

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Joint Application of )  
Kenneth Jaeger and Blue Lagoon, LLC )  
Authorizing Kenneth Jaeger ) Case No.  
To Transfer his Assets to Blue Lagoon, )  
LLC., and for a the establishment of )  
a Rate . )

**JOINT APPLICATION OF KENNETH JAEGER AND BLUE LAGOON, LLC FOR AN  
ORDER AUTHORIZING KENNETH JAEGER, TO TRANSFER HIS ASSETS TO BLUE  
LAGOON, LLC AND ESTABLISHING A RATE FOR BLUE LAGOON, LLC**

COMES NOW Blue Lagoon, LLC ("Blue Lagoon"), and Kenneth Jaeger ("Jaeger") (together, the "Joint Applicants") and, for their Joint Application for an Order Authorizing Kenneth Jaeger to Transfer his lagoon, sewer system, easements and rights of way, real estate for spray area and other rights and interest in Blue Lagoon and for the establishment of a Rate ("Application"), state the following to the Missouri Public Service Commission ("Commission").

Applicant Kenneth Jaeger

1. Kenneth Jaeger currently owns a lagoon and sewer system located in Ralls County Missouri. Kenneth Jaeger does not have a permit to operate the Lagoon nor has the Missouri Public Service Commission issued a Certificate of Convenience and Necessity.. Kenneth Jaeger is involved in a lawsuit with the state of Missouri and there are two claims pending with the Missouri Public Service Commission. As settlement to this lawsuit and the claims, Kenneth Jaeger has agreed he would transfer ownership of the Lagoon, sewer system, easements and right of ways, real estate for spray area and all other rights of the lagoon and sewer system to Blue Lagoon LLC. Mr. Jaeger knows of no other person or entity to who will be the continuing authority of the sewer system..

2. In compliance with Rule 4 CSR 24-2.060 (1), Kenneth Jaeger provides the information set forth in paragraphs 4-7 hereof.

3. The street address of Kenneth Jaeger is an individual sole proprietor of the lagoon and sewer system with his principal place of business being his home address of 27948 Ted Hunt Road, Unit 2, Los Fresnos, Texas 78566. Mr. Jaeger's mailing address is the same as the address for the place of business set out above. His telephone number is (956) 371-1467 He does not have an electronic mailing address or fax number.

4. Mr. Jaeger is self employed and is in the construction business.

5. Correspondence, communications, and orders and decisions of the Commission that affect Mr. Jaeger are to be mailed to Joe Maxwell, 210 E. Love, Mexico, Missouri 65265.

6. Mr. Jaeger has three pending actions involving himself and the lagoon and sewer system which are the subject of this application. They are:

- a. Ralls County Circuit Court Case No. CV805-12CC State of Missouri v. Ken Jaeger;
- b. Missouri Public Service Commission Case No. SC-2005-0083 Reiersen, et ux. v. Jaeger; and
- c. Missouri Public Service Commission Case No. SC-2005-0099 Hellebusch v. Jaeger.

7. Mr. Jaeger is a sole proprietor and has not registered a fictitious name with the Secretary of State. While Mr. Jaeger formed a Non-Profit Corporation, Blue Lagoon Sewer System, Inc, on May 24, 2004, he did not transfer any assets to the Corporation nor did he do any business in the name of the Corporation or on behalf of the Corporation. Blue Lagoon Sewer System, Inc. (N00590363) has been administratively dissolved. The sewer system has also been referred to as the Lost Valley Lagoon.

8. No annual report or assessment fee is overdue, however, final resolution of the above stated legal actions are still pending.

#### **Applicant Blue Lagoon, LLC**

9. Applicant Blue Lagoon, LLC is a Missouri limited liability corporation is in good standing, with its principal place of business is at 44836 Sheil Lane, Monroe City, Mo. 63456. Its mailing address is the same. In compliance with Rule 4 CSR 240-2.060 (1), Blue Lagoon, LLC provides the information set forth in paragraphs 10-14 hereof.

10. Blue Lagoon, LLC telephone number is also (573)568-2498. Its fax number is (573) 568-2498 and it does not have an e-mail address. A Certificate of Organization, issued by the Missouri Secretary of State on November 7, 2007, Articles of Organization and a Certificate of Good Standing are attached hereto as Exhibit A.

11. Blue Lagoon, LLC was organized to transact any and all lawful business for which a limited liability company may be organized. It is a sole member limited liability company. It's sole member is Alvin Thompson, 44836 Sheil Lane, Monroe City, Mo. 63456.

12. Correspondence, communications, and orders and decisions of the Commission that affect Blue Lagoon, LLC should be sent to Alvin Thompson, sole member, 44836 Sheil Lane, Monroe City, Mo. 63456.

13. Neither the Applicant Blue Lagoon, LLC nor its sole member, Alvin Thompson, have any pending action or final unsatisfied judgment or decision against it from any state or federal agency or court that involves customer service or rates that has occurred within three years prior to the date of the filing of this Joint Application.

14. Applicant Blue Lagoon, LLC does not have any overdue commission annual reports or assessment fees.

**Requirements of Rule 4 CSR 240-3.305**

15. Pursuant to Commission Rule 4 CSR 240-3.305, Applicants provide the information in Paragraphs 16 - 21 below.

16. There is not another sewer utility in the area each of the business and residence are dependant upon the sewer system which is the subject of this application.

17. There are more than 10 residents and landowners within the proposed service area. The following is a list of ten of the residents:

- a. Allan and Jan Worrell 409 Jakes Creek Lane, Jacksonville, IL 62650
- b. Gary Diggins, 505 Duke William Ct, O'Fallon, MO 63366
- c. James Wilkerson, 4572 Cty. Rd. 214 Fulton, MO 65251
- d. Sue and Mike Moses, 6501 Davis Ct. N.W. Cedar Rapids, IA 52405
- e. Pamela Farrell, 15 Woodbike Ct., Troy, MO. 63379
- f. Richard Mitchell, P.O. Box 402 Monroe City, MO. 63456
- g. Robert Hellebush, 150 New Grance Pass, St. Charles, MO. 63366
- h. Robert Skoba, P.O. Box 1851, St. Peters, MO 63376
- i. Gerald Reiersen, 43615 Blue Lagoon Drive Monroe City, MO 63456
- j. John Weiler, 43665 Willow Lane, Monroe City, MO 63456

18. The legal description shall be submitted to the Missouri Public Service Commission after the filing of this application.

19. A plat of the proposed service area is attached and marked as Exhibit B.

20. The following is the information in satisfaction of Commission Rule 4 CSR 240-3.305 (1) (A) 5:

- a. Blue Lagoon, LLC is a Missouri Limited Liability Company formed for the purpose of operating an existing sewer system within the proposed service area.
- b. The lagoon, spray area, mains, manholes, lift station, pump, and piping, are already in place; the remaining part of the system being proposed is to replace the existing irrigation system with a water-reel and pump system. Exhibit C outlines the proposed water-reel and its estimated cost of \$13,249.13. This water-reel is being purchased by Applicant Kenneth Jaeger. The lift station requires that a second pump be installed. Applicant Ken Jaeger is also proposing purchasing the pump for the lift station estimated cost is shown on Exhibit D, in the amount of \$3,500.00. The Applicant Blue Lagoon proposes to establish an additional alarm system which would notify him of any problems by calling his telephone,

Mr. Alvin Thompson has estimated this cost to be \$600.00 for installation. Applicant Blue Lagoon is proposing this cost be established in the regulated rate.

- b. Exhibit E shows the lagoon, the spray area and the service area as well as the engineering supporting the system. Within the service area is approximately 2,115 lineal feet of 8-inch PVC gravity sewer line, a lift station, 13 manholes and 2 additional clean outs. The original development to include the lagoon was purchased for approximately \$104,000.00. The total acres of the development is a little over twenty acres including the lagoon and spray area. The spray area makes up 6.5 acres not including the set back and lagoon. Applicant Ken Jaeger alleges \$75,000.00 of the original purchase price was for the lagoon and related land area. Applicant Ken Jaeger employed Alvin Thompson to install the 8 inch PVC main and 13 manholes the total cost of this construction was approximately \$94,000.00; this cost does not include Applicant Ken Jaeger's labor or the cost of Applicant Ken Jaeger's equipment which was used in the construction of the mains. Applicant Ken Jaeger has expended approximately \$12,000.00 on the sewer systems lift station not including the cost of the proposed second pump..
- c. By the end of the first year, Applicant Blue Lagoon, LLC proposes to have installed the wheel-reel outlined in Exhibit C. The Applicant further proposes to build an equipment storage shed for an estimated \$8,500.00. Applicant Blue Lagoon, LLC is proposing this cost be established in the regulated rate.
- d. The service area includes 26 single family homes, a motel, a camp ground and a convenience store. Approximately 13-15 people reside within the service area on a full time basis. The remainder of the residents are seasonal due to the recreational nature of the Mark Twain Lake Area. 1,069,000 gallons of water was used within the service area in the last 12 months.
- e. There are no current plans for additional connections in the service area, however, the development does allow for as many as 10 more single family homes to be built and added to existing mains. In the engineers irrigation calculations it was estimated that these 10 additional homes would increase the water usage by 3,340 gallons per day. See Exhibit F.
- f. Currently no rate is being charged any of the landowners or residents within the service area. Applicant Blue Lagoon, LLC is proposing a rate equivalent to the water rate currently being charged to the landowners and residents of the service area by Cannon Water Supply District No. 1 of Ralls, Monroe, and Marion Co. Mo. plus \$16.00 a month additional charge per month and an additional \$5.00 per 1,000 gallons over the minimum useage. Applicant Blue Lagoon, LLC is also proposing a \$100.00 connection fee to cover the cost of inspecting the hook up. The proposed fee is based on the amount of water used by the landowner or resident, for standard water meters the Water District rate is \$14.00 for the first 1,000 gallons of water used and \$5.50 for each additional 1,000

