1	STATE OF MISSOUR	RI
2	PUBLIC SERVICE COMM	ISSION
3		
4	TRANSCRIPT OF PROCEI	EDINGS
5	Local Public Hearing	
6	March 29, 2008	
7	Monroe City, Misso	ouri
8	Volume 2	
9		
10	In the Matter of the Joint	)
11	Application of Kenneth Jaeger	)
12	and Blue Lagoon, L.L.C.,	)Case No.
13	Authorizing Kenneth Jaeger To	)SM-2008-0188
14	Transfer His Assets To Blue	)
15	Lagoon, L.L.C., and For The	)
16	Establishment of a Rate	)
17		
18		
19		
20	Robert M. Clayton III	, Presiding,
21	SENIOR REGULATORY I	LAW JUDGE
22		
23	REPORTED BY:	
24	Randall W. Wells	
25	MIDWEST LITIGATION SERVICES	

1	APPEARANCES
	Hagan, Hamlett & Maxwell
2	210 East Love Street
	Mexico, Missouri 65265
3	By: Joseph E. Maxwell, Esq.
	Representing Blue Lagoon, LLC.
4	Law Offices of David C. Edmonds, LLC
	1099 Milwaukee Street
5	Suite 260
	St. Louis, Missouri 63122-7361
6	By: David C. Edmonds, Esq.
	Representing Salt River Resort.
7	
	Commissioner Connie Murray (By Video Conferencing)
8	Office Of The Public Counsel:
	Christina Baker
9	P.O. Box 2230
10	Jefferson City, Missouri 65102
	Public Service Commission General Counsel:
11	Keith R. Krueger
	P.O. Box 3630
12	Jefferson City, Missouri 65102
1.0	Also Present:
13	James A. Merciel, Jr. P.E.
1 /	Assistant Manager-Engineering
14	Water & Sewer Department
15	Martin Hummel Engineer
13	Eligineer
16	Water & Sewer Department
10	nacer a bewer beparement
17	State Representative Rachel Bringer.
	Source Helicacine Huoner Bringer
18	
19	Reported By:
20	Randall W. Wells, CSR, CCR
21	MIDWEST LITIGATION SERVICES
22	711 NORTH ELEVENTH STREET
23	ST. LOUIS, MISSOURI 63101
0.4	214/644 0101
24	314/644-2191

1	PROCEEDINGS
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3	COMMISSIONER CLAYTON: Then, Mr. Wells, we'll go
4	ahead on the record.
5	Good morning, everyone. My name is Robert Clayton.
6	I'm one member of the Missouri Public Service Commission. The
7	Commission is made up of five commissioners appointed by the
8	Governor to six year terms.
9	We have a number of these local public hearings that
10	take place throughout the State on many different cases. In
11	fact, we've already had three or four related to an electric
12	company that took place in Joplin, Missouri. So we have
13	commissioners that take part in various parts of the hearing
14	process.
15	And I want to go ahead and recognize Commissioner
16	Connie Murray, who is joining us from Jeff City. So Commissioner
17	Murray, if you would like to say good morning or do you have any
18	opening comments?
19	COMMISSIONER MURRAY: Good morning. It looks like we
20	have a very full room, so I think we should just go ahead and get
21	started with the comments. Thank you.

25 Case Number SM-2008-0188 regarding the joint application of Blue

COMMISSIONER CLAYTON: Great. Thank you,

I will note for the record that we are dealing with

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Commissioner Murray.

- 1 Lagoon and -- Blue Lagoon, LLC and Kenneth Jaeger for
- 2 authorization to transfer assets and for the establishment of a
- 3 rate.
- 4 We are here to take your public testimony. So far
- 5 you have been able to participate in a question and answer
- 6 session. This portion of the hearing is where the Commissioners
- 7 are going to take testimony from you. You have the opportunity
- 8 to say whatever you like about quality of service, about billing,
- 9 about what you think ought to be done, what you like, what you
- 10 dislike. You can really tell us all that you need to -- all you
- 11 need to at this time.
- 12 Usually what happens, a transcript will be made. We
- 13 have a court reporter here today. And then all the Commissioners
- 14 will be able to review this transcript at the time decisions will
- 15 be made in the case. So feel free to go ahead and give us all
- 16 the comments that you have. The Commissioners do review this
- 17 material and it will be made part of the permanent record.
- 18 At this point I would like to recognize the attorneys
- 19 who are here today, some of whom you've already heard from, and I
- 20 would like to take their entry of appearance. If we could start
- 21 with the attorney for the Missouri Public Service Commission
- 22 Staff.
- 23 MR. KRUEGER: Keith Krueger for the Staff of the
- 24 Missouri Public Service Commission. My address is P.O. Box 3630,
- 25 Jefferson City, Missouri, 65102.

- 1 COMMISSIONER CLAYTON: Thank you.
- 2 Office of Public Counsel.
- 3 MS. BAKER: Christina Baker. P.O. Box 2230,
- 4 Jefferson City, Missouri, 65102, appearing on behalf of the
- 5 Office of the Public Counsel and the customers.
- 6 COMMISSIONER CLAYTON: Thank you.
- 7 And Mr. Maxwell?
- 8 MR. MAXWELL: Joe Maxwell. 210 East Love, Mexico,
- 9 Missouri. Also providing my phone number, (573) 581-8373. For
- 10 anyone that isn't getting notice that thought you should, call
- 11 that number. I represent applicant Blue Lagoon. It is a sole
- 12 member, LLC, owned by Mr. Bubb Thompson.
- 13 COMMISSIONER CLAYTON: Thank you very much, Mr.
- 14 Maxwell.
- 15 Are there any other attorneys here today?
- 16 Yes, sir.
- 17 MR. EDMONDS: Dave Edmonds, attorney for Salt River
- 18 Resort, LLC. The address is 1099 Milwaukee Street, Suite 260,
- 19 St. Louis, Missouri, 63122. My phone number is (314) 909-7877.
- 20 Salt River Resort. Considered one of the customers.
- 21 COMMISSIONER CLAYTON: Okay. Welcome to Northeast
- 22 Missouri.
- 23 Any other attorneys that are here today?
- 24 Any other parties that are unrepresented that want to
- 25 be recognized at this time, other than the general public?

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1 Seeing none, before we get started I do want to give
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- 2 an opportunity, I notice that we do have a State Representative
- 3 who's joined us here today. Representative Rachel Bringer is
- 4 here.
- 5 Representative Bringer, do you have any comments or
- 6 anything you would like to say before we get started?
- 7 MS. BRINGER: I thank you, Commissioner Clayton. I
- 8 just want to thank the Public Service Commission for traveling to
- 9 Monroe City for this hearing.
- 10 This has been a long, ongoing issue for several
- 11 years. The folks who initially contacted my office have done
- 12 everything they can to work within the system and they're
- 13 counting today on the Public Service Commission for fair
- 14 treatment, so that they're treated fairly, so that the process
- 15 that they've gone through for the last four years is honored and
- 16 that fairness is given to them.
- 17 Thank you.
- 18 THE COURT: Okay. Thank you very much,
- 19 Representative.
- 20 Without objection, at this time we'll move forward
- 21 with the testimony. I do have a sign-up sheet. If you are
- 22 interesting in testifying and you have not signed up for the
- 23 sheet, that's okay, we'll make a call at the end of the list.
- 24 And when we get to that I'll let you know.
- 25 So we will start at the top. And the first witness

- 1 will be Mr. Howard Burditt, Monroe City. Come on up to this
- 2 chair right up here.
- 3 MR. BURDITT: My wife told me to decline the first --
- 4 COMMISSIONER CLAYTON: I --
- 5 MR. BURDITT: -- to be the first
- 6 COMMISSIONER CLAYTON: You don't want to be the
- 7 first?
- 8 MR. BURDITT: I didn't want to be, but she -- she
- 9 didn't want me to be. Doesn't make any difference to me. I've
- 10 got some --
- 11 COMMISSIONER CLAYTON: Sir, we can resolve a lot of
- 12 issues here, but we can't resolve the marital issues. We're not
- 13 going to --
- 14 MR. BURDITT: Here you're supposed to be judging
- 15 things.
- 16 COMMISSIONER CLAYTON: Yes. Well, if you want to
- 17 give us that authority we'll do that.
- 18 I'd first ask you to raise your right hand.
- 19 HOWARD BURDITT,
- 20 having been sworn by Commissioner Clayton, deposes and says:
- 21 COMMISSIONER CLAYTON: Thank you. You are under
- 22 oath. Would you please state your name and address for the us
- 23 and give us your comments?
- 24 MR. BURDITT: My name is Howard Burditt. I'm at Salt
- 25 River Inn. I don't remember -- I don't write to myself.

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1 COMMISSIONER CLAYTON: I'm sorry?
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- MR. BURDITT: I don't know my address.
- 3 COMMISSIONER CLAYTON: You don't know your address?
- 4 We could look to your spouse, if you'd like, if that would be
- 5 helpful.
- 6 MR. BURDITT: Yeah.
- 7 MRS. BURDITT: 19951 Highway J, Salt River Inn.
- 8 COMMISSIONER CLAYTON: Okay. And just give us your
- 9 comments.
- 10 First, I guess, tell us: Are you receiving service
- 11 from this company at this time?
- MR. BURDITT: Yes, I am.
- 13 COMMISSIONER CLAYTON: Okay. Please give us your
- 14 comments.
- 15 MR. BURDITT: My comment is that, first of all, I
- 16 think the Commission's doing a good job. They had to start
- 17 someplace and they're doing what they really needed to do.
- 18 As far as I'm concerned, we -- I paid my sewer bill
- 19 up until June of last year, 2007. I give Mr. Jaeger a check for
- 20 a thousand dollars at that time. He was supposed to come by and
- 21 pick up the check, but he's never come by and picked up one since
- 22 then.
- 23 And what I'd really like to see come out of this is
- 24 that we find out what the problem is, how to control it, and get
- 25 it over with and get a little harmony out there.

- 1 Everybody's got their own gripe. I don't have a
- 2 gripe other than the system's old. It is not the way it should
- 3 be.
- 4 Three years ago Jaeger was supposed to pump the
- 5 system down, the lagoon down, and he done it by spraying.
- 6 Somebody ruined one of his pumps, so he claimed, and he had to
- 7 buy a new one. He was spraying it out on the field. Apparently
- 8 he didn't do it right sometimes. That's hearsay.
- 9 I for one went over and furnished the gas for those
- 10 pumps for about two or three months. And the lagoon was pumped
- 11 down and the -- it is possible that under controlled conditions
- 12 everybody can be on it and it can be pumped down. There's not a
- 13 doubt about that.
- 14 And what I would like to see is a solution in order
- 15 for this to be pumped down, everybody satisfied. Just forget all
- 16 this bickering because everybody's got something at stake. I'm
- 17 almost eighty years old and I'm too old to be arguing, but I will
- 18 argue if I have to.
- 19 There's people that I don't get along with the best,
- 20 it's not my fault, it's things that they have done to me, and
- 21 consequently I just don't get along with them. I don't want to
- 22 have nothing to do with them. But everybody's got something at
- 23 stake.
- 24 When you start a project you have to start from the
- 25 bottom and work up. And that's exactly what the Commission has

- 1 done.
- I have got a lot of things I need to say, but at this
- 3 point I think I ought to give everybody else a chance, but I want
- 4 everyone to know where I stand.
- 5 COMMISSIONER CLAYTON: Okay. Please keep your seat.
- 6 Commissioner Murray, do you have any questions for
- 7 Mr. Burditt?
- 8 COMMISSIONER MURRAY: Yes. Thank you.
- 9 Are you in favor of transferring the lagoon and sewer
- 10 system to Blue Lagoon?
- MR. BURDITT: At this point, no.
- 12 COMMISSIONER MURRAY: And -- all right. I -- the
- 13 Commissioners were not a part of the session that you had prior
- 14 to 10:00 a.m., so I'm not aware of all of the discussion that
- 15 went on prior to that time, but is there something about Blue
- 16 Lagoon itself that you have a problem with?
- MR. BURDITT: No. I have had problems, but the
- 18 problems that I've had was I would take care of it and then I
- 19 would deduct it off of the bill that I owed Jaeger, or at least I
- 20 thought I owed him. Evidently I didn't owe him the money in the
- 21 first place. So I might as well just went ahead and fixed what I
- 22 needed to fix and let that be it.
- 23 When we started out we had four pumps; two new ones
- 24 and two in the pit. Somewhere along the line both pumps went out
- 25 and we had to replace them.

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1 The part that I had in it, if I went to town and
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- 2 bought something, I deducted it out of the sewer bill and I give
- 3 Jaeger the bills for it.
- 4 Now you could see where I've paid, and I didn't pay
- 5 according to the water bill. I paid -- I took out what I had to,
- 6 just like when we had a -- had to have the pit pumped out. Cost
- 7 me \$285, but I deducted it out of the sewer bill.
- 8 COMMISSIONER MURRAY: So is your objection regarding
- 9 the amount you've paid and the amount you would have to pay if it
- 10 is transferred?
- 11 What specifically are you objecting to about the
- 12 transfer from Jaeger --
- 13 MR. BURDITT: I -- I --
- 14 COMMISSIONER MURRAY: -- to Blue Lagoon?
- 15 MR. BURDITT: I heard the question. I'm thinking
- 16 about the answer.
- 17 My objection is the theater, the trailer park, and
- 18 myself, it was built for -- the lagoon was sized for that. I
- 19 don't know how much larger it was sized for.
- 20 There were -- Jaeger, I guess, thought he had the
- 21 right to do what he done, but he definitely didn't. I don't
- 22 know.
- I have no hard feelings toward Jaeger because I done
- 24 what I thought was right and I want to continue to do what I
- 25 think is right.

