

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

In the Matter of the Application of Lake Region)	
Water & Sewer Co. and Camden County Public)	<u>File No. WM-2017-0186</u>
Water Supply District #4 for an Order)	
Authorizing the Sale, Transfer, and Assignment of)	
Water and Sewer Assets to Camden County Public)	
Water Supply District #4 and in Connection)	
Therewith Certain Other Related Transactions.)	

In the Matter of the Application of Lake Region)	
Water & Sewer Co. and Camden County Public)	<u>File No. SM-2017-0187</u>
Water Supply District #4 for an Order)	
Authorizing the Sale, Transfer, and Assignment of)	
Water and Sewer Assets to Camden County Public)	
Water Supply District #4 and in Connection)	
Therewith Certain Other Related Transactions.)	

**ORDER DIRECTING NOTICE, SETTING DEADLINE FOR
INTERVENTION AND DIRECTING STAFF TO FILE A
RECOMMENDATION**

Issue Date: December 29, 2016

Effective Date: December 29, 2016

On December 29, 2016, Lake Region Water & Sewer Co. ("Lake Region") and Camden County Public Water Supply District Number Four (the "District") (jointly, "Applicants") filed an application with the Missouri Public Service Commission seeking authority to sell, transfer and assign all of Lake Region's assets, including its existing water and sewer systems, to the District. Lake Region provides service to approximately 683 water customers and 925 sewer customers in Camden and Miller Counties, Missouri.

Applicants state that the transfer and assignment of Lake Region's assets will have an impact on the tax revenue of the Missouri political subdivisions in which Lake

Region's assets are located. The Commission will direct notice of the application be given to the Camden County Commission, Miller County Commission, local newspapers, members of the General Assembly representing residents of Camden and Miller Counties, Missouri, and the General Counsel for the Missouri Department of Natural Resources.

The Commission will also set a deadline for interested persons to intervene or file comments addressing whether or not the proposed transfer is in the public interest. Finally, the Commission will direct its Staff to file a recommendation on the application.

THE COMMISSION ORDERS THAT:

1. The Commission's Data Center shall provide a copy of this order and the application, excluding attachments, to the County Commission of Camden County, Missouri, the County Commission of Miller County, Missouri, and the General Counsel for the Missouri Department of Natural Resources.

2. The Commission's Public Information Officer shall make notice of this order available to the members of the General Assembly representing Camden County, Missouri, Miller County, Missouri, and to the media serving both counties.

3. The Commission's Staff shall file a recommendation on the application no later than February 24, 2017.

4. Any person wishing to intervene in this matter shall file an application to intervene no later than January 20, 2017. The application shall be filed in the Commission's Electronic Filing and Information System ("EFIS") or with the Secretary of the Commission. Comments on the application can also be made in EFIS.

5. This order shall be effective when issued.



BY THE COMMISSION

A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Kim Burton, Senior Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 29th day of December, 2016.

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

In the matter of the Application of)	
Lake Region Water & Sewer Co.)	
and Camden County Public Water)	
Supply District Number Four for)	
an order authorizing the Sale,)	Case No. _____
Transfer and Assignment of Water and)	
Sewer Assets to Camden County Public)	
Water Supply District Number Four and)	
In connection therewith certain other)	
related transactions.)	

**JOINT APPLICATION
FOR APPROVAL OF TRANSFER OF ASSETS**

Come now Lake Region Water & Sewer Co. (“Lake Region”) and Camden County Public Water Supply District Number Four (the “District”) (sometimes collectively referred to as “Applicants”) in accordance with Section 393.190.1, RSMo Cum Supp. 2013, 4 CSR 240-3.310 and 4 CSR 240-3.605, and for their application authorizing the sale, transfer and assignment of assets to the District, state the following to the Commission:

APPLICANTS

1. Lake Region is a corporation organized under the laws of the state of Missouri. A copy of Lake Region’s Certificate of Good Standing issued by the Missouri Secretary of State is attached as Exhibit 1. Lake Region engages in the business of offering water and sewer services to the public within an authorized service territory.

2. Lake Region is a “water” corporation and “sewer corporation” as those terms are defined in Section 386.020 RSMo. 2000 and constitutes a public utility under the laws of the state of Missouri. Lake Region is subject to the jurisdiction of the Commission. It provides

services to approximately 683 water customers and 925 sewer customers within its authorized certificated territory.

3. Lake Region has no pending actions or final unsatisfied judgments or decisions against it involving customer service or rates having occurred within three (3) years before the filing of this application. Lake Region has no fees or annual reports that are overdue the Commission.

4. The District, which is also known as “Public Water Supply District Number Four of Camden County, Missouri,” is a duly authorized public water supply district organized under the provisions of Chapter 247, RSMo 2000. It has powers, duties and authority established by state law. It is a political subdivision of the state of Missouri.