- gallons. For large meters, the proposed rate would be \$60.00 for the first 6,000 gallons of water used and \$5.50 for each 1,000 gallons thereafter.
- g. Currently no income is generated from the system.
  - h. Based on the last twelve months water bills the proposed rate would generate \$21,135.40 per year.
  - I. The water usage has been fairly consistent over the last several years and Applicant Blue Lagoon, LLC does not expect there to be a change within the next 3 years.
  - j. Applicant Blue Lagoon, LLC proposes a labor rate of \$25.00 per hour and estimates the following:
    - \* \$6,100.00 labor cost per year for irrigation based on the estimated usage and pumping time required. The proposed pump pumps 100 gallons per minute. Missouri Department of Natural Resources has estimated that 1,200,000 gallons per year must be pumped this equals 200 hours of spray time. The additional 44 hours is for setting up the reel.
    - \* One trip a week to site for inspection \$520.00 in travel expense pr year and \$1,3000.00 in labor cost,
    - \* mowing of the lagoon with an annual cost of \$2,150.00. See Exhibit G Applicant Blue Lagoon estimates that the spray area will have to be mowed 6 times per year with an average cost of \$200 per cutting, \$1,200.00 per year.
    - \* electric cost of \$1,020.00 per year,
    - \* Liability insurance of \$3,833.33 per year. See Exhibit H.
    - \* Telephone service would be approximately \$360.00 per year.
    - \* The Cannon Water Supply District No. 1 of Ralls, Monroe, and Marion Co. Mo. have agreed to manage the billing at a cost of 10% of the billed amount, \$2,113.54 per year.
    - \* Annual property tax of \$321.88
    - \* Monthly debt service payments of approximately \$225.00. (72 monthly installments) This is an annual payment \$2,700.00.
    - \* Fees to Public Service Commission
  - k. Applicant Blue Lagoon, LLC anticipates the operating expense to remain the same each of the next three years.
  - l. The assets being transferred are being done so free and clear of all encumbrances and have a value of \$170,000.00, this along with the credit of the owner of Blue Lagoon, LLC allows the applicant to secure the necessary capital to make the proposed improvements and additions to the system. See Exhibit I.
  - m. Most of the development has been completed by Applicant Ken Jaegar and will be transferred without any cost to Applicant Blue Lagoon, LLC.
  - n. Applicant Blue Lagoon, LLC's owner and sole member, Alvin Thompson, will be the operator of the system. Mr. Thompson has over 40 years of contracting work and sewer system installation experience. He is the contractor who installed and conducted the testing on the system that is the subject of this application. His telephone number is (573) 248-7866.

- o. Mr. Thompson will be responsible for managing the sewer system. His intentions are to contract with Cannon Water Supply District No.1 of Ralls, Monroe and Marion Co. MO. to issue the billing.
- p. There are no management contracts.

21. It is necessary for Blue Lagoon, LLC to be accepted as an authorized continuing authority by the Department of Natural Resources pursuant to 10 CSR 20-6.010 (3) in order for DNR to issue an operating permit to Applicant Blue Lagoon, LLC. No other approval is required.

#### **Requirements of Rule 4 CSR 240-3.310**

22. Pursuant to Commission Rule 4 CSR 240-3.310, Applicants provide the information in Paragraphs 22-28 below.

23. The property is located as part of the Lost Valley Subdivision, (See Exhibit J) and does not require a franchise to operate. Applicant Ken Jaeger has not received a certificate of convenience and necessity.

24. There is not a contract for sale.

25. Blue Lagoon, LLC has adopted the attached Resolution authorizing member Alvin Thompson to proceed with the transfer of the assets subject to the contingencies being met.. See Exhibit K

26. This transfer of assets is not detrimental to the public interest. The residents and landowners need to have a service provider.

27. Until the transfer is approved, Blue Lagoon, LLC does not have any assets or liabilities nor does it have any receipts or expenses.

28. There will not be any impact on the taxes of any of the political jurisdictions in that both Applicants, Ken Jaeger and Blue Lagoon, LLC are private entities.

#### **Transaction**

29. This transaction and transfer of assets is to be a part of a proposed settlement of the Ralls County Circuit Court Case No. CV805-12CC State of Missouri v. Ken Jaeger; and satisfies the Missouri Department of Natural Resources operating permitting requirement that a continuing authority be established.

30. Applicant Ken Jaeger, purchased the lagoon and development after it was in operation. He then subdivided the development and sold individual lots. The owners of the lots built homes and connected the homes to the existing sewer system. After a complaint was made

to DNR it was discovered that the lagoon and sewer system did not have an operating permit and that much of the system needed to be upgraded for an operating permit to be issued by DNR.

31. Following over two years of development and legal action, DNR has agreed to issue an operating permit so long as a continuing authority is established. Because of the problems associated with the Ralls County Circuit Court Case the State of Missouri, by and through the Missouri Attorney General, believe it is in the best interest of the landowners and residents served by the service area to have someone other than Applicant Ken Jaeger to be the continuing authority. Therefore this joint application has been prepared and filed.

32. Applicant Ken Jaeger has agreed to transfer the assets to Applicant Blue Lagoon, LLC at no cost to Applicant Blue Lagoon, LLC; to forfeit all rights to income and profits from the lagoon and sewer system and to pay \$25,000.00 in penalties as ordered by the Ralls County Circuit Court.

33. Applicant Ken Jaeger has accepted these terms based on the settlement agreement with the State of Missouri and has agreed to continue with the transfer so long as the Missouri Public Service Commission, State of Missouri, Missouri Department of Natural Resources release him from all other claims not otherwise contained in the court ordered settlement. Such settlement shall be sent to the Missouri Public Service Commission as part of this application upon its execution.

34. Applicant Blue Lagoon, LLC has agreed to accept the transfer of the assets and sewer system so long as Missouri Department of Natural Resources agrees that upon Applicant Blue Lagoon, LLC being established as the continuing authority they will issue an operating permit and all claims against the property and sewer system which is the subject of this Application have been released to the satisfaction of Blue Lagoon, LLC. Applicant Blue Lagoon, LLC further reserves the right to refuse the transfer until an acceptable sewer rate is established.

#### **Notice to Customers**

35. In conjunction with the filing of this joint application, Blue Lagoon, LLC is providing notice of the application and proposed rates to the landowners and residents of the sewer system. A copy of the notice shall be filed with the commission within 10 days after the case is opened for consideration. Such notice will invite the customers to submit comments regarding this application.

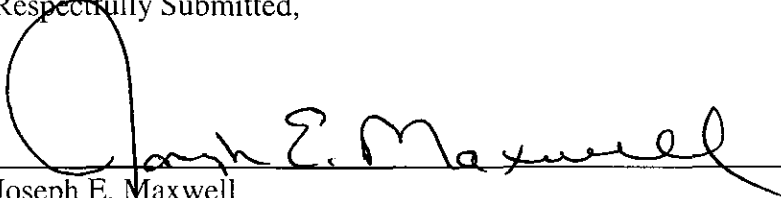
**WHEREFORE**, Joint Applicants Ken Jaeger and Blue Lagoon, LLC pray that the Commission enter its order:

- (a) authorizing Ken Jaeger to transfer all of its sewer system assets associated with the Lost Valley Subdivision to Blue Lagoon, LLC;
- (b) issuing a certificate of convenience and necessity to Blue Lagoon, LLC,
- (f) establishing the rates that Blue Lagoon, LLC requested it be allowed to set,
- (g) upon issuing a certificate of convenience and necessity dismissing the claims contained in the two pending cases before the Commission, Missouri Public Service

Commission Case No. SC-2005-0083 Reiersen, et ux. v. Jaeger; and Missouri Public Service  
Commission Case No. SC-2005-0099 Hellebusch v. Jaeger.

(g) granting any other and further relief the Commission deems necessary and appropriate.

