

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Notice of abandonment of  
water system in Levy County by  
University Oaks Water System.

DOCKET NO. 940714-WU  
ORDER NO. PSC-98-0920-FOF-WU  
ISSUED: July 7, 1998

The following Commissioners participated in the disposition of  
this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEACON  
SUSAN F. CLARK  
JOE GARCIA  
E. LEON JACOBS, JR.

ORDER DENYING TRANSFER APPLICATION, ACKNOWLEDGING APPOINTMENT OF  
LEVY COUNTY AS RECEIVER, CANCELING CERTIFICATE, AND CLOSING DOCKET

BY THE COMMISSION:

BACKGROUND

University Oaks Water System (University Oaks or utility) is  
a Class C utility located in Levy County. The system was initially  
granted Water Certificate No. 438-W in Docket No. 840008-WU, by  
Order No. 13712, issued September 15, 1984. According to the most  
recent annual report filed by the utility, it served 98 water  
customers in 1993. Wastewater service is provided by septic tanks.  
The 1993 annual report indicated that the system received gross  
revenues of \$12,024 and had a net operating loss of \$5,761.

The Circuit Court in Levy County appointed Mr. Frank Woodward  
receiver of University Oaks on December 17, 1992. Through Order  
No. PSC-93-0369-FOF-WU, issued March 9, 1993, we acknowledged the  
abandonment of University Oaks and the appointment of Mr. Woodward  
as receiver.

Mr. Woodward filed an application for a Transfer of Majority  
Organizational Control of University Oaks Utilities, Inc., from  
Lake Crescent Development Corporation to Mr. Frank Woodward on July  
7, 1994. This docket was opened to process the transfer  
application. However, the application contained several  
deficiencies, and although our staff attempted to assist Mr.

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ENCLOSURE REPORTING

Woodward in its completion over the last several years, the application was not finalized. Therefore, the utility was not transferred to Mr. Woodward.

On August 15, 1997, the Commission received a letter from an attorney representing Mr. Frank Woodward, as President of University Oaks Utilities, Inc., which stated that Mr. Woodward was being forced to abandon the utility due to financial problems with the mortgage holder and Central Florida Electric Cooperative, and that the Levy County Board of County Commissioners had also been notified. Subsequently, on December 9, 1997, we received a second letter stating that Mr. Woodward was taking action relative to "taking back the University Oaks utilities," and rescinding the notice of abandonment.

In March 1998, Levy County filed a Motion to Appoint New Receiver with the Circuit Court. By Order issued March 6, 1998, in Case No. 92-607-CA, the Circuit Court granted the motion. Effective March 9, 1998, Levy County replaced Frank E. Woodward as receiver of University Oaks Water System.

#### APPOINTMENT OF LEVY COUNTY AS RECEIVER

As stated above, effective March 9, 1998, Levy County became the new receiver of University Oaks. Pursuant to Section 367.022(2), Florida Statutes, a utility system that is operated, managed and controlled by a governmental entity is not subject to our regulation. Levy County has indicated that it would like to be exempt from our regulation. Also, Mr. Woodward has never completed his transfer application and has shown both a financial and physical inability to operate the system. Therefore, we acknowledge the appointment of Levy County as receiver and find that it is exempt from our regulation pursuant to Section 367.022(2), Florida Statutes. With the appointment of the County as receiver, the incompleting transfer application of Mr. Woodward is denied as moot, and Certificate Number 438-W is canceled.

The County has affirmed that it will continue to operate University Oaks as it is currently doing. The County understands that if a disposition of the utility is made to an entity subject to our regulation, then the County will so inform us.

In addition, pursuant to Rule 25-30.110, Florida Administrative Code, the utility was responsible for filing annual reports while operating under our regulation. Likewise, pursuant

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to Sections 350.113 and 367.145, Florida Statutes, and Rule 25-30.120, Florida Administrative Code, University Oaks was responsible for paying regulatory assessment fees during that period. University Oaks failed to file annual reports for 1994 through 1997. University Oaks also failed to pay regulatory assessment fees for the same time period. Regulatory assessment fees of \$26.50 were paid for 1994, however no determination can be made whether this amount is appropriate since the 1994 annual report has not been filed. Additionally, regulatory assessment fees are also due from University Oaks for January 1 through March 8, 1998.

Based upon the foregoing, University Oaks, with Levy County as receiver, shall be responsible for filing annual reports and paying regulatory assessment fees, from 1994 through March 8, 1998. If necessary, our staff will address the collection of these reports and fees, including appropriate penalties and interest, in a separate docket after internal collection efforts are attempted.

CLOSING OF DOCKET

No further action is required in this docket, and the docket shall be closed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the appointment of Levy County as receiver of University Oaks Water System is acknowledged. It is further

ORDERED that the transfer application of Frank Woodward is denied as moot. It is further

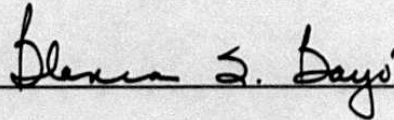
ORDERED that the operation of the University Oaks Water System by the County is exempt from the Florida Public Service Commission's regulation, and Certificate No. 438-W is canceled. It is further

ORDERED that the University Oaks Water System, with Levy County as receiver, shall be responsible for filing annual reports and paying regulatory assessment fees from 1994 through March 8, 1998. It is further

ORDERED that this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 7th  
day of July, 1998.

A handwritten signature in cursive script, reading "Blanca S. Bayó", is written over a horizontal line.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

RRJ

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.