

WILLIAMS & WILLIAMS, P.C.

Highway 5 at 5-33
P.O. Box 431
Sunrise Beach, MO 65079

WA-92-141

GREGORY D. WILLIAMS
NATHAN C. WILLIAMS

AREA CODE 314
PHONE 374-8761
FAX 374-4432

FILE

DEC 19 1991

PUBLIC SERVICE COMMISSION

December 12, 1991


Dear Commissioners of the Public Service Commission:

Please find enclosed the application of William P. Mitchell to become sole stockholder of Osage Water Company, application to recapitalize the stock of Osage Water Company, application for permission and approval to issue stock and application for certificated of necessity and convenience. Also enclosed are the requisite copies. Review of the applications in the order listed above will facilitate understanding of what the company is trying to accomplish with these findings.

Please contact us with any questions or comments you might have or to notify us of additional information or documents you will require.

Sincerely,

Williams & Williams


Nathan C. Williams

NCW/ja

FILED

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

DEC 19 1991

PUBLIC SERVICE COMMISSION

In the matter of the application of Osage Water Company for permission, approval, and a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a water system for the public, located in an area including part of the City of Osage Beach, Missouri, all of the Village of Sunrise Beach, Missouri and unincorporated portions of Camden and Miller Counties, Missouri.

Case No. WA-92-141

APPLICATION

Comes now Osage Water Company (Applicant), pursuant to Section 393.170, RSMo. 1986, and states as follows:

1. Applicant is a Missouri corporation duly organized and existing under the laws of the State of Missouri with its principal office and place of business located at Route 4, Box 30, Osage Beach, Missouri 65065. It is a public utility proposing to render water service to the public under the jurisdiction of the Commission. A copy of its Certificate of Incorporation and Articles of Incorporation may be found in Case No. WM-89-73 previously filed with the Commission.

2. Communications in regard to this application should be addressed to:

William P. Mitchell, President
Osage Water Company
Route 4, Box 30
Osage Beach, Missouri 65065

Nathan Williams, Attorney-at-law
P.O. Box 431
Sunrise Beach, Missouri 65079

3. Applicant requests permission, approval, and a certificate of public convenience and necessity to install, own, acquire, construct, operate, control, manage and maintain a water system for the public in an area including part of the City of Osage Beach, Missouri, all of the Village of Sunrise Beach, Missouri plus unincorporated portions of Camden and Miller Counties, Missouri, as set forth on the map attached to this application as Exhibit 1, and legally described by metes and bounds in Exhibit 2 attached to this application.

4. The feasibility study is attached to this application and made a part hereof as Exhibit 3.

5. There are no municipalities located within the proposed area other than the City of Osage Beach, Missouri and the Village of Sunrise Beach, Missouri. Applicant has obtained approval from the City of Osage Beach, Missouri to provide water service as a public utility in the part of the proposed service area under its jurisdiction; a copy of Resolution No. 8912 of the Board of Aldermen of the City of Osage Beach, Missouri to that effect is attached hereto as Exhibit 4. Applicant has

obtained approval from the Village of Sunrise Beach, Missouri, to provide water service as a public utility in the part of the proposed service area under its jurisdiction; an affidavit of William P. Mitchell with duplicate original of the resolution of the Board of Trustees of the Village of Sunrise Beach Missouri, to that effect is attached hereto as Exhibit 5. Aside from the City of Osage Beach, Missouri, the Village of Sunrise Beach, Missouri and the Public Service Commission, no other entities have jurisdiction over water service by a public utility within the proposed service area.

6. Said water system meets all requirements of the Commission and the Department of Natural Resources.

7. There are no other public utilities or governmental bodies being operated or rendering water service within the area proposed to be served.


8. The area requested is rapidly being developed into subdivisions by developers and plans are being made to build residential homes and other establishments within the area, all of which will need adequate water and sewer service. Therefore, a public need exists for adequate water service within the area proposed to be served and the public convenience and necessity will be promoted by the granting of the authority herein requested.

