

ORIGINAL

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Docket  
980120-511  
Sandalhaven

FACSIMILE TRANSMITTAL COVERSHEET

TO:

Cheryl Johnson

COMPANY NAME:

FACSIMILE NO:

850-413-6985

COMMENTS:

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ACK \_\_\_\_\_  
AFA FROM: ROBERT  
APP DATE: 6-3-98 TIME 3:15 EST  
CAF NUMBER OF PAGES INCLUDING COVERSHEET: 20  
CM \_\_\_\_\_

CTR We will send the original by: MAIL \_\_\_\_\_ EXPRESS \_\_\_\_\_  
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DOCUMENT NUMBER - DATE  
07644 JUL 21 8  
FPSG-RECORDS/REPORTING

**SANDALHAVEN UTILITY INC.**

6800 Placida Road  
Englewood, FL 34224  
(813) 697-5001

February 20, 1998

Cheryl Johnson  
Public Service Commission  
Div. of Water and Waste Water  
2540 Shumard Oak Blvd  
Tallahassee FL 32399-0880

Fax 850-413-6985

Re: Open Matters Regarding Sandalhaven/CHP Utility Transition

Dear Cheryl:

I talked with Robert Underwood this morning at length. The inter company accounts (\$5,271.00) between Fiddler's Green Construction and Sandalhaven were resolved through inter-company bookkeeping since I owned both of them. The matters involving the rest of the CIAC (\$22,788.00) were resolved when Sandalhaven was merged with Shear Sailing. This was done because of all the complications caused in Sandalhaven having a "C" Corporation status and needing an "S" Corporation to properly handle the IRS matters.

A copy of the bank statement showing the disposition of the funds payable to Charlotte County Tax Collector with a bank cashier's check resolved the matter properly. There were no funds due the contributors beyond that point. This was accomplished in 1996 and should leave all balances zero.

Very truly yours,



Robert W. Spade

Enclosure: Bank Statement

cc: Robert Underwood  
Ray Flischel

DOCUMENT NUMBER-DATE

07644 JUL 21 88

FPSC-RECORDS/REPORTING

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Public Service Commission  
Attn: Cheryl Johnson  
2540 Shumard oak Boulevard  
Tallahassee, FL 32309

Re: Sandalhever/VCHP Utility Repayment of Gross Up

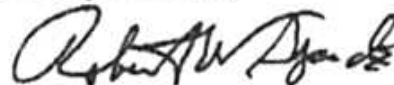
Dear Ms. Johnson,

This letter is to explain the settlement and thereby "repayment" of tax gross up for the above referenced Utility. On June 12, 1995, the Utility entered into a Wastewater Service Agreement with Cape Haze Marine Village Inc. This agreement provided for hookups, contribution in aid of construction, tax gross up, and immediate service (both temporary and permanent).

However upon signing the Agreement and making the initial payment, the developer made no further payments of utility bills until Robert Spade contacted them in August, 1997 (see copy of letter attached- note typo in letter relating to gross up amount). Finally, the developer and Robert Spade met in October to resolve all outstanding financial issues. Also please note that the developer actually owns a utility on the east coast of Florida and therefore is a utility owner. In Robert Spade's mind he was trading the failure to pay for service from June of 1995 plus interest and penalties and other costs incurred by the Utility for a check and settling the potential tax gross up refund. As you will note the actual cash payment only represented 8 months of usage versus the amount due for the entire period from June of 1995. Also the utility had other potential expenses due from the Developer (example paragraph 22 of the developers agreement).

In summary, the Utility assumed that the agreement between the Parties in October 1987 resolved all amounts due to or from the developer.

Respectfully submitted,



Robert Spede on behalf of  
Sandelhever/CHP Utility, Inc.

**AFFIDAVIT**

I Robert Spade do solemnly swear or affirm that the facts stated in the foregoing and all exhibits attached thereto are true and correct and that said statements of fact thereto constitute a complete statement of the matter to which it relates.

BY:   
Signature

\_\_\_\_\_  
Robert Spade  
President, CHP Utility, Inc.

Subscribed and sworn to before me this 3<sup>rd</sup> day of June 1998.

  
Notary Public

