

P R O C E E D I N G S

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2 **CHAIRMAN BRISÉ:** Moving on to Item Number
3 11.

4 **MS. ROBERTS:** Commissioners, I'm Lydia
5 Roberts with Commission staff.

6 Item Number 11 is an application for staff
7 assistance for alternative rate setting for Four
8 Points Utility Corp.

9 Four Points is a Class C water and
10 wastewater utility located in Polk County serving
11 approximately 215 customers.

12 Four Points, the HOA, and OPC filed a
13 joint motion requesting Commission approval of the
14 settlement agreement and closure of this docket.
15 The parties indicated that the settlement agreement
16 would facilitate a substitution of FGUA as the
17 receiver of the utility. Staff recommends the
18 Commission approve the settlement agreement.

19 Steve Reilly with OPC is here to answer
20 any questions you may have. As well, staff is
21 prepared to answer any questions.

22 **CHAIRMAN BRISÉ:** All right.

23 Commissioners? Commissioner Brown.

24 **COMMISSIONER BROWN:** Thank you. I just
25 have a question for staff. To be clear with this

1 recommendation, it mentions a show cause proceeding
2 that remains open. And with approval of this
3 amended settlement agreement and motion, and OPC's
4 motion, what will happen with that show cause
5 proceeding action?

6 **MR. LAWSON:** The show cause proceeding was
7 brought several years ago when the original owner of
8 the utility was facing some legal difficulties that
9 have since resulted in his being arrested several
10 times for multiple felonies, and I believe the IRS
11 is also involved. At that time it was designed to
12 try and bring, put pressure on that developer to
13 bring the utility into compliance.

14 Since we have made motions to intervene in
15 the civil cases involved and we have been working
16 with the State Attorney's Office, we've sort of used
17 that docket to keep an eye on things. We've left it
18 open because until the status of the developer is
19 resolved -- there are several civil cases out there
20 that tangentially impact Four Points -- we've left
21 it open so that we can be ready to move should the
22 need arise. However, we're not moving forward at
23 the moment for the simple reason that since the
24 developer has been removed from the utility, a
25 receiver has been appointed. And as Mr. Reilly can

1 explain, there is discussions about the county
2 taking over or the ultimate disposition.

3 If we were to move forward on the show
4 cause now, we would actually be hurting the,
5 affecting the individuals who are trying to fix the
6 problem. However, we're leaving it open because
7 until that developer is -- his criminal and civil
8 suits are resolved or until the situation with Four
9 Points is resolved there may be a need to move
10 forward.

11 **COMMISSIONER BROWN:** Thank you, Mr.
12 Lawson.

13 **CHAIRMAN BRISÉ:** Commissioner Balbis.

14 **COMMISSIONER BALBIS:** Thank you.

15 And following up on Commissioner Brown's
16 questions, I went through the show cause documents
17 and it's very extensive in the list of complaints
18 and associated, fines associated with that, you
19 know, having to do with dealing with customer
20 complaints, charging the appropriate rates, et
21 cetera.

22 My concern with closing the show cause
23 proceeding is that just because you have a different
24 owner and operator doesn't mean that they don't have
25 to act properly. So it's probably not appropriate

1 at this time, but when we get to the point of
2 closing the show cause, will that come before us?

3 **MR. LAWSON:** I believe so. We'll
4 ultimately make that disposition once we know how
5 the Four Points utilities are going to be, how the
6 situation will be resolved. Part of this is the
7 staff assisted rate case and part of the management
8 audit is to sort of examine the status of things
9 such as how the company is operating, what are the
10 level of customer complaints, what issues have been
11 resolved and not resolved. So it is an ongoing
12 process. And, yes, you're absolutely right, we may
13 very well not just administratively close this.
14 Staff will take a look at this and in all
15 probability will make a recommendation as to the
16 ultimate disposition of the show cause.

17 **COMMISSIONER BALBIS:** Okay. Thank you.
18 That's all I had.

19 **CHAIRMAN BRISÉ:** All right. Thank you,
20 Commissioners. Any further questions or comments?
21 Commissioner Edgar.

22 **COMMISSIONER EDGAR:** Thank you. I
23 remember the discussion that we had on this, about
24 this utility when it was here before us previously,
25 and I believe that we all expressed that our major

1 concern was that the customers would, although there
2 were many issues with the utility, that the
3 customers would be well served by good service, good
4 product, and fair, just, and reasonable rates. And
5 I do believe that this settlement agreement that OPC
6 has participated in is in pursuit of that and is in
7 the best interest of the customers and, therefore, I
8 move approval.

9 **CHAIRMAN BRISÉ:** Okay. It's been moved
10 and seconded. Any further comments?

11 (No response.)

12 Okay. Seeing none, all in favor, say aye.

13 (Vote taken.)

14 All right. Thank you very much. That
15 concludes our agenda for today.

16 (Commission Conference concluded at 10:38
17 a.m.)

1 STATE OF FLORIDA)
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

3
4 I, LINDA BOLES, CRR, RPR, Official Commission
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that I stenographically
9 reported the said proceedings; that the same has been
10 transcribed under my direct supervision; and that this
11 transcript constitutes a true transcription of my notes
12 of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties,
15 nor am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 30th day of September 2013.

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