

MEMORANDUM

TO: Missouri Public Service Commission
Official Case File, File No. SA-2023-0437

FROM: David A. Spratt – Water, Sewer, & Steam Department
Adam Stamp – Water, Sewer, & Steam Department
Tammy Huber – Customer Experience Department
Keith D. Foster – Auditing Department
Alexis L. Branson – Auditing Department
Kelli McKinley – Financial Analysis Department

/s/ David A. Spratt 10/16/2023
Case Manager

SUBJECT: Recommendation of Approval of Application

DATE: October 16, 2023

EXECUTIVE SUMMARY

Members of the Board for the Village of Luray (“Luray”) have requested that Confluence Rivers Utility Operating Company, Inc. (“Confluence” or “Company”) take over the operation of its sewer system. The lagoon and lift stations are not currently in compliance with the Missouri Department of Natural Resources (“DNR”) and the Board of Luray has stated that it does not have the money to fix or operate the wastewater system. DNR has identified many problems with the system, outlined below.

The necessary improvements proposed for the sewer system will likely be costly. As explained in more detail throughout the memo, Luray does not have revenue from the sewer system to invest and has not been collecting rates from the sewer customers. Confluence has demonstrated an ability to purchase small failing systems and invest a large amount of capital to get the sewer system back in compliance.

CASE BACKGROUND

On June 23, 2023, Confluence filed its *Application and Motion for Waiver* (“Application”) with the Missouri Public Service Commission (“Commission”).

Confluence is seeking Commission authorization to acquire the sanitary sewer collection and treatment system belonging to the Luray and requests that the Commission grant Confluence a Certificate of Convenience and Necessity (“CCN”) to operate this system. This system is currently unregulated by the Commission.

On June 29, 2023, the Commission issued its *Order Directing Notice, Setting Dates for Intervention Requests, and Directing Filing of Staff Recommendation* ordering Staff to file its recommendation, or status report stating when it expects to file a recommendation, by August 1, 2023. Staff filed multiple status reports and ultimately requested to file its recommendation no later than October 16, 2023. The Commission granted Staff's request.

Confluence Rivers has no overdue Commission annual reports or assessment fees. Additionally, no parties sought to intervene in the case and, to date, no public comments have been submitted.

BACKGROUND OF CONFLUENCE

Confluence is an existing regulated water and sewer utility currently providing water service in several service areas throughout Missouri. Confluence is a subsidiary of Central States Water Resources, LLC. In its Application, Confluence stated it provides water service to approximately 4,800 customers and sewer service to approximately 5,100 customers.¹ Confluence provides these services to customers in Audrain, Boone, Cole, Franklin, Greene, Jefferson, Lincoln, Madison, Montgomery, Perry, Phelps, St. Francois, Taney and Washington Counties in Missouri.

BACKGROUND OF LURAY

Luray is located in the Northeast part of the state on US Route 136, in Clark County Missouri approximately 10 miles south of the Iowa border and about 25 miles west of the Illinois border. Luray was originally platted in 1837. After 170 years of operation, the post office was closed in 2011,² and Staff observed that the local school building has also been abandoned for some time.

As of the 2020 census, Luray's population was 71. This is down from 99 people from the 2010 census and 102 from the 2000 census. In 2010 there were 39 housing units down from 46 housing units in 2000.³ Staff was unable locate more current housing data. During the site inspection, Staff observed several empty lots with remnant housing debris, and several abandoned residential houses within Luray.

The median household income was \$23,125 in 2000 and is estimated at \$51,503 in 2021.⁴ Based on the decreasing population and housing units cited in the previous paragraph, and Staff's observations in the field, it is Staff's conclusion that the increase in median income is a result of lower income households moving out of Luray rather than local economic opportunities raising the median household income.

According to conversations and emails from a Luray city trustee, Clark County Consolidated Public Water Supply District 1 (PWSD1) used to supply potable water to the customers of Luray and each residence had a septic tank. Many of these tanks did not flow into a drain field

¹ In the most recent Confluence rate case WR-2023-0006, Staff used 4,830 for water customers and 5,053 for sewer.

² <https://collections.shsmo.org/manuscripts/columbia/C2366/clark-county>.

³ <https://worldpopulationreview.com/us-cities/luray-mo-population>.

⁴ <https://www.city-data.com/city/Luray-Missouri.html>.

underground but instead flowed directly out on the ground. Sometime in the early 2000s, PWSD1 approached Luray's mayor with an offer to provide central sewer services to Luray. Luray accepted the offer, and PWSD1 demolished the septic tanks, installed collection piping, lift stations, and a lagoon. PWSD1 operated the sewage collection and treatment system for some period until turning over operations and ownership to Luray. The board member Staff spoke with did not know why the PWSD1 decided not to continue operating the sewer since it continues to supply drinking water to Luray.

