

ORIGINAL

State of Florida



Public Service Commission

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

DATE: March 30, 1998
 TO: Division of Records and Reporting
 Division of Legal Services (Gervasi)
 FROM: Edith Xanders, Division of Water and Wastewater *EX*
 RE: Docket No. 970409-SU: Investigation into appropriate wastewater rates
 of the Tropical Isles facility of Florida Water Services Corporation in
 St. Lucie County

Please place the attached in the above referenced docket folder. If you have any questions, please feel free to contact me.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
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- SEC 1
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

TROPICAL ISLES HOMEOWNERS ASSOCIATION PUBLIC AFFAIRS COMMITTEE**Sewergate Subcommittee**

Facsimile & Letter of March 24, 1998

From: Robert J. Simpson, chair, 345 Seahorse Ter., Ft. Pierce, FL 34982

To: Harold McLean, Esq., Office of Public Counsel (OPC) (fax 850/488-4491)
111 W. Madison St., Rm. 812, Tallahassee, FL 32399-1400

1. On February 18, 1998, Florida Water Services' (FWS) vice presidents Charles L. Sweat and Forrest L. Ludsen met with Tropical Isles (TI) park owner Maurice Shackett; park manager, Roger Shackett and myself regarding FWS offer to sell the TI wastewater treatment plant (the plant) back to a TI entity. The meeting was in the TI Clubhouse.
2. Following negotiations and oral agreement, FWS sent a letter of a present intent to sell the plant to a TI "entity", to be confirmed by a response from the Park Owner and myself. This response was signed by Maurice Shackett and me and mailed on February 19, 1998.
3. The intended sales price was \$40,000 plus "transaction costs". Two key provisions were (1) Buyer should assume any unpaid bills from TI customers as of closing and (2) FWS would have the plant in good operating condition.
4. Roger Shackett has directed the Park attorney to send a signed Agreement (official offer to purchase which the "letter of intent" is not). We cannot control FWS' time of signing to be on or before March 30, but assume that such timeline is feasible because the TI offer is consistent with the FWS letter of intent to sell.
5. This letter to you and PSC complies with another key FWS condition (2/18/98); namely, TI would withdraw all pending or contemplated rate dispute actions against FWS before the Florida Public Service Commission (PSC). Nothing is now "contemplated" beyond what is in process but, assuming that FWS' letter of intent is in good faith, I am asking that you hold, at least temporarily, any further actions on behalf of TI against FWS until a final sales agreement is signed between FWS and the Park Owner; of course, assuming a reasonable time period. I will advise you if and when this occurs. If it doesn't, then it's back to the current PSC and legislative process.
6. By sending a copy of this letter to Ms. Jennie Lingo of PSC, I am requesting PSC staff to discontinue its rate investigation while the sales agreement is negotiated and to drop all activities in this matter if and when a purchase agreement is reached.

cc. (fax numbers given where available)

Vice President Charles Sweat, FWS, P.O. Box 609520, (407/880-1395)

Ms. Jennie Lingo, PSC, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850 (850/413-6220)

Rep. Ken Pruitt (Dist. 81), The Capitol, Tallahassee, FL 32399.

Park Owner, Maurice Shackett, & Park Manager, Roger Shackett, 281 Tropical Isles Cir.,
Ft. Pierce, FL 34982 (fax 561/468-4968)TIHA President, Anthony Cimino, 232 Sandy Bottom Pl., Ft. Pierce, FL 34982
with courtesy copies to TI Subcommittee.

Sen. Anna P. Cowin, P.O. Box 238, Leesburg, FL 34749 (fax 352/315-6754)

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