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1 COMMISSIONER MURRAY: But your objection is not
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- 2 specifically to Blue Lagoon itself, is that correct?
- 3 MR. BURDITT: That's correct.
- 4 COMMISSIONER MURRAY: Thank you very much.
- 5 COMMISSIONER CLAYTON: Mr. Burditt, just briefly. I
- 6 wanted to make sure I had this written down properly.
- 7 What was the name of your business?
- 8 MR. BURDITT: Salt River Inn.
- 9 COMMISSIONER CLAYTON: Salt River Inn? And what type
- 10 of business is that?
- 11 MR. BURDITT: It's a motel.
- 12 COMMISSIONER CLAYTON: How big of an inn is this?
- MR. BURDITT: Twenty-one units, plus two cabins.
- 14 COMMISSIONER CLAYTON: And I would assume that you
- 15 pay for all that service. They're not individual meters or --
- 16 MR. BURDITT: No. No. I --
- 17 COMMISSIONER CLAYTON: There's no sewer charge for a
- 18 customer that stays in there?
- 19 MR. BURDITT: I pay for all of the charges. When
- 20 Mike started the tavern up there and the restaurant I have to pay
- 21 for the electricity that pumps that over. We had an agreement
- 22 that he would pay me \$20 a month for the electricity. And as far
- 23 as I'm concerned he still owes me \$240.
- 24 COMMISSIONER CLAYTON: That's made in the record here
- 25 today, sir.

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1 Let me ask you this. Do you like or dislike the deal
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- 2 that's been proposed by the parties in this case? Do you like
- 3 the new owner, the new operator, the rates? Do you like or
- 4 dislike those?
- 5 MR. BURDITT: I'm satisfied with them.
- 6 COMMISSIONER CLAYTON: Okay.
- 7 MR. BURDITT: Because you got to start someplace.
- 8 COMMISSIONER CLAYTON: Okay.
- 9 MR. BURDITT: Now I'm not -- I don't know what the
- 10 costs are. I figured the costs all my life, and I know what has
- 11 to be done, and what has to be done right now is figure out how
- 12 to get rid of that water in a reasonable way.
- 13 COMMISSIONER CLAYTON: So you're okay with the rates.
- MR. BURDITT: Yes.
- 15 COMMISSIONER CLAYTON: The new rates.
- MR. BURDITT: At this --
- 17 COMMISSIONER CLAYTON: Are you okay with the new --
- MR. BURDITT: At this present time.
- 19 COMMISSIONER CLAYTON: Are you okay with the new
- 20 operator?
- MR. BURDITT: Yes.
- 22 COMMISSIONER CLAYTON: Mr. Thompson.
- MR. BURDITT: Yes.
- 24 COMMISSIONER CLAYTON: Yes. Okay. I don't have any
- 25 other questions. I would like to give the attorneys an

- 1 opportunity if you have any cross-examination at this time.
- 2 I'll ask you all together. If anyone, if any
- 3 attorneys have any questions, speak up. We'll go to you for
- 4 cross-examination.
- 5 MR. KRUEGER: I just would like to know, Mr. Burditt,
- 6 whether you know Mr. Thompson and his qualifications and what
- 7 your opinion of them is. Whether he's qualified to operate this
- 8 facility.
- 9 MR. BURDITT: I don't -- I haven't heard what his
- 10 proposition is. The only thing that I've heard about Mr.
- 11 Thompson is that he's supposed to be taking it over from Jaeger.
- 12 I don't get in BS conversations. I don't care for them. I'm
- 13 straightforward with what I say.
- 14 You asked me what I know about Mr. Thompson. All I
- 15 know about it is he hauls gravel, he hauled me a little gravel
- 16 the other day.
- MR. KRUEGER: So no negative feelings?
- 18 MR. BURDITT: No. No negative feelings.
- 19 MR. KRUEGER: Nothing really positive either.
- 20 MR. BURDITT: I have no negative feelings about
- 21 anything right now, but I don't want to agree to something that I
- 22 can't back up.
- 23 COMMISSIONER CLAYTON: Okay. Any further questions?
- 24 Miss Baker.
- MS. BAKER: Christina Baker from Public Counsel.

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1 My question is do you think that this proposal of
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- 2 getting a certificate in front of the Public Service Commission
- 3 and getting rates that are on tariff and in writing, is that a
- 4 good first step?
- 5 MR. BURDITT: Yes. It has to start someplace.
- 6 MS. BAKER: That's really all the questions that I
- 7 have. And I do appreciate your comments today.
- 8 COMMISSIONER CLAYTON: Thank you.
- 9 Mr. Maxwell?
- MR. MAXWELL: Thank you.
- 11 Mr. Burditt, I think you and I have talked and I -- I
- 12 just want to make sure I understand what your position is in
- 13 regards to easements on your --
- MR. BURDITT: I didn't understand you.
- 15 MR. MAXWELL: In regards to easements on your land
- 16 and who you would like to have responsible for the lift station
- 17 and the sewer line as it comes across your property towards the
- 18 lagoon.
- 19 MR. BURDITT: Right now the sewer from the theater
- 20 comes down through me.
- MR. MAXWELL: Yes, sir.
- 22 MR. BURDITT: And restaurant. And I have no problem
- 23 with that.
- I have always paid the electric bill, but I've never
- 25 been reimbursed for anything. I do think I should have

- 1 consideration that it is my pump station -- or the pump station
- 2 is there on my property. The controls are on the inside. It has
- 3 harmed me on some of the things that I wanted to do, but I'm not
- 4 ready to say, hey, I'm ready to make an agreeable consideration.
- 5 And as far as being not part of the sewer district,
- 6 I'm against that at this point.
- 7 MR. MAXWELL: Who would you, if I might continue, who
- 8 would you want -- do you want to continue to own and have to
- 9 repair that lift station or do you want to give an easement over
- 10 to -- if Blue Lagoon would be the receiver of the transfer, would
- 11 you want Blue Lagoon to be the one owning the lift station and
- 12 responsible for its repair? But you would have to give us an
- 13 easement to get on the property to do that.
- 14 MR. BURDITT: As far as an easement's concerned --
- MR. MAXWELL: Yes, sir.
- 16 MR. BURDITT: -- I have no problem. As far as coming
- 17 into my motel without announcement, I have a problem. And I
- 18 can't answer that because I don't know what's going to take
- 19 place.
- MR. MAXWELL: Okay, sir.
- 21 MR. BURDITT: But my main concern is let's gets it up
- 22 and running properly. If there's anything that is not right I
- 23 think it ought to be corrected because it was corrected down over
- 24 the hill. So everything else should be corrected.
- 25 DNR has been there seven times. Someone's called

- 1 them and said that I was doing something wrong. They came seven
- 2 times and then nothing wrong any of the times. They said surface
- 3 water was running into -- impossible, but DNR had to come.
- 4 And I was really in hopes that DNR would have been
- 5 here today so that they could answer some of the questions that I
- 6 have, mainly.
- 7 When -- when we sprayed that on the ground it was not
- 8 done properly, but it was done. And we was able to operate.
- 9 When the engineers came in and trucked line across it and done
- 10 some figures, I don't think Jaeger ever paid the bill. So the
- 11 bill -- the engineering department didn't give him the
- 12 information. I don't know what that information is.
- MR. MAXWELL: Thank you, sir.
- 14 Thank you, Mr. Commissioner.
- 15 COMMISSIONER CLAYTON: Thank you.
- 16 Any other further questions? Hearing none -- yes,
- 17 sir, I'm sorry. We may need to get you in the attorney section,
- 18 sir.
- 19 MR. EDMONDS: I can move back and forth.
- 20 COMMISSIONER CLAYTON: We want to be able to identify
- 21 you.
- MR. EDMONDS: I can move back and forth.
- 23 Dave Edmonds, attorney for Mike Knepper, Salt River
- 24 Resort, LLC.
- MR. BURDITT: Yes, sir.

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1 MR. EDMONDS: Just to clarify one of your statements.
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- 2 Do you have a rate which they're going to charge you on a
- 3 commercial basis? Have they discussed with you a rate as to what
- 4 you're going to pay?
- 5 MR. BURDITT: No.
- 6 MR. EDMONDS: No.
- 7 MR. BURDITT: I've paid the same thing -- I've paid
- 8 the same thing as anyone else, and which is what the water bill
- 9 is
- 10 MR. EDMONDS: What the water bill is. All right.
- 11 Okay.
- 12 MR. BURDITT: I -- I quit paying the taxes about two
- or three years ago because that isn't part of the water bill.
- 14 They did not give me a special rate. You could check my bills to
- 15 see whether I had a special rate or not. Anyone that's said any
- 16 different is not telling the truth.
- 17 MR. EDMONDS: Do you -- if they were going to charge
- 18 commercial owners like yourself a different rate than they charge
- 19 residential users of the lagoon, is that acceptable to you?
- MR. BURDITT: Repeat that.
- 21 MR. EDMONDS: If they were to charge commercial users
- 22 like yourself a different rate than residential users, are you
- 23 okay with that concept?
- MR. BURDITT: More or less.
- MR. EDMONDS: Don't know?

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1 MR. BURDITT: I don't know.
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- 2 MR. EDMONDS: I don't know. All right.
- MR. BURDITT: Neither one of us knows.
- 4 MR. EDMONDS: Right. Exactly. But you have not been
- 5 told a commercial rate that you'll be charged being proposed by
- 6 Bubb Thompson's Blue Lagoon, LLC, have you?
- 7 MR. BURDITT: No.
- 8 MR. EDMONDS: All right. Thank you. No more
- 9 questions.
- 10 COMMISSIONER CLAYTON: Thank you. Thank you.
- 11 Any further questions?
- 12 Hearing none, Mr. Burditt, thank you. You are
- 13 dismissed.
- MR. BURDITT: Thank you.
- 15 COMMISSIONER CLAYTON: And I think we're going to --
- 16 why don't we keep the microphone up here? So I guess there's a
- 17 problem, everyone can't hear in the back. So we are going
- 18 through on the webcast through this little microphone, but it
- 19 doesn't amplify. So we'll ask you to hold the microphone and the
- 20 other mic will pick you up.
- 21 At this point the next witness is Gerald Reierson.
- 22 And the next name on the list is Joanne Reierson at the same
- 23 address. I'm assuming there's a relation. If you would both
- 24 like to testify, you're invited, but don't have to. Come up to
- 25 the table together if you like in the interest of time. If you

- 1 want to testify separately you can do that as well.
- Before we get started I ask that you each raise your
- 3 right hand.
- 4 GERALD REIERSON & JOANNE REIERSON,
- 5 having been sworn by Commissioner Clayton, deposes and says:
- 6 COMMISSIONER CLAYTON: You're under oath. Please
- 7 state, both of you state your names at a different time and give
- 8 us your address and then offer your comments.
- 9 MR. REIERSON: Gerald Reierson. 43615 Blue Lagoon
- 10 Place, Monroe City, Missouri, 63456.
- 11 COMMISSIONER CLAYTON: You may want to hold that a
- 12 little closer.
- MR. REIERSON: Okay.
- 14 COMMISSIONER CLAYTON: Go ahead. Or if you want to
- 15 go ahead and give us your name and address.
- 16 MRS. REIERSON: Joanne Reierson. 43615 Blue Lagoon
- 17 Place, Monroe City.
- 18 COMMISSIONER CLAYTON: And are you both receiving
- 19 service from this company at this time?
- 20 MR. REIERSON: Yes.
- 21 COMMISSIONER CLAYTON: Okay. Please give us your
- 22 comment.
- 23 MR. REIERSON: Okay. First of all, I would like to
- 24 say that I think the rate proposal's outrageous. It's going to
- 25 double or triple our rates.

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1 And that being said, I don't even think there should
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- 2 be any assets transferred until Mr. Jaeger's obligations ordered
- 3 by the court have been fulfilled, such as putting two pumps in
- 4 the lift station and purchasing a spray off reel.
- 5 That being said, the spray off field, which Mr.
- 6 Thompson has proposed cutting six times a year and charging us
- 7 for it he cut for free in the past, baled the hay and took it
- 8 home. So it's an asset, not a liability.
- 9 That's all I have to say.
- 10 COMMISSIONER CLAYTON: Okay.
- 11 MRS. REIERSON: Mr. Clayton, I wonder if I could ask
- 12 you to let us know: You are Judge Clayton's son?
- 13 COMMISSIONER CLAYTON: I am.
- 14 MRS. REIERSON: Do you have a conflict of interest in
- 15 this?
- 16 COMMISSIONER CLAYTON: If -- if --
- 17 MRS. REIERSON: And if so, if not, could you explain
- 18 why you don't?
- 19 COMMISSIONER CLAYTON: Well, I don't know -- if you
- 20 believe that I have a conflict of interest you're welcome to
- 21 state that here. I don't have an interest in the outcome one way
- 22 or the other. I don't have an interest in the case. I don't
- 23 reside in the area.
- 24 MRS. REIERSON: But your father is the judge over the
- 25 DNR case.

