeves for crossings of the proposed road prior to the road having a finished surface. Crossings will consist of 3" to 4" SCH 80 pipe sleeves and crushed rock backfill. Any additional crossings needed at a later date by the Utility Company will be Utility Company's responsibility.
- Utility Company will connect the house to the main line by installing all necessary equipment including: necessary STEP tank equipment, 1,500 gallon tank buried no deeper than 30" to the top of the outside of the tank, electrical connection to the house (provided there is separate 20 amp breaker in electrical panel with electricity stubbed to exterior of house), piping from house to tank and piping from tank to main line. This connection will cost \$4,800 if the tank is located no more than 125 linear feet from the house and no more than 800 linear feet from

the main. Developer shall include a copy of a real estate disclosure that explains this process to the potential lot buyer (see sample draft disclosure, actual disclosure to be determined later). The \$4,800 cost is guaranteed for two years as described by this Document. Due to Missouri Public Service Commission regulations, the cost for this connection can not cost more than actual installation costs. Any increase in the cost of this equipment or connection will reflect only actual construction or equipment costs (i.e. only inflation, construction and/or vendor price increases will raise this cost).

- Developer will disclose that there is a central sewer system in this development. At this time a set sewer rate has not been established and agreed upon by the PSC and the Utility Company. However, preliminary figures indicate that this rate will be no more than \$38.00/month/customer and that the rate will likely be somewhere near \$36.00/month/customer.
- Developer will provide Utility Company with an Irrevocable Letter of Credit from a reputable bank for the sum of \$25,000. Utility Company will only draw upon said bank for this Irrevocable Letter of Credit account if Developer fails to pay Developer's monthly rate within 60 days of issuance of statement by Utility Company to Developer. Developer will be responsible for paying to the Utility Company the agreed upon amount/month as indicated on Page 8 Agreement for Utility Services: Wastewater Collection and Treatment System at Wil Mar Estates, Couchman Construction, Inc., Developer and attached to this document as Sheet 8. This payment is based on a graduated scale, decreasing in amount as more customers are connected to the system. For this Development release by the Utility Company of the Irrevocable Letter of Credit will occur once 45 customers are connected to the wastewater collection and treatment system. Once 60 customers are connected to the wastewater collection and treatment system, Utility Company will not bill Developer further for any costs associated with Page 8 titled Agreement for Utility Services: Wastewater Collection and Treatment System at Wil Mar Estates, Couchman Construction, Inc., Developer. NOTE: Revised 4/6/99.
- Developer will grant a utility easement to Utility Company for full use and discretion by Utility Company with boundaries of the easement described by lot line description of Lot 77 as shown on Page 7 labeled Proposed Location of Sewer System. Developer shall sell to Utility Company said Lot 77 after seventy (70) customers are connected to the wastewater collection and treatment system as described previously in this Document OR when Utility Company decides it is willing to purchase said lot. The price of this Lot 77 shall be \$1 and other valuable consideration, which other valuable consideration shall be determined solely by Utility Company. NOTE: Revised 4/6/99.
- The Utility Company guarantees that the construction prices listed in this document and agreed upon by the Utility Company and the Developer will remain fixed and not change for a period of two calendar years from the date at which this agreement (Document) is signed and agreed upon by both parties.
- This Document shall have no influence in any aspect upon future agreements or documents governing agreements between Developer and Utility Company.

Wastewater Treatment System:

Phase I Construction - Phase I construction of the wastewater treatment system shall consist of the following:

- Installation of a 46'x60' (or equivalent square footage) recirculating sand filter treatment system and all appurtenances to make the treatment system operational and complete to receive an NPDES permit. This filter is designed to treat approximately 13,800 GPD of domestic wastewater to anticipated NPDES effluent limits. Phase I will include fencing and a device that will split the flow of effluent between the two treatment systems when Phase II is constructed.
- Developer shall provide electrical power service to the lot where the treatment system is to be located.

