

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

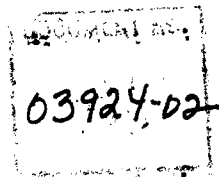
DATE: April 8, 2002
TO: Division of the Commission Clerk and Administrative Services
FROM: Office of the General Counsel (Brubaker) *JSB*
RE: Docket No. 011621-WU - Petition for limited proceeding to implement an increase in water rates in Highlands County, by Placid Lakes Utilities, Inc.

Please file the attached letter, with attachments, dated April 3, 2002, in the docket file for the above-referenced docket.

JSB/dm

cc: Division of Economic Regulation (Mounie'-Greene, Merchant, Munroe, Willis)

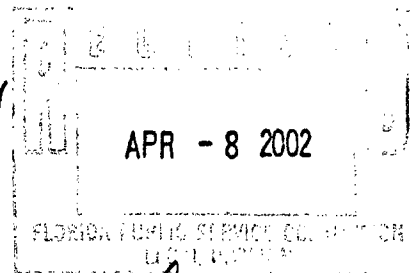
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April 3, 2002

FLORIDA PUBLIC SERVICE COMMISSION

ATT: JENNIFER BRUBAKER



DEAR MRS BRUBAKER:

I am one of the customers of Placid Lakes Utilities, Inc. that talked to you when you were here in Lake Placid.

First I will give my back ground to let you know where I came from.

I retired from Eastern Airlines in Miami. at which time I held a Mgt job in Communications after 27 years service. I moved to Lake Placid in 1978 and did spend 5 yrs on the Lake Placid Council at which time I was working with the water dept supervisor and also with the fire department. I have served as a consultant with the County Comm. group for 10 years, and I have sold Real Estate in the County for 20 yrs.

I have lived here in Placid Lakes for 12 years and also worked with a Real Estate office in this area.

I stopped at the Utilities office and asked for a copy of their budget for the year 2002 and was told they didn't have this. I was told they only had a financial statement and which they told they could not give me a copy but perhaps I could get a copy from the P.S.C. On this I think they were wrong, as under the Sun Shine laws of the State they can't refuse this item. Anyway they have 3 different groups under the Holding Company. The Placid Lake Holding Co., The Market Association group, and the Placid Lake Utilities. As you know when this development started, like all other developments, Mr Toblar promised everything you could think of and of course one element was water to every lot. So all the years people here have been fighting to get this done. I thought maybe this would happen after Mr Tobler sold thousands of acres to the govt. from the present boundaries to the south to State Road #70 but it didn't happen. I still think the present Holding Co. should accept this commitment. I think it was the responsibility of the Holding Co. to make the present improvements.

3) They have built the large storage plant in the area, and they still own a lot of property so I don't think they should impose on the property owners to pay for all the improvements that were promised years ago.

I have also included a copy of the town of Lake Placid budget for the year of 2002 and a copy of their water rates for about the same number of people we have on the water system here in Placid Lakes. The Town also deducts money from the income of the water system every year and puts it in their General Fund to operate the Town.

Please advise me if I can get info on the financial status of the Holding Company and their other additional companies.

Sincerely yours

Harry J. Mottlinger
230 Keith Ave N.W.
Lake Placid, Fla.

PHONE 863-465-4199

TOWN OF LAKE PLACID 2000-2001 WATER BUDGET-EXPENSES

	A	B	E	F	G	H	I	J
1								
2	WATER							
3								
4			2000-2001	USED AS OF	PROPOSED			
5			BUDGET	7/31/2001	FOR 2001-2002			
6					BUDGET			
7								
8	Adm. Bldg. Exp.		5,500	5,500	0			
9	Audit		13,000	13,000	15,000			
10	Cap. Improve.		42,298	43,662	53,162			
11	Certificates		200	200	300			
12	Chemicals/Oper. Supplies		11,000	12,532	15,000			
13	Communications		3,500	3,827	4,600			
14	Contract-Operator Fee		7,500	7,700	7,500			
15	Cross Con.		2,000	2,354	2,900			
16	Dist. Line Rpr.		5,000	4,490	5,000			
17	Edu, Dues, Sub.		2,500	2,132	2,500			
18	Electricity		27,000	14,752	19,000			
19	Emer. Gen. R/M		2,500	1,950	2,000			
20	Engineering Ser.		5,000	0	0			
21	Fuel		5,000	1,925	3,000			
22	Garbage Trans.		150,000	91,233	181,000			
23	Hydrant Repair		6,000	3,092	4,000			
24	Lab Testing		1,200	1,017	1,300			
25	Legal Fees		12,000	12,000	15,000			
26	Legal Advertise.		2,000	1,166	1,000			
27	Office Supplies		5,000	3,754	4,000			
28	Old Pumphouse Repair		5,000	1,860	3,000			
29	Postage		5,000	1,950	2,000			
30	RD Loan		10,000	14,075	0			
31	DEP Loan				8,025			

