

ORIGINAL

DISTRIBUTION CENTER

ESAD ENTERPRISES, INC.
DBA GULF AIRE WASTE WATER TREATMENT P O BOX 503
PORT ST JOE, FL 32457
(850) 227-9875

02 MAR -8 AM 9:30

February 18, 2002

Division of Commission clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 011379-SU Application for transfer of certificate No. 422-S in Gulf County

Answer to Deficiencies

1) Rule 25-30.37(2)(f), F. A. C. - Public Interest. The buyers of the above utility had no experience in wastewater treatment plant operation; however, they entered into an agreement with an operator who not only has a class A license but presently works for another utility in wastewater. In the past 12 months of ownership, there have been no complaints and the owners have learned a great deal of the operation and management of the plant. The present owner has the financial backing of two individuals with net worth exceed one million dollars combined. The buyer will fulfill all commitments, obligations and representations of the seller with regard to utility manners.

2) Rule 25-30.037(2)(o), F. A. C. - Federal Tax Returns. The buyer has received the following federal income tax returns from the previous owner: years ending 12-31-92 thru 12-31-97, year ended 12-31-00. The following years are missing: years ending 12-31-86 thru 12-31-91, years ending 12-31-98 and 99. See letter attached to Ike Duran asking for a copy of the needed returns.

3) Rule 25-30.037(2)(p), F. A. C. - Condition of Utility. After reasonable investigation the system appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection.

4) Rule 25-30.37(2)(q), F.A. C. - Utility owns land. A copy of the warranty deed in the name of ESAD Enterprises, Inc. is attached.

5) Rule 25-30.037(2)(s), F. A. C. - Tariff Sheets.
This is being updated, they will follow shortly

6) Rule 25-30.37(2)(t), F. A. C. - Current Certificate. We have not been provide with either an original or copy. We have requested one from prior owner, see letter attached.

US
JAF
JMP
JOM
JTR
JCR
JCL
JPC
JMS
JSC
JTH

DOCUMENT NUMBER-DATE

02703 MAR-8 8

FPSC-COMMISSION CLERK

7) Rule 25-30.030, F. A .C. - Notice of Application. A copy of the notices are attached, along with the date they were either to be mailed or delivered. Also attached is the list of the respected parties notified.

Additional Information:

- 1) Officers - ESAD Enterprises, Inc. only has the two officers that were listed in the original application.
- 2) Other utilities owned - ESAD Enterprises, Inc. does not own any other wastewater utilities at this time.
- 3) Financing - Financing of the purchase was by the stockholders obtain a loan from Apalachicola State Bank using their personal assets as collateral for the loan. The stockholders then loan the money to the corporation at the same rate and terms as their loan.
- 4) Book Value - The statement of the net book value of the system on the day of purchase is as follows: Values unknown at this time.

Land	\$
Collection Sewer Lines	
Receiving Wells	
Treatment and Disposal Equipment	
Accounts Receivable	
Total	<u> </u> \$

- 5) Acquisition Adjustment
Unknown at this time

6) Annual Report - The annual report was filed late because the prior owner never gave the new owners the books for the period ending 11-30-00. He prepared the report and sent it in. Why he was late we do not know.

Please call if additional information is required. We thank you for all your help.

Sincerely,



Frank J. Seifert, CFO

February 26, 2002

Ike Duran
122 Legend Lakes
Panama City Beach, Fl 32407

Re: Corporate Tax Returns

Dear Mr. Duran:

We have not received the following corporate tax returns for GulfAire Properties, Inc.:

Years ending 12-31-86 thru 12-31-91

Years ending 12-31-98 and 12-31-99

Please forward them to us as we must have them in our office, this is a requirement on the application for transfer.

Sincerely,

Frank J Seifert, CFO

cc: Florida Public Service Commission

February 26, 2002

Ike Duran
122 Legend Lakes
Panama City Beach, Fl 32407

Re: Certificate

Dear Mr. Duran:

We never received the original certificates for GulfAire Wastewater Treatment Plant. Please send them to us as soon as possible.

