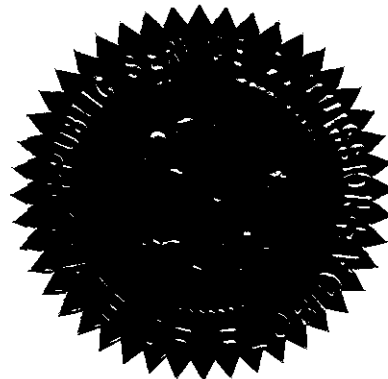


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 080132-WU

In the Matter of:

APPLICATION FOR TRANSFER OF WATER
FACILITIES TO OKEECHOBEE UTILITY
AUTHORITY, AND CANCELLATION OF
CERTIFICATE NO. 629-W, BY BLUE
HERON GOLF & COUNTRY CLUB.



PROCEEDINGS: AGENDA CONFERENCE
ITEM 7

BEFORE: CHAIRMAN MATTHEW M. CARTER, II
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER KATRINA J. McMURRIAN
COMMISSIONER NANCY ARGENZIANO
COMMISSIONER NATHAN A. SKOP

DATE: Tuesday, July 15, 2008

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, RPR, CRR
Official FPSC Reporter
(850) 413-6734

DOCUMENT NUMBER-DATE

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FLORIDA PUBLIC SERVICE COMMISSION
FPSC-COMMISSION CLERK

1 PARTICIPATING:

2 DON MCBRAYER, representing the Blue Heron Golf &
3 Country Club (via telephone).

4 PAT BRADY, representing the Florida Public Service
5 Commission staff.

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P R O C E E D I N G S

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CHAIRMAN CARTER: And with that, we're going to take a second to get -- is he on? Staff, get ready for Item 7. Let me just check over here. Mr. McBrayer, are you with us?

MR. MCBRAYER: Yes, I am.

CHAIRMAN CARTER: Okay. Great. One second, please. Staff, you're recognized.

MS. BRADY: Commissioners, I am Pat Brady of Commission staff. Item 7 is an application for transfer of water facilities from Blue Heron Golf and Country Club to Okeechobee Utility Authority and for cancellation of Certificate 629-W.

Staff recommends that the transfer be acknowledged as a matter of right. In addition, the utility has requested that the Commission waive its 2006 annual report fine in the amount of \$489.

In Issue 1, staff recommends that the utility has not demonstrated good cause for waiving the fine and that the docket be held open pending verification of payment.

As you're aware, Mr. McBrayer, a co-owner of the utility, has asked to participate telephonically. Staff is otherwise prepared to answer any questions you may have.

CHAIRMAN CARTER: Okay. Mr. McBrayer, Mr. McBrayer, we'll recognize you for five minutes and we'll listen to you.

1 And then, Commissioners, we'll start our deliberation.

2 You're recognized, sir.

3 MR. MCBRAYER: Okay. Thank you. There's several
4 reasons that we were late on our annual report. Probably the,
5 the biggest, most primary one was that my partner in this,
6 Marty Stevens, has had a terrible physical bout with his life,
7 and he had, over a period of time he had lost 100 pounds and
8 was very near death and finally got a liver transplant probably
9 within days of dying. He has improved greatly now, he's gained
10 some of his weight back, and he's back getting around and
11 taking care of business.

12 But during the year that he had his misfortune with
13 his health, why his business pretty well went to pot. And you
14 know how it is, when you're in a business and the boss is gone,
15 why things just don't go the same. But, anyway, I had to make
16 several trips up there to Kentucky; it's 987 miles from here.
17 And but because he couldn't travel and we had things to do, why
18 I had to make trips up there. I felt like that was more
19 important than a lot of other things.

20 Another reason was that we're in dire straits here on
21 account of the property where the water plant is located, which
22 is Blue Heron Golf and Country Club. It just gets, it gets
23 worse every month. We've had it potentially sold five times
24 but we still have it. It hasn't materialized. And to hire the
25 CPA and attorneys to take care of the annual report was money

1 that we didn't have. The 4.5 percent that we owed you people
2 was money that we didn't have.