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1 COMMISSIONER CLAYTON: He is. He is.
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- 2 MRS. REIERSON: So is there a conflict there?
- 3 COMMISSIONER CLAYTON: Ma'am, if you believe there's
- 4 a conflict please give us that or tell me that and I will act on
- 5 that concern.
- 6 MRS. REIERSON: Okay. Well --
- 7 COMMISSIONER CLAYTON: I don't believe there's a
- 8 conflict just because I don't have an interest in the outcome.
- 9 Now his -- the case that is pending separate from
- 10 here, I am not that familiar with that case. Only the
- 11 information that is part of this record is the information that's
- 12 been given to us. I've had no conversations outside of the
- 13 regulatory process.
- 14 However, if a party or a customer feels that there is
- 15 a conflict of interest, I have no problem taking action in
- 16 response to that.
- 17 MRS. REIERSON: Okay. Well, I will state for the
- 18 record that I'm thinking there is a conflict of interest.
- 19 COMMISSIONER CLAYTON: Okay. Okay. Thank you.
- 20 MRS. REIERSON: Okay. My other concerns are four
- 21 plus years ago when all of this started we were told that Mr.
- 22 Jaeger put the cart before the horse. And that's why we're in
- 23 the mess that we're in now.
- According to the docket of March the 10th, 2008,
- 25 Judge Clayton has some orders for Ken Jaeger to fulfill, which

- 1 are not being fulfilled because he's not in the state.
- 2 And so I'm wondering with us being here today are we
- 3 putting the cart before the horse again? Are we entertaining
- 4 Blue Lagoon, LLC taking over the lagoon without these orders
- 5 being completed?
- 6 And I oppose the idea of the transfer until all the
- 7 court orders are completed. I think once they're completed then
- 8 that might be the time to entertain who can take it over because
- 9 there might be other people out there willing to do so once they
- 10 know that everything is in its place.
- 11 I don't want the costs of the transfer to be paid for
- 12 by the customers. Some of the things I'm reading about looks to
- 13 me like the customers are going to be paying for things that
- 14 should already be -- be in place.
- 15 I was told by Mr. Thompson just personally that his
- 16 plan was to have the sewer and the water rate the same. I'm
- 17 reading in these papers that that doesn't look like it's going to
- 18 happen.
- 19 I also have a concern what Blue -- if Blue Lagoon,
- 20 LLC walks away from the whole system then what happens?
- 21 COMMISSIONER CLAYTON: Does that conclude your
- 22 comments?
- MRS. REIERSON: Yes.
- 24 COMMISSIONER CLAYTON: Okay. Commissioner Murray?
- 25 COMMISSIONER MURRAY: I have no questions. Thank you

- 1 for stating your positions very clearly. I think it's easy to
- 2 understand what your position is. Thank you very much.
- 3 COMMISSIONER CLAYTON: Ms. Reierson, I have a couple
- 4 of questions.
- 5 If -- do you support the settlement that is part of
- 6 the circuit court case? Meaning that if all of the provisions
- 7 of the settlement agreement and the orders that have been entered
- 8 are complied with, if all the provisions are followed, do you
- 9 then support the proposed transfer here?
- 10 MRS. REIERSON: If -- if everything is done I -- I do
- 11 support a transfer, but I'm not saying I support maybe the
- 12 transfer to Blue Lagoon, LLC.
- COMMISSIONER CLAYTON: Okay. Well, let's take this
- 14 one step at a time.
- 15 First of all, I want you to make the assumption that
- 16 the circuit court order and the settlement agreement that is in
- 17 place, all those provisions are followed; that everything, all
- 18 those steps are followed through.
- 19 Then we get to this point. And we have a joint
- 20 application before the Commission to transfer assets. And the
- 21 joint application sets out rates, terms of operation, terms of
- 22 ownership, how the new utility would then operate the facility.
- Now assuming that the circuit court settlement is
- 24 done, do you support or not support the provisions of the joint
- 25 application?

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1 MRS. REIERSON: I support.
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- 2 COMMISSIONER CLAYTON: You do support them. So if
- 3 everything is put together -- now I want to be clear. You didn't
- 4 like Blue Lagoon, though. You do or don't like Blue Lagoon and
- 5 the concept of Mr. Thompson operating it?
- 6 MRS. REIERSON: I don't.
- 7 COMMISSIONER CLAYTON: You do not like that.
- 8 MRS. REIERSON: No.
- 9 COMMISSIONER CLAYTON: So then you don't support this
- 10 proposed transfer.
- 11 MRS. REIERSON: Okay. Well, I thought you meant a
- 12 transfer -- but I didn't want it connected to Blue Lagoon, LLC.
- 13 COMMISSIONER CLAYTON: Okay. So even if -- but as
- 14 part of the settlement doesn't it contemplate that Blue Lagoon
- 15 would take it over, that the new entity -- no?
- MRS. REIERSON: Not that I'm aware of.
- 17 COMMISSIONER CLAYTON: Okay. Do any of the attorneys
- 18 have any questions?
- 19 MR. KRUEGER: You stated that you don't favor Blue
- 20 Lagoon, LLC. Can you elaborate on that? Can you tell us the
- 21 reasons why?
- MRS. REIERSON: Well, one of the reasons is the
- 23 proposal he has for putting up this shed and buying this reel
- 24 system and all these other extras I see as us having to pay for
- 25 that. And yet my understanding is that everything is to be in

- 1 place before a transfer takes over. So why would we need these
- 2 extras?
- 3 I'm sorry. What was your question again? I'm sorry.
- 4 MR. KRUEGER: Well, let me just ask a follow-up. Is
- 5 the proposal that you're concerned about more than Mr. Thompson
- 6 specifically?
- 7 MRS. REIERSON: Well, I think I may be also be
- 8 concerned after talking with Mr. Thompson that if this becomes a
- 9 heartache for him he'll just maybe give it over to the residents.
- 10 I don't know if that's possible, but that's what was said to me.
- 11 MR. KRUEGER: Okay. Thank you.
- 12 MRS. REIERSON: And so I'm concerned that he'll walk
- away.
- MR. KRUEGER: Thank you.
- 15 MS. BAKER: The question that I have is: In this
- 16 proposal there are basically two steps. The first step is the
- 17 certificate from the Commission given to Blue Lagoon, LLC.
- 18 Second step would be then what is the reasonable
- 19 rate.
- 20 Okay. Talking about the first step, giving the
- 21 certificate to Blue Lagoon, LLC, that alone, are you for that or
- 22 are you against that?
- MRS. REIERSON: I'm against it.
- 24 MS. BAKER: Okay. All right. And the reasons why
- 25 you are against that?

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1 MRS. REIERSON: Well, I think I've already stated
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- 2 that I'm concerned that -- now are we talking about all the
- 3 orders being in place? We're talking about everything's ready to
- 4 be transferred according to the court?
- 5 MS. BAKER: If that is a condition on you saying that
- 6 you would approve of that, if everything were in place, would
- 7 that change your mind?
- 8 MRS. REIERSON: If everything's in place I would like
- 9 to entertain the idea of someone else taking over the sewer
- 10 system. I think there would be other options out there besides
- 11 Blue Lagoon, LLC.
- 12 MS. BAKER: And so then of course if everything were
- 13 not in place you would oppose?
- MRS. REIERSON: That's right.
- 15 MS. BAKER: Okay. If it -- if it were to be
- 16 certificated under Blue Lagoon, LLC, at that point you would have
- 17 concerns about the proposal of some of the inclusions in the
- 18 rate --
- MRS. REIERSON: Yes.
- 20 MS. BAKER: -- is that correct?
- MRS. REIERSON: Yes.
- MS. BAKER: So if my office and all the other
- 23 attorneys work together to make sure that what came out was a
- 24 just and reasonable rate, that would allay the fears that you
- 25 have from what is in the application?

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1 MRS. REIERSON: And I would hope that you would
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- 2 communicate to us what these new fees, you know, are about,
- 3 what's included in them.
- 4 MS. BAKER: And that would help to alleviate the
- 5 fears?
- 6 MRS. REIERSON: I believe so.
- 7 MS. BAKER: I think that's all the questions that I
- 8 have. So thank you for coming.
- 9 COMMISSIONER CLAYTON: Mr. Maxwell? Any questions?
- 10 Mr. Edmonds? Any questions?
- 11 I just wanted to ask you, Ms. Reierson: You were
- 12 interested in exploring the possibility of other operators or
- 13 other owners.
- 14 Do you have personal knowledge of others who have
- 15 expressed interest? Are there other possibilities?
- 16 MRS. REIERSON: I believe there are. I believe
- 17 Cannon Dam -- or Cannon Water System told us if there was a
- 18 permanent system -- is that right?
- 19 Permanent system in place they would take it over.
- 20 We've all agreed that we would love that, or most of us have
- 21 agreed. I won't speak for all.
- 22 COMMISSIONER CLAYTON: Well, that's beyond our
- 23 authority, I think.
- 24 MRS. REIERSON: Okay. I believe there's another
- 25 gentleman by the name of Dennis, Dennis Gill, who is in the area

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1 who is very experienced with this. I understand that he has been
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- 2 approached, but he won't take it over because of issues that he
- 3 would like to see resolved before he would take it over.
- 4 COMMISSIONER CLAYTON: Okay. Is that it?
- 5 Okay. I don't have any other questions.
- 6 Commissioner Murray?
- 7 COMMISSIONER MURRAY: No. Thank you very much.
- 8 COMMISSIONER CLAYTON: Okay. Then thank you very
- 9 much for your testimony.
- 10 Donna Kelley?
- MS. KELLEY: Good morning.
- 12 COMMISSIONER CLAYTON: Good morning, Miss Kelley.
- 13 Miss Kelley, would you please raise your right hand?
- 14 DONNA KELLEY,
- 15 having been sworn by Commissioner Clayton, deposes and says:
- 16 COMMISSIONER CLAYTON: You're under oath.
- 17 Would you please state your name and address and tell
- 18 us whether you are receiving service from the applicant?
- 19 MS. KELLEY: My name is Donna Kelley. I have a
- 20 residence, a summer home on Blue Lagoon Drive. It's lot 13. I
- 21 don't know the numerics. I'm sorry.
- 22 My husband and I -- my husband William and I bought
- 23 the house about -- about the time this all occurred and with the
- 24 lagoon.
- 25 COMMISSIONER CLAYTON: Okay. Please offer us your

- 1 comments.
- 2 MS. KELLEY: Okay. I would like to see this resolved
- 3 in a way that is permanent for when my children take over our
- 4 home when we're no longer here that they don't have the same
- 5 fight.
- 6 I don't think Blue Lagoon, LLC is going to be there
- 7 forever permanent. It's a band-aid on a big, big problem.
- 8 And my fear is that the lagoon is not up to what it
- 9 should be. It's overflowing. The sewers are overflowing. At
- 10 this point as we speak they have been for quite awhile. And with
- 11 the rain coming it's just going to continue.
- 12 We're getting no progress with the court case. Mr.
- 13 Jaeger attends court and proceeds to leave Missouri for Texas and
- 14 comes back in one or two days before the next court date. And we
- 15 have no recourse there because the courts just don't seem to be
- 16 moving well. They're very patient with Mr. Jaeger.
- 17 Anyway, we do know of Dennis Gill. He's a local man.
- 18 He's certified to run the lagoon. He does run lagoons. He has a
- 19 trailer park that he sprays off for.
- 20 All the man is asking is that a reel system is
- 21 purchased, the pumps are replaced, and he would be willing to do
- 22 this function for us, I believe. But he doesn't want to get into
- 23 this bickering and trying to figure out what's been done by
- Jaeger, what hasn't been done by Jaeger.
- 25 He would be approachable at the end when things are

- 1 in place. And I think that would be more of a recourse than
- 2 allowing a friend of Jaeger's to take over that has a financial
- 3 request from the homeowners such as the \$8,500 storage building.
- 4 He won't have that request. He isn't asking for a \$13,000 loan
- 5 at the cost of the homeowners.
- 6 I think we need to get away from Jaeger. I think we
- 7 need to cut the cord and be done with the relationship with him.
- 8 And I think we need to -- we need anew. We need someone that we
- 9 feel comfortable with that isn't going to gouge us, that isn't
- 10 going to walk away.
- 11 And when we bought into Blue Lagoon there was signs
- 12 up, huge signs that says water, sewer, electric and lots. And if
- 13 you wanted, they would build your home. And we bought into that.
- 14 And I guess buyer beware, but we're from O'Fallon where things
- 15 are done appropriately and we felt we were -- we felt this was a
- 16 good move for us and -- and unfortunately we're stuck with the
- 17 situation.
- 18 This has basically divided friends. It's been a
- 19 total conversation of everybody every weekend. You know. We
- 20 don't know if the alarm's going off. We have no one at this
- 21 point to contact if there's a problem.
- We need help. We need someone to listen to us. And
- 23 we can't speak in court, we can't share these feelings with Judge
- 24 Clayton.
- 25 And, you know, we're just -- we're at the mercy of

- 1 all of you to help us. And I hope some way you all can do what's
- 2 right by us.
- 3 So that's my fears and my concerns. Just the
- 4 longevity to have a complete, total resolve so we don't have to
- 5 face it when Mr. Thompson's gone or when -- you know. Just
- 6 resolve this for us, please.
- 7 COMMISSIONER CLAYTON: Commissioner Murray?
- 8 COMMISSIONER MURRAY: Thank you, Miss Kelley. Is it
- 9 your position that Jaeger should be ordered to do a number of
- 10 things to the system to get it to a specific point and that this
- 11 application that is before us presently to transfer the system to
- 12 Blue Lagoon should be rejected so that another operator such as
- 13 Mr. Gill that you mentioned could apply to or perhaps take over
- 14 the system at a later date after it is in compliance with
- 15 everything?
- 16 MS. KELLEY: It is my total understanding from
- 17 conversation that Mr. Gill was -- it was shared with him that
- 18 upon -- that the lagoon would be left up to whoever takes it over
- 19 to bring it up to par for it to even function, and that included
- 20 the purchasing of the reel system and the pump. And he's not
- 21 going to do that.
- No one that's going to take over the system is going
- 23 to walk in and say let me sink X amount of dollars in to bringing
- 24 it up so I can come spray it off for you.
- 25 And the courts are basically taking care of that by

