

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In the Matter of the Petition for an Interim Receiver and for an Order Directing the General Counsel to Petition the Circuit Court for the Appointment of a Receiver for Misty Water Works.)
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Case No. WO-2024-0036

STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and in response to the Commission’s *Order Directing Staff File A Monthly Status Report*, states as follows:

1. On August 15, 2023, Staff filed a *Petition for Interim Receiver* pursuant to § 393.145, RSMo, asking the Commission to direct its General Counsel to petition the Circuit Court of Cole County, Missouri to appoint a receiver for Misty Water Works and to appoint an interim receiver for Misty Water Works.

2. The evidentiary hearing in this matter was held on October 25 and 26, 2023, during which Leon Travis Blevins testified he planned to form one or more non-profit home owners associations (HOA) to take over the water utility service of the various well systems he owned so that the water systems he operated would no longer be subject to Missouri Public Service Commission (PSC) jurisdiction.

3. On December 20, 2023, the Commission issued an *Order Directing Staff Response About Noncompliant Well Agreement*, requiring the Staff to inform the Commission of the status of the Missouri Department of Natural Resource (DNR)’s noncompliant well agreement and its availability.

4. On January 8, 2024, March 7, 2024, April 5, 2024, and again on May 7, 2024, Staff filed *Status Reports* describing the DNR actions against Mr. and Mrs. Blevins.

5. Specifically, Staff noted that on December 28, 2023, the DNR issued a unilateral order to Mr. and Mrs. Blevins, in the form of a *Notice and Order to Abate Violations and Pay Administrative Penalties* No. PDWB-2023-215, before the Missouri Administrative Hearing Commission (AHC), relating to the Misty Mountain Public Water System (PWS), which became effective on December 28, 2023.¹

6. That administrative order (AO) relating to Misty Mountain PWS set forth numerous findings of fact and violations of Chapter 640, RSMo, and Title 10 CSR 60, which would subject Mr. and Mrs. Blevins to monetary penalties under Chapter 630, RSMo. It also ordered Mr. and Mrs. Blevins to take specific corrective actions to remedy the violations set forth in the AO.

7. On February 2, 2024, Mr. and Mrs. Blevins, through counsel, filed a *Notice of Appeal* at the AHC in case number PDWB-2023-215, along with *Respondents' Request for Extension of Time for Good Cause Shown*. The AHC designated that filing a "complaint" and gave it AHC case number 24-0110. On March 7, 2024, the DNR filed a *Motion to Dismiss and Answer* in AHC case number 24-0110 (DNR Order No. PDWB-2023-215) for lack of jurisdiction, in that the Blevinses filed their appeal of its Order out of time. On April 4, 2024, the AHC entered a *Decision* granting the DNR's *Motion to Dismiss*.

8. According to the DNR, to date, the Blevinses have been and continue to be in non-compliance with the unilateral AO issued by the DNR relating to the Misty Mountain PWS on December 28, 2023, No. PDWB-2023-215.

9. On January 5, 2024, the DNR issued two other proposed Administrative Orders on Consent (AOCs) to Mr. and Mrs. Blevins relating to the Charity PWS and Rolling Hills PWS, which

¹ The Order can also be accessed at this link: <https://dnr.mo.gov/compliance-assistance-enforcement/actions>.

contain similar requirements as the Misty Mountain PWS AOC referenced above. If the Blevinses fail to reach an agreement and sign the proposed AOCs, then the DNR will issue unilateral AOs to each PWS, as it did with the Misty Mountain PWS.

10. On May 13, 2024, the DNR issued an order to Mr. and Mrs. Blevins, in the form of an Administrative Order on Consent (AOC) No. PDWB-2023-233, relating to the Rolling Hills PWS. Mr. and Mrs. Blevins each signed the AOC, accepting its findings and terms, on April 25, 2024.²

11. That AOC relating to Rolling Hills PWS set forth numerous findings of fact and violations of Chapter 640, RSMo, and Title 10 CSR 60, which would subject Mr. and Mrs. Blevins to stipulated monetary penalties under Chapter 630, RSMo. It also ordered Mr. and Mrs. Blevins to take specific corrective actions to remedy the violations set forth in the AOC.

12. A revised proposed AOC relating to the Charity PWS was mailed to Mr. and Mrs. Blevins by the DNR on May 31, 2024. The Blevinses have 15 days from the date of receipt to respond to and/or sign the AOC. That AOC is similar to the AOCs already issued against the Blevins relating to the Misty Mountain PWS and Rolling Hills PWS.

13. On January 9, 2024, Mr. Blevins registered the Charity PWS Home Owners Association (HOA), Rolling Hills PWS HOA, and the Misty Mountain PWS HOA as public non-profit corporations with the Missouri Secretary of State's (MO SOS) Office. No other filing was made for or on behalf of any of the HOAs with the MO SOS Office.

14. On February 29, 2024, the Tigger Water Well was registered as a Mutual Benefit corporation with the MO SOS Office with the purpose of forming a Mutual Water Well Ownership (hereafter to be known as the "Tigger HOA"). The Tigger HOA's Bylaws were drafted and approved by its members on February 24, 2024.

