

LAW OFFICES

ROSE, SUNDBSTROM & BENTLEY

A PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

2548 BLAIRSTONE PINES DRIVE

TALLAHASSEE, FLORIDA 32301

(904) 877-6550

CHARLES H. BENTLEY, PA
STEVEN S. BRUBAKER
F. MARSHALL DETERDING
WILLIAM L. DOSTER
MARTIN S. FRIEDMAN, PA
JOHN H. JENKINS, PA
STEVEN T. MADON, PA
HERBERT M. C. ROSE, PA
WILLIAM E. SUNDBSTROM, PA
DAVID D. TREMBOR, PA
KIM L. WHARTON

MAILING ADDRESS:
POST OFFICE BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

TELECOPIER (904) 856-4029

February 6, 1996

VIA HAND DELIVERY

Blanca Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Colonies Water Company
Application for Staff Assisted Water and Wastewater Rate
Increase
Our File No. 30096.01 **96 0132-WS**

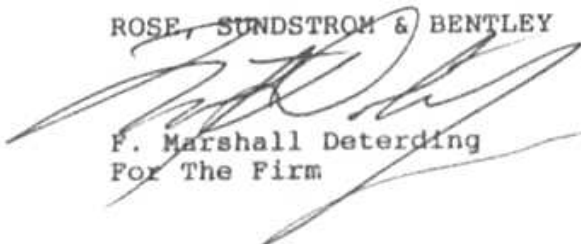
Dear Ms. Bayo:

Attached in accordance with the requirements of Section 367.0814, Florida Statutes, and Section 25-30.455, Florida Administrative Code, are the original and six copies of the application of Colonies Water Company for a Staff assisted rate increase in water and wastewater rates.

Should you have any questions with regard to any of the matters outlined herein, please do hesitate to contact me.

Sincerely,

ROSE, SUNDBSTROM & BENTLEY


F. Marshall Deterding
For The Firm

FMD/lts
Enclosure
cc: Ellen Kelleher, Esquire
Marguerite Nader

RECEIVED & FILED

88

RECORDS

DOCUMENT NUMBER - DATE

01309 FEB-6 96

FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A
STAFF ASSISTED RATE CASE

I. General Data

A. Name of utility COLONIES WATER COMPANY

B. Address 6603 COLONIAL DRIVE
MARGATE, FL 33063-5544

1. Telephone Nos. (305) 972-8530

2. County BROWARD Nearest city MARGATE

3. General area served COLONIES OF MARGATE MOBILE HOME PARK

C. Authority:

1. Water Certificate No. 481W Date received 05/25/95

2. Sewer Certificate No. 417S Date received 05/25/95

3. Date utility started operations: Water 06/10/87 Sewer 06/10/87

D. How system was acquired PURCHASED

If utility was purchased, give date 08/18/94 Amount Paid UNKNOWN (1)

1. Name of Seller DEANZA PROPERTIES X

2. Was seller affiliated with present owners? NOT AT TIME OF SALE

3. Did you purchase: Stock _____ or assets only X

E. Type of legal entity: Corporation, Partnership or Sole

Proprietorship PARTNERSHIP

F. Ownership & Officers:

| | Name | Title | Percent Ownership |
|----|----------------------------------|--------------------|-------------------|
| 1. | <u>MHC-DEANZA FINANCING LTD.</u> | | |
| 2. | <u>PARTNERSHIP</u> | <u>PARTNERSHIP</u> | <u>100%</u> |
| 3. | _____ | _____ | _____ |
| 4. | _____ | _____ | _____ |

PSC/WAS 2 (Rev. 11/86)

(1) UTILITY WAS ACQUIRED AS PART OF THE PURCHASE OF COLONIES OF MARGATE MOBILE HOME PARK FOR THE TOTAL PRICE OF \$23,147,288. SEE CERTIFICATE TRANSFER ORDER NO. PSC-95-0622-FOP-WS.

01309 FEB-6 88

FPSC-RECORDS/REPORTING

G. List of Associated Companies and Addresses:

1. MHC OPERATING LTD PARTNERSHIP - 99% OF MHC-DEANZA FINANCING LTD. PARTNERSHIP
2. MHC-QRS, INC. - 1% OF MHC-DEANZA FINANCING LTD. PARTNERSHIP
3. _____

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

CRONIN, JACKSON, NIXON & WILSON, CPA'S
2560 GULF-TO-BAY BLVD, #200, CLEARWATER, FL 34625
MARTY DETERDING, ESQ., ROSE, SUNDTROM & BENTLEY
2548 BLAIRSTONE PINES DRIVE, TALLAHASSEE, FL 32301