3 And we finally made a deal with the OUA, Okeechobee
4 Utility Authority, for them to take over the water plant.

5 Well, they didn't pay us and we didn't give it to them. We had
6 to pay them, I've got it written down here, \$28,430.75 that we
7 didn't have for them to take it over. But we're not going
8 farther in debt from the water now that we have gotten rid of
9 it, but we still have to pay back the \$28,430.75. The final
10 bills that we got, that we put out on the water plant, we still
11 have not received all the payments on those. There's almost
12 \$1,000 that's still owed that we'll never get. But, anyway,
13 that's -- we're not concerned with the water plant anymore
14 other than to make amends with you people.

15 There was, let's see, \$873 still owed from the last
16 billing from 11 customers who have not paid. Some are months
17 behind, but I would not shut their water off; they had children
18 and such. Let's see.

19 CHAIRMAN CARTER: You've got about one more minute
20 there.

21 MR. McBRAYER: Okay. Anyway, we -- you have levied a
22 \$489 fine on us and we would like for that to be taken off. If
23 you can't take it off, then we'll have to pay it. We don't
24 have the money to pay it, and the best I can say is that when
25 and if we sell this place, why we'll be glad to pay it. But --

1 CHAIRMAN CARTER: Okay. Mr. McBrayer, one second,
2 please.

3 Commissioner Argenziano.

4 COMMISSIONER ARGENZIANO: Mr. Chair, I move to deny
5 staff on Issue 1, recommendation on Issue 1. The \$489 is not
6 going to make or break anybody. It doesn't serve a purpose
7 anymore. It's not as a stick to say don't do this again. This
8 company has gone through a lot. I think they've showed some
9 responsible human being behavior by not turning off people who
10 needed water at the time. And just to be honest with you, I
11 appreciate staff's work on it because that's what they're
12 supposed to do, but at this point I just move to deny the \$489.
13 And the company is being taken over. Let it just go in my
14 opinion.

15 CHAIRMAN CARTER: Commissioners? Commissioner Skop.

16 COMMISSIONER SKOP: Second.

17 CHAIRMAN CARTER: Commissioner McMurrian.

18 MR. McBRAYER: Yes.

19 CHAIRMAN CARTER: Commissioner McMurrian, you're
20 recognized.

21 COMMISSIONER McMURRIAN: Chairman, I was just going
22 to second the --

23 CHAIRMAN CARTER: Okay.

24 COMMISSIONER McMURRIAN: I'm in support of that
25 motion.

1 CHAIRMAN CARTER: Commissioner Edgar.

2 COMMISSIONER EDGAR: Take a vote.

3 CHAIRMAN CARTER: Anything further, Commissioners?

4 We have a motion and a second on Issue 1 to deny staff's
5 recommendation. All in favor, let it be known by the sign of
6 aye.

7 (Unanimous affirmative vote.)

8 Those opposed, like sign.

9 Okay. Commissioners, what is your pleasure on Issue
10 2?

11 COMMISSIONER EDGAR: Make a motion for the staff
12 recommendation on Issue 2 and Issue 3.

13 COMMISSIONER ARGENZIANO: Second.

14 CHAIRMAN CARTER: Issues 2 and 3 have been moved and
15 properly seconded. Commissioners, any discussion? Moving
16 staff on Issues 2 and 3, all those in favor, let it be known by
17 the sign of aye.

18 (Unanimous affirmative vote.)

19 All those opposed, like sign. Show it done.

20 Thank you for your participation, Mr. McBrayer.

21 MR. McBRAYER: Thanks for the five minutes.

22 CHAIRMAN CARTER: All right. Bye now.

23 MR. McBRAYER: Are we through?

24 CHAIRMAN CARTER: Yes, sir.

25 MR. McBRAYER: Thank you.

CHAIRMAN CARTER: All right then.

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1 STATE OF FLORIDA)
2 COUNTY OF LEON) : CERTIFICATE OF REPORTER

3

4 I, LINDA BOLES, RPR, CRR, Official Commission
5 Reporter, do hereby certify that the foregoing proceeding was
6 heard at the time and place herein stated.

7 IT IS FURTHER CERTIFIED that I stenographically
8 reported the said proceedings; that the same has been
9 transcribed under my direct supervision; and that this
10 transcript constitutes a true transcription of my notes of said
11 proceedings.

12 I FURTHER CERTIFY that I am not a relative, employee,
13 attorney or counsel of any of the parties, nor am I a relative
14 or employee of any of the parties' attorneys or counsel
15 connected with the action, nor am I financially interested in
16 the action.

17 DATED THIS 28th day of July, 2008.

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