Based on the results of a Sunshine Request to DNR, Luray failed to maintain the system in working condition and failed to work with DNR to maintain permit compliance. The records show that despite DNR working with the city since 2015, Luray was either unwilling or unable to meet a step-by-step multi-year Schedule of Compliance for Ammonia. Luray has not made an effort to collect payments from customers. According to a board member, some customers have never made a payment since Luray took over the sewer system. Customers were not disconnected for non-payment and not encouraged to pay for services. Sewer charges were originally proposed to be \$30 but DNR suggested that Luray should be charging much more than that to collect revenue, which could be invested into the system.

Currently, at least two of the three lift stations are inoperable and sewage is overflowing into nearby ravines. Based on the results of a Sunshine Request to DNR, this condition appears to have started in December 2019. The system is currently under DNR enforcement action.

Failure to provide safe and adequate service in the short-term, and to provide permit compliance in the long-term are further discussed in this recommendation.

STAFF'S INVESTIGATION

Water, Sewer, & Steam Staff members investigated the Luray wastewater treatment system's condition, including its performance and compliance with environmental regulations. Staff also reviewed information from records from the DNR, including the operating permit⁵, inspections, notices of violation, and letters of warning.

Staff performed an inspection of the sewer system (permit # MO 0129682) on July 18, 2023. The inspection included an on-site review of the current condition of the system, a drive through Luray, and a discussion with Confluence personnel on proposed capital improvements.

Description of Collection Sewers and Wastewater System

The collection system was installed some time in the early 2000s and completed by 2005. The collection system consists of gravity flow sections of 8-inch diameter PVC pipe that discharge to Lift Station #1. From Lift Station #1 the wastewater is pumped to Lift Station #2 and then to the lagoon. A third lift station pumps wastewater from a single residence to Lift Station #2. The force main from the lift stations are 4-inch diameter PVC pipe that feeds the lagoon.

⁵ <https://dnrservices.mo.gov/env/wpp/permits/issued/docs/0129682.pdf>.

The treatment system is a three-cell aerated lagoon with each cell separated by a divider curtain. The primary and secondary cells are aerated and sludge is retained in the lagoon. No data was available on wastewater flow, however, the Operating Permit lists the design flow as 20,000 gallons per day and an actual flow of 12,200 gallons per day. Two 3-horsepower blowers are used to aerate the lagoon. There is no equipment in place to disinfect the treated wastewater prior to discharge. The effluent discharges into a tributary to South Linn Creek.

DNR Permit and Inspections of Wastewater Treatment System

The Luray wastewater treatment system's Missouri State Operating Permit MO-0129682 was last issued on July 1, 2019, and expired on December 31, 2022. The system is currently operating on an expired permit.

The previous permit for this facility was issued on February 1, 2015, and included new final effluent limitations for Ammonia and an eight-year schedule to attain compliance with those final effluent limitations. It appears that Luray failed to follow this schedule, because in the current permit, DNR re-established the schedule of compliance at 13 years for compliance of all final effluent limits to be achieved by March 1, 2028. This year, 2023, is year nine of the schedule, and to Staff's knowledge none of the milestones of the 13-year plan have been completed.

Luray has received several Notices of Violation ("NOVs") and Letters of Warning ("LOWs") during the 5-year document review period of the Sunshine Request. In general, these NOVs and LOWs were generated due to deficiencies with the facility's operation, maintenance monitoring and reporting. Failure to adequately respond to DNR's NOVs and LOWs led DNR to begin an enforcement action. As part of the enforcement action, DNR conducted an inspection of the Luray wastewater treatment system on April 27, 2022. The inspection found the treatment system to be in non-compliance with its permit. The report lists 13 violations ranging from failure to comply with reporting requirements to discharging contaminants (discharge of untreated wastewater) to a nearby stream. These violations are:

1. Failed to submit timely Discharge Monitoring Reports, as required in part "A" of MSOP #MO-0129682 [Section 644.076.1, RSMo, and 10 CSR 20-7.015(9)(D)1.].
2. Failed to submit an Inflow and Infiltration (I&I) report for 2020, 2021, and 2022, as required by Special Conditions #8 of MSOP #MO-0129682 [Section 644.076.1, RSMo, and 10 CSR 20-7.015(9)(D)1].
3. Failed to submit DMRs through the Electronic Discharge Monitoring Report (eDMR) Submission System, in accordance with Special Condition #1 of MSOP #MO-0129682 [Section 644.076.1 RSMo]
4. Failed to report progress made in attaining compliance with the final effluent limits for Ammonia as N and E.coli, as required in part "B", Standard Conditions, and part "B", Schedule

of Compliance of Missouri State Operating Permit #MO-0129682 [Section 644.076.1, RSMo, and 10 CSR 20-7.015(9)(C)].

5. Failed to maintain the lagoon berms to be free of any deep-rooted vegetation, animal dens, or other potential sources of damage, in accordance with Special Condition #15 of Missouri State Operating Permit #MO-0129682 [Section 644.076.1, RSMo].