- 1 ordering Mr. Jaeger to buy the appropriate pumps and the reel
- 2 system.
- I think we need time to get the system up to where it
- 4 needs to be, for someone to come in and then apply, have others
- 5 apply to run this. I think they've been scared off with small
- 6 town gossip and talk and they need to be allowed to put in their
- 7 bids as well.
- 8 And, yeah, I think this shouldn't even be considered
- 9 right now until we have what we need and then allow other people
- 10 to -- to bid in on this.
- 11 COMMISSIONER MURRAY: So is it your position that if
- 12 the process goes forward in court that the issues will be -- the
- issues of the system itself will be resolved so that at a later
- 14 date another operator will be willing and able to take over the
- 15 system?
- 16 MS. KELLEY: Yes, ma'am. Yes, ma'am. I think it --
- 17 it will open opportunities that we don't have now because no one,
- 18 other than Mr. Thompson, wants to walk in on this and -- and take
- 19 over, but asking exorbitant requests of the homeowners.
- 20 And this is just my opinion, but at this point a
- 21 \$13,000 loan, just I'm fearful that this is just a payback to
- 22 Jaeger for what he has to upgrade. And that's just my personal
- 23 opinion.
- 24 But I think we need to cut the cord with Jaeger. He
- 25 needs to fix what he needs to fix, what's been court ordered, and

- 1 then allow other applicants to give bids and not just see this as
- 2 our saving grace.
- 3 COMMISSIONER MURRAY: Thank you very much for your
- 4 testimony this morning.
- 5 MS. KELLEY: You're welcome.
- 6 COMMISSIONER CLAYTON: Attorneys?
- 7 I don't have any questions, Miss Kelley.
- 8 MS. KELLEY: Thank you.
- 9 COMMISSIONER CLAYTON: Thank you for coming.
- 10 Do any of the attorneys have questions?
- 11 MR. KRUEGER: Yes. Miss Kelley, you made reference
- 12 to Mr. Thompson being a friend of Jaeger's and then a little
- 13 later you referred to a payback to Jaeger.
- Do you think that there's some kind of a connection
- 15 between these two men or less than an arm's length dealing?
- 16 MS. KELLEY: Yes, sir. They go to court and they go
- 17 get a beer afterwards. And -- it gives the appearance. I can't
- 18 -- I can't accuse them because that's not right. It gives the
- 19 appearance that Ken will still be in the picture very much so at
- 20 either a financial gain or -- I don't know. This is my feelings
- 21 and my suspicions and my fears.
- We need to get away from Jaeger. He needs to just be
- 23 completely out of the picture. And by hiring Mr. Thompson, I
- 24 don't see that as -- it's not going to happen. And we need to
- 25 cut that cord. We need to find a neutral party that isn't

- 1 involved with anything to do with Jaeger.
- That's my hopes. That's my personal hopes.
- 3 MR. KRUEGER: And that is part of the reason why you
- 4 think that Mr. Gill is a more interesting option.
- 5 MS. KELLEY: Absolutely. Absolutely. But he is not
- 6 willing to visit the idea until the system and the pumps are in
- 7 place and then let him make a bid on this, give some time. But
- 8 he's not going to get involved in it until then.
- 9 MR. KRUEGER: Thank you.
- MS. KELLEY: You're welcome, sir.
- MS. BAKER: I just have a couple of questions. You
- 12 mentioned, you made the statement of cutting the cord.
- MS. KELLEY: Yes.
- 14 MS. BAKER: I assume from your statement that you do
- 15 not feel that going with Mr. Thompson would be cutting the
- 16 cord --
- MS. KELLEY: No, ma'am.
- MS. BAKER: -- from Mr. Jaeger.
- 19 MS. KELLEY: It's just more of the same.
- 20 MS. BAKER: I guess that's really the only question
- 21 that I have. I appreciate your comments today.
- MS. KELLEY: Thanks.
- 23 MR. MAXWELL: I have a question. Miss Kelley?
- MS. KELLEY: Yes, sir.
- 25 MR. MAXWELL: Are you aware of who put in the sewer

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1 system that exists there in the development?
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- 2 MS. KELLEY: Ken Jaeger.
- 3 MR. MAXWELL: Do you know who the contractor was?
- 4 MS. KELLEY: I assume Ken Jaeger.
- 5 MR. MAXWELL: Did you -- you didn't -- were you aware
- 6 that Bubb Thompson was the contractor that was contracted to put
- 7 in the mains and sewer there?
- 8 MS. KELLEY: I was -- my husband and I were one of
- 9 the last people to move in before all this came out and I assumed
- 10 that Ken had either done it or had farmed it out.
- 11 MR. MAXWELL: Thank you very much.
- 12 Thank you, Mr. Commissioner.
- 13 COMMISSIONER CLAYTON: Mr. Edmonds?
- No questions?
- 15 No further questions. Thank you very much for your
- 16 testimony.
- 17 Debbie Howard?
- 18 Good morning. Please raise your right hand.
- 19 DEBBIE HOWARD,
- 20 having been sworn by Commissioner Clayton, deposes and says:
- 21 COMMISSIONER CLAYTON: Would you please state your
- 22 name, address, and whether you're receiving service from the
- 23 applicant?
- 24 MS. HOWARD: Debbie Howard. We're --
- 25 COMMISSIONER CLAYTON: Make sure you hold it closer.

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1 MS. HOWARD: Lot 31, Blue Lagoon, in Monroe City.
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- 2 And yes, we do receive service.
- 3 COMMISSIONER CLAYTON: Please give us your comments.
- 4 MS. HOWARD: My husband and I feel, are not in favor
- 5 of Blue Lagoon, LLC. We believe that some other company or
- 6 person of interest not associated with Mr. Jaeger should take
- 7 over the lagoon system after it is in compliance, such as Cannon
- 8 Water or maybe Dennis Gill.
- 9 The rates we feel that is he is proposing are too
- 10 high. We do not pay that at our home, our permanent residence.
- 11 I believe Mr. Thompson along with Ken Jaeger upgraded
- 12 the new pipes to four inch pipes -- or six inch pipes according
- 13 to DNR standards because the original pipes were too small.
- 14 If Mr. Jaeger -- if Ken and Bubba, or Mr. Thompson
- 15 put in the new pipes correctly, why is the system overflowing now
- 16 at the lift station? There has to be -- there's groundwater
- 17 getting into the system somehow.
- 18 And before Mr. Thompson or the LLC takes over the
- 19 system we would hope that the courts have made Mr. Jaeger
- 20 purchase the equipment according to how Mr. Jaeger agreed to it
- 21 in court; that he would make all the necessary arrangements to
- 22 make it up to standards.
- That's all
- 24 COMMISSIONER CLAYTON: Okay. Commissioner Murray?
- 25 Hello? Commissioner Murray?

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1 COMMISSIONER MURRAY: Oh. Sorry. No, I have no
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- 2 questions. Thank you very much. Your testimony was very
- 3 helpful.
- 4 COMMISSIONER CLAYTON: Wasn't sure if we were
- 5 disconnected there.
- 6 Questions from the attorneys?
- 7 MR. KRUEGER: Yes. Miss Howard, I gather that you
- 8 think that Mr. Jaeger and Mr. Thompson are not independent of one
- 9 another, is that correct?
- 10 MS. HOWARD: Correct.
- 11 MR. KRUEGER: Can you tell me what led you to that
- 12 conclusion?
- 13 MS. HOWARD: Well, Mr. Thompson and Mr. Jaeger put in
- 14 the new pipes just last year or the year before. There's a
- 15 connection there somehow. They are -- they are friends,
- 16 whatever.
- 17 We need to get rid of Mr. Jaeger. We need him out of
- 18 the picture and have someone else that has no interest in him,
- 19 has no interest, but with the lagoon system.
- 20 MR. KRUEGER: Okay. Thank you.
- 21 MS. BAKER: So, again, I guess the question from the
- 22 previous one is is it your opinion that going with Blue Lagoon,
- 23 LLC would not cut the cord from Jaeger?
- MS. HOWARD: No. No.
- 25 MS. BAKER: Thank you for your comments today.

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1 COMMISSIONER CLAYTON: Mr. Maxwell.
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- 2 MR. MAXWELL: Thank you. You know of any other
- 3 relationship business-wise between Mr. Jaeger and Mr. Thompson
- 4 besides Mr. Thompson was the contractor in regards to putting in
- 5 the new lines that was ordered by DNR?
- 6 MS. HOWARD: No, that I'm aware.
- 7 MR. MAXWELL: Thank you.
- 8 COMMISSIONER CLAYTON: Mr. Edmonds?
- 9 No questions.
- 10 I don't have any questions. Thank you very much for
- 11 your testimony.
- 12 The next witness I believe is Stephen Zinn?
- MR. ZEISS: Zeiss.
- 14 COMMISSIONER CLAYTON: I'm sorry?
- MR. ZEISS: Zeiss, Z-e-i-s-s.
- 16 COMMISSIONER CLAYTON: Well, we'll refrain from
- 17 penmanship discussions here.
- 18 Ask that you raise your right hand.
- 19 STEPHEN P. ZEISS,
- 20 having been sworn by Commissioner Clayton, deposes and says:
- 21 COMMISSIONER CLAYTON: Then would you please give us
- 22 your name and spell it?
- 23 MR. ZEISS: Stephen, S-t-e-p-h-e-n, middle initial P,
- 24 Z-e-i-s-s.
- 25 COMMISSIONER CLAYTON: All right. And would you give

- 1 us your address and are you receiving service from the applicant?
- 2 MR. ZEISS: Address is 17943 Highway 19. Steelville,
- 3 Missouri, 65565.
- I just wondered today apparently whether I'm
- 5 receiving service through the motel. I'm one of the owners of
- 6 the other building, the opera house and the restaurant. And
- 7 apparently we're -- you know. I know there's a lift station
- 8 there, but the way it was explained that I'm receiving service
- 9 from him.
- 10 COMMISSIONER CLAYTON: Offer us your comments.
- 11 MR. ZEISS: Yeah. Off of -- yeah.
- 12 COMMISSIONER CLAYTON: Okay. Do you have any other
- 13 comments? Do you have any comments you would like to offer us
- 14 here today?
- 15 MR. ZEISS: Yeah. Just stating on the few things I
- 16 know.
- 17 That originally the system was just put in place for
- 18 the restaurant, the motel, the opera house and the campground.
- 19 You know. It was made to take care of that. It's unfortunate,
- 20 you know, that the other houses added on later on, but I'm just
- 21 afraid of the cost falling back on the original things more than
- 22 anything.
- 23 And like the proposed rates here, too, of -- it only
- 24 mentions residential, but then it goes on to say that the ten --
- 25 10.50 per thousand gallons of water above the thousand gallon

- 1 minimum. Just in previous ones up and operating, not, you know,
- 2 Mike can speak for the campground, but like the motel and -- or
- 3 not the motel, but the restaurant and the opera house was about
- 4 eighteen thousand gallons. So just roughly that's -- that would
- 5 be 210 a month based on what's proposed right here just at that
- 6 just for sewer.
- 7 COMMISSIONER CLAYTON: Commissioner Murray?
- 8 COMMISSIONER MURRAY: Thank you very much. Mr.
- 9 Zeiss, I -- you are, I just want to make sure I'm correct here,
- 10 you are opposed to the proposed transfer, is that correct?
- 11 MR. ZEISS: Yes. Yes.
- 12 COMMISSIONER MURRAY: Thank you very much.
- 13 COMMISSIONER CLAYTON: Attorneys?
- 14 MR. KRUEGER: Just to clarify. You're opposed to the
- 15 transfer or you're just opposed to the rates that are proposed?
- 16 MR. ZEISS: I'm opposed to the transfer and I'm
- 17 concerned about the rates.
- MR. KRUEGER: Okay. Thank you.
- 19 COMMISSIONER CLAYTON: Other attorneys?
- 20 MS. BAKER: Why exactly are you opposed to the
- 21 transfer?
- MR. ZEISS: Two reasons mainly. This was originally,
- 23 like I say, it was originally built what it was built for, and
- 24 then the things were added on later without approval. And, you
- 25 know, like the same thing; I don't want this -- this Jaeger to be

- 1 involved in this in any way, shape, or form.
- 2 MS. BAKER: Do you believe that there will still be a
- 3 connection to Jaeger?
- 4 MR. ZEISS: Yes, I do.
- 5 MS. BAKER: Okay. That's all the questions I have.
- 6 Thank you for your comments.
- 7 COMMISSIONER CLAYTON: Any questions, Mr. Maxwell?
- 8 MR. MAXWELL: Yes. Your line, I think I understand
- 9 this, your line runs into Mr. Burditt's property into a lift
- 10 station located there, correct?
- MR. ZEISS: That's what I understand, yes.
- 12 MR. MAXWELL: And do you currently pay or reimburse
- 13 Mr. Burditt any moneys for --
- 14 MR. ZEISS: No. And like I said, I just found out
- 15 today. I mean, I knew -- he told me that his electric is what
- 16 pumped it, but while I've had it we have never had the water on
- 17 or anything except when it was being leased to Mike Knepper.
- 18 That's the only time it was ever on.
- 19 MR. MAXWELL: If a transfer was made to someone, Blue
- 20 Lagoon or anyone, the others named here, would you consider it
- 21 appropriate that there be a meter placed there and that that cost
- 22 of that meter base, that electric, be charged to the system and
- 23 to the rate -- to the users?
- 24 MR. ZEISS: Just to separate the -- I know his
- 25 electric is what pumps it over there. I believe that there

- 1 should be something for the electric being pumped over there that
- 2 is responsible to the restaurant and the opera house, yes.
- 3 MR. MAXWELL: And you wouldn't oppose that setting a
- 4 new meter base and -- and --
- 5 MR. ZEISS: No. No.
- 6 MR. MAXWELL: Okay. Thank you.
- 7 Thank you.
- 8 COMMISSIONER CLAYTON: Mr. Edmonds?
- 9 No questions.
- 10 Thank you very much.
- 11 Yes. Please.
- 12 MR. ZEISS: I just wanted to add one more name, you
- 13 know, when we talk about the people that might be willing to take
- 14 this over. Mike Knepper had made that he would be willing to
- 15 take it over, too, as far as another name. There are other
- 16 people I believe out there that would be willing to do it if
- 17 things were already in place.
- 18 I think the same thing. I think before rates should
- 19 be set and everything else here, everything should be in place
- 20 and in working order. That should be step one.
- 21 She mentioned earlier about the two steps. I think
- 22 there's three steps. And I think the step one, should everything
- 23 be in place first and then establishing the rates and that.
- 24 COMMISSIONER CLAYTON: Okay. Thank you.
- MR. ZEISS: Thank you.