Respectfully Submitted,

  
\_\_\_\_\_  
Joseph E. Maxwell  
Missouri Bar No .37999

210 E. Love  
Mexico, MO 65265  
(573) 581-8373 (telephone)  
(573) 581-8486 (facsimile)

ATTORNEY FOR KEN JAEGER AND BLUE LAGOON, LLC

**AFFIDAVIT**

STATE OF MISSOURI     )  
                                      )  
COUNTY OF AUDRAIN )

Alvin Thompson, being on his oath duly sworn, deposes and states that he is the sole member of Blue Lagoon, LLC that he has read the foregoing Joint Application of Ken Jaeger and Blue Lagoon, LLC for an Order Authorizing Ken Jaeger to Transfer his sewer system assets as described in this Joint Application and for the establishment of a rate, and that the facts stated therein are true and correct, to the best of his knowledge and belief.

  
\_\_\_\_\_  
ALVIN THOMPSON

Subscribed and sworn to before me, a notary public this 5<sup>th</sup> day of December, 2007.

  
\_\_\_\_\_  
Notary Public

GEORGIA TILLER  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Audrain County  
My Commission Expires: 8/3/2011  
Commission# 07417839

My Commission Expires: \_\_\_\_\_



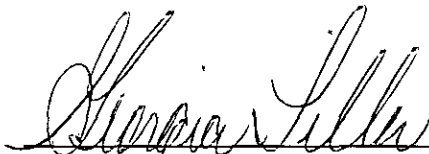
**AFFIDAVIT**

STATE OF MISSOURI    )  
                                  )  
COUNTY OF AUDRAIN    )

Ken Jaeger, being on his oath duly sworn, deposes and states that he is an individual and has the right to transfer the sewer system assets described in this Joint Application and that he has read the foregoing Joint Application of Ken Jaeger and Blue Lagoon, LLC for an Order Authorizing Ken Jaeger to Transfer his Assets to the sewer system associated with the Lost Valley Subdivision and for the establishment of a Rate, and that the facts stated therein are true and correct, to the best of his knowledge and belief.

  
KENNETH JAEGER

Subscribed and sworn to before me, a notary public this 5th day of December, 2007.

  
Notary Public

My Commission Expires: \_\_\_\_\_

GEORGIA TILLER  
Notary Public - Notary Seal  
STATE OF MISSOURI  
Audrain County  
My Commission Expires: 8/3/2011  
Commission# 07417839

**Certificate of Service**

I hereby certify that copies of this Application have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 6th day of December, 2007

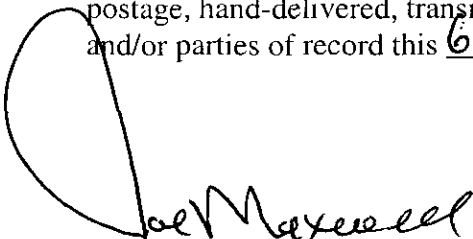
  
Joe Maxwell

Exhibit A

# State of Missouri



Robin Carnahan  
Secretary of State

## CERTIFICATE OF ORGANIZATION

WHEREAS,

*Blue Lagoon, LLC*  
*LC0854057*

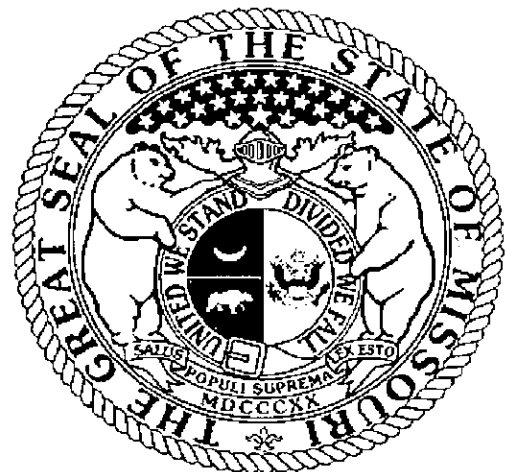
filed its Articles of Organization with this office on the November 7, 2007, and that filing was found to conform to the Missouri Limited Liability Company Act.

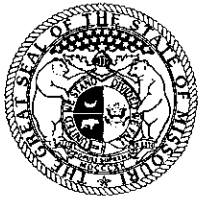
NOW, THEREFORE, I, ROBIN CARNAHAN, Secretary of State of the State of Missouri, do by virtue of the authority vested in me by law, do certify and declare that on the November 7, 2007, the above entity is a Limited Liability Company, organized in this state and entitled to any rights granted to Limited Liability Companies.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the November 7, 2007.

*Robin Carnahan*

Secretary of State





**State of Missouri**  
**Robin Carnahan, Secretary of State**

File Number: 200731190155

LC0854057

Date Filed: 11/07/2007

Robin Carnahan

Secretary of State

## Articles of Organization

1. The name of the limited liability company is:

**Blue Lagoon, LLC**

2. The purpose(s) for which the limited liability company is organized:

**To own and operate a lagoon and sewer system.**

**The transaction of any lawful business for which a limited liability company may be organized under the Missouri Limited Liability Company Act, Chapter 347 RSMo.**

3. The name and address of the limited liability company's registered agent in Missouri is:

**Alvin Thompson**

*Name*

**44836 Sheil Lane, Monroe City MO 63456**

*Address*

4. The management of the limited liability company is:

☐

Manager

☒

Member

5. The duration (period of existence) for this limited liability company is:

**Perpetual**

6. The name(s) and street address(es) of each organizer:

**Alvin Thompson, 44836 Sheil Lane, Monroe City MO 63456**

**In Affirmation thereof, the facts stated above are true and correct:**

(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

**Alvin Thompson**

*(Organizer Name)*

Exhibit B

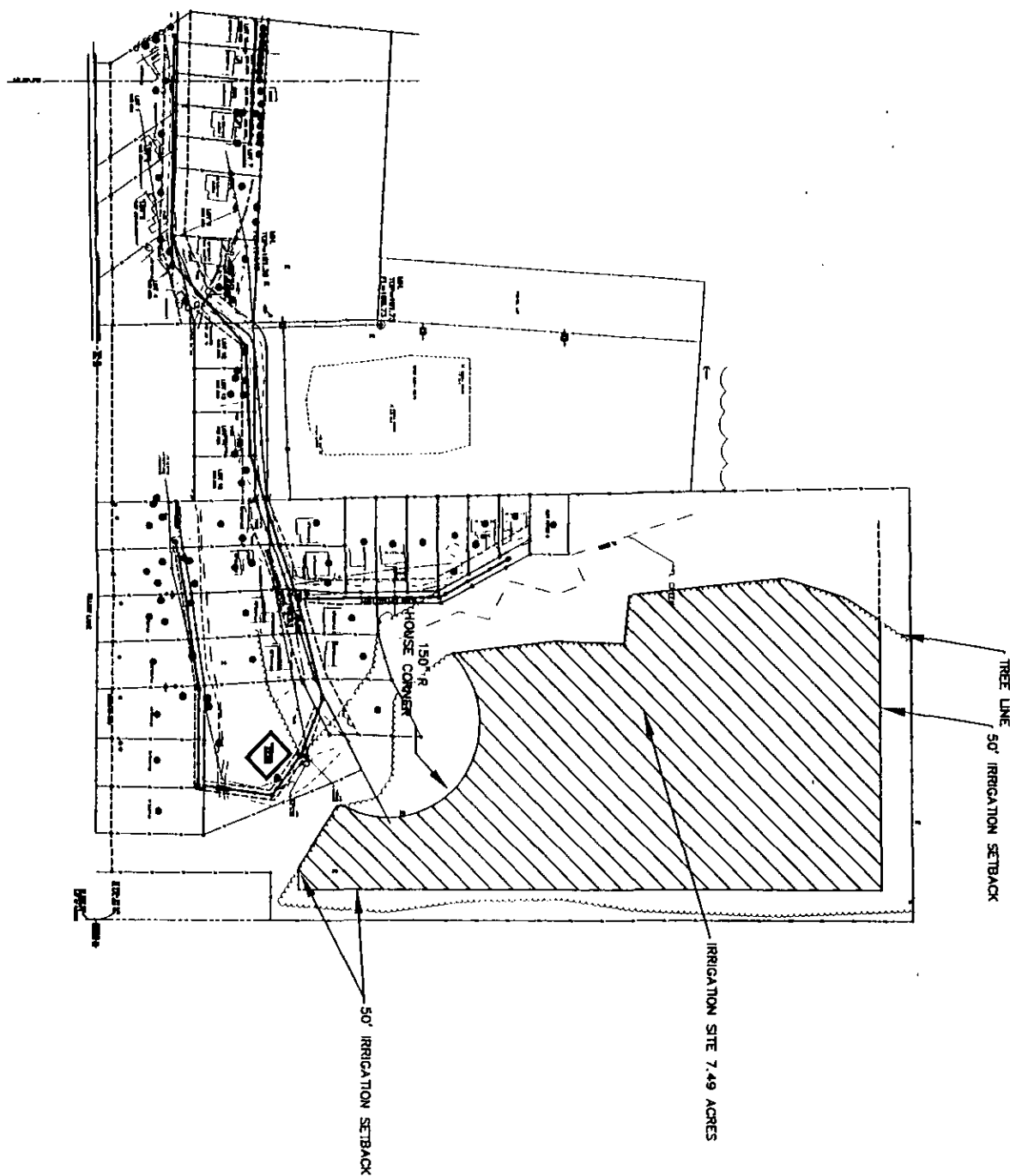


Exhibit C



July 25, 2007

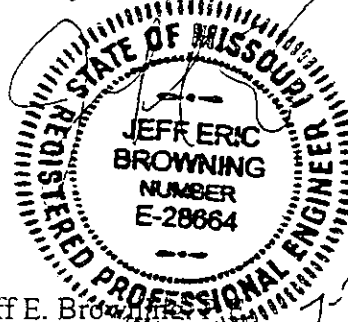
Ken Jaeger  
17 Benton Drive  
Monroe City, MO 63456

Re: Irrigation System

Mr. Jaeger,

I have reviewed the technical specifications for the Kifco T 210 Water-Reel and Bereley 10hp pump as presented in the attached documents. I found that the irrigation equipment is adequate for the pumping of the Lost Valley Subdivision Lagoon. The Reel can be fed with standard 3, 4 or 6 inch above ground supply pipe or hose.