6. Failed to clearly mark the outfall in the field, as required by Special Conditions #3 of MSOP #MO-0129682 [Section 644.076.1, RSMo].

7. Failed to operate and maintain facilities to comply with the Missouri Clean Water Law and applicable permit conditions [Section 644.076.1, RSMo and 10 CSR 20-6.010(8)(A)4].

8. Caused pollution of a tributary to the South Linn Creek and a tributary to the Wyaconda River, waters of the state [Sections 644.051.1(1) and 644.076.1, RSMo].

9. The facility discharged water contaminants into waters of the state, which reduced the quality of such waters below the Water Quality Standards established by the Missouri Clean Water Commission [Sections 644.051.1(2) and 644.076.1, RSMo, and 10 CSR 20-7.031 or applicable subsections of 10 CSR 20-7.031].

10. Failed to provide a working alarm system for the lift station [10 CSR 20-8.130(6)].

11. Failed to provide at least two operational pumps at the lift stations [10 CSR 20-8.130(3)(B)1.].

12. Failed to develop and maintain an Operations and Maintenance Manual, as required by Special Condition #11 of Missouri State Operating Permit #MO-0129682 [644.076.1, RSMo].

13. Failed to develop and implement a program for maintenance and repair of the collection system, as required by Special Conditions #8 of MSOP #MO-0129682 [Section 644.076.1, RSMo].

Staff Observations of Wastewater Collection and Treatment System

During the July 17, 2023 site visit, Staff observed that the lagoon was in poor condition. The lagoon does have a rock lining around the inner berm to prevent erosion and to keep muskrats from burrowing into it. The dividing curtains appeared to be intact. However, the surface of the entire lagoon is covered in duckweed, which interferes with oxygen transfer from the atmosphere into the lagoon, and therefore impairs the lagoon's ability to treat the sewage. There is also dense vegetation growing around the lagoon, which needs to be removed in order to prevent roots from breaching the lagoon seal or its berms. The aeration system piping and equipment housings are corroded and there are rodent nests in the control panel. Based on the general appearance of the lagoon and a nearby lift station, it appears that the system has not been properly operated for some time. The power had been shut off at the treatment system and at Lift Station #2.

Lift Station #2, is located near the lagoon, and is overgrown with saplings and weedy brush. It did not appear operational, and there were no overt signs of an active sanitary sewer overflow.

Staff observed a steady sanitary sewer overflow at Lift Station #1. A steady stream was flowing down a steep embankment and into a gully. Staff observed some erosion of the embankment and gully from the overflow, indicating that the overflow had been occurring for a period of time, Based on the results of the DNR Sunshine Request, this overflow may have been occurring continuously since December 2019. The Lift Station #1 location is overgrown with saplings and weedy brush. The power was turned off at Lift Station #1.

Proposed Improvements for the Wastewater Collection and Treatment System

Confluence states that initial improvements will include installing a flow meter and remote monitoring, lift station repairs, access road repairs and vegetation removal. Secondary improvements include replacing aeration system, and installing a single stage moving bed bioreactor, chlorine contact chamber and tablet feeder.⁶

Confluence has not proposed a timetable for the work to be performed yet. Staff recommends the lift stations get repaired immediately to get the sewage flowing to the lagoon and eliminate the Sanitary Sewer Overflow. Staff believes six months should be enough time to make the lift stations operational again. The lagoon should be operational within the first year but it may be more problematic to meet limits and function to the level it may be required to. For that reason, Staff recommends the lagoon be fully functional and meeting its permitted limits in no more than four years.

Rate Base

Confluence did not provide an engineering study estimating remaining rate base for the assets of this previously unregulated system. Based upon the purchase price of ** [REDACTED] **, and the need for extensive repairs and upgrades detailed above, Staff finds it reasonable to assume a rate base of \$0.00 until Confluence files an application for its next rate case. However, because rate base is not required to be determined during this type of acquisition, the Commission is not required to make a finding at this time. As part of a future rate case, Confluence will supply details of the plant investments made and may choose to prepare an engineering study estimating rate base for other assets.

Depreciation

Staff recommends the use of Confluence Rivers' current depreciation rates as established in *Order Approving Agreements*, issued on 09-27-23 in Case No. WR-2023-0006.

⁶ Data Request No. 0027.

Customer Experience

Publicity and Customer Notice

According to information provided to Staff, Confluence Rivers is not aware of any notifications or meetings held to inform the Luray residents of the proposed acquisition.

Customer Service and Billing

Confluence Rivers sends a brochure to all new customers. Customers may contact Confluence Rivers' customer service department by calling the toll-free phone number 866-945-3920 or by sending an email to customer service. There is also a toll-free phone number available for emergency calls. The emergency number, the website, and email are available 24/7. According to Confluence Rivers, this information is provided on the customer brochure, the website, and in all written materials sent to customers. Confluence Rivers' main office is located at 1630 Des Peres Road, Suite 140, St. Louis, MO 63131 and is open Monday through Friday from 8:00am to 5:00pm. The main office's customer service personnel are also available to be contacted after hours for escalated emergency calls.

