

# ORIGINAL

DISTRIBUTION CENTER  
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Concerned Property Owners  
C/O Sara S. Keller  
Camp Florida Resort  
5 Freedom Way  
Lake Placid, FL 33852

October 26, 2003

Ms. Blanca Bayo  
Commission Clerk and Administrative Services Director  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

RECEIVED - FPSC  
OCT 29 AM 9:15  
COMMISSION  
CLERK

Dear Ms. Bayo:

Re: Docket No.: 030102-WS; Application for Authority to Sell, Assign or Transfer Utility Facilities of The Woodlands of Lake Placid, L.P., in Highland County, Florida to Camp Florida Property Owners Association, Inc., and Application to Transfer Majority Organizational Control of L.P. Utilities, Inc., to Camp Florida Property Owners Association, Inc.

Since time is of the essence, we are sending this advanced notice of protest against the proceedings as contained in the above reference. We plan to request an appointment so that individual property owners can appear before the commission *en masse* at the earliest possible time.

We hereby petition the Commission to deny the application for the following reasons:

1. Once again Mr. Cozier is trying to manipulate and put the financial burden on the Senior Citizens of this Resort. The majority of the individual owners/residents of the Property Owners Association (POA) (85 property owners) voted that we had no interest to own and operate a utility company. The Purchase Agreement filed with the above reference bears no resemblance to the proposal presented to the POA members in June 2003 (copy attached).
2. Our Board of Directors, all of whom have been or are presently employed by Mr. Cozier, have proceeded with a purchase agreement which does not meet the conditions of the Commission final orders. As designed, the refund would benefit Mr. Cozier and his controlled lots, none of which have paid the illegal over-charges for the utility services. Your order specifically stated that the refunds would be paid to those customers who have paid the over-charges from January 1998 forward.
3. At the May 2003 PSC hearing in Sebring, FL, it was apparent that the utility could not continue to operate unless Mr. Cozier (Highvest) paid for the utilities on each of his rental properties. Mr. Cozier stated under oath that he did not intend to

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FLORIDA PUBLIC SERVICE COMMISSION

install water meters or pay utility charges for these properties but would instead disconnect the properties from the water/wastewater system. He further stated that the renters could use the common facility bathhouses for their needs – facilities which are maintained by the property owners. The monthly reports submitted to the Commission bear evidence that Highvest is not paying as only the individual property owner payments are reported.

4. The wastewater system services commercial customers outside the perimeter of the Resort. These customers do not and cannot be considered members of the Property Owners Association since they do not own property in Camp Florida Resort.

The Board of Directors made a resolution at the board meeting on the 20<sup>th</sup> of October to impose a special assessment on the property owners for the \$100,000.00 purchase of all issued and outstanding stock in L.P. Utilities. Said special assessment is due on or before the 1<sup>st</sup> of December. The members in attendance were told that "if the special assessment is not paid the board will file a lien against your property".

Complete packages, along with all supporting documents which include the purchase agreement, have been delivered to the Office of Public Council, the Florida Department of Law Enforcement and the Securities Commission. The latter two entities have been requested to conduct an investigation to determine if criminal action is indicated.

We respectfully request your immediate attention to this matter.

On behalf of all Property Owners who are opposed to these proceedings, I remain

Sincerely,

  
Sara S. Keller

Cc: Martin S. Friedman w/encl  
Steve Burgess w/encl

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Camp Florida Property Owners Association, Inc.  
100 Shoreline Drive  
Lake Placid, FL 33852

June 6, 2003

OPERATING FINANCIAL STATEMENT  
\* TITLE INSURANCE FOR REAL PROPERTY

Dear Property Owner:

As you are aware, L.P. Utilities, Inc. (LPU) is the current owner of the water and sewer utilities servicing Camp Florida Resort. These utilities are for sale and as the manager I am responsible for dealing with prospective buyers who are presently showing an interest in purchasing these utilities.

As President of the Association and a homeowner in the community, I met with Evelyn Clough, President of the Camp Florida Commons Recreation Association, to discuss the possibility of the POA giving consideration to purchasing these utilities on behalf of the property owners of Camp Florida Resort.

We have met with Mr. Cozier, the President of the corporation who owns LPU, to discuss the terms and conditions by which the POA could effect such a purchase. We give below the terms and conditions agreed upon:

1. LPU would sell the water and sewer plant and land thereon for the price of \$409,959.00, (plus closing costs), which is based on the current value placed on these facilities by the Public Service Commission.

opc

The water plant is valued at \$218,618.00.  
The sewer plant is valued at \$191,341.00. } ?

PSC  
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this was done

2. Financing of 100% of the purchase price would be made available at a guaranteed rate of 6.99% interest, over a period of 120 months or 180 months - covering whichever term the Association agreed upon. 250

3. The purchase price over 120 months, based on 397 property owners, would be \$11.64 per month.

4. The purchase price over 180 months, based on 397 property owners, would be \$9.01 per month.

This means that Camp Florida Resort would now become a community serviced by utilities that is controlled by its property owners, not some outside corporation.

