State of Florida

Hublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD JUK BOULEVAR: 15 TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-COMMISSION

DATE: July 8, 2011
TO: All Parties of Record & Interested Persons
FROM: Anna Norris, Senior Attorney, Office of the General Counsel
RE: Docket No. 110061-WS – Application for authority to transfer assets and Certificate Nos. 517-W and 450-S of Service Management Systems, Inc. to Aquarina Utilities, Inc., in Brevard County.

Please place the attached correspondence in the above-referenced docket file.

Thank you.

DECUMENT NUMBER-DATE 04713 JUL-8 = FPSC-COMMISSION CLERK



Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A. 800 North Magnolia Avenue, Sulte 1500 P.O. Box 2346 (ZIP 32802-2346) Orlando, Florida 32803

407-841-1200 407-423-1831 Fax www.deanmead.com

Attorneys and Counselors at Law

Orlando Fort Pierce Viera Gainesville KELLY SULLIVAN 407-428-5116 ksullivan@deanmead.com

July 7, 2011

VIA E-MAIL

Anna R. Norris, Senior Attorney Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

> Re: Docket No. 110061-WS - Application for authority to transfer assets and Certificate Nos. 517-W and 450-S of Service Management Systems, Inc. to Aquarina Utilities, Inc., in Brevard County

Dear Ms. Norris:

Please accept this correspondence as an update to the above-referenced Docket. On June 20, 2011, the following individuals were present at a meeting styled as a "Settlement Conference" and held in the Orlando, Florida office of Dean Mead:

On behalf of Aquarina Utilities, Inc. (AU): Martin Friedman Kevin Burgess Reginald Burgess

<u>On behalf of Aquarina Community Services Association (ACSA)</u>: Kelly Sullivan Ralph Young Sam Columbo

<u>On behalf of RAM Golf Management (RAM)</u>: Danny Mays Tom DeShazo

<u>On self-interest as a developer</u>: Mike DiAntonio

DOCUMENT NUMBER - PATE

A Member of ALFA International - The Global Legal Network 04713 JUL -8 =

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On behalf of the Office of Public Counsel (OPC): Steve Reilly

The referenced individuals met to air concerns related to water distribution in the Aquarina Community. AU and RAM had met prior to the Settlement Conference and appeared to have resolved their issues except for billing issues that will be handled through the PSC complaint process.

AU and ACSA had an amicable discussion resulting in a better understanding of each party's position. At the end of the meeting, the parties agreed that AU would submit financial records to OPC for review by an analyst. OPC would share the results of the analyst's review and ACSA would be in a better position to decide whether to continue or withdraw its protest in the referenced Docket. To date, I have not had an update from Mr. Reilly re same.

We would appreciate forbearance in the matter until OPC can complete its review of AU's financial records and, if satisfactory, ACSA will withdraw its protest avoiding a formal hearing.

Please call if you have any questions.

Sincerely,

Keely Suls -----

Kelly Sullivan

KRS:sm Enclosure

cc: Martin Friedman Steve Reilly

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