Sincerely,



Jeff E. Browning  
Great River Engineering, Inc.

Enclosures

# Sunrise AG Valley Irrigation

Phone

309-535-3610

21923 US Hwy. 136 East-----Havana, IL 62644

Fax

309-535-2804

July 17, 2007

home:

Lost Valley Sub-division

mobil: (956) 351-1467

attn: Ken Yager

office:

17 Benton Dr.

fax:

Monroe City, MO 62456

Performance. Period.

Prepared by: Tom Eisele



## Waste Water Sprinkler System

Part Number	Description	qty	Price each	Extended
	Kifco T210 Water-Reel includes: turbine drive, 1 1/2" x 15' supply hose w/ 1 1/2" MIPT, Komet Twin Max gun w/ .67 & .63 nozzle & pressure auto shut-off	1	9,819.00	\$9,819.00
	Berkeley 1 1/2ZPL 10hp 3ph pump 2" FIPT suction x 1 1/2" FIPT discharge	1	2,452.00	\$2,452.00
	Murphy HI/LO pressure switch	1	266.00	\$266.00
	3" cast iron foot valve w/ 3" FIPT	1	50.00	\$50.00
	1 1/2" x 2" priming/ check valve w/ 2" FIPT discharge	1	121.00	\$121.00
	10hp 3ph 230v pump panel w/ hand-off-auto	1	500.00	\$500.00
	Less Cash Discount	1	-950.00	-\$950.00

### Terms of Sale: Balance due on pick-up

Sales Tax Base	<u>Subtotal</u>	\$12,258.00
<u>Illinois Sales Tax</u>	<u>Freight</u>	\$225.00
	<u>Sales Tax</u>	\$766.13
Sales Tax %: <u>6.25%</u>	<u>Project Total</u>	\$13,249.13
Deposit %: <u>50%</u>	<u>Less Deposit</u>	-\$6,624.56
accepted by: _____ date _____	<u>Balance Due</u>	\$6,624.56

# KIFCO

## Water-Reel® Irrigation Systems

*Designed and Built  
by Skilled Craftsmen  
in America!*

*Use this machine for  
Small Agricultural  
Applications and  
Sports Fields!*

**KIFCO-T5  
Turbine Drive  
MODELS**

**T200/580**

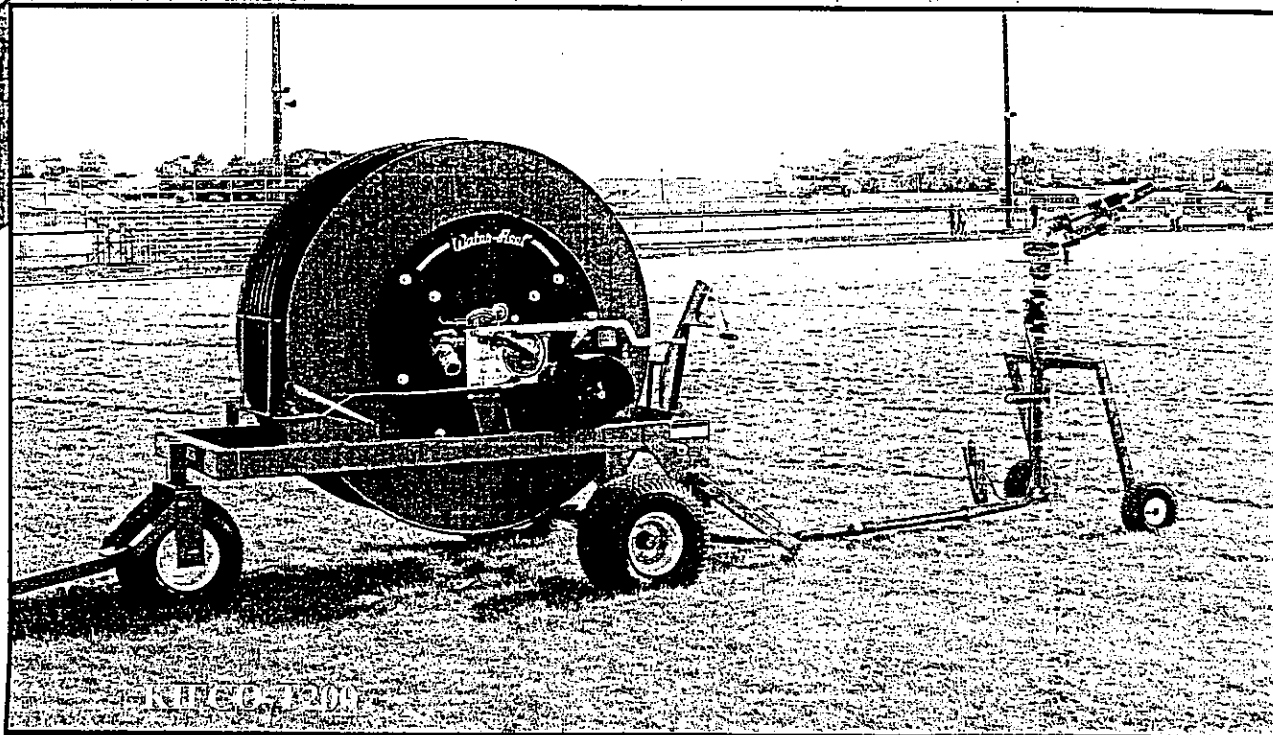
**T210/400**



*Perfect  
irrigation for  
the cash crop  
farmers, vegetable  
plots, organic farms,  
golf courses, and large  
sports complexes!*

*Automatic • Portable • Simple  
Reliable • Powerful • Adjustable • Affordable*

**The Original Water-Reel® by Kifco, Inc.**



*Easy to use irrigation when and where you need it!*

# American-built KIFCO Irrigation Systems are designed and built by skilled craftsmen to meet or exceed performance promised.

## Simple to Operate!

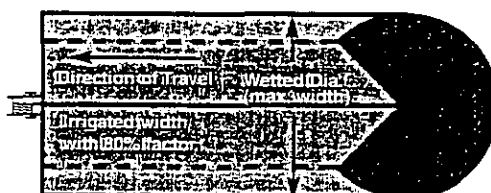
1. Park the Water-Reel® at the end of the area to irrigate and hook up the water supply.
2. Pull the sprinkler cart with the irrigation hose to the other end of the area.
3. Turn on the water and let the Water-Reel® retract the sprinkler. It stops automatically!
4. Leave unattended.

## Standard Features

Turbine Drive Water Motor.  
Speed Control to regulate run time.  
Automatic Shutdown for the water motor.  
Selective Automatic Sprinkler Shutdown.  
PTO Rewind Capability - Drive shaft optional.  
Part Circle Sprinkler.  
Stabilizer Legs.  
Hose Guide Mechanism.  
Safety Shut-off if the tube miswraps.  
Transport Attachment for the sprinkler cart.  
Pressure Gauge to show the inlet pressure.  
Three Wheel Chassis with steerable front wheel and tow bar - Not designed for highway towing.  
2" Supply Hose with 2" NPT (M) Connection.

KIFCO backs it with a limited warranty program you can depend on...plus, a parts and service support network consisting of hundreds of qualified irrigation specialists throughout North America. For more information and complete details, contact your local KIFCO dealer or KIFCO headquarters:

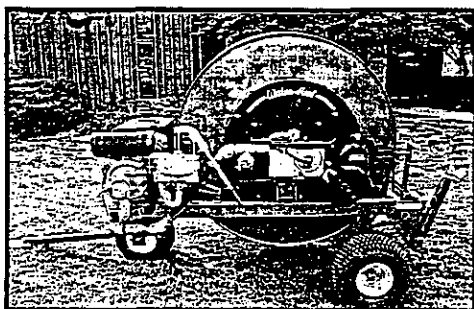
Machine Model	Pressure PSI	Flow GPM	Acres w/1" in 5 days
T200 2" x 580'	47-140	47-125	11-30
T210 2.1" x 400'	58-140	47-125	11-30



Model T200 Sprays up to 220'W x 690'L  
Model T210 Sprays up to 280'W x 516'L

**Automatic** - Setup and startup takes only minutes. KIFCO Water-Reels® operate unattended. The water-powered motor, with adjustable speed, reels in the sprinkler head. When finished, the entire operation shuts down automatically. Safety shut-offs automatically engage in the unlikely event that the water tube would start to mis-wrap. No dragging around pipes or hoses. Less Time. Less Labor.

