Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0870

Gentlemen:

We are in receipt of letter dated March 4, 1998 from Zellwood Station Co-op, Inc. (copy enclosed) wherein we are informed of an application for an original certificate for an existing system requesting initial rates and charges.

Our objection to this application is that the enclosed data shows us nothing regarding details for this certification.

We feel that we should get complete understandable details including a map of the service areas involved, as well as the name or names of those to whom such certificate would be issued, and information as to who would be responsible for administering the system and also who would be given the authority to establish rates and charges in the future. It is also important for us to know the reason for this request to change a system that has been in place for 20 years. Also, please send information as to how rates and charges are set, and by whose authority.

Until such time as all the information requested is made available to us so that we can make an informed decision as to any proposed changes, we object to any change to the existing system.

ACK _____We look forward to hearing from you regarding this matter.

AFA _ Very truly yours. Cure April 1,98 John H. 6 russe April 1,98 APP -CAF . CMU.

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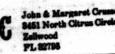
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Enclosures: CTR -Copy of letter dated March 4, 1998 with Attachments A and A-1 re water and waste water facilities

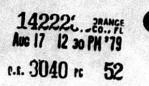


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DEVELOPER AGREEMENT

THIS AGREEMENT dated this 3/ day of <u>July</u> 9 1978, between CAYMAN DEVELOPMENT CORPORATION (which Corporation shall) hereinafter be referred to as the "Developer") and OAK GROVE VILLAGE ASSOCIATION, INC., a nonprofit Florida corporation; CITRUS RIDGE VILLAGE ASSOCIATION, INC., a nonprofit Florida corporation; and BANBURY VILLAGE ASSOCIATION, INC., a nonprofit Florida corporation, provides that in return for \$10.00 and other valuable consideration, the receipt of which is hereby acknowledged by the Developer, the parties agree as follows:

1. <u>Ownership</u>. The Developer hereby warrants and guarantees that it is the owner in fee simple of the water and sewer facilities which are presently serving that plan unit development in Orange County, Florida, known as Zellwood Station, which development is specifically described in Exhibit A to this Agreement.

2. <u>Condominium Associations</u>. Portions of the Zellwood Station Development are simultaneously herewith being submitted to the condominium form of ownership, each of which condominiums shall be operated by the respective association of a similar name entering into this Agreement.

3. <u>Charges for Service</u>. Each condominium shall be separately metered for water and sewer service. Each association which operates a condominium will pay the water and sewer charges as per the meter and assess the costs thereof amongst all the unit owners in the condominium. Irrespective of the rates approved by the Public Service Commission, the Developer will limit its charges for water and sewer service to the condominiums to the following amounts for the following periods:

(a) Prior to the completion of development of 1,000 lots, the monthly charge to each condominium will not exceed a sum equal to \$10.00 times the number of units contained in the condominium;

Prepared by: PAUL F. BRYAN P O Box 880 Winter Park, FL 32791

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Composition of Zellwood Station as of 12/31/97

Total number of units: 993

Shareholders in Co-op which owns the utility: 570 - 57.4% of total

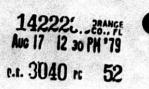
Lessees (not shareholders): 140

Condominium deeded land owners (not shareholders) 283

 $\frac{423}{993} - \frac{42.6\%}{100.0\%}$ of total

Shareholders in the Co-op are the only ones who own and therefore have an economic interest in the Water and Sewer Utility.

Also, what is the justification for an increase from \$17.50 per month to \$35.53 per month; an increase of \$18.03 or 103% ??!!!



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Prepared by: PAUL F. BRYAN P O Box 880 Winter Park, FL 32791

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(b) Thereafter, and until the completion of development of 500 additional lots, the monthly charge to each condominium will not exceed a sum equal to \$15.00 times the number of units contained in the condominium;

(c) Thereafter, and until 7 years after the closing of title to the first unit, the monthly charges to each condominium will not exceed a sum equal to \$17.50 times the number of units contained in the condominium. For purposes of this Agreement, the term "completion of development" shall be construed to mean availability of service, including the installation of water and sewer lines to the property line of each respective lot.

4. <u>Successors and Assigns</u>. All covenants, warranties and representations set forth in this Agreement shall be binding on and inure to the successors and assigns of the parties executing the same.

5. <u>Agreement to Run With the Land</u>. The representations and agreements contained herein shall run with the land described in Exhibit A to this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of: er -2-

CAYMAN DEVELOPMENT CORPORATION

Bv Harvey A. Chielke, President

OAK GROVE VILLAGE ASSOCIATION, INC.

By Vice President

CITRUS RIDGE VILLAGE ASSOCIATION, INC.

By O an Vice President

BANBURY VILLAGE ASSOCIATION, INC.

Bv Vice Bresident

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