



Public Service Commission

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RECEIVED-FPSC
MAY 4 AM 11:21
RECORDS AND REPORTING

DATE: MAY 04, 2000

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF WATER AND WASTEWATER (JOHNSON)
DIVISION OF LEGAL SERVICES (VANLEUVEN) *DR* *PS* *B/S* *RL* *DM*

RE: DOCKET NO. 000292-WS - NOTICE OF ABANDONMENT OF WATER AND WASTEWATER SERVICES IN VOLUSIA COUNTY BY DEBARY ASSOCIATES, INC.
COUNTY: VOLUSIA

AGENDA: MAY 16, 2000 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\WAW\WP\000292.RCM

CASE BACKGROUND

DeBary Associates, Inc., (DeBary or utility) is a Class C water and wastewater utility serving the Meadowlea on the River Mobile Home community in Volusia County (County). According to its 1998 annual report, the utility had approximately 80 connections with combined gross revenues of \$82,716 and a combined net operating loss of \$4,015.

On March 6, 2000, the attorney for the utility, Mr. Gary Shipman sent a certified letter to the Commission's Division of Water and Wastewater, Volusia County, and the City of DeBary giving 60 days notice of the abandonment of the utility pursuant to Section 367.165, Florida Statutes.

DOCUMENT NUMBER-DATE

05582 MAY-4 8

FPSC-RECORDS/REPORTING

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission acknowledge the notice of abandonment of DeBary Associates, Inc.?

RECOMMENDATION: Yes, the Commission should acknowledge the notice of abandonment of DeBary Associates, Inc. (JOHNSON, VAN LEUVEN)

STAFF ANALYSIS: As stated in the Case Background, notice of the intent to abandon DeBary Associates Inc., was given on March 6, 2000 by the owner's representative, Mr. Gary Shipman. The utility's notice of the intent to abandon was given to the Commission, Volusia County, and the City of DeBary pursuant to Section 367.165, Florida Statutes, which requires 60 days' notice prior to the abandonment of a utility. According to DeBary Associates, Inc.'s notice of intent, it can no longer provide utility services due to changed circumstances. DeBary Associates has actually provided more than the required 60 days notice by extending the effective date of abandonment to June 1, 2000, in order to ensure that its customers are not affected by this abandonment. In addition, DeBary Associates will cooperate with the receiver of the utility in order to facilitate a smooth transition.

Subsequent to receiving the notice of intent to abandon DeBary Associates, Inc., staff has been in contact with the County Attorney; the County Director of Utilities; the local water and wastewater compliance sections of Florida's Department of Environmental Protection (FDEP); and the utility's current operator. All parties are working as expeditiously as possible on a mutually beneficial solution to this abandonment. However, if there is an interim period between the actual abandonment of the utility and the appointment of a receiver, the County is prepared to continue utility operations without interruption of service to the utility's customers.

Meanwhile, staff is bringing this recommendation to the Commission in order for the Commission to acknowledge Mr. Shalett's intent to abandon DeBary Associates, Inc. Once a receiver for the utility has been appointed by the Circuit Court, staff will bring another recommendation to the Commission to acknowledge that action. Staff will continue to work with the County, the utility, and FDEP to ensure continued service to the utility's customers.

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Staff therefore recommends that the Commission acknowledge the notice of abandonment of DeBary Associates, Inc., by Mr. Charles Shalett.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: No, the docket should remain open until the Commission acknowledges the appointment of a receiver for DeBary Associates, Inc. (VAN LEUVEN)

STAFF ANALYSIS: As of the time of this recommendation, Volusia County has not petitioned the Circuit Court to appoint a receiver for DeBary Associates, Inc. Therefore, the docket should remain open until the Commission has acknowledged the appointment of the receiver.