9. Following are the names and addresses of ten (10) residents of the proposed service area:

- 1) Gregory D. Williams
P.O. Box 231
Sunrise Beach, Missouri 65079
- 2) David L. Hancock
P.O. Box 450
Sunrise Beach, Missouri 65079
- 3) Arthur Shortland
15 Oak Tree Court
Broadwater Bay
Osage Beach, Missouri 65065
- 4) Dennis Tidwell
45 Broadwater Bay
Osage Beach, Missouri 65065
- 5) Tom Meyer
HCR 69, Box 524
Sunrise Beach, Missouri 65079
- 6) Paul Taylor
P. O. Box 354
Sunrise Beach, Missouri 65079
- 7) Lloyd Alton Lee
HCR 69, Box 223
Sunrise Beach, Missouri 65079

- 8) Robert Vaughn
P.O. Box 190
Sunrise Beach, Missouri 65079
- 9) Mary Jane Butler Vaughn
P.O. Box 190
Sunrise Beach, Missouri 65079
- 10) Vince Costa
523 Thoma
Boonville, Missouri 65233

WHEREFORE, Applicant requests the Commission to grant it permission, approval, and a certificate and necessity authorizing it to install, acquire, build, construct, own, operate, control, manage and maintain a water system for the public within the area referred to in paragraph 3 hereof and for such further orders as the Commission may deem meet and proper.

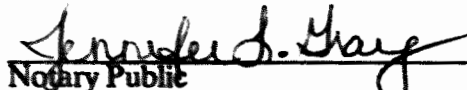


William P. Mitchell,
President Osage Water Company

STATE OF MISSOURI
COUNTY OF CAMDEN

} ss

On this 11 day of December, 1991, before me appeared William P. Mitchell, to me personally known, who, first being by me duly sworn, did sign the foregoing instrument and say that he is the president of Osage Water Company, a Missouri Corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and said William P. Mitchell acknowledged said instrument to be the free act and deed of said corporation.



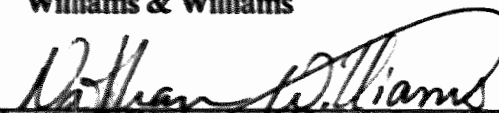
Notary Public

My commission expires:

Jennifer L. Gray, Notary Public
Camden County, State of Missouri
My Commission Expires 8/4/95

Williams & Williams

by:



Nathan C. Williams #35512
Post Office Box 431
Sunrise Beach, MO 65079
phone: (314)374-8761
Attorney for Applicant