² The Order can also be accessed at this link: <https://dnr.mo.gov/compliance-assistance-enforcement/actions>.

15. Lori Jean has been hired by the Tigger HOA as the Tigger HOA PWS Certified Operator (CO).

16. According to the Pulaski County, Missouri Recorder of Deeds, the Tigger Well #1, which serves the Tigger HOA, is owned by one of the homeowner-members of the Tigger HOA, and not by either Mr. and/or Mrs. Blevins.

17. On March 26, 2024, the DNR activated the Tigger HOA PWS, splitting it away from the rest of the Misty Mountain PWS, and provided water to the residents of both the Tigger HOA homeowners and the Taylor Lane residents until at least June 3, 2024.³

18. The Tigger HOA notified Mr. Blevins by letter that he must fix or otherwise repair the Taylor well to get it operational so that those homes can regain access to the Taylor well and no longer be connected to the Tigger HOA PWS well. Prior to June 1, 2024, Mr. Blevins had failed to fix or make necessary repairs to the Taylor well, leaving those homes still connected to the Tigger HOA PWS.⁴

19. The Taylor well is owned and operated by Mr. Blevins, but had been out of service since at least August 2019, leaving all of the residents on Taylor Lane to be fully supplied by the Tigger well. The connection between the two wells recently suffered a leak, potentially adversely affecting the Taylor Lane residents' water supply. The Tigger HOA wants to permanently close its connection to the Taylor well / Taylor Lane residents, but does not want to cut water service to the residents if the leak is not fixed.⁵

³ There are currently three houses on Taylor Lane receiving water from the Tigger HOA PWS well. The residents had been notified by letter from the Tigger HOA that the Tigger HOA was working on a "service agreement" related to maintaining the water supply to those residents past June 3, 2024.

⁴ According to Pulaski County Recorder of Deeds, Mr. and Mrs. Blevins own the lot that contains the Taylor well.

⁵ The Tigger HOA had voted on May 21, 2024, to stop the water supply to the Taylor Ln. residents on June 5, 2024, if Mr. Blevins had not taken appropriate action to fix the Taylor well connection, according to Jeff Grube, a member of the Tigger HOA.

20. As of June 6, 2024, Staff has received information that the Taylor well has been repaired and is ready to be placed in service, and that a bacteriological water sample was sent to the Pulaski County Health Department to confirm drinking water safety.

21. On or about March 3, 2024, Lori Jean ceased acting as the certified operator (CO) for Mr. Blevins and the Misty Mountain, Charity, and Rolling Hills PWSs. Title 10 CSR 60-14.010 requires all community public water systems to be under the direct supervision of a properly certified CO. Because Mr. Blevins is not a CO, he is required to obtain the services of a properly certified operator for each PWS and provide a copy of a complete contract operator agreement per 10 CSR 60-14.010(4)(F).

22. To date, no replacement CO has been named by Mr. Blevins for his well systems. As a result, DNR sent Mr. and Mrs. Blevins letters of warning on May 9, 2024, regarding Misty Mountain PWS, Rolling Hills PWS, and Charity PWS, and notices of violation (NOVs) were mailed to Mr. Blevins in June. DNR will continue issuing them to Mr. Blevins in all subsequent months until he obtains a CO or submits a schedule of compliance with a specific plan for obtaining an operator for each system.

23. The 2024 DNR laboratory services and program administration fees ("lab fees") were overdue in May and are still overdue for the Misty Mountain, Charity, and Rolling Hills PWSs. The Blevins will get notices of violation for those systems in June if the fees remain unpaid.

24. On April 25, 2024, Staff inspected three wells Mr. Blevins owns that supply water service to approximately 10 homes on Rowden Lane, one of which has developed a leak, resulting in a loss of water pressure to three of the houses. The leak appears to be below the surface. To date, Mr. Blevins has not repaired the leak. Unlike the three well systems mentioned above, the homes on Rowden Lane are not part of any DNR regulated PWS, and there is no connection that will allow the houses located there to be supplied by any of those well systems.

25. On April 8, 2024, an *Order of Revival of Judgment* was entered in the Cole County Circuit Court, in *State of Missouri, ex rel., Jeremiah W. (Jay) Nixon, Attorney General, the*

MO Land Reclamation Comm'n, The MO Clean Water Comm'n, and the MO DNR, v. Charles Johnston, d/b/a Johnston Sand & Gravel Co., Morris M. McDaniel,, and Leon Travis Blevins d/b/a Travis Sand & Gravel Co., Case No. 02CV324722, against Leon Travis Blevins d/b/a Travis Sand & Gravel Co. That Order revived the Judgment entered against Mr. Blevins on July 3, 2003 in the amount of \$10,000 plus interest for his violations of the Missouri Clean Water Law.

WHEREFORE, the Staff respectfully offers and requests the Commission accept the foregoing *Status Report* in this case.

Respectfully submitted,

/s/ Carolyn H. Kerr

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 7th day of June, 2024, to all parties and counsel of record.

/s/ Carolyn H. Kerr