Sincerely,

Frank J Seifert, CFO

cc: Florida Public Service Commission

**LEGAL NOTICE FOR
APPLICATION FOR TRANSFER OF CERTIFICATE**

LEGAL NOTICE

Notice is hereby given on March 1, 2002, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of Wastewater Certificate No. 422-S held by Gulf Aire Properties d/b/a Gulf Aire Wastewater Treatment Plant to ESAD Enterprises, Inc. d/b/a Beaches Sewer System providing service to the following described territory in Gulf County, Florida.

A portion of SE 1/4 of Section 31 of Township 6 South, Range 11 West and a portion of the SW 1/4 of Section 32 of Township 6 South, Range 11 West; a portion of NW 1/4 of Section 5 of Township 7 South, Range 11 West and a portion of the NE 1/4 of Section 6 of Township 7 South, Range 11 West, Gulf County, Florida, also described as an area South from Beacon Hill Park, East of Highway 98, thru the entire Gulf Aire subdivision and Pelican Walk subdivision, then South to Court Street both sides of Highway 98, then South to Desota Street and East of Highway 98 to George Street. This includes SeaShores subdivision.

For a detailed territory description, contact the utility at the address below.

Any objection to the said application must be made in writing and filed with the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

ESAD Enterprises, Inc.
d/b/a Beaches Sewer System
P O Box 503
Port St Joe, Fl 32457

February 26, 2002

Ike Duran
122 Legend Lakes
Panama City Beach, Fl 32407

RE: Books for year ending 12-31-2000

Dear Mr. Duran:

We have not received copies of your books (receipts and disbursements journals, general ledger) that you used to prepare the annual report for the year ending December 31, 2000. We need them in our office as this is a requirement of the Florida Public Service Commission. Please send them to us as quickly as possible as we are on a dead line.

Sincerely,

Frank J Seifert, CFO

cc: Florida Public Service Commission

LIST OF WATER AND WASTEWATER UTILITIES IN GULF COUNTY

(VALID FOR 60 DAYS)
02/25/2002-04/25/2002

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

APALACHEE REGIONAL PLANNING COUNCIL ✓
314 E. CENTRAL AVE., ROOM 119
BLOUNTSTOWN, FL 32424

CHAIRMAN, BOARD OF COUNTY COMMISSIONERS, GULF COUNTY ✓
1000 FIFTH STREET
PORT ST. JOE, FL 32456-1648

DEP NORTHWEST DISTRICT ✓
160 GOVERNMENT CENTER
PENSACOLA, FL 32501-6794

MAYOR, CITY OF PORT ST JOE ✓
P. O. DRAWER A
PORT ST. JOE, FL 32456

MAYOR, CITY OF WEWAHITCHKA ✓
P. O. BOX 956
WEWAHITCHKA, FL 32465-0966

N.W. FLORIDA WATER MANAGEMENT DISTRICT ✓
RT. 1 BOX 3100
HAVANA, FL 32333

LIST OF WATER AND WASTEWATER UTILITIES IN GULF COUNTY

(VALID FOR 60 DAYS)
02/25/2002-04/25/2002

UTILITY NAME

MANAGER

GULF COUNTY

GULF AIRE PROPERTIES D/B/A GULF AIRE WASTEWATER TREATMENT (SU517)
P. O. BOX 503
PORT ST. JOE, FL 32457-0503

IKE DUREN
(850) 227-9875

LIGHTHOUSE UTILITIES COMPANY, INC. (WU533)
P. O. BOX 428
PORT ST. JOE, FL 32457-0428

WILLIAM J RISH, JR. ✓
(850) 227-7427

LIST OF WATER AND WASTEWATER UTILITIES IN GULF COUNTY

(VALID FOR 60 DAYS)
02/25/2002-04/25/2002

UTILITY NAME

MANAGER

STATE OFFICIALS

STATE OF FLORIDA PUBLIC COUNSEL
C/O THE HOUSE OF REPRESENTATIVES ✓
THE CAPITOL
TALLAHASSEE, FL 32399-1300

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES ✓
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850