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1 COMMISSIONER CLAYTON: I have no questions. Thank
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- 2 you very much for your testimony. And I apologize for butchering
- 3 your name.
- 4 MR. ZEISS: I apologize for the bad penmanship.
- 5 COMMISSIONER CLAYTON: I -- it looks like Zinn. I
- 6 should have just said man from the opera house.
- 7 Now I know I'm probably not going to do very well on
- 8 the next one. Robert -- is it Hellebusch?
- 9 MR. HELLEBUSCH: Hellebusch.
- 10 COMMISSIONER CLAYTON: Hellebusch.
- MR. HELLEBUSCH: Hellebusch.
- 12 COMMISSIONER CLAYTON: Come on down.
- MR. HELLEBUSCH: Come on down.
- 14 COMMISSIONER CLAYTON: Come on down.
- 15 And actually, looks like there's a Lynda next to
- 16 that. If you both want to testify you're welcome to come up
- 17 together. You're welcome to speak separate. Whatever you
- 18 prefer.
- 19 I ask that you first raise your right hand.
- 20 ROBERT & LYNDA HELLEBUSCH,
- 21 having been sworn by Commissioner Clayton, deposes and says:
- 22 COMMISSIONER CLAYTON: You're under oath.
- 23 Please both of you state your name, address, and
- 24 whether you are a customer of the applicant.
- 25 MR. HELLEBUSCH: My name is Robert Hellebusch. Lot

- 1 29, Lost Valley Subdivision. And I am now receiving service.
- MRS. HELLEBUSCH: And my name is Lynda Hellebusch,
- 3 and I'm also at Lot 29 in Blue Lagoon, and yes, we receive
- 4 service.
- 5 COMMISSIONER CLAYTON: Okay. Please give us your
- 6 comments.
- 7 MR. HELLEBUSCH: My first comment would be is that on
- 8 the joint application under Item N it talks about Mr. Thompson
- 9 having forty years of experience of sewer installation. To me
- 10 installing the sewer and having the knowledge as to how to pump
- 11 it off, evaluate how much the soil can absorb, when to pump it
- 12 off, how much are two different things.
- So his experience of putting in a sewer is fine, but
- 14 that doesn't mean he's qualified to run a sewer system.
- 15 The second thing I would like to bring up is their
- 16 Exhibit H. Has to do with the insurance policy, general
- 17 liability insurance policy. They first talk of a premium of
- 18 \$1,155. And then on the next page they talk about a premium of
- 19 \$11,500.
- Now if I multiply \$1,155 times three that comes to
- 21 \$3,465, not \$11,500.
- This is just kind of of the many things that are in
- 23 that joint application. There's many things that are put in
- 24 there that seems suspicious to me that I would like clarification
- 25 on.

- I would also like to see, as has been mentioned
- 2 earlier, the cutting of the cord, okay, with Mr. Jaeger and have
- 3 somebody of a neutral party operate this system. And until we
- 4 get that I think we're still going to have continual hi-jinks and
- 5 stalling tactics and everything else that we've had in the past
- 6 four years.
- 7 That's all I have.
- 8 COMMISSIONER CLAYTON: Would you like to offer
- 9 comments?
- 10 MRS. HELLEBUSCH: Sure.
- 11 COMMISSIONER CLAYTON: And then we can open it up to
- 12 both of you, may be more efficient.
- MRS. REIERSON: First of all, I would like to thank
- 14 everyone that took out time to come here. We really appreciate
- 15 your input and your interest and trying to help get this further
- 16 along and hopefully resolved in a respectable, civil manner.
- 17 I feel that the homeowners in Blue Lagoon have come
- 18 together. We probably all bought into this thinking that we were
- 19 going to have a recreational little community to have a good time
- 20 and hopefully have something that was usable without too much
- 21 hassle and headache for fun and enjoyment.
- Instead we walk into it, we read the sign, we come
- 23 in, we think we're going to have sewer included with all the
- 24 other utilities and this just isn't happening.
- Therefore, we're wanting to have, like you said,

- 1 maybe not the cart before the horse this time. Let's get these
- 2 orders and mandates up to snuff. Let's have the issues resolved
- 3 that needs to be done yesterday and it isn't being done in a
- 4 timely manner.
- 5 Before we transfer these assets and get this
- 6 certification for convenience, I feel that, as other parties have
- 7 stated, we do need to get all of these kinks out of the rope.
- 8 It's just been overwhelming and quite frankly not what you came
- 9 to -- to expect.
- 10 Therefore, for one thing in the application, the
- 11 joint application, Mr. Clayton, it states that if we go with a
- 12 reel system, that that would be implemented and taken care of by
- 13 Mr. Jaeger. That hasn't been performed.
- 14 It says that it would take -- we would pay for man
- 15 hours \$6,100, and also for charging us \$520 for travel expenses,
- 16 a thousand one hundred -- or \$300 for labor. And if this reel
- 17 runs on its own, I'm wondering why do we need to pay those fees?
- 18 And also a hundred dollar hook-up fee? If there's no
- 19 certification for the purpose of having someone operate this,
- 20 then any of us should be able to just apply as well.
- 21 And while it's true Mr. Bubb Thompson may have what
- 22 he has as far as his sewer installation is concerned, we were
- 23 instructed by various different parties that somebody that does
- 24 this, if you're going to have a reel system, should be schooled
- 25 and certified. And therefore that is a concern.

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I don't feel qualified to do it, but I do think that
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- 2 it would be exceptionally of interest to get somebody that's
- 3 certified and has instruction in this. Beneficial for all of us.
- 4 The pump situations, they go off. There's now --
- 5 there's burnout and there's not even a pump that is working
- 6 properly. There's no backup pump. There's no recourse for us to
- 7 get anything fixed because we don't have a neutral party. The
- 8 party is in Padre Island, Texas, and no business person runs a
- 9 business like this and gets away with it that we know of.
- 10 I mean, if you don't pay your taxes you get audited.
- 11 You get the recourse. If you, you know, if you don't do what you
- 12 need to do, for example you sell drugs, you go to jail.
- There's been no recourse for Mr. Jaeger. And the
- 14 fact that getting the cord cut is a concern here. I think that's
- 15 the issue at hand is let's have some of these responsibilities be
- 16 met, tie these things in order. Before we can get certification
- 17 or anything we need to get the resolve and get the horse before
- 18 the cart.
- 19 And I do feel that other parties might be interested
- 20 or available if we can get this part done.
- 21 Thank you.
- 22 COMMISSIONER CLAYTON: Commissioner Murray?
- 23 COMMISSIONER MURRAY: I have no questions, but thank
- 24 you very much. Your testimony was helpful.
- 25 COMMISSIONER CLAYTON: I would -- I would suggest,

- 1 you know, we've had, there's been some discussion about cart
- 2 before the horse and everything. I don't think this case is even
- 3 set for evidentiary hearing. So I think there's -- there's a
- 4 reason why we're having this public hearing is to receive this
- 5 testify, figure out what direction to go in the case. So --
- 6 because it's not set for trial.
- 7 Has the Staff filed a recommendation in the case yet?
- 8 MR. KRUEGER: No, we have not.
- 9 COMMISSIONER CLAYTON: Not yet. So we're still
- 10 awfully early in this case.
- 11 Attorneys' questions?
- MR. KRUEGER: No questions.
- 13 COMMISSIONER CLAYTON: Miss Baker?
- 14 MS. BAKER: I guess the only question I have is I
- 15 understand that you would like the circuit court issues and the
- 16 repairs resolved with Mr. Jaeger first.
- 17 Once that is done, are you opposed to Blue Lagoon,
- 18 LLC getting the certificate for this system?
- MRS. HELLEBUSCH: Very much so.
- MS. BAKER: And why is that?
- 21 MRS. HELLEBUSCH: Very much so. And the reason is we
- 22 have observed that Mr. Jaeger and Mr. Bubb Thompson have been in
- 23 -- they have been in working relationships for many years in
- 24 Ralls County. And for reasons stated by other people earlier in
- 25 this, it's -- it's very apparent that they have had an ongoing

- 1 working relationship, and possibly further than that, a definite
- 2 friendship relationship. And I would think that it would be hard
- 3 to have a clear, open, nonjudgmental reaction between the two of
- 4 them under those particular circumstances.
- 5 MS. BAKER: Thank you. I appreciate your comments
- 6 today.
- 7 COMMISSIONER CLAYTON: Mr. Maxwell? Questions?
- 8 MR. MAXWELL: On one of your previous statements one
- 9 of the witnesses testified that there was a sign that stated some
- 10 things that they were going to receive.
- 11 MRS. HELLEBUSCH: Yes
- 12 MR. MAXWELL: Was you referring to that sign as well
- 13 about providing the electric, and the water, and the sewer?
- 14 MRS. REIERSON: Yes. That was up in the front of the
- 15 Blue Lagoon. That's false advertising.
- 16 MR. MAXWELL: Do you pay for your electric there?
- 17 MRS. HELLEBUSCH: Of course we pay for our electric.
- 18 MR. MAXWELL: And you pay for your water?
- 19 MRS. HELLEBUSCH: Yes, we have paid for water.
- 20 MR. MAXWELL: In the end do you expect that you will
- 21 pay a sewer rate?
- MRS. HELLEBUSCH: In the end, yes. However, it was
- 23 stated in all kinds of previous legal papers, which I'm sure you
- 24 have access to, that things would be according to what they were
- 25 initially supposed to have been and they are not at this point.

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1 MR. MAXWELL: Now I don't know that I have access to
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- 2 those, but I -- I want to ask this again now. Regardless of if
- 3 it's Blue Lagoon, or Mr. Gill, or Mr. Knepper has expressed
- 4 interest to the Public Service Commission that he would love to
- 5 own the thing, there is still, you still have an understanding or
- 6 an expectation there will be some rate, not that you're agreeing
- 7 to the rate that's in the application, but there will be some
- 8 rate to pay to someone that takes it over?
- 9 MRS. REIERSON: Of course.
- 10 MR. MAXWELL: Okay. Thank you.
- 11 COMMISSIONER CLAYTON: Mr. Edmonds?
- 12 No questions.
- Okay. I have no questions. Thank you very much for
- 14 your testimony. You're excused.
- We'll go to the next witness. And I'll probably make
- 16 a mistake here. It's Ray -- is it Wildhaber? Wildhaber?
- 17 MR. WILDHABER: Right the first time.
- 18 COMMISSIONER CLAYTON: Wildhaber?
- 19 Mr. Wildhaber, please raise your right hand.
- 20 RAY WILDHABER,
- 21 having been sworn by Commissioner Clayton, deposes and says:
- 22 COMMISSIONER CLAYTON: You are under oath.
- Would you please state your name, and spell it for
- 24 the court reporter, give us your address, and are you a customer
- of the applicant?

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1 MR. WILDHABER: My name is Ray Wildhaber. It's
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- 2 spelled W-i-l-d-h-a-b, as in big, e-r. I live at 1847 Queen Ann
- 3 Court in beautiful Wentzville, Missouri, 63385. And I'm building
- 4 a house on lot 16, which is hooked up to the sewer system, but I
- 5 do not have plumbing facilities in the building yet.
- 6 COMMISSIONER CLAYTON: Okay. Please give us your
- 7 comments.
- 8 MR. WILDHABER: I can be very brief because my
- 9 concerns have already been stated. I just ask that the
- 10 Commissioners to look at two things, and that would be, and
- 11 they've both been stated already like I said, that Mr. Jaeger be
- 12 required at his expense to turn over a working, functional system
- 13 to whoever takes over.
- 14 And I think once that is done a public request for
- 15 bids or interest from other parties be broadcast, be published in
- 16 the newspapers or whatever, so that other people who are
- 17 interested in taking over the system have that opportunity.
- That's it.
- 19 COMMISSIONER CLAYTON: Okay. Commissioner Murray?
- 20 COMMISSIONER MURRAY: Thank you very much for your
- 21 concise and very clear testimony.
- 22 COMMISSIONER CLAYTON: Attorneys?
- 23 Staff?
- MR. KRUEGER: No questions.
- 25 COMMISSIONER CLAYTON: Public Counsel?

