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100094-WS

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Sent: Wednesday, June 30, 2010 3:30 PM
To: Filings@psc.state.fl.us
Subject: 100094-WS - Joint Motion
Attachments: 100094-WS J_Motion for Extension of Time.pdf

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b. Docket number and title for electronic filing are: Docket No. 100094-WS - In Re: Notice of appointment of receiver for Service Management Systems, Inc. in Brevard County pursuant to Circuit Court foreclosure proceeding.

c. The name of the party on whose behalf the document is filed: Dennis Basile and FL-Service Management, LLC.

d. Total number of pages: 3

e. Brief description of filing: Joint Motion for Extension of Time to File Annual Report and Notice of Estimated Regulatory Assessment Fees

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FILED IN CASE NO. 10-00000000-DATE

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6/30/2010

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Notice of appointment of receiver for Service Management Systems, Inc. in Brevard County pursuant to Circuit Court foreclosure proceeding.

DOCKET NO. 100094-WS

FILED: June 30, 2010

**JOINT MOTION FOR EXTENSION OF TIME TO FILE
ANNUAL REPORT AND NOTICE OF ESTIMATED
REGULATORY ASSESSMENT FEES**

Mr. Dennis Basile, (“Receiver”) and FL-SERVICE MANAGEMENT, LLC (“LLC”) (collectively “Joint Movants”) respectfully request that Receiver be granted an extension of time to file the 2009 annual report for Service Management Systems, Inc. (“SMS” or “Utility”) and give notice that the Receiver will pay estimated 2009 regulatory assessment fees (“RAFs”) for the Utility. In support of this motion, Joint Movants state:

Background

1. By Order No. PSC-10-0329-FOF-WS issued in this docket on May 24, 2010 (the “Order”), the Commission acknowledged that Mr. Dennis Basile had been appointed by the court to serve as receiver for the Utility in a foreclosure action filed by Compass Bank, which is pending in the Circuit Court of the Eighteenth Judicial Circuit in and for Brevard County, Florida titled *Compass Bank v. Service Management Systems, Inc., et al.*, (Case No. 05-2008-CA-61639) (the “Foreclosure Action”).¹ In addition to acknowledging the appointment of the Receiver, the Order directed the Receiver to ensure that the Utility “pays its 2009 RAFs and files its 2009 annual report by June 30, 2010.” Order at 3. For good cause stated below, the Receiver requires a thirty (30) day extension of time -- until July 30, 2010 -- to file the 2009 annual report.

¹ On April 15, 2010, the LLC acquired ownership of certain real and personal property of SMS by virtue of being the high bidder at the foreclosure sale and obtained title under the Certificate of Title recorded in Official Records Book 6148, page 1799 of the public records of Brevard County, Florida. Consequently, the LLC technically owns and, working with the Receiver, has retained an experienced operator to operate, the water and wastewater treatment utility facilities in Brevard County, Florida which were previously owned by SMS (“Utility Facilities”).

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Statement of Good Cause

2. The Utility has limited financial resources, but from the time its Receiver was appointed it has been steadily making improvements to the Utility Facilities in order to address issues identified by the Florida Department of Environmental Regulation ("FDEP") and customers. These efforts to improve the Utility Facilities have been extremely time consuming and have hampered the Receiver's ability to gather and sort through historic records which are needed in order to accurately prepare the 2009 annual report for 2009 and properly calculate the 2009 RAFs. Efforts to complete the preparation of the 2009 annual report have also been slowed by the fact that many of the expenses are not part of the historical records for the 2009 calendar year in the format obtained by the Receiver in connection with the operation of the Utility Facilities. In light of these issues, the Receiver is in the process of retaining an outside firm to assist in preparing the 2009 annual report and quantifying the 2009 RAFs. Meanwhile, despite the best efforts of the Receiver and the LLC, the 2009 annual report for SMS will not be completed by June 30, 2010. However, the Receiver can represent that the annual report will be completed and filed no later than July 30, 2010.

3. Thus, pursuant to Florida Administrative Code Rule 25-30.110(3)(c) and for good cause stated above, the Joint Movants request a thirty (30) day extension of time -- until July 30, 2010 -- to file the 2009 annual report.

4. In accordance with Florida Administrative Code Rule 25-30.120(8) and to avoid interest and penalties, the Receiver gives notice that it will make an estimated payment for 2009 RAFs on behalf of the Utility by not later than June 30, 2010. The estimated payment will be reconciled with the Utility's 2009 annual report and any final balance due will be paid within the requested annual report extension period, i.e., on or before July 30, 2010.

WHEREFORE, for the foregoing reasons, Joint Movants respectfully request that the Receiver be granted an extension of time to July 30, 2010 to file the 2009 annual report for SMS.

Respectfully submitted,



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