

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

MEMORANDUM

November 24, 1992

TO : DIVISION OF LEGAL SERVICES (GOLDEN)  
DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF WATER AND WASTEWATER (KOSLOSKI) *AKW*

RE : DOCKET NO. 920063-WS: REQUEST FOR EXEMPTION FROM FLORIDA  
PUBLIC SERVICE COMMISSION REGULATION FOR PROVISION OF  
WATER AND WASTEWATER SERVICE IN LAKE COUNTY BY  
STEWART/BARTH UTILITY

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Stewart/Barth Utility, in Lake County, filed its application for an exemption pursuant to Section 367.022(7), Florida Statutes, on October 8, 1992. The utility is co-owned by Mr. Charles Stewart and Mr. Robert Barth, as tenants in common. The mailing address for Charles R. Stewart is 37936 Highway 19, Umatilla, FL 32784. Mr. Barth's mailing address is 4590 North Highway 19A, Mount Dora, FL 32757. Stewart/Barth Utility serves an RV park owned by Mr. Stewart, an RV park owned by Mr. Barth, and 30 units of a condominium complex known as Baywood Condominiums in Lake County. These customers receive both water and wastewater service from Stewart/Barth Utility. The Commission denied Stewart/Barth Utility's previous request for a landlord/tenant exemption, Docket No, 900733-WS, Order No. 24311, because Stewart/Barth serves two RV parks and the 30 units in Baywood condominiums. The Commission denied this request based on the fact that the condominiums were not owned by the utility owners.

On April 21, 1992, the Commission deferred staff's recommendation to deny the combined exemption as a landlord/tenant and small system in order for staff and the utility to work on solutions whereby the utility may qualify for an exemption.

Staff worked with the utility to provide feasible alternatives. One feasible solution was to form a nonprofit corporation and apply for a nonprofit exemption. Mr. Stewart and Mr. Barth have leased the system to the newly-formed nonprofit corporation, known as Lake Saunders Utilities, Inc. (Lake Saunders).

DOCUMENT NUMBER-DATE

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Lake Saunders has filed an application in accordance with Section 367.022(7), Florida Statutes. Included in this application was a statement from the applicant that: the corporation is nonprofit, service will be provided solely to members who own and control it, water and wastewater service will be provided to members, billing will be done by Lake Saunders Utilities, Inc., and the service territory will be limited to the 30 units in Baywood Condominiums, the Lake Saunders R.V. Resort, and Woods-N-Water Trails. In addition, the applicant provided the Articles of Incorporation as filed with the Secretary of State and the Bylaws which clearly show the requirements for membership, and that the members' voting rights are one vote per unit of ownership.

In addition, the applicant provided sufficient evidence in the form of a 99-year lease that Lake Saunders will lease the land upon which the utility facilities are located. The applicant also acknowledged Section 837.06, Florida Statutes, regarding false statements.

Based on the above, an order should be issued within thirty days approving Lake Saunders Utilities, Inc.'s application for exemption pursuant to Section 367.022(7), Florida Statutes, as a nonprofit corporation and closing the docket. In the event of any change of circumstances or method of operation, Lake Saunders, or its successor(s) in interest, should be ordered to notify the Commission within thirty days of such change so that its exempt status may be reevaluated.