What is required to operate these facilities?

The servicing of the utilities is presently undertaken by Short Utilities. They are responsible for the testing and documentation as required by the State and are licensed operators by the State of Florida.

• HAS ANYONE SEEN THE MORTGAGE DOCUMENTS.  
Page 1 of 4

11:11 EITHER THE FILE ...

The accounting, banking and payment of invoices are presently undertaken by Colley Financial Services.

The day-to-day operation of the utilities could, therefore, be under the direction of the Association. I presently manage the utilities and I am familiar with the operation. I would be available to continue to carry out these duties until such time as the Board chooses.

*- How many want bankruptcy w/this management?*

However, most importantly, the ownership of these utilities could also be a major factor in supporting a manager for the Resort, which members have indicated the desire to have. Some of the duties as a manager could be the day to day operations, minor repairs and reading meters and as such the costs would be a part of the monthly utility bill.


To effect such a purchase in accordance with the By-Laws of the Camp Florida Property Owners Association and because the purchase price would be in excess of \$5,000.00, the Board would require prior approval of the majority of members of the Association.

Will the developer vote on this issue? As a property owner, each lot is entitled to one vote, per our governing documents. This is America and if you choose not to vote that is your choice, if the developer chooses to vote, that is his choice. I urge each and everyone to vote, because every vote counts. We don't have hanging chads to worry about and there isn't an electoral vote involved, just a simple majority of those that vote. So your vote will count, so take the time to read this information. Call me if you have questions, but vote. By voting you have a say in this issue.

As such, we are enclosing a ballot and the Board is asking that you exercise your right to vote and return the ballot in the enclosed stamp, self addressed envelope no later than June 30<sup>th</sup>, 2003.

Your immediate attention is appreciated.

For and on behalf of the Board of Directors of  
Camp Florida Property Owners Association

  
\_\_\_\_\_  
John H. Lovelette, President

Answers to some questions you may have about the proposed purchase of the utility.

**Will my utility bill be lower after the purchase?** More than likely, depending on your monthly use of water, also the Association will have less expense than the current owner and will ask the PSC for a Staff Assisted Rate Case (SARC) to determine a new rate. One reason being the debt service will be less and the POA doesn't need the 7.11% rate of return the PSC set for the existing utility. The wastewater system can be separated and taken out from PSC jurisdiction saving 4.5% every year.

**Who will operate the system?** The system has to be operated by a licensed operator as it currently is. The day to day operations can be handled by a part-time person under the Boards supervision, and someone to read meters once a month.

**Who will handle maintenance and repairs?** Simple repairs such as a broken line to a faucet will be done by the person doing the day to day operations. Major repairs will have to be done by a contractor as is the practice now.

**Who benefits from this purchase?** The members of the POA first and foremost. The members get to control the water and wastewater system that they use and depend on. It could be sold to a firm who is not based here in Lake Placid and is impersonal.

**What happens if the Association does not purchase the utility?** That is hard to say, but currently the utility owner has little or no interest in owning or operating these utilities. The utilities are for sale and the owner has had contact with persons interested in the possible purchase of the utility.

**Who determined the value of the system?** The PSC set the value of the system for the current rate case after gathering information from many sources and using their staff to arrive at the value.

Basic information on the current system and the existing rates and proposed rates.

The system is all in good working condition with the system being in operation for approximately 13 years. There are two wells, a 6" and a 10" well with a stand by generator. There are no outstanding deficiencies for either system and both the water and waste water systems are operating under permitted capacity.

Per the Florida Public Service Commission (PSC) the following are the current rates and proposed rates based on three different consumption levels:

Gallons	Existing Rates		Recommended Rates (Single Family)	
	water	wastewater	water	wastewater
3,000	\$22.00	\$13.00	\$13.19	\$11.61
5,000	\$22.00	\$13.00	\$17.69	\$15.12
10,000	\$22.00	\$13.00	\$28.94	\$23.91

# BALLOT

\_\_\_\_\_ I vote **IN FAVOR** of purchasing the water and sewer plant and land thereon for the purchase price of \$409,959.00, plus closing costs.

\_\_\_\_\_ I **DO NOT** vote **IN FAVOR** of purchasing the water and sewer plant and land thereon for the purchase price of \$409,959.00.

\* \* \* \* \*

**If you vote against this purchase, please write your reasons below in order for the Board to take your concerns into consideration and to contact you with resolution (if necessary).**

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**ONCE AGAIN, please take a few minutes and cast your vote. It costs you nothing as a stamped, self-addressed envelope is provided for your convenience.**

**PLEASE RETURN NO LATER THAN June 30, 2003.**

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Owner(s)

\_\_\_\_\_  
Lot Number(s)