Confluence Rivers will offer payment options including check, money order, cashier's check, debit card, credit card, e-check, Apply Pay, Google Pay, and PayPal Cash. Customers may mail in a check/money order as payment or they may pay directly online.

In order to incorporate the Luray customers into its billing and customer service systems, it will be necessary for Confluence Rivers to properly enter the appropriate customer information into its systems and apply the Commission-approved rates.

Rate and Tariff Matters

Confluence Rivers proposes to charge a flat rate of \$30.00 per month for sewer service, which is consistent with the rate Luray had previously charged. While this rate is expected to be well below the cost of service, it is a step toward an appropriate rate and will help minimize rate shock for the Luray customers. Confluence proposes to spend approximately ** [REDACTED] ⁷ ** making repairs and upgrades to the sewer system at Luray. When Confluence requests a rate increase in the future, the rates of Luray will be increased to the amount of other Confluence customers which could be nearly three times the amount they will be initially charged. Additionally, Confluence Rivers proposes to utilize the rules governing the rendering of service currently found in Confluence Rivers' existing P.S.C. MO No. 13 tariff for sewer service, until the Commission orders new rates and rules.

Technical, Managerial, and Financial Capacity and Tartan Energy Criteria

Staff utilizes the concepts of Technical, Managerial, and Financial capacities ("TMF") in studying applications involving existing water and/or sewer systems. Staff has reviewed and stated its position on the TMF capacities regarding each of Confluence River's affiliates in previous CCN

⁷ Data Request No. 0025.

and transfer of assets cases before the Commission. Staff's position on Confluence Rivers' ability to meet TMF criteria remains positive regarding those affiliates, and it similarly takes the position that Confluence Rivers has adequate TMF capacity in this case. It is Staff's position that Confluence Rivers has the ability to secure funding, to oversee construction of any necessary upgrades or repairs, and the ability to manage operations of the Luray sewer utility system.

When considering a request for a new CCN, the Commission applies criteria originally developed in a CCN case filed by the Tartan Energy Company and referred to now as the "Tartan criteria." The Tartan criteria contemplate 1) the need for service; 2) the utility's qualifications; 3) the utility's financial ability; 4) the economic feasibility of the proposal; and, 5) promotion of the public interest. Similar to the TMF capacities, in previous CCN cases Staff investigated these criteria and that investigation relates to this proposed acquisition. The results of Staff's investigation are outlined below:

(1) Need for Service

There is a current need for sewer service. Given the population dynamics of Luray, it is unclear how long sewer service will be needed in the future. The existing customer base in Luray service area has both a desire and need for service. In addition, there is a need for the necessary steps to be taken to update the sewer system, and to ensure the provision of safe and adequate service. Luray has made the decision to sell the system to Confluence Rivers, and rely upon Confluence Rivers to properly operate and maintain the existing sewer system in order that customers will receive safe and adequate service.

(2) Applicant's Qualifications

Confluence Rivers is qualified to own and operate the sewer system. Confluence Rivers is an existing water and sewer corporation and public utility subject to the jurisdiction of the Commission. Confluence Rivers is currently providing water service to approximately 4,800 customers and sewer service to approximately 5,100 customers in several service areas throughout Missouri. Additionally, Confluence Rivers has affiliates that provide water and sewer service in several other states.

(3) Applicant's Financial Ability

Confluence Rivers anticipates no need for external financing to complete this acquisition, and has demonstrated over many years that it has adequate resources to operate utility systems it owns, to acquire new systems, to undertake construction of new systems and expansions of existing systems, to plan and undertake scheduled capital improvements, and to timely respond and resolve emergency issues when such situations arise.

Per Staff's review of Confluence Rivers' financial information, Confluence Rivers appears to have multiple negative financial ratios indicating a high financial risk.⁸ Confluence additionally shows consistently negative net income and retained earnings from 2020 through 2022.⁹ The Project's

⁸ Confluence Rivers' response to Data Request No. 0003 in WA-2023-0398.

⁹ Confluence Rivers' response to Data Request No. 0001 in WA-2023-0398.

projected Cash Flow Statement similarly anticipates a negative Net Cash Flow for all three years presented.¹⁰ Despite the high financial risk, given the purchase price for this acquisition is ** [REDACTED] **,¹¹ it is reasonable to conclude that Confluence Rivers has the financial capacity to acquire this system without a significant negative impact on its capital structure or financial ratios.

(4) Feasibility of the Proposal

As previously mentioned, the proposed water and sewer rates are expected to be well below the cost of service, but are a step toward an appropriate rate and will mitigate rate shock. Confluence Rivers has the ability to draw upon the significant resources of its parent company, should any shortfall arise prior to the next rate case. The proposed improvements appear to be a reasonable plan for bringing the system into compliance.