Exhibit 1

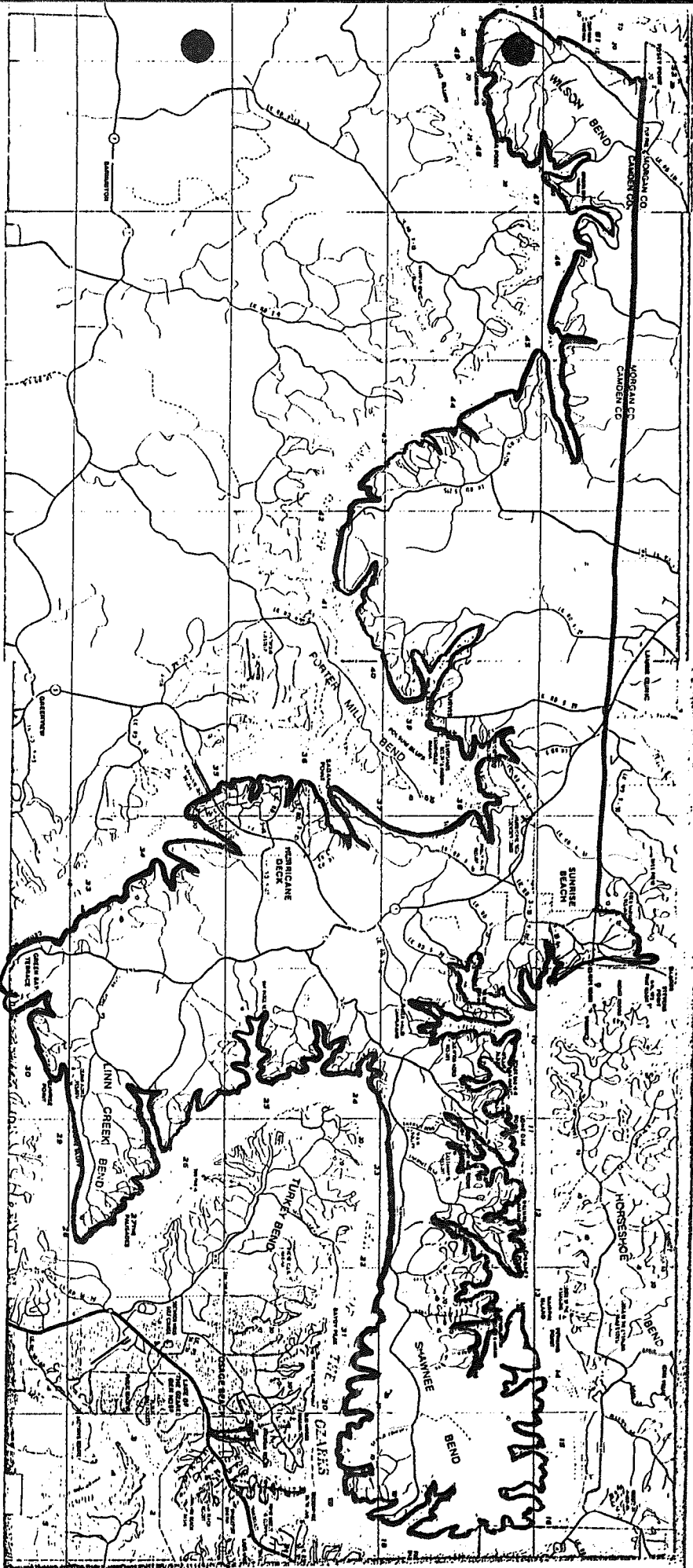


EXHIBIT 2

Metes and Bounds of Service Area

Beginning for the point of beginning at the point where the 662 foot contour line of the Lake of the Ozarks lying on what was formerly the left bank of the Osage River intersects the north line of section 31, T40N, R18W; thence commencing in a southerly direction along said 662 foot contour line and following along the meander of said 662 foot contour line to the point lying due north of the point lying 660 feet west of the southeast corner of the west half of the southeast quarter of section 26, T40N, R17W; thence due south to the south line of section 26, T40N, R17W, also being the north line of section 35, T40N, R17W; thence along the north lines of sections 31-34, T40N, R17W and sections 36-31, T40N, R18W, to the point of beginning.

ALSO:

Part of Lot 86 and Part of Lot 65, and all of Lot 12, and all of Lot 40, of HARPER'S SUBDIVISION, according to the Amended Plat, as per plat of record in Book 2, Page 5, Camden County Recorder's Office, more particularly described as follows: From the southwest corner of Section 11, Township 39 N, Range 16 W, in the County of Camden, Missouri; thence N3 degrees 35 minutes W, along the section line, 557.47 feet to the northwest corner of Lot No. 58, thence N88 degrees 31 minutes E, along the north line of said Lot No. 58, 46.02 feet to the easterly line of a road and the point of beginning for this description; thence continuing N88 degrees 31 minutes E, along the north line of said Lot No. 58, 198.89 feet to the northwest corner of Lot No. 66; thence N74 degrees 02 minutes E, along the north line of said Lot No. 66, 433.22 feet to the northwest corner of said Lot No. 65; thence S49 degrees 59 minutes E, along the west line of said Lot No. 65, 112.0 feet, more or less to the north line of U.S. Highway No. 54; thence easterly along the north line of said U.S. Highway No. 54, 254.0 feet more or less to the west line of Lot No. 64, thence N49 degrees 59 minutes W, along the west line of said Lot No. 64, 165.26 feet to the northwest corner of said Lot No. 64; thence N38 degrees 55 minutes E, along the north line of said Lot No. 64, 200.0 feet; thence N71 degrees 01 minute W, 204.98 feet; thence N 1 degree 56 minutes W, 118.0 feet; thence N 43 degrees 57 minutes E, 181.69 feet; thence N41 degrees 58 minutes West, 80.36 feet; thence N40 degrees 11 minutes E, 234.05 feet; thence N 30 degrees 37 minutes W, 281.98 feet to the southeast corner of Lot No. 17 of said subdivision; thence S85 degrees 51 minutes W, along the south line of Lot 17 and a 16 foot roadway easement, 65.78 feet; thence N4 degrees 37 minutes W, along the west line of said roadway easement; 420.02 feet to the Lake of Ozarks; thence southwesterly along the Lake of the Ozarks on the following courses and distances, S78 degrees 08 minutes W, 46.28 feet; thence S51 degrees 48 minutes W, 111.72 feet; thence S46 degrees 25 minutes W, 118.20 feet; thence S74 degrees 20 minutes W, 131.90 feet to a point on the southerly line of Lot 10; thence continuing along shoreline of said Lake of the Ozarks, westerly, northerly and easterly, 412.03 feet, more or less, to the southeast corner of Lot 8 of HARPER'S SUBDIVISION; thence along with easterly line of Lot 8, N35 degrees 44 minutes 38 seconds W, 630.59 feet to the southerly line of a tract of land as described in Book 150 at Page 368, Camden County records; thence S89 degrees 34 minutes 38 seconds E along south line of said tract and north line of Lot 7 of HARPER'S SUBDIVISION, 136.02 feet; thence along east line of said tract described in Book 150 at Page 368, Camden County records N22 degrees 40 minutes 24 seconds E, 258.99 feet; thence N23 degrees 08 minutes 35 seconds W, along the easterly line of said tract, 300.72 feet to an iron pin near the shoreline of the Lake of the Ozarks; thence along the shoreline in a westerly