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1 MS. BAKER: I have no questions. Thank you for
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- 2 coming.
- 3 COMMISSIONER CLAYTON: Mr. Maxwell?
- 4 Mr. Edmonds?
- 5 Okay. I have no questions. Thank you very much for
- 6 your testimony.
- 7 The next signed, next person signed up on the list is
- 8 Mr. Edmonds, the attorney. I'm not sure if you were just signing
- 9 in to show that you're present or do you have testimony here
- 10 today?
- MR. EDMONDS: Both.
- 12 COMMISSIONER CLAYTON: Please come forward.
- MR. EDMONDS: I also want to ask some questions since
- 14 I'm representing an LLC. Can I have Mr. Knepper also sworn in in
- 15 case you have any questions of him? Being an attorney I have to
- 16 represent the LLC in front of you guys, but can he speak also?
- 17 COMMISSIONER CLAYTON: Who's the entity?
- 18 MR. EDMONDS: Mike at Salt River Resort, LLC.
- 19 COMMISSIONER CLAYTON: Salt River Resort?
- 20 MR. EDMONDS: A party to the hearing.
- 21 COMMISSIONER CLAYTON: Why don't you have him -- he
- 22 can come up --
- MR. EDMONDS: Yes.
- 24 COMMISSIONER CLAYTON: -- and speak on his own, too.
- 25 Is he --

- 1 MR. EDMONDS: Yes, he's here.
- 2 COMMISSIONER CLAYTON: Is he here?
- 3 MR. EDMONDS: He's here.
- 4 MS. BAKER: I think I have a little bit of a concern
- 5 here.
- 6 COMMISSIONER CLAYTON: Okay.
- 7 MS. BAKER: Are we going to be getting comments as
- 8 him as a customer or are we giving evidence for the hearing?
- 9 Because if we're giving evidence for the hearing that's not the
- 10 place for this.
- 11 MR. EDMONDS: I will make a statement. If you have
- 12 questions regarding some of my questions I might have him testify
- 13 as to the answer regarding your questions. You tell me how you
- 14 want to handle it.
- 15 MS. BAKER: I mean, what we're here for is a customer
- 16 local public hearing. We're not here for evidence on the
- 17 hearing.
- 18 MR. EDMONDS: He is a current customer, Salt River
- 19 Resort, LLC is a current customer of the lagoon.
- 20 MS. BAKER: And he's also a party to the case. So
- 21 that's -- that's where the difference is. If he's giving
- 22 testimony as a customer then I don't have an objection. If he's
- 23 giving testimony as a party in the case I do.
- 24 MR. EDMONDS: All right then. Let me think about
- 25 that a second here.

- 1 COMMISSIONER CLAYTON: Well, let me just say that
- 2 this is not a trial. This is not -- this is not the proceeding
- 3 where the decision is made. The point is accepting comments from
- 4 the public. If you are a party that gives you a different
- 5 designation.
- 6 My inclination, and I'll ask Commissioner Murray to
- 7 chime in if she disagrees, or agrees, whatever she likes, would
- 8 be to err on the side of being inclusive of information and only
- 9 the full Commission can render an evidentiary decision in ruling
- 10 on this objection. If -- if -- and so I think the Public Counsel
- 11 should raise the objection and then the full Commission will have
- 12 the ability to strike the portion of this testimony that would be
- inappropriate, if at all.
- 14 But I don't think I can exclude you, anyone, any
- 15 member of the public, even if you're a lawyer, I don't think we
- 16 can exclude you from testifying. This is an open forum to take
- 17 public testimony. Even though it is under oath it is not used as
- 18 evidence in the case to base a decision on.
- 19 So having said that, please note your objection.
- 20 Please come up and sit down, or come up to the table, both of
- 21 you.
- 22 Commissioner Murray, do you have a problem with that?
- 23 COMMISSIONER MURRAY: Commissioner Clayton, I think I
- 24 agree with you, but I do appreciate the fact that Miss Baker
- 25 raised the issue and has noted her objection.

- 1 Thank you.
- 2 COMMISSIONER CLAYTON: The question that I have is do
- 3 we get to put a lawyer under oath. That's the question that I
- 4 would raise.
- 5 And I'm going to ask that you both raise your right
- 6 hand.
- 7 DAVID EDMONDS & MICHAEL KNEPPER,
- 8 having been sworn by Commissioner Clayton, deposes and says:
- 9 COMMISSIONER CLAYTON: What a treat this will be.
- 10 I would ask -- I would ask that each of you state
- 11 your name and clearly set out your relationship. And then
- 12 whoever is offering comments please proceed.
- MR. EDMONDS: David Edmonds, attorney. Attorney for
- 14 Salt River Resort, LLC. Business address 1099 Milwaukee Street,
- 15 Suite 260, St. Louis Missouri, 63122. Bar Number 46723.
- 16 MR. KNEPPER: Mike Knepper. Salt River Resort, LLC.
- 17 Manager and owner. 19883 Opry Place, Monroe City, 63456.
- 18 COMMISSIONER CLAYTON: Okay. And do you receive, Mr.
- 19 Knepper, do you receive service from the applicant at this time?
- 20 MR. KNEPPER: Yes, I do.
- 21 COMMISSIONER CLAYTON: You do.
- Would you like to raise an objection, Miss Baker?
- 23 MS. BAKER: Again, if this is comments on his own --
- 24 own issues of service with the -- with the applicant, I have no
- 25 objection. But if it goes beyond that then I do.

- 1 COMMISSIONER CLAYTON: Okay. Just to let you know
- 2 that I'm going to let you go ahead and you give us your comments.
- 3 And if she has an objection just be ready and we'll -- I can't
- 4 overrule it. I'm only one of five. So I don't have the full
- 5 authority to act on behalf of the Commission. As much as I want
- 6 to I can't. And much to the relief of Commissioner Murray.
- 7 So please proceed.
- 8 MR. EDMONDS: Regarding Salt River Resort, LLC's
- 9 thought process regarding the issue of the PSC regulating the
- 10 issue of the lagoon and the operation thereof, Salt River Resort
- 11 supports the idea of the PCS being involved.
- 12 At the same time we recognize this is a complicated
- issue with multiple parties involved; the DNR, PSC, judicial.
- 14 And it's not going to be easy for everybody to figure out what
- 15 the proper way to go from this point of view.
- 16 From the point of view of Blue Lagoon and Bubb
- 17 Thompson being part of the settlement agreement and possibly
- 18 taking control of the lagoon, PSC -- Salt River Resort does not
- 19 support Blue Lagoon, LLC taking control.
- 20 From the point of view of a judicial decision in
- 21 which Jaeger is held to certain guidelines, stipulations, and
- 22 orders, and the property being transferred to a potential user,
- 23 we do support the idea of that taking place, as well as the PSC
- 24 regulating the use thereof.
- 25 Some of our concerns are the issue of whether or not

- 1 the design as proposed is in fact going to solve the problem. Is
- 2 it proper or is it a stopgap band-aid?
- I think there's been discussion with Mr. Martin
- 4 regarding the issue of whether the spray off field, a temporary
- 5 spray off field and the reel system will really support the
- 6 amount of water flowing through the sewer system today.
- 7 Likewise, the issue of what authority a court has to
- 8 transfer property is also a question in our minds as to whether
- 9 or not this is really, as you say, it's discussed before, just a
- 10 cart before the horse scenario. We don't know. We're not asking
- 11 for an opinion from that point of view. We're just making the
- 12 comment out there.
- 13 Likewise, also there's a concern that we have an
- 14 existing lagoon that was designed for a commercial use, and now
- 15 due to the actions of Mr. Jaeger additional property's been
- 16 attached to it which is causing most of the problems as we
- 17 interpret it today. And how that comes into play of the issue of
- 18 a commercial versus residential use being -- part of the house
- 19 being designed today and being used is a big concern of ours.
- 20 Besides the spray off technique, also is there enough
- 21 backups available for pumps and everything else to solve the
- 22 problem of keeping the lagoon from overflowing as it has for the
- 23 past thirty to sixty days.
- 24 All concerned, I think PSC needs to look at as it
- 25 goes forward in the issue of the evidence as to whether or not

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1 DNR can or cannot approve what's currently being designed and
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- 2 where we all go from that point of view.
- No further questions or comments from us.
- 4 COMMISSIONER CLAYTON: Any comments from you?
- 5 MR. KNEPPER: No.
- 6 COMMISSIONER CLAYTON: None. Okay.
- 7 This is interesting. Cross-examination. Mr.
- 8 Krueger?
- 9 MR. KRUEGER: I don't have any questions.
- 10 COMMISSIONER CLAYTON: Miss Baker?
- MS. BAKER: No questions.
- 12 COMMISSIONER CLAYTON: Going to miss this
- 13 opportunity?
- 14 MS. BAKER: I am going to miss this opportunity.
- 15 COMMISSIONER CLAYTON: Mr. Maxwell.
- 16 MR. MAXWELL: Yes. Mr. Knepper, your name was
- 17 brought up today as being someone interested in operating and
- 18 owning the sewer system?
- MR. KNEPPER: Yes, sir.
- 20 COMMISSIONER CLAYTON: Is that your -- do you have
- 21 that interest?
- MR. KNEPPER: Yes, I do.
- MR. MAXWELL: And --
- 24 MR. KNEPPER: I got access to other lands that can be
- 25 used for spray off.

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1 MR. MAXWELL: So your concern is that the current
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- 2 proposal doesn't provide enough or adequate area for spray off.
- 3 MR. KNEPPER: That's true.
- 4 MR. MAXWELL: The pumps, as you know, in the
- 5 development area have been off, or broken, or burned out.
- 6 MR. KNEPPER: Right.
- 7 MR. MAXWELL: Do you know if they're now working?
- 8 MR. KNEPPER: No, they're not.
- 9 MR. MAXWELL: The lagoon continues to overflow, I
- 10 think was the testimony by Mr. Edmonds. Have you observed it
- 11 continuing to overflow?
- 12 MR. KNEPPER: The last week I have not because of no
- 13 pumping into the lagoon besides the property across the street
- 14 and my property.
- 15 There is a runoff from my storage area that runs into
- 16 that field that you can see the ruts, but the lagoon is staying
- 17 pretty steady right now.
- 18 MR. MAXWELL: Was the lagoon overflowing when -- when
- 19 the pumps were out?
- MR. KNEPPER: Because of the rain we had had, yes.
- 21 And also because it wasn't pumped down in September like it was
- 22 supposed to be to a free base field.
- MR. MAXWELL: And it was -- about how far in November
- 24 or September when you observed it, how far down was the water
- 25 from the berm, the overflow?

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1 MR. KNEPPER: Maybe a foot, foot and a half, where it
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- 2 was supposed to have been probably I think four feet.
- 3 MR. MAXWELL: So you believe that all that water that
- 4 was pouring over the dam three weeks ago was because it was
- 5 raining at the time?
- 6 MR. KNEPPER: We had heavy rains. We've had three
- 7 inches of rain in --
- 8 MR. MAXWELL: Was it still overflowing when the rain
- 9 quit?
- 10 MR. KNEPPER: For a couple of days until it settled.
- MR. MAXWELL: So if not raining it's still
- 12 overflowing? The pumps are out?
- MR. KNEPPER: If you're asking if there's I&I in my
- 14 system, no, there's not, at today.
- MR. MAXWELL: Okay. So -- so you --
- 16 MS. BAKER: Commissioner, I'm going to -- I'm going
- 17 to put in my objection now because I think we were moving
- 18 beyond --
- MR. MAXWELL: I think --
- MR. KNEPPER: Yeah.
- 21 MS. BAKER: I think we are moving beyond a public
- 22 comment on his experience here and we're moving into evidence in
- 23 the case.
- 24 COMMISSIONER CLAYTON: The objection is noted. I'd
- 25 ask Mr. Maxwell --

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1 MR. MAXWELL: I'll withdraw my last question.
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- 2 COMMISSIONER CLAYTON: Okay.
- 3 MR. MAXWELL: Thank you.
- 4 COMMISSIONER CLAYTON: Thank you.
- 5 Mr. Edmonds, do you have any questions for yourself?
- 6 Okay. Commissioner Murray, do you have any further
- 7 questions of these witness?
- 8 COMMISSIONER MURRAY: No questions. Thank you.
- 9 COMMISSIONER CLAYTON: Don't you wish you were here
- 10 right now?
- 11 Okay. Then each of you are excused. Okay. Thank
- 12 you.
- 13 COMMISSIONER MURRAY: I have no questions.
- 14 COMMISSIONER CLAYTON: Thank you.
- 15 Shawn Mullins? Come on up. Please raise your right
- 16 hand.
- 17 SHAWN MULLINS,
- 18 having been sworn by Commissioner Clayton, deposes and says:
- 19 COMMISSIONER CLAYTON: You under oath. Would you
- 20 please state your name and your --
- 21 MR. MULLINS: Shawn Mullins. S-h-a-w-n. Mullins,
- 22 M-u-l-l-i-n-s. Address, 302 East Third Street, Laddonia,
- 23 Missouri, 63352.
- 24 COMMISSIONER CLAYTON: Are you receiving service from
- 25 the applicant at the time?