II. Accounting Data

A. Outside Accountant

1. Name ROBERT C. NIXON
2. Firm CRONIN, JACKSON, NIXON & WILSON
3. Address 2560 GULF-TO-BAY BOULEVARD, SUITE 200, CLEARWATER, FL 34625
4. Telephone (813) 791-4020

B. Individual to contact on accounting matters:

1. Name ANNE BUCHER
2. Telephone (312) 466-3808

C. Location of books and records CHICAGO, IL

D. Have you filed an Annual Report with the Commission? YES
Date last filed 12/31/94

E. Has your latest semiannual regulatory assessment fee payment been made (~~January-30~~ or ~~July-30~~ whichever is applicable)? YES
MARCH

F. Basic Rate Base Data (Most recent two years)

| 1. Water | 1994 | 1993 |
|--------------------------------|-------------------|-------------------|
| Cost of Plant In Service: | \$ <u>337,976</u> | \$ <u>337,976</u> |
| Less Accumulated Depreciation: | <u>(138,862)</u> | <u>(130,232)</u> |
| Less Contributed Plant: | <u>0</u> | <u>0</u> |
| Net Owner's Investment: | \$ <u>199,114</u> | \$ <u>207,744</u> |

| 2. Sewer | 1994 | 1993 |
|--------------------------------|-------------------|-------------------|
| Cost of Plant In Service: | \$ <u>386,011</u> | \$ <u>386,011</u> |
| Less Accumulated Depreciation: | <u>(197,798)</u> | <u>(187,922)</u> |
| Less Contributed Plant: | <u>0</u> | <u>0</u> |
| Net Owner's Investment: | \$ <u>188,213</u> | \$ <u>198,089</u> |

G. Basic Income Statement (Most recent two years):

| 1. Water | 1994 | 1993 |
|--|-----------------------------|-----------------------------|
| Revenues (By Class): | | |
| a. <u>RESIDENTIAL</u> | \$ <u>117,997</u> | \$ <u>115,511</u> |
| b. _____ | <u> </u> | <u> </u> |
| c. _____ | <u> </u> | <u> </u> |
| Total Operating Revenues: | \$ <u>117,997</u> | \$ <u>115,511</u> |
| Less Expenses: | | |
| a. Salaries & Wages - Employees | \$ <u>7,212</u> | \$ <u>8,736</u> |
| b. Salaries & Wages - Officers, Directors, & Majority Stockholders | <u> </u> | <u> </u> |
| c. Employee Pensions & Benefits | <u> </u> | <u>660</u> |
| d. Purchased Water | <u>88,875</u> | <u>72,918</u> |
| e. Purchased Power | <u> </u> | <u> </u> |
| f. Fuel for Power Production | <u> </u> | <u> </u> |
| g. Chemicals | <u> </u> | <u> </u> |
| h. Materials & Supplies | <u> </u> | <u>549</u> |
| i. Contractual Services | <u>5,900</u> | <u>5,776</u> |
| j. Rents | <u> </u> | <u> </u> |
| k. Transportation Expenses | <u> </u> | <u>1,898</u> |
| l. Insurance Expense | <u> </u> | <u> </u> |
| m. Regulatory Commission Expense | <u> </u> | <u>943</u> |
| n. Bad Debt Expense | <u> </u> | <u> </u> |
| o. Miscellaneous Expense | <u>2,631</u> | <u>4,769</u> |
| p. Depreciation Expense | <u>8,631</u> | <u>10,055</u> |
| q. Property Taxes | <u> </u> | <u> </u> |
| r. Other Taxes (RAF'S ONLY) | <u>5,310</u> | <u>5,198</u> |
| s. Income Taxes | <u> </u> | <u> </u> |
| Operating Income (Loss) | \$ <u>(562)</u> | \$ <u>4,009</u> |

2. Sewer

1994

1993

Revenues (By Class):

| | | |
|---------------------------|-------------------|-------------------|
| a. <u>RESIDENTIAL</u> | \$ <u>103,335</u> | \$ <u>103,387</u> |
| b. _____ | _____ | _____ |
| c. _____ | _____ | _____ |
| Total Operating Revenues: | \$ <u>103,335</u> | \$ <u>103,387</u> |

