

ORIGINAL

MEMORANDUM

April 6, 1998

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (FERGUSON) *CF*

RE: DOCKET NO. 980099-WS - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST EAST MARION WATER DISTRIBUTION, INC. IN MARION COUNTY FOR FAILURE TO FILE 1996 ANNUAL REPORT IN ACCORDANCE WITH RULE 25-30.110(3), F.A.C.

Please file the following items in the docket file for the above-referenced docket: two attached letters dated April 3, 1998; one letter dated March 10, 1998; and Petition for Rule Waiver.

CF/lw

Attachment

cc: Division of Water and Wastewater (Dewberry)

ACK 1:\mmo-rec2.cf

AFA \_\_\_\_\_

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SEC 1

VIA \_\_\_\_\_

DM \_\_\_\_\_

DOCKETS      FILE

**03924 APR-6 8**

REC'D      REPORTING

JOSEPH E. BRANNON

*Certified Public Accountant*

106 N.E. 14th Avenue • Ocala, Florida 34470-6857 • (352) 732-8833 Fax (352) 732-2306

RECEIVED

APR 6 9 35 AM '98

ADMINISTRATION  
MAIL ROOM

April 3, 1998

Cleveland Ferguson III  
Staff Attorney  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Re: East Marion Sanitary Systems, Inc.  
Petition for Rule Waiver

Dear Mr. Ferguson,

I would like to thank you with your assistance in the above referenced matter. You will find attached a copy of the Petition for Rule Waiver filed with PSC along with a courtesy copy of the cover sent to Blanca Bayo. The correspondence and other materials you provided have been greatly appreciated. If you have any suggestions or know of anything that remains to be done that would expedite or aid in the successful processing of our petition please let me know.

Sincerely,



Joseph E. Brannon  
Certified Public Accountant

# JOSEPH E. BRANNON

*Certified Public Accountant*

106 NE 14th Avenue • Ocala, Florida 34470-6857 • (352) 732-8943 • Fax (352) 732-2306

April 3, 1998

Blanca Bayo, Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Re: East Marion Sanitary Systems, Inc.  
Petition for Rule Waiver

Please find attached a Petition for Rule Waiver regarding penalties imposed on East Marion Sanitary Systems, Inc. for failure to timely file the 1996 annual report. Additionally, the Utility is requesting the Commission waive the requirement to file an annual report for 1995. If you have any questions please contact me at (352) 732-8943

Sincerely,

Joseph E. Brannon  
Certified Public Accountant



Cc: Cleveland Ferguson III, PSC  
Herbert Hein, EMSS, Inc

STATE OF FLORIDA

Commissioners:  
JULIA L. JOHNSON, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
JOE GARCIA  
E. LEON JACOBS



CAPITAL CIRCLE OFFICE CENTER  
2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL 32399-0850

## Public Service Commission

March 10, 1998

CERTIFIED MAIL - P 263 572 628  
RETURN RECEIPT REQUESTED

Mr. Len Tabor  
Enviro-Masters, Inc.  
2320 NE 2nd Street, Suite 3-B  
Ocala, Florida 34470

Re: Docket No. 980099-WS- Initiation of show cause proceedings against East Marion Water Distribution, Inc., for violation of Rule 25-30.100(3), F.A.C., Annual Report

Dear Mr. Tabor:

The Division of Water and Wastewater received the 1996 annual report you filed on February 2, 1998. The report contained no deficiencies. The total penalty for late filing is \$741 (247 days x \$3.00 per day).

Please submit payment of these amounts by check made payable to the Florida Public Service Commission. The check should be mailed with a copy of this letter to the Division of Administration, Bureau of Fiscal Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850, Attention: Evelyn Sewell.

Payment is due by March 30, 1998. If you have any questions, please contact me at (850) 413-6185.

Sincerely,

A handwritten signature in black ink, appearing to read "Cleveland Ferguson III".

Cleveland Ferguson III  
Staff Attorney

cc: Division of Water and Wastewater (Dewberry, Walker, Messer)  
Joseph E. Brannon, C.P.A.

13CF5H0CAUENLE4 CF

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: EAST MARION SANITARY SYSTEMS, INC.

WU-536 AND SU-535

PETITION FOR RULE WAIVER

WITH RESPECT TO THE UTILITY'S FAILURE TO FILE 1995 ANNUAL REPORT  
AND FAILURE TO TIMELY FILE THE 1996 ANNUAL REPORT

EAST MARION SANITARY SYSTEMS, INC. does hereby file its Petition for a waiver of penalties and interest for its failure to file the 1995 annual report and timely file the 1996 annual report pursuant to Rule 25-30.110, Florida Administrative Code, and for reason therefore would show:

1. On February 21, 1995, a contract was entered into to acquire the water and sewer systems owned by East Marion Water Distribution Systems, Inc. and EAST MARION SANITARY SYSTEMS, INC. The real property and assets were acquired as part of a land acquisition of the Lakeview Woods subdivision containing 186 lots, only 8 of which were sold, from First Bank of Osceola. The new owners were not familiar with the requirements of utility reporting and the application for transfer of majority organizational control and other reports were not timely filed. These included regulatory assessment fee reports and annual reports.

2. With the help of records obtained through the Public Service Commission staff and Joseph E. Brannon, Certified Public Accountant, EAST MARION SANITARY SYSTEMS, INC. was able to complete the regulatory assessment fee reports and the 1996 and 1997 annual reports.

3. Several factors contributed to a lack of information necessary to complete and file the 1996 annual report prior to February 2, 1998. These included:

- i) A lack of availability of prior records due to the death of the preceding owners.
- ii) Interim control of the utilities by the First Bank of Osceola.
- iii) New absentee owners who were unfamiliar with Utility reporting requirements.

4. The 1997 annual report was timely filed by the March 31, 1998 filing date. All regulatory assessment fee returns are current and timely paid.

5. To date EAST MARION SANITARY SYSTEMS, INC. has not filed an annual report for 1995. It is the position of the Utility that no useful purpose would be served in filing a 1995 report since 1996 and 1997 reports are available to analyze the activities and operations of the Utility.

6. EAST MARION SANITARY SYSTEMS, INC. incurred losses for 1996 and 1997 in the amount \$16,862 and \$15,024 respectively. The costs of filing a 1995 return would only serve to increase the operating losses of the company and absorb funds needed to keep the Utility operational.

7. EAST MARION SANITARY SYSTEMS, INC. has demonstrated an ability and willingness to timely comply with reporting requirements with the help of Joseph E. Brannon, certified public accountant.

WHEREFORE, EAST MARION SANITARY SYSTEMS, INC. does hereby petition the Public Service Commission for waiver of the penalties assessed for failure to file the 1996 annual report in a timely manner as set forth under Rule 25-30.110(7), Florida Administrative Code. Additionally the Utility requests a waiver of the requirement to file the 1995 annual report as prescribed by Rule 25-30.110(6), Florida Administrative Code.

Respectfully submitted,

BY: Joseph E. Brannon

Joseph E. Brannon, CPA  
106 NE 14th Ave  
Ocala, FL 34470  
Phone (352) 732-8943  
Fax (352) 732-2306

For Herbert Hein  
President,  
EAST MARION SANITARY SYSTEMS, INC.  
2320 NE 2nd Street  
Ocala, FL 34470

Certificate of Service

I HEREBY CERTIFY that the original and 7 copies of the foregoing were furnished by United States Mail to Blanca Bayo, Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Blvd, Tallahassee, FL 32399-0850 this 3rd day of April, 1998.

Joseph E. Brannon  
Joseph E. Brannon