

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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Re: The Application for Transfer of Majority Organizational Control of Service Management Systems Inc. from IRD Osprey, LLC. to Oak Lodge Utility, LLC.

DOCKET NO. 0090019-WS

NOTICE OF OBJECTION

(pursuant to Rule 25-30.03,
Florida Administrative Code.)

WE CHARLES/JUDITH KAUTH, am a/are customer(s) of Service Management Systems, Inc. and do, hereby, object to the Application for Transfer of Majority Organizational Control of Service Management Systems, Inc. (hereinafter referred to as "the utility") from IRD Osprey, LLC. To Oak Lodge Utility, LLC on the following grounds:

- 1) The transfer is contrary to Rule 25-30.037(3)(f), Florida Administrative Code. The application for approval of the transfer is not in the public interest by reason of the following:
 - a) The interest of Oak Lodge is substantially and materially different than all prior operators of the utility and is contrary to the interests of the customers being served by the utility.
 - b) Oak Lodge does not have experience in water and wastewater operations.
 - c) Oak Lodge does not have the financial ability or the resources to:
 - (i) Fund any capital needs of the utility,
 - (ii) Provide real and significant benefits to the customers of the utility as capital and/or operational needs demand,
 - (iii) Guarantee continuous and adequate water and wastewater service to its customers. The utility's water treatment procedures and facilities threaten the health and safety of its customers
 - (iv) Fulfill the commitments, obligations and representations of IRD Osprey, LLC with regard to utility matters.
- 2) The transfer is contrary to Rule 25-30.037(3)(i), Florida Administrative Code. There is no valid evidence that the utility owns the real property upon which the utility treatment facilities are located.

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- 3) The Application is materially deficient in failing to include the information required pursuant to the following Rules of the Florida Administrative Code:
- i) Rule 25-30.037(c), the names and addresses of all Oak Lodge's corporate officers, directors' partners and any other person(s) who will own an interest in the utility,
 - ii) Rule 25-30.037(e), a statement describing the financing of the purchaser,
 - iii) Rule 25-30.037(g), a list of all entities including affiliates, that have provided or will provide funding to Oak Lodge and an explanation of the manner and amount of such funding,
 - iv) Rule 25-30.37(h), a statement that the system is in need of repairs or improvement with a list of the repairs and improvements needed and the approximate cost to make them.

Signed this 14th day of February, 2009:

Name:

Charles M. Kauth

Judith A. Kauth

CHARLES M. KAUTH

JUDITH A. KAUTH

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Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee Fl., 32399-0850

And to: Oak Lodge Utility, LLC
1490 Hwy A1A, Suite 301
Satellite Beach Fl. 32937

And to: Service Management Systems, Inc.,
P.O. Box 510388,
Melbourne Beach, Fl 32951