(5) Promotion of the Public Interest

Due to Luray not complying with a schedule of compliance from DNR to maintain and operate the sewer system, Staff asserts that Confluence Rivers' request for a CCN and related acquisition of the Luray sewer assets promotes the public interest. Customers will experience enhanced service with the improvements to the sewer system. Confluence Rivers has demonstrated the ability to provide save and adequate service.

Technical, Managerial, and Financial Capacity

In studying most situations involving the acquisition of existing water and/or sewer systems, Staff utilizes the concepts of technical, managerial, and financial capacity, or "TMF," originally developed by the United States Environmental Protection Agency. Staff has reviewed and stated its position regarding TMF regarding Confluence in previous CCN and transfer of assets cases before the Commission. Staff again reviewed Confluence's TMF capabilities in this context of this Application, and takes the position that Confluence continues to demonstrate adequate TMF capability.

Technical Capacity

As noted above, Confluence is an existing regulated water and sewer utility currently providing water service to approximately 4,800 customers and sewer service to more than 5,100 customers in Audrain, Boone, Cole, Franklin, Greene, Jefferson, Lincoln, Madison, Montgomery, Perry, Phelps, St. Francois, Taney and Washington Counties in Missouri. Confluence's parent company provides service in several additional service areas through its ownership of six other utility companies in Missouri. Operation of these utilities has been satisfactory to date, and Staff has no reason to believe that this will change. Confluence has employees and contract operators with sufficient technical ability to operate the utilities. As such, it is Staff's position that Confluence has the requisite technical capacities to acquire and operate Luray.

¹⁰ Appendix F-C of The Application.

¹¹ Appendix A-C of The Application.

Managerial Capacity

Confluence intends to incorporate Luray into its current billing and customer service system. Confluence's current customer service representatives will be available to take and process customer inquiries pertaining to billing and/or service issues, make necessary bill adjustments, assist customers with entering into payment plans within company guidelines, interact with Staff in working with customer complaints, and manage new customer accounts and the closing of customer accounts. In the operation of its current system, Confluence has demonstrated the requisite managerial abilities to operate Luray.

Financial Capacity

Confluence and its affiliates have demonstrated ability to utilize available approved financial resources in its other Missouri service areas to undertake rehabilitations, replacements and improvements to substandard water and sewer systems.

- Luray, as an unregulated sewer corporation, has no obligations due to the Commission, and has no pending actions before the Commission.
- Confluence Rivers is a corporation that is in "good standing" with the Missouri Secretary of State.
- Confluence is current with annual report filings with the Commission through calendar year 2021, as documented on the Commission's Electronic Filing and Information System ("EFIS"). Confluence's 2022 annual report is due April 15, 2023.
- Confluence is current on its annual assessment payments through August 23, 2022.
- Confluence Rivers has other pending cases before the Commission, but none that would impact this decision.
- A map and a description of the proposed Luray service area, similar to that shown on the attachments to this memorandum (A and B), will need to be included as new tariff sheets in Confluence's sewer tariff, P.S.C. MO No. 13. The table of contents in Confluence's tariff will also need to be updated to reflect the addition of the new sheets containing the map and description. Staff recommends that after approval, but before Confluence closes on the utility assets, Confluence submit the new or revised sewer tariff sheets so they may become effective on or before the date Confluence closes on the Luray assets.

STAFF'S RECOMMENDATIONS AND CONCLUSIONS

Staff has concerns that the costs of improvements to the Luray system may not be recouped through rates from the Luray customers. Despite Staff's concerns of the potential of current Confluence customers to share a part of the cost of the improvements, the impact of a failed sewer system could be even more detrimental to the community. Staff has spoken to a board member for Luray who stated the board is very much in favor of selling the sewer system and believes that the purchase by Confluence is the only hope for Luray and that this is in the public interest of its

citizens. At this time, Luray does not have a functioning sewage treatment system, and this must be remedied.

With these reservations, Staff finds that issuance of a CCN to Confluence is necessary or convenient for the public service. Staff recommends the Commission grant Confluence's Application, authorize Confluence to acquire the unregulated Luray sewer system assets, and grant Confluence a CCN to operate these assets, subject to the following conditions:

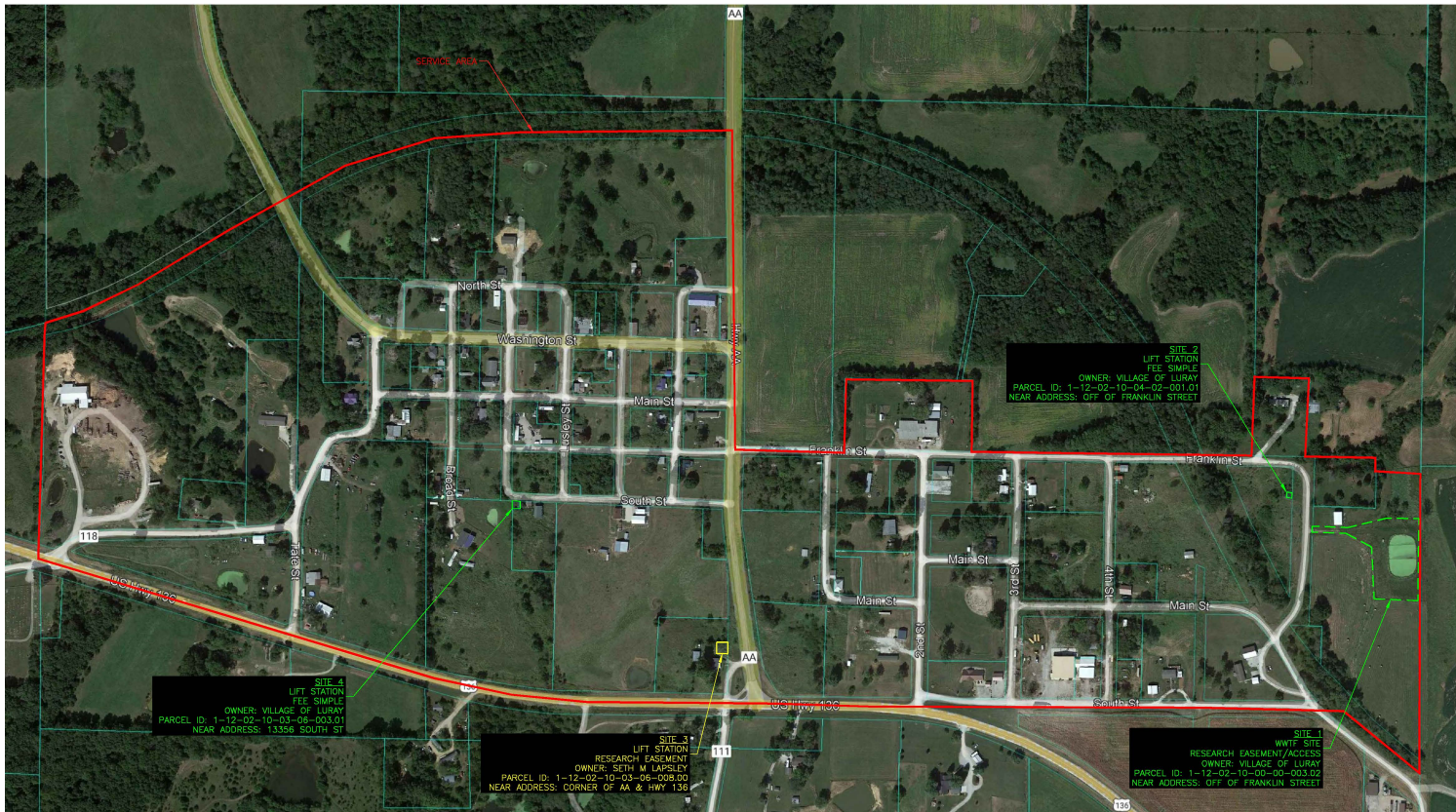
1. Require Confluence to revise P.S.C. MO No. 13 for the addition of Luray's sewer assets, to become effective before closing on the assets. Also require Confluence to file tariff sheets for the service area map, service area written description for Luray's sewer assets, and table of contents;
2. Require Confluence to notify the Commission of closing on the assets within five (5) days after such closing;
3. Require Confluence to repair the lift station pumps within one hundred eighty (180) days of closing on the assets. Confluence shall provide notice to the manager of the Water, Sewer, and Steam department of compliance with this condition;
4. Require Confluence to make the repairs necessary in order for the sewage treatment system to comply with DNR permit effluent limits within three years of closing on the assets. Confluence shall provide notice to the manager of the Water, Sewer, and Steam department of compliance with this condition;
5. Require Confluence to work with the Department of Natural Resources to complete the renewal and transfer of the Operating Permit for the treatment facility;
6. If closing on the sewer assets does not take place within thirty (30) days following the effective date of the Commission's order approving such, require Confluence to submit a status report within five (5) days after this thirty (30) day period regarding the status of the closing, and additional status reports within five (5) days after each additional thirty (30) day period, until closing takes place, or until Confluence determines that the transfer of the assets will occur;
7. If Confluence determines that a transfer of the assets will not occur, require Confluence to notify the Commission of such, no later than the date of the next status report, as addressed above, after such determination is made, and require Confluence to submit tariff sheets as appropriate that would cancel the service area map and description applicable to Luray in its sewer tariff, and rate and charge sheet applicable to customers in the Luray service area in the sewer tariff;