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1 MR. MULLINS: I thought I was until I showed up this
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- 2 morning.
- 3 COMMISSIONER CLAYTON: Okay.
- 4 MR. MULLINS: I own lot number 49, which is a deeded
- 5 property in the Salt River Resort. Okay?
- 6 I guess technically I own no sewer lines because
- 7 somebody else owns the sewer lines. My sewer goes down and goes
- 8 into the lagoon.
- 9 So yes, I am, as I understand, a customer of the
- 10 lagoon.
- 11 COMMISSIONER CLAYTON: Give us your comments.
- 12 MR. MULLINS: My comment is I need the Public Service
- 13 Commission to define I as a landowner what my -- you know. Am I
- 14 residential customer? Am I a commercial customer? Who do I pay
- 15 my bill to?
- 16 Because I looked at my deed and it said that I had a
- 17 lagoon. I was attached to a lagoon twenty-five years ago
- 18 whenever the -- my lot was set out, and now I'm not attached to a
- 19 lagoon; I'm attached to somebody else's lagoon.
- 20 At some point in time somebody separated the lagoon
- 21 that was the original part of our development from Salt River
- 22 Resort. And I don't -- I can't tell you when that happened, but
- 23 I am very concerned about that, that somehow we turned it from a
- 24 commercial lagoon into a residential lagoon usage.
- 25 COMMISSIONER CLAYTON: Any other comments?

- 1 MR. MULLINS: No, other than I want to know who I --
- 2 what my rates are going to be and who I'm going to owe my bill
- 3 to. You know. That's what my concerns are.
- 4 COMMISSIONER CLAYTON: Okay.
- 5 MR. MULLINS: So I'm paying a fair rate.
- 6 COMMISSIONER CLAYTON: Commissioner Murray,
- 7 questions?
- 8 COMMISSIONER MURRAY: I'm sorry. I had to step out
- 9 for just a moment.
- 10 I have no questions. Thank you.
- 11 COMMISSIONER CLAYTON: Mr. Mullins, lot 49, is that a
- 12 business or is that a residence?
- MR. MULLINS: That is a thirty-five by seventy lot
- 14 that has a -- like thirty by sixty piece of concrete that I have
- 15 a camper on.
- 16 COMMISSIONER CLAYTON: Is it a business?
- MR. MULLINS: No, it's not a business.
- 18 COMMISSIONER CLAYTON: Just a residency. Someone
- 19 stays there occasionally?
- 20 MR. MULLINS: It is a campsite.
- 21 COMMISSIONER CLAYTON: Okay. With your knowledge of
- 22 the joint application, I know you have questions, and I can't
- 23 answer the questions for you, but aside from those concerns are
- 24 you familiar with the joint application and the proposal to
- 25 transfer assets to Blue Lagoon, the proposed owner, and the rates

- 1 that go with that?
- 2 MR. MULLINS: I never was -- I was contacted by Salt
- 3 River Resort that there was a Public Service Commission open
- 4 meeting. I was never contacted. I never had a choice -- or
- 5 never had a -- any opportunity to know what this was about.
- 6 COMMISSIONER CLAYTON: So, no, you don't --
- 7 MR. MULLINS: No.
- 8 COMMISSIONER CLAYTON: -- you're not familiar with
- 9 it.
- 10 MR. MULLINS: No. I'm not familiar with any of these
- 11 proceedings today.
- 12 COMMISSIONER CLAYTON: The information that you've
- 13 heard today, are you in a position, and you may not be in a
- 14 position, to speak in favor or opposed to the proposed transfer?
- 15 MR. MULLINS: Not at this time. Not until I get to
- 16 read that agreement.
- 17 COMMISSIONER CLAYTON: Okay. I don't have any
- 18 further questions.
- 19 Staff?
- MR. KRUEGER: No questions.
- 21 COMMISSIONER CLAYTON: Public Counsel?
- MS. BAKER: No questions.
- 23 COMMISSIONER CLAYTON: Mr. Maxwell?
- 24 MR. MAXWELL: And I'll make sure I get your address,
- 25 sir, when you leave.

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Blue Lagoon, my client, wants to know, you know, what
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- 2 is in the campground. And we apologize that we've not met you
- 3 before.
- I just want to make sure I do understand. This is an
- 5 issue to Blue Lagoon as to how we do address your effluent and in
- 6 regards to the relationship to the service line that the RV
- 7 campground has.
- When did you purchase your lot?
- 9 MR. MULLINS: Let's see. October 31st of 2006.
- 10 MR. MAXWELL: And is that the deed then that you
- 11 received that you're referring to, the 2006 deed?
- 12 MR. MULLINS: I received all the original transfers
- 13 since it was the original layout and the plan on the lot.
- 14 MR. MAXWELL: You had mentioned that sewer came with
- it, but is that written in that deed?
- 16 MR. MULLINS: That what was written in the original
- 17 deed was I was provided the -- Salt River Resort would provide me
- 18 with use of the laundry facilities, use of the bathroom
- 19 facilities. I would pay no more than \$10 per month for electric
- 20 and sewer. And it says, all the little easements and stuff, said
- 21 that I was connected to the Salt River Resort lagoon.
- MR. MAXWELL: Okay. Thank you. That's exactly what
- 23 I needed to know. Thank you, sir.
- 24 COMMISSIONER CLAYTON: Mr. Edmonds?
- 25 MR. EDMONDS: Mr. Mullins, did you acquire the

- 1 property from Salt River Resort, LLC, Mike Knepper?
- 2 MR. MULLINS: No.
- 3 MR. EDMONDS: Thank you.
- 4 COMMISSIONER CLAYTON: I have no other questions.
- 5 Thank you very much for your testimony, Mr. Mullins.
- 6 Mike Sharkey? Come on down.
- 7 MR. SHARKEY: I really don't have any further
- 8 comments. A lot of the --
- 9 COMMISSIONER CLAYTON: If you -- you can just -- I
- 10 mean, if you just want to say I agree with everybody here. I
- 11 mean, you're welcome to do whatever you want.
- 12 MIKE SHARKEY,
- 13 having been sworn by Commissioner Clayton, deposes and says:
- 14 COMMISSIONER CLAYTON: All right. Please state your
- 15 name.
- 16 MR. SHARKEY: My name is Mike Sharkey. That's
- 17 S-h-a-r-k-e-y. We own a lot in Lost Valley and that lot number
- 18 is 25.
- 19 COMMISSIONER CLAYTON: And are you receiving service
- 20 of some sort from the applicant?
- MR. SHARKEY: We are currently receiving service.
- 22 COMMISSIONER CLAYTON: Please tell us what's on your
- 23 mind.
- 24 MR. SHARKEY: Well, there's been a lot of discussion
- 25 here and, you know, like everybody's been stating here, you know,

- 1 the cart is somewhat in front of the horse, I just wanted to
- 2 express my sentiments to what has been said.
- We've been there since I believe May of 2004. At
- 4 that time we were promised to pay a sewer bill equal to what our
- 5 water bill is. Since that time, you know, we've been through
- 6 every others problems that exist. We're just looking for, you
- 7 know, a system to be operating before we can decide who we're
- 8 going to transfer the lagoon to.
- 9 Basically all I have.
- 10 COMMISSIONER CLAYTON: Okay. Let me ask you this
- 11 question.
- 12 Excuse me. Commissioner Murray?
- 13 COMMISSIONER MURRAY: I have no questions. Thank you
- 14 for your testimony.
- 15 COMMISSIONER CLAYTON: Mr. Sharkey, assume that the
- 16 system is operational, the terms of the circuit court action are
- 17 complied with, would you at that point support this proposal or
- 18 no? Or you don't know, wait and see?
- 19 MR. SHARKEY: I would like to wait and see. Yes.
- 20 COMMISSIONER CLAYTON: Okay. Can you identify the
- 21 concerns why you would need to wait and see, assuming that the
- 22 system transfer's in good working order?
- MR. SHARKEY: You know, assuming the system is
- 24 transferred in good operating order, it has not been in
- 25 operational order since the day we moved in. So it's very

- 1 difficult to come to any form of conclusion to answer that
- 2 question properly.
- 3 COMMISSIONER CLAYTON: Okay. I have no additional
- 4 questions. Thank you.
- 5 Counsel for Staff?
- 6 MR. KRUEGER: Are you dissatisfied with Mr. Jaeger,
- 7 or Mr. Thompson, or just desperate for a solution?
- 8 MR. SHARKEY: That's a pretty good question. You
- 9 know, I'm very dissatisfied with Mr. Jaeger for obvious reasons.
- 10 Mr. Thompson I don't know very well. I can't really
- 11 make a complete determination on whether I'm satisfied with his
- 12 background or not.
- MR. KRUEGER: Thank you. That's all.
- 14 MS. BAKER: I have no further questions. Thank you
- 15 for coming.
- 16 COMMISSIONER CLAYTON: Mr. Maxwell?
- Mr. Edmonds.
- No questions.
- 19 Mr. Sharkey, thank you for coming forward.
- MR. SHARKEY: Thank you.
- 21 COMMISSIONER CLAYTON: For your testimony.
- James Hunter?
- Would you please raise your right hand?
- JAMES HUNTER,
- 25 having been sworn by Commissioner Clayton, deposes and says:

- 1 COMMISSIONER CLAYTON: You're under oath.
- Would you state your name and address for the record?
- 3 MR. HUNTER: James Hunter. 2429 Oak Forest Drive,
- 4 Troy, Missouri, 63379.
- 5 COMMISSIONER CLAYTON: And are you receiving service
- 6 from the applicant at this time?
- 7 MR. HUNTER: Yes, I am.
- 8 COMMISSIONER CLAYTON: All right. Please offer your
- 9 comments.
- 10 MR. HUNTER: I'm looking to this proposal, which has
- 11 come out, and I think our main goal here is to have the
- 12 Commission give us a fair outcome of this proposal, not take this
- word for word and just accept it. And I don't expect that to
- 14 happen. I would think that the Commission would watch out for us
- 15 a little better than that.
- 16 That being said, I pretty much agree with all the
- 17 comments that have been made. And we have a written response to
- 18 this proposal that was sent in before.
- 19 So I'm down to the only question I have now is on
- 20 this orange paper, which we were given this morning. It's
- 21 stating that the rate will be \$30 a month, plus an additional
- 22 \$10.50, when in the original proposal, page 4, paragraph F, it
- 23 states \$16 a month additional charge, which would be over the
- 24 \$14, and \$5 over the next thousand gallons.
- 25 I would just like to have that noted. We got a

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1 little conflict there.
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- 2 COMMISSIONER CLAYTON: Does that conclude --
- 3 MR. HUNTER: That's all I have to say.
- 4 COMMISSIONER CLAYTON: Commissioner Murray?
- 5 COMMISSIONER MURRAY: I have no questions. Thank
- 6 you. And perhaps you can get your questions answered by speaking
- 7 to someone there from our staff. Thank you.
- 8 COMMISSIONER CLAYTON: Counsel for Staff?
- 9 MR. KRUEGER: No questions.
- 10 COMMISSIONER CLAYTON: Public Counsel?
- 11 MS. BAKER: No questions. Thank you.
- 12 COMMISSIONER CLAYTON: Mr. Maxwell?
- MR. MAXWELL: None.
- 14 COMMISSIONER CLAYTON: Mr. Edmonds?
- MR. EDMONDS: No questions.
- 16 COMMISSIONER CLAYTON: No questions. Mr. Hunter, I
- 17 would -- if we could get our Staff people here to raise their
- 18 hands.
- 19 If you would catch up with these folks following the
- 20 hearing, when you have questions, we may be able to -- and that
- 21 goes for anyone here. If you have specific questions they need
- 22 to be directed to our staff. That's why they're here. Take
- 23 advantage of them.
- MR. HUNTER: Okay. Thank you.
- 25 COMMISSIONER CLAYTON: Thank you very much for your

- 1 testimony.
- Jeff Burditt?
- 3 MR. BURDITT: Okay. I don't really have any comments
- 4 and I'm really going to have to leave here really quick.
- 5 COMMISSIONER CLAYTON: Well, we're going to -- we'll
- 6 do you real quick.
- 7 MR. BURDITT: Okay.
- 8 COMMISSIONER CLAYTON: Come on down. Please raise
- 9 your right hand.
- JEFF BURDITT,
- 11 having been sworn by Commissioner Clayton, deposes and says:
- 12 COMMISSIONER CLAYTON: Would you please state your
- 13 name and address? Offer your comments.
- 14 MR. BURDITT: My name is Jeff Burditt. I'm
- 15 associated with Howard Burditt as his son.
- 16 The only thing that I know is my parents have dealt
- 17 with this for quite a long time. And after sitting here today I
- 18 hear that a lot of people have also dealt with this for quite a
- 19 long time. It seems to be a problem that they should not have.
- 20 It seems like it's a trust issue more than anything
- 21 as they move forward with this. And my opinion of today would be
- 22 that people are concerned if they move in with Blue Lagoon or
- 23 they move in with Thompson because they don't trust anybody
- 24 because of the services they've had in the past.
- 25 And I would just hope the Commission would take time

- 1 to really investigate what is there and really take everybody's
- 2 opinion here as a community. They seem like very good people who
- 3 are very concerned of what they're getting into and they want to
- 4 move on in life and not have this problem.
- 5 Those are my basic comments to this.
- 6 COMMISSIONER CLAYTON: Okay. Commissioner Murray?
- 7 COMMISSIONER MURRAY: No questions, but thank you.
- 8 COMMISSIONER CLAYTON: Okay. Thank you very much.
- 9 I'm glad that you offered your comments. It made a lot of sense.
- 10 Attorney for Staff?
- MR. KRUEGER: No questions. Thank you.
- 12 MS. BAKER: I have no questions, but certainly that
- 13 is -- that is the focus of the Public Counsel and why we called
- 14 this meeting today.
- 15 COMMISSIONER CLAYTON: Mr. Maxwell?
- MR. MAXWELL: None. Thank you.
- 17 COMMISSIONER CLAYTON: Mr. Edmonds?
- 18 UNIDENTIFIED SPEAKER: He just stepped out.
- 19 COMMISSIONER CLAYTON: Mr. Edmonds lost his chance.
- Thank you very much for your testimony. Hopefully
- 21 you'll make it to your next meeting.
- MR. BURDITT: Okay. Thank you.
- 23 COMMISSIONER CLAYTON: The next sign up on the sheet,
- 24 I think we've already heard from Howard and Dorothy Burditt.
- 25 Didn't we already hear from you folks?