**Portable** - KIFCO Water-Reels® travel. They easily move from site to site. In minutes, they can be set up and ready to "reel in" more rain. All you need is water access...from existing municipal systems, wells, or clean surface water, like rivers and ponds. All Water-Reels® hook easily to small riding tractors, mowers, or small utility vehicles for transport. Most can even be moved short distances by hand.



KIFCO Water-Reels® operate automatically and provide controlled applications of water where and when you need them with booster pump.

## Specifications

MODEL	T200	T210
PE Tube I.D. (ins.)	2.0"	2.1"
PE Tube Length (ft.)	580'	400'
Dry Weight (lbs.)	1290#	1220#
Weight with water (lbs.)	2000#	1820#
Dimensions (ins.) -		
Machine length (no cart)	90"	90"
Machine length (with cart*)	118"	118"
Width	59"	59"
Height	68.5"	68.5"

\*Cart suspended from transport attachment

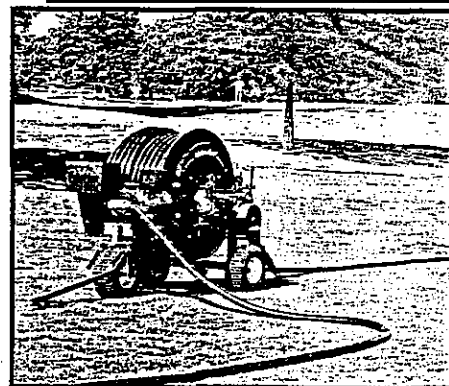
## Parks, Camping Sites, Landscapes, Gardens, Cemeteries

- Greens and beautifies the entire grounds, increasing the property value overall.
- Helps timing of fertilization with controlled moisture levels.
- Speeds up regrowth and recovery after events.
- Low-cost way to improve playing conditions on fairways and roughs, and where in-ground installation is not practical.

## Athletic Fields, Soccer Complexes, Corporate and Institutional Campuses, and Recreational Facilities

- Improves playing conditions and appearance.
- Softens surfaces to help reduce player injuries.
- Helps speed up turf growth and recovery after events.
- One machine handles several fields, even entire complexes.

## Cash Crops - Fruit and Vegetables, Sweet Corn, Tobacco, Vineyards, Orchards, etc.



Your KIFCO Dealer



**KIFCO**  
Water-Reel® Irrigation

707 S. Schrader Ave., P.O. Box 290, Havana, IL 62644  
Phone 309/543-4425 Fax 309/543-4945  
Free Video 888-888-1290 <http://www.kifco.com>



UNIT IRRIGATION & PUMP SERVICE  
1160 N. Miami St. - P.O. Box 396  
Marshall, Missouri 65340-0396  
568-385-2222



Exhibit D

Winnelson  
Monty Shaw - Rep  
407 Nebraska Ave.  
P.O. Box 1547  
Columbia, Md. 21045  
573-874-7141

Distributors of Plumbing, Water Works, P.V.F., Industrial

5 h.p. sludge pump for lift station

\$3,500.<sup>00</sup>



July 25, 2007

Ken Jaeger  
17 Benton Drive  
Monroe City, MO 63456

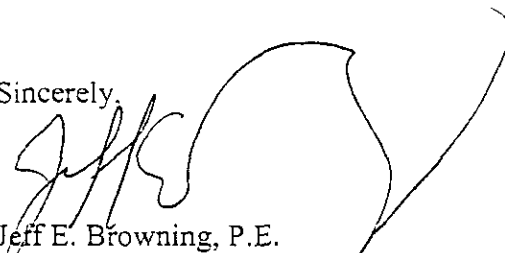
Re: Irrigation Calculations and Plan

Mr. Jaeger,

Please find the attached plan indicating the proposed irrigation site at Blue Lagoon subdivision. As requested by owner and suggested by the Department of Natural Resources, estimated water usage was increased thirty percent from the previous design value to account for infiltration and various other factors. This resulted in an estimated 18,201 gallons per day flow into the lagoon. Based on this flow and a maximum applied wastewater of 40 inches per year, a total of approximately 6.5 acres of irrigation area is required.

As soil tests have been completed, this results in 0.97 acres of irrigation area directly north of the lagoon and 5.53 acres of irrigation area on the original proposed irrigation site. We feel this satisfies the conditions of your request. If you have any questions or concerns please feel free to contact us.

Sincerely,



Jeff E. Browning, P.E.  
Great River Engineering, Inc.



Date 7/19/07

GRE # \_\_\_\_\_

Project 221 Tanager

Engineer \_\_\_\_\_

Expected Flows:

$$\text{Motel: } 40,800 \text{ gal/month} \times 1.3 = 1,768 \text{ gpd}$$

$$\text{Campground: } 45,000 \text{ gal/month} \times 1.3 = 1,950 \text{ gpd}$$

$$\text{Homes: } 770.0 \text{ gal/month} \times 1.3 = 334 \text{ gpd} \times 28 \text{ homes} = 9343 \text{ gpd}$$

$$+ 10 \text{ homes} = 3340 \text{ gpd}$$

$$\text{Office: } 41,500 \text{ gal/month} \times 1.3 = 1800 \text{ gpd}$$

$$\underline{18,201 \text{ gpd}}$$

(\* Added 50% for infiltration)

Irrigation Area

$$\text{Volume due to precipitation} = \text{Area} \times (\text{Precip} - \text{Evap}) / 12 =$$

$$= 60,260 \text{ sf} \times (50.7" - 40") / 12 = 53,732 \text{ ft}^3/\text{yr}$$

$$\text{Volume to be irrigated: } 18,201 \text{ gal} = 2433 \text{ ft}^3/\text{day}$$

$$V = 2433 \text{ ft}^3/\text{day} \left( \frac{265 \text{ days}}{\text{yr}} \right) + 53,732 \text{ ft}^3/\text{yr}$$

$$= 941,777 \text{ ft}^3/\text{yr}$$

$$\text{Irrigation Area: } 40" = 3.33'$$

$$A = (941,777 \text{ ft}^3/\text{yr}) \left( \frac{1}{3.33'} \right) = 282,533.1 \text{ ft}^2$$

$$\underline{282,533.1 \text{ ft}^2 = 6.49 \text{ acres}}$$

\* Used max applied wastewater of 40" / yr.  
 1-in-10 year rainfall (1) = 50.7"  
 evaporation per year (2) = 40.0 in

No 1848

**WALKER SOIL CONSULTING**

1641 East County Road 1800

Carthage, IL 62321

Ph: (217) 746-8601 Fax: (217) 746-8601

Job site(s) and address: N. of lagoon for overspray disposal  
Ralls Co., mo

Customer name and address: Ken Jaeger 17 Benton Dr.  
Monroe City, mo 63456

Customer Phone: 956-371-1467 Customer Fax: \_\_\_\_\_

Date of service: 5/18/07 Prorated Mileage and share: \_\_\_\_\_

No. and type of sites: 2 pit desc + paperwork for DNR

Billing Date: 5/18/07 Amt. Due: \_\_\_\_\_

Previous Balance if any: \_\_\_\_\_

5% discount for early payment received within 2 weeks from billing date.

15% interest charge on all accounts past 30 days from billing date.

10% discount for 3 or more sites in one trip for same customer.