Less Expenses:

| | | |
|--|--------------------|--------------------|
| a. Salaries & Wages - Employees | \$ <u>7,213</u> | \$ <u>8,736</u> |
| b. Salaries & Wages - Officers, Directors, & Majority Stockholders | _____ | _____ |
| c. Employee Pensions & Benefits | _____ | <u>660</u> |
| d. Purchased Sewage Treatment | <u>88,603</u> | <u>85,596</u> |
| e. Sludge Removal Expense | _____ | _____ |
| f. Purchased Power | _____ | _____ |
| g. Fuel for Power Production | _____ | _____ |
| h. Chemicals | _____ | _____ |
| i. Materials & Supplies | <u>1,056</u> | <u>873</u> |
| j. Contractual Services | <u>5,167</u> | <u>13,961</u> |
| k. Rents | _____ | _____ |
| l. Transportation Expenses | _____ | _____ |
| m. Insurance Expense | _____ | _____ |
| n. Regulatory Commission Expense | _____ | _____ |
| o. Bad Debt Expense | _____ | _____ |
| p. Miscellaneous Expense | <u>3,820</u> | _____ |
| q. Depreciation Expense | <u>9,876</u> | <u>9,878</u> |
| r. Property Taxes | _____ | _____ |
| s. Other Taxes (RAF'S ONLY) | <u>4,650</u> | <u>4,652</u> |
| t. Income Taxes | _____ | _____ |
| Operating Income (Loss) | \$ <u>(17,050)</u> | \$ <u>(20,969)</u> |

H. Outstanding Debt:

| | <u>Creditor</u> | <u>Date Borrowed</u> | <u>Balance Due</u> | <u>Interest Rate</u> | <u>Expiration Date</u> |
|----|-----------------------|--------------------------|------------------------|--------------------------|----------------------------|
| 1. | <u>PACIFIC MUTUAL</u> | <u>08/18/94</u> | <u>\$196,662</u> | <u>8%</u> | <u>09/31/2001</u> |
| 2. | _____ | _____ | _____ | _____ | _____ |
| 3. | _____ | _____ | _____ | _____ | _____ |
| 4. | _____ | _____ | _____ | _____ | _____ |

I. Indicate Type of Tax Return Filed:

| | |
|----------|--|
| _____ | Form 1120 - Corporation |
| _____ | Form 1120S - Subchapter S Corporation |
| <u>X</u> | Form 1065 - Partnership |
| _____ | Form 1040 - Schedule C - Individual (Proprietorship) |

III. Engineering Data

A. Outside Engineering Consultant:

1. Name NONE
2. Firm _____
3. Address _____
4. Telephone (____) _____

B. Individual to contact on engineering matters:

1. Name TOM KEEMAN, REGIONAL VICE PRESIDENT (MHC, INC.)
2. Telephone (813) 797-7674

C. Is the utility under citation by the Department of Environmental Regulation (DER) or county health department? If yes, explain. NO

D. List any known service deficiencies and steps taken to remedy problems. NONE

E. Name of plant operator(s) and DER operator certificate number(s) held. NONE

F. Is the utility serving customers outside of its certificated area? NO If yes, explain. _____

G. Wastewater:

1. Gallons per day capacity of treatment facilities existing N/A
under construction _____ proposed _____
2. Type and make of present treatment facilities NONE. ALL SEWAGE TREATMENT IS PURCHASED FROM THE CITY OF MARGATE.
3. Approximate average daily flow of treatment plant effluent N/A
4. Approximate length of sewer mains:
Size (diameter) 8" 10" _____
Linear feet 23856 720 _____
5. Number of manholes 120
6. Number of liftstations 2
7. How do you measure treatment plant effluent? N/A
8. Is the treatment plant effluent chlorinated? N/A If yes, what is the normal dosage rate? _____

9. Tap in fees - Sewer \$ NONE
10. Service availability fees - Sewer \$ NONE
11. Note DER Treatment Plant Certificate Number and date of expiration: Number N/A Expiration Date _____
12. Total gallons treated during most recent twelve months N/A
13. Sewage treatment purchased during most recent twelve months SEWAGE TREATMENT IS PURCHASED FROM THE CITY OF MARGATE AT A FLAT RATE OF \$9.81 PER UNIT. NEITHER THE CITY OF MARGATE NOR THE UTILITY HAVE FLOW DATA FOR THE GALLONS OF SEWER TREATMENT PURCHASED.
- H. Water

1. Gallons per day capacity of treatment facilities existing N/A under construction N/A proposed N/A
2. Type of treatment NONE. ALL WATER IS PURCHASED FROM THE CITY OF MARGATE.
3. Approximate average daily flow of treated water 86,499
4. Source of water supply PURCHASED - CITY OF MARGATE
5. Types of chemicals used and their normal dosage rates NONE
6. Number of wells in service N/A Total capacity in gallons per minute (gpm) _____
 Diameter/Depth _____/_____
 Motor horsepower _____
 Pump capacity (gpm) _____
7. Reservoirs and/or hydropneumatic tanks:
 Description N/A _____
 Capacity _____
8. High service pumping:
 Motor horsepower N/A _____
 Pump capacity (gpm) _____
9. How do you measure treatment plant production? N/A
10. Approximate feet of water mains:
 Size (diameter) 2" 4" 6" 8"
 Linear feet 5975 6218 16178 8640

