



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

**DATE:** January 31, 1997

**TO:** Division of Records and Reporting  
Division of Legal Services (Crosby)

**FROM:** Division of Water & Wastewater (Walker) *NAE OSM JAW*

**RE:** DOCKET NO. 960393-WU; Request for exemption from Florida Public Service Commission regulation for provision of water service in Lake County by Citrus Cove Homeowners Association.

On March 28, 1996, this Commission received an application from Citrus Cove Homeowners Association (Citrus Cove) for exemption of a water system as a nonprofit association pursuant to Section 367.022(7), Florida Statutes. The application was filed by Mr. O. F. Bennett, President of the Citrus Cove Homeowners Association. The original application was deemed incomplete due to suspension of Citrus Cove's certificate of incorporation by the Secretary of State.

On October 24, 1996, Mr. M. J. Avila, the newly appointed president of the association, filed a document prepared by the Secretary of State which reinstated Citrus Cove's corporate charter effective as of August 13, 1996. On November 12, 1996, Mr. Avila filed a copy of the applicant's Articles of Incorporation, which was also a deficiency in the original application. Citrus Cove is a nonprofit corporation organized on August 21, 1981, with the stated objective of operating and managing a water system owned by the residents of the Citrus Cove community in Lake County, Florida. The water system has been operated by the homeowners since 1986, following withdrawal by the developer. Service fees are collected from the homeowners in order to operate and maintain the utility system. Professional services are provided by a licensed operator. Staff has determined that Citrus Cove meets the requirements for status as a nonprofit association that solely serves its membership pursuant to Section 367.022(7), Florida Statutes.

ACK \_\_\_\_\_ The initial filing included a copy of the Operation Guidelines for the Homeowners  
 AFA \_\_\_\_\_ Association. As noted above, the Articles of Incorporation were filed on November 12, 1996.  
 APP \_\_\_\_\_ These documents state each lot owner is allowed one vote. Control of the association has passed  
 CAF \_\_\_\_\_ to the membership. The association, which is 100% member owned, provides potable water  
 CMU \_\_\_\_\_ service. All homesites have septic tanks. The mailing address for the Homeowners Association  
 CTR \_\_\_\_\_ is 17606 Mandarin Circle, Winter Garden, Florida, 34787.

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In summary, staff has determined that Citrus Cove meets the necessary qualifications for a nonprofit association exemption pursuant to Section 367.022 Florida Statutes and Rule 25-30.060(3)(g), Florida Administrative Code. Services are provided solely to members of the association. Mr. Bennett, the acting president of the association, signed the affirmation statement regarding his familiarity with the prohibitions concerning false statements pursuant to Section 837.06, Florida Statutes. Staff further recommends that the order approving the application for exemption should require Citrus Cove to notify this Commission if the operational status of the water system is changed. Furthermore, staff recommends that this docket be closed.

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