2 hrs. @ \$50.- \$100.- Paid

Thank you,  
Don Walker

Donald J. Walker 6/04/07

No 1012

**WALKER SOIL CONSULTING**

1641 East County Road 1800

Carthage, IL 62321

(217) 746-8601

Customer: Ken Jaeger

Phone: 956-371-1467

Site: N. of lagoon for  
overspray disposal (see aerial  
photo)

Hole #	Horizon or Group/Depths	Soil Color	Soil Texture	Depth to 2 Chroma	Soil Structure	Soil Group	Application Rate (conv.)	Slope cmtmf noods
N1	Ap 0-4"	5/4 + 4/3	SiCL 33	—	2f sbk + 2fgr	III	.4 gals/ft <sup>2</sup> /day	2% NE
	E 4"-11"	5/3	SiL 24	10YR 7/2 sic pf Femg nod.	2mpl → 2f sbk	III	.25 gals/ft <sup>2</sup> /day	fnt + cf roots
	Bt 11"-23"	5/4	SiCL 33	C2d 10YR 5/8 mo C2d 10YR 6/2 mo 10YR 7/2 sic pf Femg Conc.	2f sbk	III	.4 gals/ft <sup>2</sup> /day	cf roots
	Bt 23"-48"	5/4	SiCL 32	C3d 10YR 6/2 mo C2d 10YR 5/8 mo 10YR 7/2 sic pf Femg Conc.	2msbk	III	.45 gals/ft <sup>2</sup> /day	ff roots
N2	Ap 0-6"	5/4 + 4/3	SiCL 31	—	2f sbk + 2fgr	III	.45 gals/ft <sup>2</sup> /day	2% NE cmtmf noods
	F 6"-13"	5/3	SiL 24	10YR 7/2 sic pf Femg nod.	2mpl → 2f sbk	III	.25 gals/ft <sup>2</sup> /day	fnt + cf roots
	Bt 13"-24"	5/4	SiCL 33	C2d 10YR 5/8 mo C2d 10YR 6/2 mo 10YR 7/2 sic pf Femg Conc.	2f sbk	III	.4 gals/ft <sup>2</sup> /day	cf roots
	Bt 24"-53"	5/4	SiCL 32	C3d 10YR 6/2 mo C3d 10YR 5/8 mo 10YR 7/2 sic pf Femg Conc.	2msbk	III	.45 gals/ft <sup>2</sup> /day	ff roots

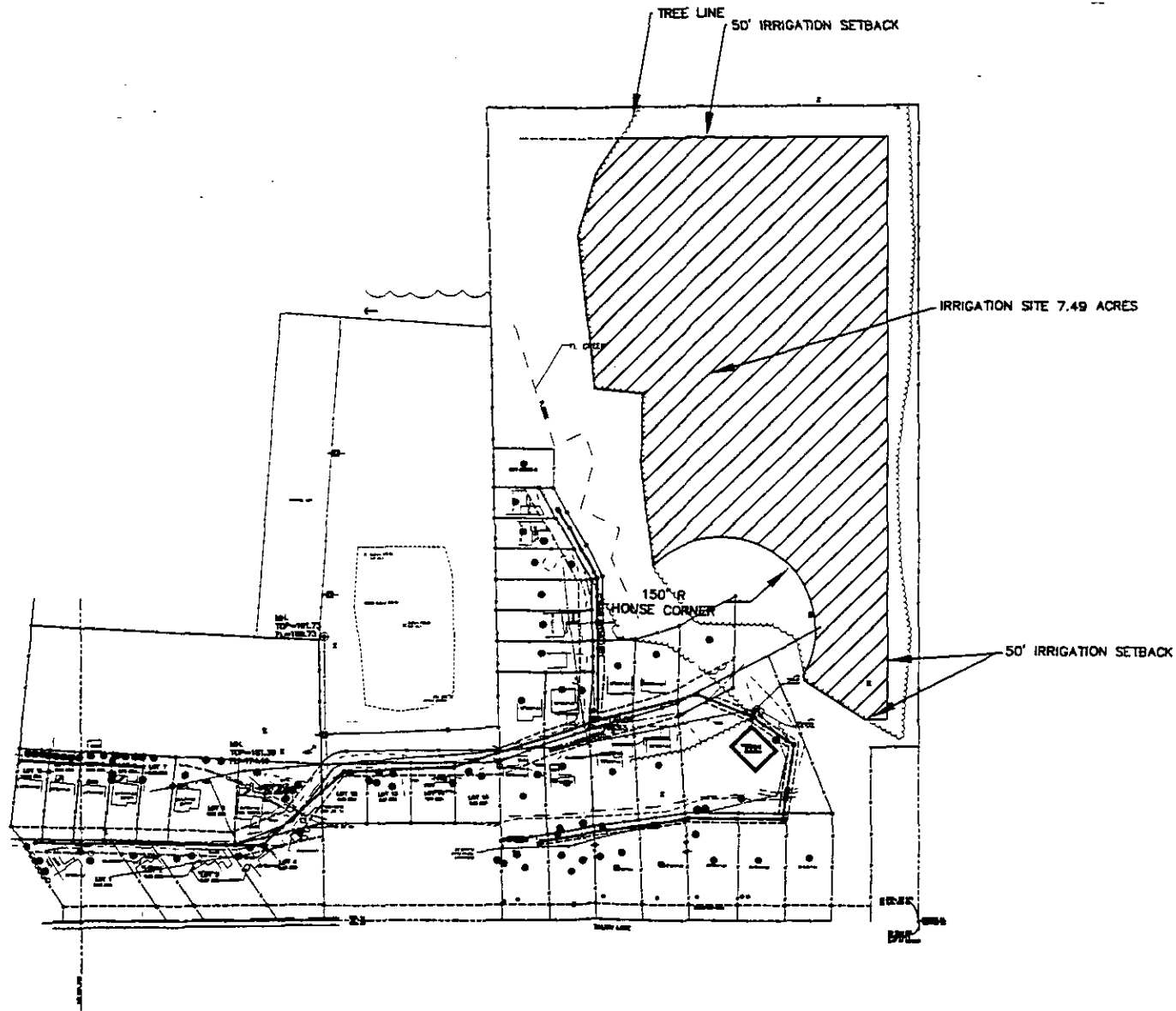


MAIN DAM

REPAIRS AND MAINTENANCE  
POLYMER

TYPE A  
N  
N  
N





LOST VALLEY SUBDIVISION  
IRRIGATION SITE ALTERNATE  
EXHIBIT

KENNETH JAEGER  
HIGHWAY J  
RALLB COUNTY, MISSOURI

THE PROFESSIONAL ENGINEER'S SEAL AND SIGNATURE ARE REQUIRED FOR ALL DRAWINGS. THE SEAL AND SIGNATURE OF THE ENGINEER SHALL BE PLACED ON THE DRAWING. THE ENGINEER SHALL BE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED AND FOR THE COMPLETION OF THE DRAWING. THE ENGINEER SHALL BE RESPONSIBLE FOR THE COMPLETION OF THE DRAWING. THE ENGINEER SHALL BE RESPONSIBLE FOR THE COMPLETION OF THE DRAWING.

MECO ENGINEERING COMPANY, INC.  
ENGINEERS • SURVEYORS  
SINCE 1961  
HARRISBURG, PA.  
(717) 651-1111

RELEASED	1
APPROVED	1
CHECKED	1
SURVEYED	784/29 BH/PS
DRAWN	JMP
DESIGNED	1
SCALE	1" = 200'
DRAWING NAME	101747vric_mtbl.dwg
PROJECT NO./SHEET	101-747 E2







July 25, 2007

Ken Jaeger  
17 Benton Drive  
Monroe City, MO 63456

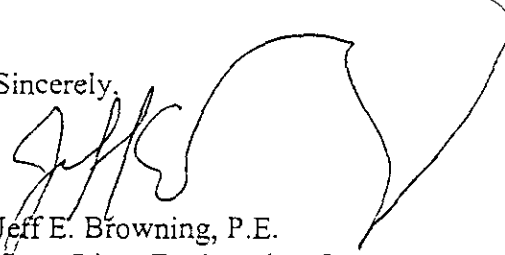
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Mr. Jaeger,

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As soil tests have been completed, this results in 0.97 acres of irrigation area directly north of the lagoon and 5.53 acres of irrigation area on the original proposed irrigation site. We feel this satisfies the conditions of your request. If you have any questions or concerns please feel free to contact us.

Sincerely,



Jeff E. Browning, P.E.  
Great River Engineering, Inc.



Date 7/19/07

GRE # \_\_\_\_\_

Project 2nd Tupper

Engineer \_\_\_\_\_

Expected Flows:

Motel:  $40,800 \text{ gal/month} \times 1.3 = 1,768 \text{ gpd}$

Campground:  $45,000 \text{ gal/month} \times 1.3 = 1,950 \text{ gpd}$

Homes:  $770.0 \text{ gal/month} \times 1.3 = 334 \text{ gpd} \times 28 \text{ homes} = 9343 \text{ gpd}$   
 $+ 10 \text{ homes} = 3,240 \text{ gpd}$

Office:  $41,500 \text{ gal/month} \times 1.3 = 180.0 \text{ gpd}$

18,201 gpd

(\* Added 50% for variation)

Irrigation Area

Volume due to precipitation =  $A_{\text{avg}} \times (\text{Precip} - \text{Evap}) / 12 =$

$= 60,260 \text{ sf} \times (50.7" - 40") / 12 = 53,732 \text{ ft}^3/\text{yr}$

Volume to be irrigated:  $18,201 \text{ gal} = 2433 \text{ ft}^3/\text{day}$

$V = 2433 \text{ ft}^3/\text{day} (265 \text{ days/yr}) + 53,732 \text{ ft}^3/\text{yr}$   
 $= 941,777 \text{ ft}^3/\text{yr}$

Irrigation Area:  $40" = 3.33'$

$A = (941,777 \text{ ft}^3/\text{yr}) \left( \frac{1}{3.33'} \right) = 282,533.1 \text{ ft}^2$

$282,533.1 \text{ ft}^2 = \underline{6.49 \text{ acres}}$

\* Used max applied wastewater of  $40" / \text{yr}$ .  
 11-10 year rainfall (P) =  $50.7"$   
 evaporation per year (E) =  $40.0 \text{ in}$

No 1848

**WALKER SOIL CONSULTING**

1641 East County Road 1800

Carthage, IL 62321

Ph: (217) 746-8601 Fax: (217) 746-8601

Job site(s) and address: N. of lagoon for overspray disposal  
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Customer name and address: Ken Jaeger 17 Benton Dr.  
Monroe City, mo 63456

Customer Phone: 956-371-1467 Customer Fax: \_\_\_\_\_

Date of service: 5/18/07 Prorated Mileage and share: \_\_\_\_\_

No. and type of sites: 2 pit desc + paperwork for DNR

Billing Date: 5/18/07 Amt. Due: \_\_\_\_\_

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5% discount for early payment received within 2 weeks from billing date.