direction, 1502.62 feet, more or less, to an iron pin at the northwest corner of a tract described in Book 148 at Page 465 of the Camden County records; thence S 01 degree 33 minutes 01 second W, 2150.02 feet to the southwest corner of said tract described in Book 148 at Page 465, and the northerly right of way line of U.S. Highway 54; thence along with said right of way, northeasterly 277.01 feet, to the southwest corner of a tract described in Book 235 at Page 239 of the Camden County records, thence N 01 degree 27 minutes 06 seconds E, 607.47 feet; thence S 88 degrees 28 minutes 16 seconds E, 225.20 feet; thence S 01 degree 27 minutes 06 seconds E, 639.97 feet to the northerly right of way of U.S. Highway 54; thence along said right of way, S 78 degrees 18 minutes 25 seconds E, 234.52 feet; thence S 73 degrees 45 minutes 11 seconds E, 113.72 feet; thence S 82 degrees 43 minutes 16 seconds E, 69.0 feet, more or less, to the east line of a 40 foot road and the southwest corner of Lot 58 of HARPER'S SUBDIVISION; thence along the westerly line of said Lot 58, 208.7 feet, to the point of beginning.

Exhibit 3

Economic Feasibility Study for Osage Water Company

The Company acquired the water utility serving approximately 75 customers, including and surrounding the Harbor Town development, in 1989. The owners are primarily in the construction, operation, and laboratory business of commercial water and wastewater systems in central Missouri. We have reached an agreement with two subdivision developers to form a partnership to provide expertise in legal and heavy construction, and increase the size of the company. This reorganization will provide stability and economies of scale necessary to provide high quality service at the Lake of the Ozarks. The areas to be added are a subdivision contiguous to the existing service area plus an area adjacent, all in Camden County.

The existing systems to be added have been constructed by the developers, and any expansion will be by the main extension rules.

Currently the combined systems service 60 apartments, 3 duplexes, 15 homes, 8 trailers, and a Pizza Hut. The water use varies seasonally and is not all metered.

The service areas to be added are primarily residential but include some commercial land. We expect to add one home per month at an average flow of 3,000 gallons per month over the next 5 years.

The rates and fees for water service are to remain the same as existing, \$7.75 minimum which includes the first 1,000 gallons, then \$2.07 per 1,000 gallons thereafter. The appropriate existing schedules are attached as exhibits A (rates) and B (fees).

The rates and fees for sewer are proposed to be a minimum of \$15.34 which includes the first 2,000 gallons and \$4.83 per 1,000 gallons thereafter and attached as exhibit C. Fees for sewer service are to be the same as for water service (Exhibit B).

Current income is averaging \$500 per month as shown in the 1990 schedule of income and expenses attached as exhibit D.

See exhibit 3 of the Co-filed Application for the Recapitalization of the Company for a detailed income and expense for the next 3 years.

Financing is not required at this time. The areas to be added provide a positive cash flow for necessary cash expenses. The principals will provide the operation, maintenance, laboratory, legal, and construction services to the Company in exchange for company indebtedness if required. This will provide a safety net for the Company, and maximize stability and growth.

William Mitchell holds an "A" license in both water and wastewater operation in the state of Missouri and is currently completing a MSCE degree at MU. Greg Williams is an Attorney with a practice in Sunrise Beach, Missouri and with prior experience with utilities. Dave Hancock owns and operates a bonded heavy construction company in Sunrise Beach, Missouri.

Exhibit 4

CERTIFICATION

I, Diann Warner, City Clerk of the City of Osage Beach, Missouri, do hereby certify that the following is a complete, true and correct copy of Resolution 8912 which was duly ratified and adopted at a meeting of the Board of Aldermen of Osage Beach, Missouri, a fourth class municipality duly organized and existing under the laws of the State of Missouri, held on September 21, 1989, a quorum being present; that I am the keeper of the City Seal and of the minutes and records of this municipality, and that said resolution has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the Seal of the City, this 21st day of September, 1989.

Diann Warner

Diann Warner

City Clerk

RESOLUTION NO. 8912

A RESOLUTION CONSENTING TO THE EXPANSION OF OSAGE WATER COMPANY TO PROVIDE WATER SERVICE TO BROADWATER BAY SUBDIVISION WITHIN THE CITY OF OSAGE BEACH, MISSOURI.