8. Require Confluence to keep its financial books and records for plant-in-service and operating expenses in accordance with the National Association of Regulatory Utility Commissioners Uniform System of Accounts;
9. Require Confluence Rivers to provide training to its call center personnel regarding rates and rules applicable to the Luray customers;
10. Require Confluence Rivers to distribute to the Luray customers an informational brochure detailing the rights and responsibilities of the utility and its customers consistent with the requirements of Commission Rule 20 CSR 4240-13, within thirty (30) days of closing on the assets;
11. Require Confluence Rivers to provide to the Customer Experience Department (“CXD”) Staff an example of its actual communication with the Luray customers regarding its acquisition and operations of the water, and how customers may reach Confluence Rivers, within ten (10) days after closing on the assets;
12. Require Confluence Rivers to include the Luray customers in its established monthly reporting to the CXD Staff on customer service and billing issues, on an ongoing basis, after closing on the assets;
13. Require Confluence Rivers to provide to the CXD Staff a sample of five (5) billing statements from the first three month’s billing for the Luray within ten (10) days of the billings; and,
14. Require Confluence Rivers to file notice in this case outlining completion of the above-recommended training, customer communications, notifications and billing within ten (10) days after such communications and notifications.

Attachments

- A. Map of Luray Service Area
- B. Legal Description for Luray Service Area

**ROUGH SERVICE AREA MAP (v1)
VILLAGE OF LURAY
(WASTEWATER)
CLARK COUNTY, MO**



SITE 4
LIFT STATION
FEE SIMPLE
OWNER: VILLAGE OF LURAY
PARCEL ID: 1-12-02-10-03-00-003.01
NEAR ADDRESS: 13356 SOUTH ST

SITE 3
LIFT STATION
RESEARCH EASEMENT
OWNER: SERI M LAMPERT
PARCEL ID: 1-12-02-10-03-06-008.00
NEAR ADDRESS: CORNER OF AA & HWY 136

SITE 2
LIFT STATION
FEE SIMPLE
OWNER: VILLAGE OF LURAY
PARCEL ID: 1-12-02-10-04-02-001.01
NEAR ADDRESS: OFF OF FRANKLIN STREET

SITE 1
WWTF SITE
RESEARCH EASEMENT/ACCESS
OWNER: VILLAGE OF LURAY
PARCEL ID: 1-12-02-10-00-00-003.02
NEAR ADDRESS: OFF OF FRANKLIN STREET

Utility Note Disclaimer:

The service area shown hereon are depicted based on a service area map provided by the system manager. 21 Design Group, Inc performed no field verification of the layout and are unable to determine the exact location at this time. The location represents approximate location only and should not be construed as being 100% accurate. It is shown to provide general service area of the system to assist with ordering title work and preparation of scope for a Licensed Land Surveyor. This sketch should not be used to interpret encroachments.

DATE:	03/30/2022
PROJECT NO:	02W-22
DRAWN BY:	MAP
SCALE:	
SHEET NAME:	
SERVICE AREA MAP	



1351 Jefferson, Suite 301
Washington, MO 63090
mcl@21designgroup.net
P: 636-492-8029

Description of Land, Improvements thereon, Easements, Rights of Way, Permits and Leases
(The legal description(s) of the Land, Improvements thereon, Easements, Rights of Way shall be determined by
survey and title commitments, which shall be inserted prior to the Closing).

[TO BE FINALIZED PRIOR TO CLOSING]

The following described lots, tracts or parcels of land, lying, being and situate in the County of Clark State of Missouri:

All interests in land used or useful in operation of the Sewer System that services the area set forth on **EXHIBIT A**, including but not limited to easements, rights of way and permits, and including the real property described in Commitment File No. [FILE NUMBER], issued by [TITLE COMPANY], as agent for [UNDERWRITER] as well as in an Assignment of Easements between Consolidated Public Water Supply District #1 Of Clark County, Missouri and the Village of Luray, which was executed on February 27, 2012.

All of Lots 1 and 2 in Block 26 in the town of Eldorado, now Luray, Clark County, Missouri.

AND,

Commencing at the Northeast Corner of the Southeast One-Quarter (SE ¼) of Section 10, Township 65 North, Range 9 West of the Fifth Principal Meridian, Clark County, Missouri; thence S 0°45'28" W (assumed bearing), 27.00 feet along the East line of said SE ¼ to the TRUE POINT OF BEGINNING; thence continuing S 0°45'28" W, 1089.49 feet along the East line of said SE ¼ to a point on the North Right-of-Way (R/W) line of the Burlington Northern Railroad (BNRR); thence on a curve to the right, having a radius of 1859.92 feet, an arc length of 550.84 feet, a chord bearing of N 47°16'33" W, and a chord distance of 548.83 feet along said North R/W line of the BNRR to a point on the East line of the original town of Eldorado, now Luray, as plated in said SE ¼; thence N 0°42'37" E, 568.17 feet measured (584.93 feet deed) along the East line of said town; S 88°38'18" E, 218.84 feet measured (209.61 feet deed); thence N 0°45'28" E, 158.62 feet; thence S 88°38'18" E, 189.73 feet along a line parallel with the North line of said SE ¼ to the POINT AND PLACE OF BEGINNING. Said tract contains 8.31 acres, more or less. Subject to all public roads, easements, restrictions, reservations, covenants and conditions, if any, now of record. Along with a permanent and perpetual 30 foot wide utility easement, 15 feet on either side of the outfall line as laid from the Water District property to the drainage ditch north of the property.