TOWN OF LAKE PLACID 2000-2001 WATER BUDGET-EXPENSES

	A	B	E	F	G	H	I	J
32	Renewal/Repla.		30,000	30,000	30,000			
33	Replac. Meters/New Lines		5,000	9,888	6,000			
34	Sewer Trans.		108,000	69,761	115,000			
35	Town Ins.		20,000	20,000	20,000			
36	Uniforms		2,000	2,472	1,800			
37	Vehicle Repair		5,000	3,252	4,000			
38	Water Rev. Transfer to Gen.		94,792	55,300	95,000			
39	Water Tank Main.		5,000	5,732	5,000			
40	Water Plant Rpr.		10,000	9,745	12,000			
41								
42	Salaries:							
43	Shannon Dunne		35,875		41,575			
44	One-Time Bonus				5,000			
45	Marlin Havener, O&M Fore.		23,590		27,262			
46	Elliott Garay, Meter Reader				17,680			
47	Robert Klemm, System Mech.				17,680			
48	New Employee		18,720		20,286			
49	Jackie Haynes		15,080		17,863			
50	Parttime Office Employee		3,640		0			
51	Overtime		12,000		15,000			
52								
53	Health Insurance		19,800		24,840			
54	Retirement		13,115		11,500			
55	Social Sec./Medicare		9,885		12,037			
56								
57	RESERVES		154,700		198,000			
58								
59	TOTAL EXPENSES		914,395		1,046,810			
60								
61								
62								*

THIS IS TRANSFER
TO GENERAL FUND

THEY HAVE 3 WELLS
2 STORAGE AREA'S
AND APPROX
1500 CUSTOMERS

§ 135-2. Residential water rates—Inside town.

The rates for residential water service within the town shall include the following charges:

- (1) *Monthly base charge.* There shall be a monthly base charge for each residential unit of eight dollars (\$8.00) per month.
- (2) *Monthly water user charge.* In addition to the base charge referred to in subsection (1) above, there shall be a monthly water use charge as follows:

<i>Gallons Per Month</i>	<i>Rate</i>
1,000	\$0.85
2,000	1.70
3,000	2.55
4,000	3.40
5,000	4.25
6,000	5.20
7,000	6.15
8,000	7.10
9,000	8.05
10,000	9.00
11,000	10.05
12,000	11.10
13,000	12.15
14,000	13.20
15,000	14.25
16,000	15.40
17,000	16.55
18,000	17.70
19,000	18.85
20,000	20.00
21,000	21.25
22,000	22.50
23,000	23.75
24,000	25.00
25,000	26.25
26,000	27.50
27,000	28.75

<i>Gallons Per Month</i>	<i>Rate</i>
28,000	30.00
29,000	31.25
30,000	32.50
Over 30,000	32.50
plus per 1,000 gallons thereafter	1.35
(Ord. No. 95-216, § 3, 8-7-95; Ord. No. 97-267, § 1, 8-11-97)	

§ 135-3. Residential water rates—Outside town.

The rates for residential water service outside the town shall include the following charges:

- (1) *Monthly base charge.* There shall be a monthly base charge for each residential unit outside the town of ten dollars (\$10.00) per month.
- (2) *Monthly water use charge.* In addition to the base charge referred to in subsection (1) above, there shall be a monthly water use charge as follows:

<i>Gallons per Month</i>	
1,000	\$1.05
2,000	2.10
3,000	3.15
4,000	4.20
5,000	5.25
6,000	6.45
7,000	7.65
8,000	8.85
9,000	10.05
10,000	11.25
11,000	12.55
12,000	13.85
13,000	15.15
14,000	16.45
15,000	17.75
16,000	19.20
17,000	20.65
18,000	22.10