

State of Florida

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DIVISION OF WATER &
WASTEWATER
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(904) 413-6900

Public Service Commission

June 30, 1995

Mr. J. Albert Thomas
River Forest Village, Inc.
4300 Riverside Drive
Punta Gorda, Florida 33982

Dear Mr. Thomas:

RE: Docket No. 941044-WS, Resolution of Board of County Commissioners of Charlotte County Declaring Charlotte County Subject to the Provisions of Chapter 367, Florida Statutes - Request for Exemption for Provision of Water and Wastewater Service by River Forest Village, Inc.

This letter follows-up our phone conversation this date regarding additional information the Commission needs to process an exemption from regulation for River Forest Village, Inc. (River Forest or the Village). I apologize for the length of time it has taken to respond to your application. I thought the deficiency letter in the file had been sent, but should have made inquiries sooner.

There are two documents that must be received before the application for exemption can be processed. In addition, the By-Laws which were provided with the application, need to be clarified in several areas.

1. **Proof of Ownership.** You must file proof that River Forest owns or has continued use to the land upon which the utility facilities are located. Acceptable proof of ownership would be a copy of the warranty deed. Acceptable proof of continued use would be a 99 year lease or written easement.

In our conversation, you indicated that the shareholders of River Forest own their homes but lease the land under their homes. The proof of ownership that the Commission seeks is ownership by River Forest's shareholders of the land upon which the utility facilities reside, i.e., the common property of the Village.

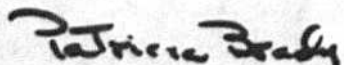
2. **Articles of Incorporation.** You must file a copy of River Forest's articles of incorporation as currently filed with the Secretary of State.

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3. **Clarification of By-Laws.** The Commission needs to verify the following items with regard to the By-Laws furnished with the application:
- (1) **Requirements for membership:** A non-profit exemption cannot be granted if the Village is providing utility service to resident-owners who do not own and control stock in the Village. Article I, Section 1, of the Village's By-Laws indicates that resident-owners prior to 1984 had an option to become shareholders. Please provide a statement affirming that the Village only provides utility service to members who own and control the corporation.
 - (2) **Members' voting rights are one vote per unit of ownership:** The By-Laws are also not clear as to how shares in the corporation are obtained by the resident-owners and the associated voting rights. Please provide a statement clarifying the voting rights for shareholders in River Forest.
 - (3) **Circumstances under which control of the corporation passes to the non-developer members:** The By-Laws are silent on the terms for the corporation to pass to non-developer members. If control has already passed from the developer, please provide a statement as to when and how the control passed.

The information requested above should be sent to my attention. To avoid further delays in processing your application, please try to furnish the information on or before July 29, 1995. If you have any questions, feel free to call me at 904/413-6686.

Sincerely,



Patricia Brady
Regulatory Analyst

cc: A. Crosby, Legal Services
Records and Reporting