- 1 DOROTHY BURDITT: Yes.
- 2 COMMISSIONER CLAYTON: You all want to say anything
- 3 else? Give you a second bite at the apple, if you like.
- 4 Are we good?
- 5 Okay. The last name on the list is Mike -- is it
- 6 Moses or Moss?
- 7 MR. MOSES: Moses.
- 8 COMMISSIONER CLAYTON: Moses? Please raise your
- 9 right hand.
- 10 MIKE MOSES,
- 11 having been sworn by Commissioner Clayton, deposes and says:
- 12 COMMISSIONER CLAYTON: You're under oath.
- 13 Please state your name, spell it, and give us your
- 14 address.
- 15 MR. MOSES: Mike Moses. My address is 6501 Davis
- 16 Court Northwest, Cedar Rapids, Iowa, 52405.
- 17 THE REPORTER: Last name is spelled?
- 18 MR. MOSES: M-o-s-e-s. Just like the Bible.
- 19 COMMISSIONER CLAYTON: Do you need a reference book
- 20 on that?
- 21 MR. MOSES: I own lot number 23 in the development.
- 22 And I also own the building at the end of the development.
- 23 COMMISSIONER CLAYTON: Make sure you hold the mic
- 24 closer.
- 25 And you're receiving some sort of sewer service at

- 1 those --
- 2 MR. MOSES: Yes, I am.
- 3 COMMISSIONER CLAYTON: -- those locations? Please
- 4 give us your comment.
- 5 MR. MOSES: I agree with a lot of the things that's
- 6 been said. We have a system that has basically been inadequate.
- 7 I've been one of the victims of sewer backing up in my home.
- 8 A lot of things have been done, whether they're
- 9 correct or they're incorrect. I have the building at the end of
- 10 the lot where the pump station is, the lift station. That
- 11 property I personally own. It's been running over to the creek
- 12 for quite some time because there are no pumps in that.
- 13 When we moved from there we assumed that the sewer
- 14 would be provided at an expense. And at the time we were told
- 15 that that expense would be approximately equivalent to the
- 16 monthly water service charge.
- 17 Myself and my neighbor provided hoses for the pumping
- 18 of the product into the spray fields. I also supplied valves,
- 19 and gasoline, and a pump when the first pump went bad, and then a
- 20 second pump went bad. And we've worked with Ken Jaeger for the
- 21 last couple of years trying to keep that lift station operable.
- As it stands right now, we don't feel we have an
- 23 adequate sewer system. And that's what all of us here really
- 24 want to have.
- 25 My wife and I and our families probably come down

- 1 eight to ten times a year. And we're not against paying a fee.
- 2 We have no issues with paying a fee. We understand there's no
- 3 free lunch.
- 4 However, what we get in this Commission form is what
- 5 we feel we should pay for. By no means do we want to go into any
- 6 kind of a program with anyone and basically set up a business for
- 7 them, pay for all the equipment, and then turn around and pay a
- 8 monthly fee. To me that's not fair.
- 9 So that's pretty much all I have to say about it.
- 10 As far as Bubb Thompson goes, I've used Bubb Thompson
- 11 for a number of things. I have no objections to Bubb personally.
- 12 He's never given me any reason to mistrust him.
- 13 Unlike some of the people here, I have no real issues
- 14 with Ken Jaeger, personal issues with Ken Jaeger, although I do
- 15 not feel that the things we understood to be having been provided
- 16 are provided.
- We would really like the court orders to be complied
- 18 with. And I would like to see the pumps in house, that they
- 19 work.
- 20 They did move the electronics for the pumping station
- 21 from inside my building to the outside of my building, but that
- 22 also I feel isn't necessarily up to snuff as far as codes go. It
- 23 doesn't have a building housing that. The alarm system no one
- 24 knows goes off. No one knows what to do with it when it does go
- 25 off. And the only protection it has is a piece of tin nailed to

- 1 my building that's protecting the electrical.
- 2 So that's pretty much where we're at. We would just
- 3 like a system that we can come down and enjoy the State of
- 4 Missouri in.
- 5 COMMISSIONER CLAYTON: Commissioner Murray?
- 6 COMMISSIONER MURRAY: I have no questions, but thank
- 7 you very much, sir, for your testimony.
- 8 COMMISSIONER CLAYTON: Counsel for Staff?
- 9 MR. KRUEGER: No questions.
- 10 COMMISSIONER CLAYTON: Counsel for Public Counsel?
- 11 MS. BAKER: So in your opinion if the circuit court
- 12 issues were resolved, would you be opposed to Blue Lagoon, LLC
- 13 taking over and getting a certificate to run the system?
- MR. MOSES: No, I do not.
- 15 MS. BAKER: Okay. I have no further questions.
- MR. MOSES: I have no -- no objections.
- MS. BAKER: Thank you.
- 18 COMMISSIONER CLAYTON: Mr. Maxwell?
- 19 MR. MAXWELL: None. Thank you.
- 20 COMMISSIONER CLAYTON: Mr. Edmonds?
- MR. EDMONDS: None.
- MR. MOSES: Could I -- could I ask one more question?
- 23 This may be to Mr. Maxwell.
- 24 We were asked to give an easement to allow damages or
- 25 repairs to be made if -- if the necessary happened, if something

- 1 happened to our system.
- 2 And in doing so, if we give an easement to Blue
- 3 Lagoon, LLC, and for whatever the reason Mr. Thompson gets sued
- 4 by somebody and he says, "Well, this is the problem," would that
- 5 suit or -- or lien or whatever would come about of that, is that
- 6 attached to our property?
- 7 MR. MAXWELL: I think that -- I think the way they
- 8 set up the rules is it's kind of harmful to the process for you
- 9 to ask questions.
- 10 However, if you want to call my law office I will
- 11 have a number of someone who will provide you an answer that is
- 12 not -- I could have a conflict of interest because you're a
- landowner and you're asking me and I represent Blue Lagoon, but I
- 14 have -- I would be happy to provide you another lawyer's number
- 15 that would probably be able without any cost to answer that
- 16 question because it's a fairly straightforward legal question.
- 17 I would rather not respond because there is a
- 18 conflict of interest because I do represent Blue Lagoon and I am
- 19 the attorney asking for that easement.
- MR. MOSES: Okay.
- MR. MAXWELL: If that's okay.
- MR. MOSES: That's fine.
- 23 MR. MAXWELL: I'll try to get you the answer from
- 24 another legal counsel. Thank you.
- 25 COMMISSIONER CLAYTON: Thank you.

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1 Mr. Edmonds didn't have any questions.
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- 2 I don't have any questions at this time. Thank you
- 3 very much for your testimony.
- 4 Okay. We have reached the end of the list. Is there
- 5 anyone who signed up and whose name I didn't call?
- 6 Or is there anyone who did not sign up, but would
- 7 like to offer testimony at this time? Now is the time.
- 8 We haven't even gone to noon yet, so -- yes, ma'am.
- 9 LYNDA HELLEBUSCH: I just have one more question. I
- 10 don't think anybody addressed the deed being transferred over to
- 11 whomever it needs to be transferred to, the deed of the
- 12 properties in regards to this whole Blue Lagoon sewer system.
- 13 COMMISSIONER CLAYTON: I'm going to ask that Staff or
- 14 Public Counsel meet with you after this. I can't answer and I
- 15 don't know the answer. There's several reasons why I'm not
- 16 answering.
- 17 LYNDA HELLEBUSCH: Sure. Thank you.
- 18 COMMISSIONER CLAYTON: But I ask that you get
- 19 together with these folks.
- 20 Anyone else wishes to offer testimony?
- Okay. Commissioner Murray, do you have any final
- thoughts or closing remarks?
- 23 COMMISSIONER MURRAY: I would just like to thank
- 24 everyone for taking time out of their Saturday morning to be here
- 25 and express your concerns. I know it must be extremely

- 1 frustrating to put up with an inadequate sewer system for an
- 2 extended period of time and -- and we do really appreciate
- 3 hearing your concerns.
- 4 Thank you.
- 5 COMMISSIONER CLAYTON: I would just add in closing
- 6 that of all the things that we do in Jefferson City at the Public
- 7 Service Commission, we regulate electrical companies, gas
- 8 utilities, water and sewer, and telecommunications to some
- 9 extent, the most difficult issues that we face relates to small
- 10 water and sewer utilities. And there are similar circumstances
- 11 such as what you're facing right now that go on around the State
- 12 for a variety of reasons. A lot of the entities that are
- involved we may regulate, we may not regulate them, or a need for
- 14 a lot of money to go into the system do serve a few -- a number
- 15 of customers.
- 16 And I know this is very frustrating, but we have
- 17 dealt with a number of these issues around the State and can
- 18 assure you that the Commission will do the best it can in trying
- 19 to find an equitable and responsible solution here.
- 20 So having said that, I don't have any anything else.
- 21 Any attorneys, any other comments?
- 22 MS. BAKER: I just want to thank everyone for coming
- 23 in today because it is very important that these comments get
- 24 before the Commission and that you feel that we're moving along
- 25 on in the process. It is not going to be a fast process, it will

- 1 take some time, but we are moving ahead with it and we will get
- 2 there.
- 3 COMMISSIONER CLAYTON: Yes?
- 4 UNIDENTIFIED SPEAKER: Meanwhile while this is taking
- 5 time and everything, what about the sewage that's running into
- 6 the creeks that are overflowing? Is there anything anybody can
- 7 do about that?
- 8 MS. BAKER: It's my understanding that DNR is very,
- 9 very aware of what is going on.
- 10 COMMISSIONER CLAYTON: I think the answer is that
- 11 they have to be the ones to take action. We don't have the role
- 12 of environmental compliance officer. Basically we relate to
- 13 rates and adequacy of the system and not the environmental side.
- Yes, ma'am?
- 15 UNIDENTIFIED SPEAKER: Once the Public -- PSC is
- 16 overlooking this, the bills that are to be paid, will that start
- 17 the day the authority is in place? You know what I --
- MS. BAKER: We -- we may talk about this beyond.
- 19 After we're done let's do another little quick question and
- answer, maybe.
- 21 COMMISSIONER CLAYTON: So you're going to stick
- 22 around?
- MS. BAKER: I will stick around.
- 24 COMMISSIONER CLAYTON: Okay. I want to -- I want to
- 25 add from a personal level: If you are going to stick around and

- 1 have a conversation with either Staff or Public Counsel that --
- 2 that you take advantage of having them here and ask the question,
- 3 get the information. A lot of this is complicated, a lot of it
- 4 is not, but take advantage of them.
- 5 On a personal level I also want if -- a concern was
- 6 raised about my participation by someone who testified earlier.
- 7 If you have a concern about that I'd ask that you convey that in
- 8 confidence, even though you -- you don't have to give your name,
- 9 but if you would talk to these folks. I take that very seriously
- 10 and want to do the right thing here. So please don't hesitate
- 11 conveying those concerns.
- 12 So having that we -- yes, sir?
- 13 LARRY WINKELMAN: I would like to get my name on that
- 14 list, please. We don't have any comments or concerns, but we
- 15 would like to be on the list there.
- 16 COMMISSIONER CLAYTON: Then why don't you just state
- 17 your name? We'll put it in the record that you were here.
- 18 MR. WINKELMAN: Larry and Rebecca Winkelman. 1751
- 19 Doll Road, Hermann, Missouri, 65041.
- 20 We're landowners in Salt River Resort number 12. We
- 21 would like to know what's going on here, too, because this is
- 22 about the second time we heard about this. We was never really
- informed about it, so we don't know what's going on.
- 24 COMMISSIONER CLAYTON: Okay. That -- you've been
- 25 made part of the record now.

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Anything else?
1
                Hearing none.
 3
                Commissioner Murray, we okay to close?
                 COMMISSIONER MURRAY: Yes. Thank you.
                COMMISSIONER CLAYTON: At this point we will go off
 5
    the record and conclude the hearing. Thank you for coming.
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1	I N D E X		
2	Witness Name	Page	Line
3	Comments By State Rep Rachel Bringer	6	7
4	Howard Burditt	7	19
5	Gerald Reierson & Joanne Reierson	20	4
6	Donna Kelley	29	14
7	Debbie Howard	36	19
8	Stephen Zeiss	39	19
9	Robert & Lynda Hellebusch	44	20
10	Ray Wildhaber	51	20
11	David C. Edmonds	56	7
12	Michael Knepper	59	19
13	Shawn Mullins	62	17
14	Mike Sharkey	67	12
15	James Hunter	69	24
16	Jeff Burditt	72	10
17	Mike Moses	74	10
18	Larry Winkelman	82	13
19			
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24			
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1	CERTIFICATE
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3	
4	I, Randall W. Wells, Certified Shorthand Reporter,
5	Certified Court Reporter, do hereby certify that the proceedings
6	had in the matter set forth in the caption page hereon were
7	reported in shorthand by me, afterwards transcribed, and the
8	foregoing is a true and complete transcript of said shorthand
9	notes.
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