15% interest charge on all accounts past 30 days from billing date.

10% discount for 3 or more sites in one trip for same customer.

2 hrs. @ \$50.- \$100.- Paid

Thank you,  
Don Walker

Donald D. Walker 6/04/07

No 1012

# WALKER SOIL CONSULTING

1641 East County Road 1800

Carthage, IL 62321

(217) 746-8601

Customer: Ken Jaeger

Phone: 956-371-1467

Site: N. of lagoon for  
overspray disposal (see aerial  
photo)

Hole #	Horizon or Group/Depths	Soil Color	Soil Texture	Depth to 2 Chroma	Soil Structure	Soil Group	Application Rate (conv.)	Slope
N1	A <sub>0</sub> 0-4"	5/4 + 4/3	SiCL <sub>33</sub>	—	2f sbk + 2fgn	III	.4 gals/ft <sup>2</sup> /day	2% NE
	E 4"-11"	5/3	SiL <sub>24</sub>	10YR 7/2 sic pt Femg nod.	2m pl → 2f sbk	III	.25 gals/ft <sup>2</sup> /day	fm + cf roots
	B <sub>1</sub> 11"-23"	5/4	SiCL <sub>33</sub>	C2d 10YR 5/8 mo C2d 10YR 6/2 mo 10YR 7/2 sic pt Femg Conc.	2f sbk	III	.4 gals/ft <sup>2</sup> /day	cf roots
	B <sub>2</sub> 23"-48"	5/4	SiCL <sub>32</sub>	C3d 10YR 6/2 mo C2d 10YR 5/8 mo 10YR 7/2 sic pt Femg Conc.	2m sbk	III	.45 gals/ft <sup>2</sup> /day	ff roots
N2	A <sub>0</sub> 0-6"	5/4 + 4/3	SiCL <sub>31</sub>	—	2f sbk + 2fgn	III	.45 gals/ft <sup>2</sup> /day	2% NE cm + mf
	E 6"-13"	5/3	SiL <sub>24</sub>	10YR 7/2 sic pt Femg nod.	2m pl → 2f sbk	III	.25 gals/ft <sup>2</sup> /day	fm + cf roots
	B <sub>1</sub> 13"-24"	5/4	SiCL <sub>33</sub>	C2d 10YR 5/8 mo C2d 10YR 6/2 mo 10YR 7/2 sic pt Femg Conc.	2f sbk	III	.4 gals/ft <sup>2</sup> /day	cf roots
	B <sub>2</sub> 24"-53"	5/4	SiCL <sub>32</sub>	C3d 10YR 6/2 mo C3d 10YR 5/8 mo 10YR 7/2 sic pt Femg Conc.	2m sbk	III	.45 gals/ft <sup>2</sup> /day	ff roots



MAIN DAM

SAI  
REPAIRING AND LADINS

# SHAWN'S

LANDSCAPING CONTRACTORS LLC  
FERTILIZING & WEED CONTROL  
11893 Twin Acres Place  
Hannibal, MO 63401  
573/221-2297

## PROPOSAL

PROPOSAL SUBMITTED TO: Blue Lagoon

WORK TO BE PERFORMED AT

PROPOSAL NO

SHEET NO

DATE

11/11/07

NAME <u>Alvin Thompson</u>	ADDRESS
ADDRESS <u>44836 Shell Lane</u>	CITY, STATE
CITY, STATE <u>Monroe City MO. 63456</u>	DATE OF PLANS
PHONE NO <u>Fax: 573-735-1723</u>	ARCHITECT

We hereby propose to furnish the materials and perform the labor necessary for the completion of

Mow South End Lagoon Each week as needed 45.00 per mowing

Mow Around whole Lagoon perimeter  
Trim all ~~edges~~ Areas Needed Around inside Lagoon  
mow & Trim as needed on a Every other week basis 75.00 per Trim  
mow & Trim on a monthly basis 100.00 per Trim

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum of

Dollars (\$

with payments to be as follows

Any alteration or deviation from above specifications involving extra costs will be executed only upon written order and will become an extra charge over and above the estimate. All agreements contingent upon signed, specimens, or terms beyond our control.

Respectfully submitted:

Shawn Fudlin

Per

Note - This proposal may be withdrawn by us if not accepted within \_\_\_\_\_ days

### ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

SIGNATURE \_\_\_\_\_

## Fax Cover Sheet

## SHAWN'S LANDSCAPING CONTRACTORS, LLC

11893 Twin Acres Place

Hannibal, MO 63401

573-221-2297

FAX#573-221-2057

Sent to: <i>Bud Thompson</i>	From: <i>Shawn Friedlein</i>
Attention: <i>Bud</i>	Date: <i>11/13/07</i>
Office Location:	Office Location:
Fax Number: <i>573.735-1723</i>	Phone Number: <i>573 795-1719</i>

- ☐ Urgent
- ☐ Reply ASAP
- ☐ Please comment
- ☒ Please Review
- ☐ For your information

Total pages, including cover: *2*

## Comments:

<i>Bid mowing Layover.</i>
----------------------------



Exhibit I

**AlliantBank**  
Member FDIC

Boonville  
Kirksville  
Madison  
Monroe City

July 31, 2007

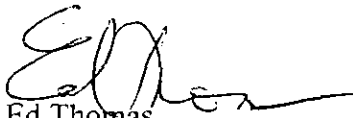
Alvin Thompson  
44836 Sheil Lane  
Monroe City, MO 63456

Dear Mr. Thompson,

The Alliant Bank has approved a loan for the purchase of a lagoon pump and equipment.

This commitment will be effective for one year provided you continue your current financial status.

Sincerely,



Ed Thomas  
President  
Alliant Bank



Exhibit H

**BC&M BOHRER-CROXDALE  
& MCADOO INC.**

Surplus and Specialty Lines Insurance Managers  
[www.bcmins.com](http://www.bcmins.com)

P. O. Box 2760  
Springfield, MO 65801-2760  
Phone: (417) 869-2550-Toll Free (800) 779-2550  
Fax: (417) 869-5102-Toll Free (888) 869-2550

DELIVER TO: BETH. FIRM NAME: LARUE INSURANCE AGENCY  
FROM: SHERI OLSON ATTACHMENT:  
DATE: 11/20/07  
RE: THOMPSON CONTRACTING

WE ARE PLEASED TO OFFER THE FOLLOWING QUOTATION WITH **SCOTTSDALE INSURANCE CO**

**COMMERCIAL GENERAL LIABILITY - OCCURRENCE FORM**

\$	1,000,000	General Aggregate
\$	1,000,000	Products/Completed Operations Aggregate
\$	1,000,000	Personal Injury / Advertising Injury
\$	1,000,000	Each Occurrence
\$	100,000	Fire Damage Legal Liability
\$	5,000	Medical Expense

**EXCLUSIONS:** YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS, NUCLEAR ENERGY LIABILITY, EMPLOYMENT RELATED PRACTICES, TOTAL POLLUTION, LIQUOR LIABILITY, PUNITIVE OR STATUTORY DAMAGES, DISCRIMINATION, LEAD LIABILITY, ATHLETIC PARTICIPANTS, KNOWN INJURY OR DAMAGE, MOLD, WAR/TERRORISM, FUNGI OR BACTERIA, ASBESTOS, VIOLATION OF STATUTES THAT GOVERN EMAILS, FAX AND PHONE CALLS, DESIGNATED OPERATIONS - ALL OTHER OPERATIONS OTHER THAN SEWAGE LAGOON

**OTHER ENDORSEMENTS TO APPLY:** CONTRACTORS SPECIAL CONDITIONS, AMENDMENT TO OTHER INSURANCE CONDITIONS, AMENDMENT TO INSURED CONTRACT DEFINITION, LIMITATION OF COVERAGE TO DESIGNATED PROJECT

**TERMS AND CONDITIONS:**

25% MINIMUM EARNED PREMIUM IN THE EVENT OF CANCELLATION

**PREMIUM IS 100% MINIMUM AND DEPOSIT AT AUDIT. THIS IS AN AUDITABLE POLICY.**

**SUBJECT TO:** ☒ COMPLETED ACORD APPLICATION **SIGNED BY INSURED AND PRODUCER**  
☒ SIGNED TERRORISM ELECTION / REJECTION FORM WITH DESIRED OPTION SELECTED

<b>ANNUAL PREMIUM:</b>	\$	1000.00	WITHOUT TERRORISM
	\$	100.00	SERVICE FEE
	\$	55.00	SURPLUS LINES TAX

- QUOTE IS VALID FOR 30 DAYS.
- COVERAGE MAY NOT BE BOUND WITHOUT APPROVAL FROM BC&M.
- SIGNED APPLICATION MUST BE RECEIVED WITHIN FIVE (5) BUSINESS DAYS OF REQUEST TO BIND, OR COVERAGE WILL NOT BE CONSIDERED BOUND.

