

**Majestic Lakes HOA**  
**% Innovative Property Management**  
**223 Salt Lick Rd., #401**  
**St. Peters, MO 63376**

Mr. David Kitzmiller  
Regional Vice President of Operations  
American Water Enterprises  
1001 Board Walk Springs Plaza Ste 100  
O'Fallon, MO 63368

Dear Mr. Kitzmiller:

The Majestic Lakes Homeowners Association is writing you because we are currently in discussions with Central States Water Resources, Inc. (CSWR) about the privatization of our existing drinking water and wastewater systems. We have been told CSWR has started a dialogue with American Water about our system. As you know our wastewater system's original builder/developer is currently in an enforcement action with the Missouri Department of Natural Resources and Missouri Attorney General over serious system deficiencies. As a homeowner association we are experiencing the same types of major deficiencies with other Homeowner Association property due to the original developer/builder's lack of care.

The current contract between the Majestic Lakes Homeowner's association and American Water was executed and negotiated by the same builder and developer who is now in middle of a Missouri Attorney General legal enforcement action. The current American Water/Majestic Lakes contract does not have any provisions for the construction of improvements our water and wastewater systems require by American Water as the operator.

The current operations and maintenance contract has a term that is longer than our existing plant permit further clouding our community's future viability. As a Homeowner Association we cannot pay for necessary improvements due to the cessation of development directly resulting from the existing water infrastructure's failure. In other words, Majestic Lakes is effectively shut out from growth headed toward failing as a community.

In addition, American Water has been unwilling to work with the Majestic Lakes Homeowners Association to cut off utilities over unpaid association dues. American Water is again in a position that is cutting off our ability as a homeowner's association to even raise the money we need for basic property maintenance, much less large scale water infrastructure projects.

We believe that American Water had no idea that the original builder/developer maliciously cut out required project specifications in an attempt to cut costs resulting in our failing wastewater situation when American Water executed the current long term operations and maintenance contract with the original developer. As a homeowner association we are asking you as a company, in light of our current situation and in light of the circumstances surrounding our current contract, to allow the Majestic Lakes Homeowner's Association to break our existing contract with no penalties.

Allowing the Majestic Lakes Homeowners Association to privatize our water and wastewater will allow our community to thrive something we know American Water wants as well. We hope you will see this request as an ask by a community to grow, to a company we know is committed to communities' growth nationwide.

Sincerely, *Innovative Property Management*  
*(on behalf of)*

The Board of Majestic Lakes Homeowners Association

Jay Polin, President

Stacey Donahue, Secretary

Michelle Edwards, Treasurer

cc: Association Attorney file