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May 17, 2007

D. BRUCE MAY, JR.
850-425-5607
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VIA HAND DELIVERY

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

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07 MAY 17 PM 4:02
COMMISSION
CLERK

070319-WU

Re: In re: Joint Application by Lenvil H. Dicks and City of Lake City for
Acknowledgement of Sale of Lenvil H. Dicks Utility to the City of Lake City

Dear Ms. Bayo:

Enclosed for filing are the original and seven (7) copies of the Joint Application by Lenvil H. Dicks and City Of Lake City for Acknowledgement of Sale of Lenvil H. Dicks Utility [Certificate No. 391-W].

Please acknowledge receipt of this filing by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance.

Sincerely,

HOLLAND & KNIGHT LLP

Matthew Means FOR BRUCE MAY

D. Bruce May, Jr.

DBM:kjg
Enclosure

cc: Scott Reynolds
Lenvil H. Dicks
Patti Daniel

RECEIVED & FILED

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04062 MAY 17 07

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Application by Lenvil)
H. Dicks Utility and the City of Lake)
City for Acknowledgment of Sale)
of Lenvil H. Dicks Utility to the City of)
Lake City)

Docket No. 070319-WU

Filed: May 17, 2007

**JOINT APPLICATION BY LENVIL H. DICKS AND
CITY OF LAKE CITY FOR ACKNOWLEDGEMENT
OF SALE OF LENVIL H. DICKS UTILITY [CERTIFICATE No. 391-W]
TO THE CITY OF LAKE CITY**

Lenvil H. Dicks ("Utility") and the City of Lake City (the "City"), pursuant to Section 367.071(4), Florida Statutes, and Rule 25-30.037(5), Florida Administrative Code, hereby file this joint application for the Commission to acknowledge the sale of the Utility to the City. In support of this joint application, the Utility and the City state as follows:

1. The name and address of the regulated utility is:

Lenvil H. Dicks
P.O. Box 1
Lake City, Florida 32056-0001

2. The name and address of the Utility's authorized representative is:

Lenvil H. Dicks
P.O. Box 1
Lake City, Florida 32056-0001

3. The name and address of the governmental authority acquiring the Utility is:

City of Lake City
c/o Scott Reynolds
Utility Director
205 N. Marion Avenue
Lake City, FL 32055

DOCUMENT NUMBER-DATE

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4. The name and address of the City's authorized representative is:

D. Bruce May, Jr.
Holland & Knight, LLP
315 South Calhoun Street, Suite 600
Tallahassee, Florida 32301
Post Office Drawer 810
Tallahassee, Florida 32302-0810
Phone: (850) 224-7000
Fax: (850) 224-8832

UTILITY INFORMATION

5. Pursuant to Florida Public Service Commission Certificate No. 391W, the Commission has authorized the Utility to provide, and the Utility presently provides, potable water utility services in the unincorporated areas in Columbia County, Florida. The Utility's Certificate No. 391W is currently in effect and has not been revoked or cancelled.¹

GOVERNMENTAL AUTHORITY'S INFORMATION

6. The City is a governmental authority within the meaning of Section 367.071, Florida Statutes, that presently provides potable water, wastewater, and natural gas utility services on a retail basis to a approximately 8,000 customers within and outside the corporate limits of the City. The City is developing reuse water facilities and plants to provide reuse water services to its customers in the near future.

THE SALE OF THE UTILITY

7. The City and the Utility have been in negotiations over the purchase and sale of the Utility and its facilities for approximately one year. On January 16, 2007, the City voted unanimously to purchase the Utility and its facilities for a total cash purchase price of \$1.5

¹ It appears that Columbia County is in the process of rescinding the Commission's jurisdiction over investor-owned water and wastewater utilities in Columbia County, and recently adopted a resolution that appears to be designed to exclude itself from the provisions of Chapter 367, Florida Statutes. However, at this juncture, the Utility's water utility certificate issued by the Commission has not been cancelled and Columbia County has not requested that the Commission acknowledge the County's resolution rescinding the Commission's jurisdiction.

million. The Utility and the City have now reached agreement on the fundamental terms of the purchase and sale of the Utility.

8. The City has obtained the most recent available income and expense statement, balance sheet, statement of rate base for regulatory purposes and contributions-in-aid-of-construction applicable to the land and facilities transferred by the Utility to the City, as required by Section 367.071(4)(a), Florida Statutes.

9. The deposits of Utility customers in Columbia County currently remain with Utility and will be transferred with the individual customer accounts upon commencement of operations by the City.

10. The complete legal description of Utility's water service territory in Columbia County will be provided to the Commission not later than Monday, May 21, 2007.

11. The Utility has reviewed and concurs with the statements provided herein and consents the filing of this joint application by the undersigned counsel of the City.

WHEREFORE, the Utility and the City requests that this Commission:

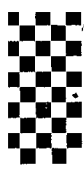
- A. Acknowledge the sale of the Utility and its facilities located in Columbia County to the City, as a matter of right, pursuant to Section 367.071(4)(a), Florida Statutes;
- B. Cancel Certificate 391-W; and
- C. Grant such other relief as is appropriate.

Respectfully submitted this 17th day of May, 2007.

HOLLAND & KNIGHT LLP

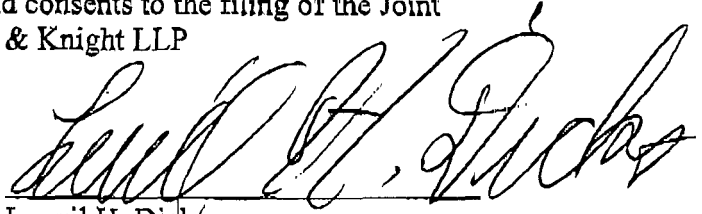
A handwritten signature in cursive script, appearing to read "D. Bruce May, Jr.", written over a horizontal line.

D. Bruce May, Jr.
Florida Bar No. 354473
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ACKNOWLEDGMENT

Lenvil H. Dicks Utility acknowledges that it has reviewed the above Joint Application and concurs with the statements provided therein and consents to the filing of the Joint Application by the City's outside counsel – Holland & Knight LLP


Lenvil H. Dicks