A Nine Hundred One (901) square foot tract located in the Southwest Quarter of Section Ten (10), Township Sixty-Six (66) North, Range Nine (9) West, Clark County, Missouri, and more particularly described as follows: Beginning South 00 degrees 27 minutes 18 seconds East, 30.00 feet from the Southwest corner of Block Four (4) of Miller's Addition to the Town of Luray, Missouri, thence North Eighty-Nine (89) degrees, Thirty-Two (32) minutes, Forty (40) seconds East, 30.03 feet parallel with and 30.00 feet normal to the South line of said Block Four (4); thence South 00 degrees 27 minutes 20 seconds East, 30.00 feet; thence South 89 degrees 32 minutes 40 seconds West, 30.03 feet; thence North 00 degrees 27 minutes 20 seconds West, 30.00 feet to point of beginning, containing Nine Hundred One (901) square feet.

Commencing at the Southeast Corner of Lot 6 in Block 28 in the Original Town of Eldorado, now Luray, Clark County, Missouri; thence N 0°42'37" E (assumed bearing), 38.07 feet along the East line of said lot 6 to the TRUE POINT OF BEGINNING; thence N 88°38'18" W, 20.00 feet along a line parallel with the South line of said Lot 6; thence N 0°42'37" E, 20.00 feet along a line parallel with the East line of said Lot 6; thence S 88°38'18" E, 20.00 feet along a line parallel with the South line of said Lot 6 to a point on the East line of said Lot 6; thence S 0°42'37" W, 20.00 feet along the East line of said Lot 6 to the POINT AND PLACE OF BEGINNING. Said tract contains 0.01 acres, more or less. Subject to all public roads, easements, restrictions, reservations, covenants and conditions, if any, now of record.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI


In the Matter of the Application of Confluence)
 Rivers Utility Operating Company, Inc., for a)
 Certificate of Convenience and Necessity)
 Authorizing it to Install, Own, Acquire,) File No. SA-2023-0437
 Construct, Operate, Control, Manage and)
 Maintain a Sewer System in and around the)
 Village of Luray, Missouri)

AFFIDAVIT OF DAVID A. SPRATT

STATE OF MISSOURI)
) ss.
 COUNTY OF COLE)

COMES NOW DAVID A. SPRATT and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

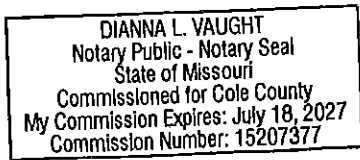
Further the Affiant sayeth not.

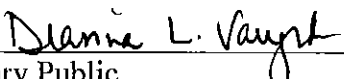


DAVID A. SPRATT

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12th day of October 2023.





 Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc., for a)
Certificate of Convenience and Necessity)
Authorizing it to Install, Own, Acquire,) File No. SA-2023-0437
Construct, Operate, Control, Manage and)
Maintain a Sewer System in and around the)
Village of Luray, Missouri)

AFFIDAVIT OF KEITH D. FOSTER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KEITH D. FOSTER and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

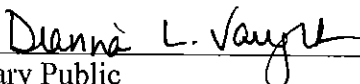


KEITH D. FOSTER

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12th day of October 2023.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc., for a)
Certificate of Convenience and Necessity)
Authorizing it to Install, Own, Acquire,)
Construct, Operate, Control, Manage and)
Maintain a Sewer System in and around the)
Village of Luray, Missouri)

File No. SA-2023-0437

AFFIDAVIT OF ALEXIS L. BRANSON

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW ALEXIS L. BRANSON and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

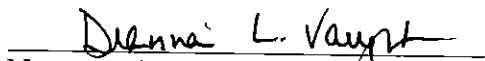


ALEXIS L. BRANSON

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12th day of October 2023.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2027
Commission Number: 15207377



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc., for a)
Certificate of Convenience and Necessity)
Authorizing it to Install, Own, Acquire,)
Construct, Operate, Control, Manage and)
Maintain a Sewer System in and around the)
Village of Luray, Missouri)

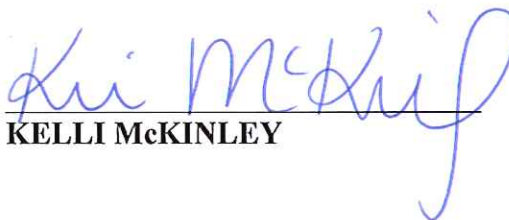
File No. SA-2023-0437

AFFIDAVIT OF KELLI McKINLEY

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KELLI McKINLEY and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.



KELLI McKINLEY

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of October 2023.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070



Notary Public