

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Cathy J. Orlor,)	
)	
Complainant,)	
)	
v.)	Case No. WC-2006-0082, et al.
)	
Folsom Ridge, LLC, (Owning and)	
Controlling the Big Island)	
Homeowners' Association),)	
)	
Respondent.)	

**COMPLAINANTS' URGENT REQUEST TO THE COMMISSION TO
REMOVE THE SUSPENSION OF THE PROCEEDINGS IN THIS
CASE, AND SIMUTANEOUSLY ISSUE A DETERMINATION AND
RULING THAT THIS UTILITY IS SUBJECT TO THE JURISDICTION
OF THE MISSOURI PUBLIC SERVICE COMMISSION AND
SHOULD BE REGULATED AS SUCH**

1. In August and September of 2005, 9, (nine), Formal Complaints were filed with the Missouri Public Service Commission against Folsom Ridge, LLC., (Mr. Reggie Golden and Mr. Rick Rusaw), Owning and Controlling the Big Island Homeowners' Association.

Extensive documentation supporting the Complainants' claims were provided to the Commission as part of the complaints, and included in the numerous pleadings filed in this case.

2. On February 09, 2006, a "Staff Report of Investigation," prepared by Jim Merciel and Martin Hummel of the Water and Sewer Department, stated the following in support of the Complainants' claims:

- The BIHOA is an entity that is controlled not by the homeowners, but rather the same people that control Folsom
- Folsom believed that it could create an association of utility customers, but retain for itself, control of the association
- The Staff does not believe that the BIHOA is a legitimate homeowners association, since not all of its customers are members and, also since the developer has control of the association, not the customers

3. On June 16, 2006, Mr. Golden, Mr. Rusaw, and Ms. Brunk created a new legal entity, Big Island Water and Sewer Company, Inc., and filed an Application in response to the complaints, requesting a Certificate of Convenience and Necessity, to continue providing water and sewer service on Big Island, and created case no. WA-2006-0480, et al. The Applicant Big Island Water and Sewer Company, Inc., (Mr. Golden, Mr. Rusaw, and Ms. Brunk), state on page 3 of the application, that the utility "systems are presently owned by Folsom Ridge, LLC," (Mr. Golden and Mr. Rusaw). "The Association, (BIHOA – being owned and controlled by Folsom Ridge, LLC.), has handled the business of supplying water and sewer service under arrangement with Folsom Ridge." "Applicant, (Mr. Golden, Mr. Rusaw, and Ms. Brunk), the Association, (being owned and controlled by Folsom Ridge, LLC.), and Folsom Ridge, (Mr. Golden and Mr. Rusaw), have entered into an asset transfer agreement," of the utility's assets.

4. On June 27, 2006, the Commission issued an order suspending the procedural schedule of the complaint case, until further notice, to allow the certification case to move forward. Page 3 of the Commission's order stated that Big Island Water and Sewer Company, Inc., (Mr. Golden, Mr. Rusaw, and Ms. Brunk), is affiliated with the owners of Folsom Ridge, LLC., (Mr. Golden and Mr. Rusaw).

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5. Recently, during the proceedings of the Application for Certification case, the Applicant, Big Island Water and Sewer Company, Inc., (MR. Golden, Mr. Rusaw, and Ms. Brunk), announced in the Motion to Suspend Procedural Schedule, dated December 06, 2006, the intent to transfer water and sewer assets in negotiations with Folsom Ridge, LLC., (Mr. Golden and Mr. Rusaw), and the Association, being owned and controlled by Folsom Ridge, to an unregulated entity.

6. Although all parties involved with the ownership and operations of the utility, and the transfer of the utility assets, are separate legal entities, it is clearly evident that the same individuals and principles are negotiating with themselves and deciding by signature of the same individuals and principles, to transfer utility assets that are subject to the ownership of residential homeowners. This present action being taken by the developer, Folsom Ridge, LLC., (Mr. Golden and Mr. Rusaw), through their ownership and control of the homeowners association, is the very reason 9, (nine), Formal Complaints were filed with the PSC, nearly 18, (eighteen), months ago now!

7. Complainants in the Complaint case do not authorize Mr. Golden and Mr. Rusaw to transfer their utility assets, and are objecting to the transfer of their utility assets, to an unregulated entity. Complainants identify to the Commission, their ownership in the utility assets as follows:

- a. Existing property owners purchased water and/or sewer taps that are tangible and physical pipes, valves, and connections that are their personal properties, located on their private properties, and are bound by legal description, in the owners' property titles. These tap purchases signify their reserved future right to connect to the utility and represent their collective sum total of personal, financial investment in the utility, of \$306,800.00 as per the applicant's feasibility study.

Wherefore, the complainants are begging the Commission to issue the relief requested nearly 18, (eighteen), months ago, by the regulation of this utility; PLEASE HELP US!

1. Remove the suspension of the proceedings of the complaint case.
2. Simultaneously render the determination and ruling, (based on and resulting from the conclusions of staff and admission by Applicant of the utility ownership and/or control by Folsom Ridge, LLC.), that this utility is subject to the jurisdiction of the Missouri Public Service Commission, and should be regulated as such, and immediately halt the transfer of the utility assets.

Complainants remind the Commission, that time is of the essence, and the Commission must act quickly, as the transaction of transferring the utility assets, is expected to be completed within a matter of days.

Respectfully submitted,

Joseph J. Schoder

Sean Serrano

Andy Fort

Casey J. Allen

Benjamin D. Rugh

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent via electronic E-mail, on this 26th day of December, to: the General Counsel's Office at gencounsel@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov; and via U.S. Mail, postage prepaid, to: Mark W. Comley, 601 Monroe Street, Suite 301, P.O. Box 537, Jefferson City, MO. 65102; and Charles E. McElyea, 85 Court Circle, P.O. Box 559, Camdenton, MO. 65020

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