5. Pleadings, notices, orders and other correspondence and communications concerning this Application should be addressed to the following:

FOR LAKE REGION:

John R. Summers
Lake Region Water & Sewer Co.
P.O. Box 9
Lake Ozark, MO 65049
573-216-1090 (Telephone)
573-365-6793 (Fax)

Mark W. Comley
Newman, Comley and Ruth P.C.
601 Monroe St., Suite 301
P.O. Box 537
Jefferson City, MO 65102
573-634-2266 (Telephone)
573-636-3306 (FAX)

FOR THE DISTRICT:

Joshua D. Duncan, General Manager
Camden County PWSD4
P.O. Box 9

Lake Ozark, MO 65049
Phone: 573-365-6792 Fax: 573-365-6793

Robert W. Pohl
Pohl & Pohl, P.C.
2806 Horseshoe Bend Parkway
Suite 100
Lake Ozark, MO 65049
Phone: 573-365-3350
Fax: 573-365-3358

THE TRANSACTION

6. Subject to the terms and conditions of an Agreement attached hereto as Appendix 1 (The Lake Region Purchase Agreement), Lake Region will sell, transfer and assign to the District, and the District will acquire from Lake Region, all of Lake Region's assets comprising of its existing water system and existing sewer system, including real estate, all as more detailed in the Lake Region Purchase Agreement. The purchase price for the assets is Six Million Eighty-four Thousand Dollars (\$6,084,000).

NO DETRIMENT

7. The proposed sale, transfer and assignment and related transactions will not be detrimental to the public interest because they will not result in any reduced level of service or reliability for the customers being served by the systems currently. Those customers will see no interruption in their day to day utility services due to the transaction.

8. Pursuant to the provisions of Chapter 247, RSMo. the District has the power and authority to acquire the water and sewer assets identified in the Purchase Agreement. Pursuant to the District's statutory authority, rates and conditions of service will be developed and administered by the popularly elected Board of Directors.

9. The governing board of each applicant has adopted a resolution authorizing the proposed asset sales and transfers identified and described herein. Additionally, the shareholders of Lake Region have adopted a resolution authorizing the proposed asset sale and transfer identified and described herein. Those resolutions are attached collectively as Exhibit 2.

10. The transfer and assignment of these assets will have an impact on the tax revenues of the Missouri political subdivisions in which any structures, facilities or equipment involved are located. The property tax abatement caused by transfer of the assets is estimated as \$3,240.98 annually

11. All assets and operations of Lake Region are located and conducted respectively within Camden County, Missouri and Miller County, Missouri. The District has assets and operations in both Camden County, Missouri and Miller County, Missouri.

WHEREFORE, Applicants respectfully request that the Commission issue its Order:

a. Authorizing the Applicants to perform in accordance with the terms of the executed Purchase Agreement;

b. Authorizing the sale, transfer and assignment of the identified water and sewer assets, together with any real estate, as more fully described in the executed Purchase Agreement;

c. Authorizing the Applicants to enter into, execute and perform in accordance with the terms of all other documents which may be reasonably necessary and incidental to the performance of the transactions which are the subject of the executed Purchase Agreement and this Application; and

d. Granting such other relief as may be deemed necessary to accomplish the purposes of the Purchase Agreement and the Application and to consummate the sale, transfer

and assignment of the assets and related transactions pursuant to the executed Purchase Agreement.

Respectfully submitted,

/s/ Mark W. Comley

Mark W. Comley #28847
Newman, Comley & Ruth P.C.
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, MO 65102
(573) 634-2266
(573) 636-3306 FAX

ATTORNEYS FOR LAKE REGION WATER & SEWER
Co.

/s/ Robert W. Pohl

Robert W. Pohl #19871
Pohl & Pohl, P.C.
2806 Horseshoe Bend Parkway
Suite 100
Lake , MO 65049
573-365-3350
Fax: 573-365-3358
ATTORNEYS FOR THE DISTRICT

TOGETHER, THE JOINT APPLICANTS

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 28th day of December, 2016, to General Counsel's Office at staffcounservice@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov.

/s/ Mark W. Comley

ATTORNEY VERIFICATION

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

I, Mark W. Comley, being first duly sworn, do hereby certify, depose and state that I am the attorney for Lake Region Water & Sewer Co., applicant in this proceeding; that I have read the above and foregoing Joint Application for Approval of Transfer of Assets and the allegations therein contained are true and correct to the best of my knowledge, information and belief; and I further state that I am authorized to verify the foregoing application by the above said applicant.

/s/ Mark W. Comley
Mark W. Comley

Subscribed and sworn to before me, a Notary Public, this 28th day of December, 2016.

/s/ Annette M. Borghardt
Notary Public for Cole County, MO
Commission #14436657; MCE March 13, 2018

List of Exhibits

Exhibit 1 Certificate of Good Standing

Exhibit 2 Resolutions

Appendix 1 Asset Purchase Agreement by and between Public Water Supply District No. 4
of Camden County, Missouri and Lake Region Water & Sewer Co.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 29th day of December 2016.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

December 29, 2016

File/Case No. WM-2017-0186 and SM-2017-0187

Missouri Public Service Commission Office of the Public Counsel
Staff Counsel Department
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

James Owen
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opc@psc.mo.gov

Camden County PWSD #4
Robert W Pohl
2806 Horseshoe Bend Parkway, Suite 100
PO Box 2590
Lake Ozark, MO 65049
rwp@pohl-law.com

County of Camden, Missouri
County Commission Clerk
1 Court Circle, Ste. 2
Camdenton, MO 65020

County of Miller, Missouri
County Commission Clerk
2001 Hwy. 52, Miller County
Courthouse
PO Box 12
Tuscumbia, MO 65082

Lake Region Water & Sewer Company
Mark W Comley
601 Monroe Street., Suite 301
Jefferson City, MO 65102-0537
comley@ncrpc.com

Missouri Department of Natural Resources
Legal Department
1101 Riverside Drive
P.O. Box 176
Jefferson City, MO 65102-0176

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



Morris L. Woodruff
Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.