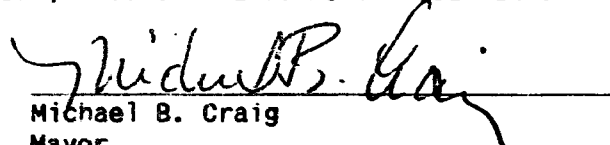
WHEREAS Osage Water Company is a privately owned and operated water company operating pursuant to authority by a certificate of convenience and necessity issued by the Missouri Public Service Commission, and

WHEREAS Broadwater Bay Subdivision is a subdivision located in the City of Osage Beach, Camden County, Missouri, and

WHEREAS Osage Water Company has expressed a desire to expand their services to include Broadwater Bay Subdivision.


NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Aldermen of the City of Osage Beach, Missouri, that the City of Osage Beach consents to the expansion of the Osage Water Company to provide water service to Broadwater Bay Subdivision pursuant to R.S.Mo. 393.170.2.

ADOPTED THIS 21ST DAY OF SEPTEMBER, 1989 BY THE BOARD OF ALDERMEN OF THE CITY OF OSAGE BEACH, MISSOURI.



Michael B. Craig
Mayor

ATTEST:



Diann Warner
City Clerk

OSAGE WATER COMPANY

(314) 348-1334

Rt. 1 Box 30, Osage Beach, MO 65065

The Honorable
Michael Craig
Mayor of the City of
Osage Beach, Missouri

Dear Sir,

The principals of the Broadwater Bay Subdivision have contacted us about extending our Public Service Commission supervised water utility company service to their area. In accordance with PSC rule 4 CSR 240-2.060 (2)(A)10A we respectfully request the consent of the City of Osage Beach for such an expansion of our service area.

Osage Water Company Inc. is a corporation wholly owned by Wm R. and Wm P. Mitchell which purchased the assets of the water company at Oaktres on December 4, 1988 from the previous owners. The Company currently serves 73 customers in and around the Oak Hill area of Osage Beach. Broadwater Bay is separated from the existing service area by Lake Road 54-52 and to cross this road, easements from the City and the construction requirements will be necessary.

We respectfully request expeditious review at your September 21, 1989 regular meeting of the City council of our expansion request and information on procedures to obtain easements and the construction requirements for City roads.

Sincerely,



2/15/89

William P. Mitchell
President

cc: Donalson; McCourt

Exhibit 5

AFFIDAVIT

COMES NOW William P. Mitchell after first being duly sworn upon his oath and states:

- 1) He is an individual over twenty-one years of age residing in Camden County, Missouri.
- 2) He was present at the meeting of the Board of Trustees of the Village of Sunrise Beach held on December 3, 1991.
- 3) At the aforesaid Board of Trustees meeting, the board duly ratified and adopted, a quorum of the board being present, Resolution No. 12-3.
- 4) A duplicate original of the aforesaid resolution is attached hereto as Exhibit A and incorporated by this reference.

Further affiant sayeth not.



William P. Mitchell

Subscribed and sworn to before me this 4th day of December, 1991.



Notary Public

My Commission Expires:

SARAH J. GIVENS
NOTARY PUBLIC STATE OF MISSOURI
CAMDEN COUNTY
MY COMMISSION EXP. JULY 25, 1994

RESOLUTION NO. 12-3

A RESOLUTION CONSENTING TO OSAGE WATER COMPANY BEING A PUBLIC UTILITY PROVIDING WATER AND SEWER SERVICES IN THE VILLAGE OF SUNRISE BEACH, MISSOURI.

WHEREAS Osage Water Company is a closely held public water and sewer utility regulated by the Missouri Public Service Commission seeking a certificate of convenience and necessity to provide water and sewer services to property lying in Camden and Morgan Counties, Missouri, and including all of the corporate limits of the Village of Sunrise Beach, and,

WHEREAS the Board of Trustees of the Village of Sunrise Beach, Camden and Morgan Counties, Missouri, desire to promote development of the Village of Sunrise Beach, Camden and Morgan Counties, Missouri, and to improve water and sewer service to said village while minimizing costs.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Trustees of the Village of Sunrise Beach, Counties of Camden and Morgan, Missouri, that it consents to and approves issuance by the Public Service Commission of Missouri of a certificate of convenience and necessity pursuant to section 393.170, RSMo. 1986, establishing for Osage Water Company water and sewer service areas encompassing all of the corporate limits of the Village of Sunrise Beach, Camden and Morgan Counties, Missouri.

ADOPTED THIS 3RD DAY OF DECEMBER, 1991, BY THE BOARD OF TRUSTEES OF THE VILLAGE OF SUNRISE BEACH, MISSOURI .



Paul Shafer, Chairman



Murni Steinberg, Clerk