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Public Service Commission

March 7, 1995

St. Lucie Falls Property Owners Association, Inc.
c/o Mr. Peter R. McCormack, President
2601 SW 96th Street
Stuart, Florida 34997

RE: Docket No. 941077-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Martin County by ST. LUCIE FALLS PROPERTY OWNERS ASSOCIATION, INC.

Dear Mr. McCormack,

As previously stated in the deficiency letters dated November 1, 1994, and January 30, 1995, Staff has reviewed the non-profit exemption application filed on behalf of St. Lucie Falls Property Owners Association, Inc. Staff has determined that in order to complete the non-profit exemption pursuant to Section 367.022(7), Florida Statutes, the following deficiencies must be corrected:

- ACK _____ 1. Pursuant to Rule 25-30.060(3)(g), a copy of the Articles of Incorporation as filed with the Secretary of State and the bylaws which documents must clearly show the requirements for membership, that the members' voting rights are one vote per unit of ownership and the circumstances under which control of the corporation passes to the non-developer members, must be submitted with the application. Control of the corporation must pass: 1) at 51 percent ownership by the non-developer members or 2) at some greater percentage delimited by a time period not to exceed 5 years from the date of incorporation.
- AFA _____
- APP _____
- CAF _____
- CMR _____
- CTR _____
- EAG _____
- LEG _____
- LIT _____ 2. Pursuant to Rule 25-30.060(3)(g), proof of ownership of the utility facilities and the land upon which the facilities are located or other proof of the applicant's right to continued use of the land, such as a 99-year lease must be submitted with the application.
- OT _____
- RF _____
- SEC / _____
- WAR _____
- QTH _____

DOCUMENT NUMBER 02865

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FPSC-RECORDS/REPORTING

In addition to the above deficiencies, the following information is also requested:

1. Do you provide service solely to the members of the association? Have you ever provided service outside your membership and if so, under what circumstances?
2. Have you applied for a non-profit exemption before under a different name? Have you applied before and been denied a non-profit exemption?
3. How is water service provided -- by a well or water treatment plant?
4. How is wastewater service provided -- by septic tank or wastewater treatment plant?
5. How many mobile home units/lots are located within this community?
6. How is Monterey Utilities affiliated/associated with St. Lucie Falls Property Association, Inc.?

This is the third request for information regarding the above referenced docket. To date, the requested information has not been received by this office. If St. Lucie Falls Property Association, Inc. chooses not to respond to this letter, Staff may recommend that it be show-caused for non-compliance, which may result in fees up to \$5,000 per day. Additionally, per our conversation on the above date, you stated that St. Lucie Falls Property Association, Inc. may not qualify for an exemption. If your assumption is correct that St. Lucie Falls Property Association, Inc. may not qualify as an exempt entity, it would still be required to file an application for an original certificate and be regulated by the Florida Public Service Commission. There is a filing fee required with the application which is based on the capacity of the system. In addition, St. Lucie Falls Property Association, Inc. will be required to submit a tariff which will list the policies, rates and charges of the utility. If St. Lucie Falls Property Association, Inc. would like to change its tariff in any way, it must submit the change for approval by the Commission. Further, St. Lucie Falls Property Association, Inc. would be responsible for completing and submitting an annual report to the Commission each year as well as Regulatory Assessment Fees which are currently 4.5% of annual revenues.