11. Note any fire flow requirements and imposing government agency
N/A
12. Number of fire hydrants in service N/A
13. Do you have a meter change out program? NO
14. Meter installation or tap in fees - Water \$ NONE
15. Service availability fees - Water \$ NONE
16. Has the existing treatment facility been approved by DER?
N/A
17. Total gallons pumped during most recent twelve months N/A
18. Total gallons sold during most recent twelve months 25,009,000
19. Gallons unaccounted for during most recent twelve months 5,563,000
20. Gallons purchased during most recent twelve months 31,572,000

IV. Rate Data

A. Individual to contact on tariff matters:

1. Name TOM KEENAN, REGIONAL VICE PRESIDENT
2. Telephone Number (813) 797-7674

B. Schedule of present rates (Attach additional sheet if more space is needed): **SEE ATTACHED COPIES OF TARIFF SHEETS.**

1. Water:

- a. Residential Water _____
- b. General Service _____
- c. Special Contract _____
- d. Other _____

2. Sewer:

- a. Residential Sewer _____
- b. General Service _____
- c. Special Contract _____
- d. Other _____

C. Number of Customers (Most recent two years):

| | <u>1994</u> | <u>1993</u> |
|---------------------|-------------------|-------------------|
| 1. Water Metered | | |
| a. Residential | <u>827</u> | <u>827</u> |
| b. General Service | <u> </u> | <u> </u> |
| c. Special Contract | <u> </u> | <u> </u> |
| d. Other - specify | <u> </u> | <u> </u> |
| 2. Water Unmetered | | |
| a. Residential | <u>N/A</u> | <u>N/A</u> |
| b. General Service | <u> </u> | <u> </u> |
| c. Special Contract | <u> </u> | <u> </u> |
| d. Other - specify | <u> </u> | <u> </u> |
| 3. Sewer | | |
| a. Residential | <u>827</u> | <u>827</u> |
| b. General Service | <u> </u> | <u> </u> |
| c. Special Contract | <u> </u> | <u> </u> |
| d. Other - specify | <u> </u> | <u> </u> |

V Affirmation

I, ELLEN KELLEHER the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed *Ellen Kelleher*
 Title SENIOR VICE PRESIDENT

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

GENERAL SERVICE
RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service to all customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly
- RATE -

| <u>Meter Size</u> | <u>Base Facility Charge</u> |
|-------------------|-----------------------------|
| 5/8" x 3/4" | \$ 4.80 |
| 3/4" | 7.20 |
| 1" | 12.00 |
| 1-1/2" | 24.00 |
| 2" | 38.41 |
| 3" | 76.83 |
| 4" | 120.04 |
| 6" | 240.09 |

Charge per 1,000 gallons: \$ 2.55

- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - August 22, 1995

Tom Keenan
ISSUING OFFICER

TYPE OF FILING - 1995 Index

Regional Vice President
TITLE

RESIDENTIAL SERVICE
RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly
- RATE -

| <u>Meter Size</u> | <u>Base Facility Charge</u> |
|-------------------|-----------------------------|
| 5/8" x 3/4" | \$ 4.80 |
| 3/4" | 7.20 |
| 1" | 12.00 |
| 1-1/2" | 24.00 |
| 2" | 38.41 |
| 3" | 76.83 |
| 4" | 120.04 |
| 6" | 240.09 |

Charge per 1,000 gallons: \$ 2.55

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - August 22, 1995

Tom Keenan
ISSUING OFFICER

TYPE OF FILING - 1995 Index

Regional Vice President
TITLE

GENERAL SERVICE
RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service to all customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -

| <u>Meter Size</u> | <u>Base Facility Charge</u> |
|-------------------|-----------------------------|
| 5/8" x 3/4" | \$ 4.72 |
| 3/4" | 7.08 |
| 1" | 11.79 |
| 1-1/2" | 23.58 |
| 2" | 37.72 |
| 3" | 75.45 |
| 4" | 117.88 |
| 6" | 235.76 |

Charge per 1,000 gallons: \$ 2.71

- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - August 22, 1995

Tom Keenan
ISSUING OFFICER

TYPE OF FILING - 1995 Index

Regional Vice President
TITLE

RESIDENTIAL SERVICE
RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the company.

APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

| <u>Meter Size</u> | <u>Base Facility Charge</u> |
|---------------------------|-----------------------------|
| All meter sizes | \$ 4.72 |
| Charge per 1,000 gallons: | \$ 2.26 |

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - August 22, 1995

Tom Keenan
ISSUING OFFICER

TYPE OF FILING - 1995 Index

Regional Vice President
TITLE