Phase II Construction - Phase II construction of the wastewater treatment system shall consist of the following:

- Installation of a treatment system to treat wastewater for the remaining lots that cannot be served by the treatment system constructed during Phase I construction.

Collection System:

Phase I Construction - Phase I construction of the collection system shall consist of the following:

- Installation of 1,100 linear feet of 3" pressure collection main and 4,500 linear feet of 2" pressure collection main and necessary service line crossings. The proposed location of these lines is detailed on the Plan View Sheet labeled Proposed Location of Sewer System (NOTE: THIS REVISED 4/6/99 PROPOSAL DOES NOT INCLUDE CROSSING OF CREEK OR LINE BEYOND CREEK TO WIL-MAR ESTATES PROJECT PHASE I AS PREVIOUSLY PLATTED).

Phase II Construction - Phase II construction of the collection system shall consist of the following:

- Installation of 1,300 linear feet of 2" pressure collection main and necessary service line crossings. The proposed location of this line is detailed on the Plan View Sheet labeled Proposed Location of Sewer System.

Explanatory Notes (cont.):

Phase III Construction - Phase III construction of the collection system shall consist of the following:

- Phase III construction of the collection system consists of pipe necessary to complete line work in what is titled Phase IV of the development as indicated on the Proposed Location of Sewer System plan. This includes installation of 2,850 linear feet of 2" pressure collection main and necessary service line crossings.

Phase IV Construction - Phase IV construction of the collection system shall consist of the following:

- In general Phase IV construction of the collection system consists of pipe necessary to complete line work in what is titled Phase V of the development as indicated on the Proposed Location of Sewer System plan. This includes installation of 3,850 linear feet of 2" pressure collection main and 600 linear feet of 1" pressure service line and necessary service line crossings

This Document as defined previously is truly agreed upon and signed in good faith by Developer and Utility Company this date 4/12, 1999 by:

DEVELOPER

Gary Couchman
Gary Couchman
Representing Couchman Construction, Inc.

UTILITY COMPANY

Kevin Hawthorne, Treasurer
Kevin Hawthorne, Treasurer
Representing Central Rivers
Wastewater Utility, Inc.

Explanatory Notes (cont.):

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This Document is confidential. Any person that receives this Document shall have specific written approval of Central Rivers Wastewater Utility, Inc. or shall immediately destroy this document and any facsimile thereof. This Document is not currently Copyrighted. However, except as permitted by the United States Copy Right Act of 1976, no part of this Document may be distributed or reproduced in any form or by any means without prior written permission of Central Rivers Wastewater Utility, Inc. Developer is hereby granted the right to make facsimiles of this document as it is written. Modifications or alterations to this Document are not granted. Receiver is hereby ordered to destroy this Document and any facsimile if Receiver is unable or unwilling to comply with any part of this paragraph as it is written.

RESOLUTION
OF THE CLAY COUNTY COMMISSION
CLAY COUNTY, MISSOURI

99-321

ATTEST A TRUE COPY
PAMELA S. MASON, CLERK
CLAY COUNTY COMMISSION
BY R. T. [Signature]
DEPUTY CLERK

CENTRAL RIVERS WASTEWATER UTILITIES, INC.
WIL MAR ESTATES

BE IT HEREBY RESOLVED BY THE CLAY COUNTY COMMISSION OF CLAY COUNTY, MISSOURI THAT the Clay County Commission hereby recognizes and has no objection to Central Rivers Wastewater Utilities, Inc. owning and operating a sewage disposal system in the Wil Mar Estates subdivision.

ADOPTED BY THE COUNTY COMMISSION OF CLAY COUNTY, MISSOURI THIS 9th DAY OF August, 1999. 2nd

APPROVED AS TO FORM AND LEGALITY:

[Signature]
COUNTY COUNSELOR

[Signature]
PRESIDING COMMISSIONER

ATTEST:

[Signature]
COUNTY CLERK

[Signature]
WESTERN COMMISSIONER

BY; _____

[Signature]
EASTERN COMMISSIONER

EXHIBIT B