

ORIGINAL



215 SOUTH MONROE STREET
SUITE 815
TALLAHASSEE, FLORIDA 32301

(850) 412-2000
FAX: (850) 412-1307
KATHRYN.COWDERY@RUDEN.COM

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July 29, 2005

Via hand-delivery

Blanca S. Bayo, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 020640-SU: Application for wastewater certificate in Lee County by
Gistro, Inc.

Dear Ms. Bayo:

This letter responds to Staff's July 28, 2005 request that I respond to Mr. de Paz's concerns raised in his undated letter which was sent by facsimile transmittal to Pat Brady, and which has been identified as Document ID 07219-05. Staff has stated that the information provided in Mr. de Paz's filing purports to dispute Mr. Holzberg's legal rights to ownership of the land.

Mr. de Paz called me on July 27, 2005 regarding the notice of application. I asked him whether he understood the application for wastewater certificate and what was being requested. He responded "no" and that it did not matter. I asked him who he thought owned the collection system and lift stations and he said he did not know, but it was not Mr. Holzberg.

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To the best of my ability, I have attempted to understand Mr. de Paz's concern. It appears to me that Mr. de Paz has a concern with "faulty recording" due to Gistro, Inc. ("Gistro") being incorporated following conveyance of property by quit claim deed from Forest Mere Joint Venture to Gistro and Forest Mere Joint Venture having become an inactive corporation in 1995. Because the quit claim deed conveyances from Forest Mere Joint Venture and Gistro were between two of Mr. Holzberg's closely held companies, Mr. de Paz's "objections" in this regard are not substantive in nature, as there was, is, and will be no dispute between these closely held companies as to ownership. Mr. de Paz makes no claim that any other entity owns the collection system or lift stations.

As further support, I would refer Staff to the Chicago Title Insurance Company title commitment which Gistro paid for and filed with the PSC in this docket at Staff's request. This title commitment specifically states that Gistro is the owner of what is referred to in this docket as lift station #1. (The real property taxes are billed to and paid by Gistro, and supporting tax

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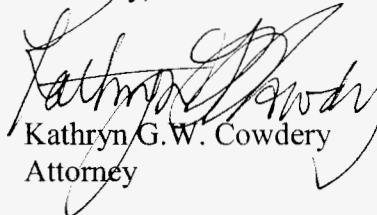
RUDEN, McCLOSKEY, SMITH, SCHUSTER & RUSSELL, P.A.

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statements for this lift station were filed in this docket.) Schedule B Section 1 of the title commitment lists certain requirements which would need to be satisfied in order for the title company to issue a title policy. These include specific requirement 14: a quit claim deed from Forest Mere Joint Venture to Gistro, since the original quit claim deed was executed and delivered prior to grantee's incorporation and the deeds were improperly executed. If the property were to be sold, the buyer would likely want that corrected. However, notwithstanding the requirements listed on Schedule B Section 1, the title commitment shows that title to the property is vested in Gistro. Since Forest Mere Joint Venture was a company formed by Mr. Holzberg, there would be no problem obtaining a corrective quit claim deed. It is not necessary for Mr. Holzberg to pay for preparation and recording of corrective quit claim deeds for purposes of Gistro's application for original certificate since Forest Mere Joint Venture is not and would not challenge ownership of the collection system or lift stations. The same analysis would apply to the March 27, 2002 quit claim deed for lift station #2 between Forest Mere Joint Venture and Gistro and to the March 27, 2002 quit claim deed for the collection system between Forest Mere Joint Venture and Gistro (both deeds filed in this docket by letter of October 7, 2002). Additional proof of ownership support was filed in this docket, as requested by Staff, but it does not appear that it is being challenged by Mr. de Paz.

Gistro is requesting a wastewater certificate with regard to the collection system and two lift stations described in this application. Gistro has supplied proof of ownership of these facilities, and that information is on file in this docket.

Sincerely,



Kathryn G. W. Cowdery
Attorney

cc (hand-delivery): Pat Brady
Roseanne Gervasi, Esq.
Richard Redemann
Patti Daniel