**\*\*\*Minimum and Deposit Premium:** Should this policy be audited, we will compute earned premium for that period. If earned is more than advance premium, then the amount by which it exceeds advance premium will be due and payable on notice to you. If earned is less, advance premium applies as the minimum premium with NO return payable to you. If this policy is cancelled, the pro rate or short rate of the minimum & deposit premium will apply for the policy term, subject to an absolute minimum earned premium of 25% of the total advance premium, or \$250, unless final audit develops greater than said 25%, or \$250.

**Beth Garner**

---

**From:** <RHalley@jmwilson.com>  
**To:** "Beth Garner" <bethg1@earthlink.net>  
**Sent:** Tuesday, November 20, 2007 2:37 PM  
**Subject:** Re: THOMPSON CONTRACTING - ~F14509506

Yes. I had to look a second time also.

Rick

"Beth Garner" <bethg1@earthlink.net>

To <RHalley@jmwilson.com>

cc

11/20/2007 09:52 AM

Subject Re: THOMPSON CONTRACTING - ~F14509506

\$11,500 for 3 years of coverage?

----- Original Message -----

From: <RHalley@jmwilson.com>  
To: <bethg1@earthlink.net>  
Sent: Tuesday, November 20, 2007 9:28 AM  
Subject: THOMPSON CONTRACTING - ~F14509506

>  
> Drawer: QTES  
> FileNo: ~F14509506  
>  
> I have a response from the pollution underwriter. They are assuming that  
> they would be covering the owner  
> of the lagoon, and it is for the treatment of domestic wastewater and the  
> lagoons are under 1,000,000  
> gallons in capacity. Policy would provide a 3rd party pollution coverage  
> for \$1,000,000/\$2,000,000 limit,  
> \$10,000 SIR per claim for a premium indication only(subject to completed  
> application) before fees and  
> taxes of \$5,000. They could also offer a three year term(limits are not  
> reinstated) for \$11,500 before fees  
> and taxes.  
>  
> If this is something the insured would want, please complete the attached  
> application and I will send to  
> company and get a firm quote.  
>  
> Thanks,  
>  
> Rick Halley  
> Sr. P&C Underwriter  
> JM Wilson Corp - Missouri

11/20/2007

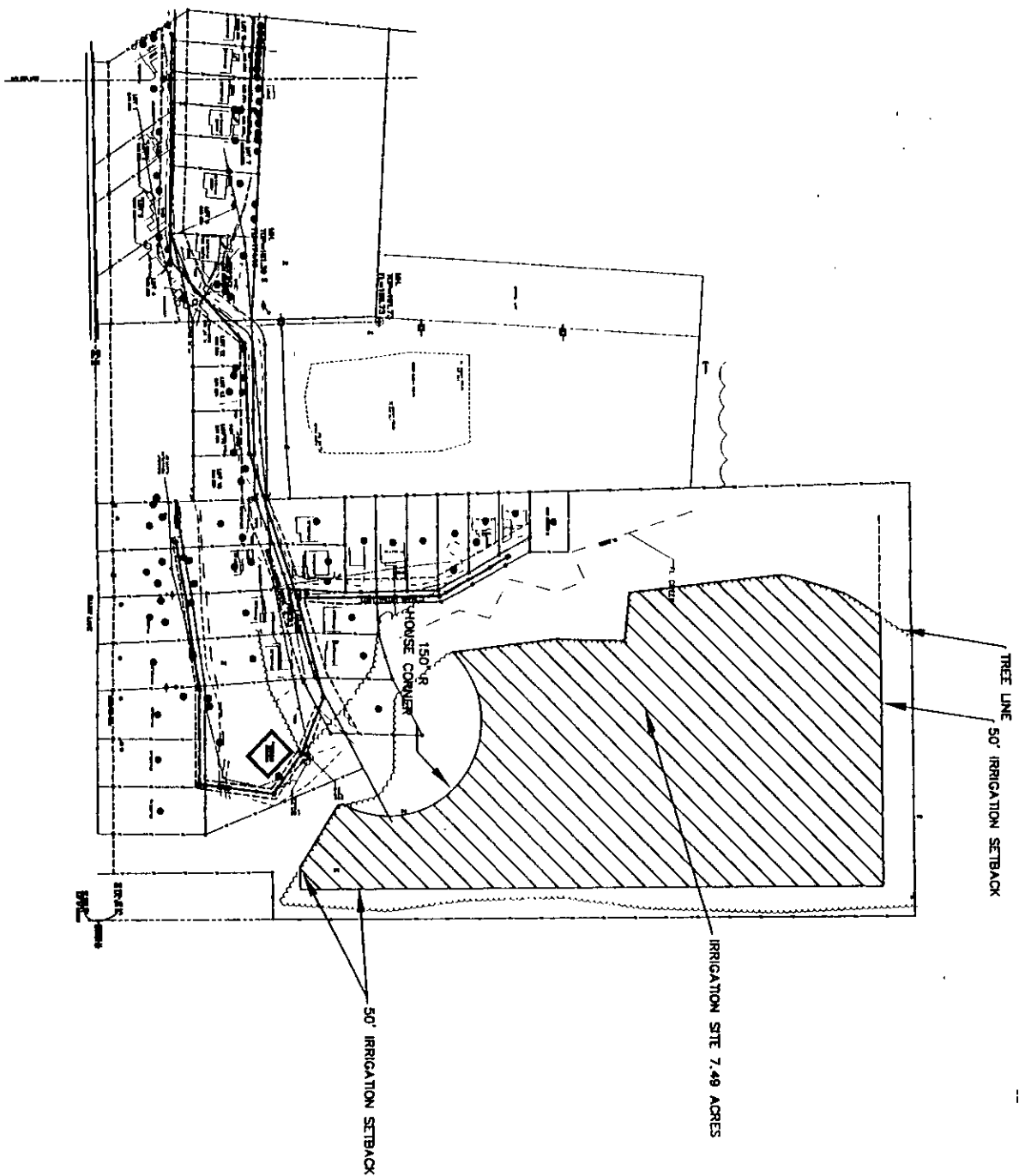


Exhibit K

MINUTES OF THE MEETING  
OF THE MANAGING MEMBERS  
BLUE LAGOON, LLC

December 3, 2007

The meeting of the Members of BLUE LAGOON, LLC, a Missouri Limited Liability Company, was held at Mexico, Missouri, on the 3rd day of December, 2007, commencing at 9:00 a.m., all of the Members having accepted the position and having waived any and all notice of the time, place and purposes of the meeting and consented to the transaction of any and all business that might come before it.

Alvin Thompson being the sole member of the Limited Liability Company, was present as was Joe Maxwell, attorney for the Limited Liability Company.

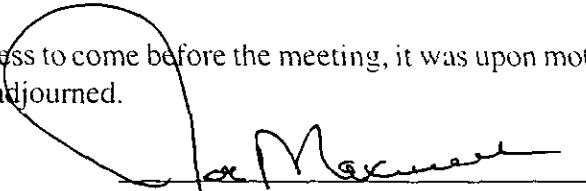
Alvin Thompson acted as chairman of the meeting and Joe Maxwell acted as Secretary of the meeting.

Acquiring the assets of the sewer system at the Lost Valley Subdivision was discussed. After further discussion and upon action duly taken as prescribed by the Operating Agreement the following resolution was adopted:

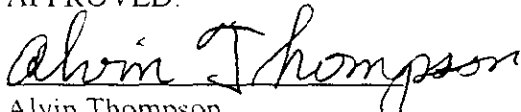
RESOLVED. That the Limited Liability Company should accept the transfer of the assets from Kenneth Jaeger of the sewer system and lagoon at the Lost Valley Subdivision upon the condition that an acceptable rate is established by the Missouri Public Service Commission and that the property is transferred without any encumbrances or claims against it

FURTHER RESOLVED, That Alvin Thompson is authorized to do all things necessary to effect this action.

There being no further business to come before the meeting, it was upon motion duly made, seconded and unanimously carried, adjourned.

  
Joe Maxwell  
Secretary of the Meeting

APPROVED:

  
Alvin Thompson  
Chairman of the Meeting