



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: October 15, 1996

TO: Alice Crosby, Division of Legal Services
Division of Records and Reporting

FROM: Patricia Brady, Division of Water and Wastewater *pb [signature]*

RE: Docket No. [REDACTED] WS, Resolution of the Board of County Commissioners of Manatee County declaring Manatee County subject to the provisions of Chapter 367, F.S. - Request for exemption for provision of water and wastewater service by SUMMIT PROPERTIES, INC. (BRISTOL BAY AT PERICO ISLAND).

On October 10, 1995, the Board of County Commissioners of Manatee County adopted Resolution No. R-95-109, pursuant to Section 367.171, Florida Statutes, declaring that as of October 10, 1995, the water and wastewater utilities in that County shall become subject to the provisions of the Water and Wastewater Regulatory Law, Chapter 367, Florida Statutes. The resolution was acknowledged by this Commission on November 9, 1995, by Order No. PSC-95-1393-FOF-WS. Pursuant to Section 367.031, Florida Statutes, a utility subject to the jurisdiction of this Commission must obtain a certificate of authorization or an order recognizing the exempt status of the system.

On June 12, 1996, an application for a reseller exemption from regulation by the Florida Public Service Commission was filed on behalf of Bristol Bay at Perico Island (Bristol Bay) pursuant to Section 367.022(8) Florida Statutes. The application was signed by Mr. Keith H. Kuhlman, Executive Vice President of Summit Properties, Inc., (Summit Properties or reseller) the owner of the Bristol Bay. As of the date of this memorandum, Summit Properties has not registered with the Department of State its fictitious name of Bristol Bay at Perico Island and so that name cannot appear on the order. Ms. Cindy T. Darling is the primary contact for the application. The mailing address and phone number for Ms. Darling is c/o WaterMaster Metering Systems, Inc., 1570 Madruga Avenue, Suite 200, Coral Gables, Florida 33146 (305/662-1088). The physical address and service territory for Bristol Bay is 11001 Bristol Bay Drive, Bradenton, Florida 34209. This location is in Manatee County.

The application was filed in accordance with Section 367.022(8), Florida Statutes, and Rules 25-30.060(2), and (3)(h), Florida Administrative Code, in effect at the time of the filing. The application states that water and wastewater service will be provided to the tenants of Bristol Bay at a rate or charge that does not exceed the actual purchase price. By signing the application, Mr. Kuhlman has acknowledged responsibility for the requirements of Rule 25-30.111, Florida Administrative Code, regarding annual reporting requirements as well as responsibility for the requirements of Section 367.122, Florida Statutes, and Rules 25-30.262 through .267, Florida Administrative Code, regarding the examination and testing of meters. Furthermore, Mr. Kuhlman has acknowledged that he is aware of the penalty pursuant to Section 837.06, Florida Statutes, for knowingly making false statements in writing with the intent to mislead.

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Bristol Bay is an existing 256-unit apartment complex receiving service from the City of Bradenton through one six-inch master meter. Included with the application is a schedule of the City of Bradenton's current rates and charges; an explanation of the applicant's proposed method of billing residents, separately, for water and wastewater; and a schedule showing that the amount billed will not exceed the amount paid for water and wastewater services. Each apartment unit will be individually metered. The reseller has contracted with WaterMaster Metering Systems, Inc., to provide monthly meter-reading and billing services. The applicant intends to charge residents the same fixed monthly base charges and variable usage rates charged by the City of Bradenton. The reseller does not propose to charge residents for common area water nor any administrative or operating costs. The reseller does not propose to collect a separate security deposit for water and wastewater service.

The City of Bradenton currently charges the following rates and charges for a property with multiple units. Wastewater usage is based on metered water usage.

Water fixed base fee	\$ 3.90 per unit
Water usage rate from 0 - 3,000 gallons	\$ 1.22 per thousand gallon
Water usage rate over 3,001 gallons	\$ 1.74 per thousand gallon
Wastewater fixed fee	\$ 3.80 per thousand gallon
Wastewater usage rate 0 - 3,000 gallons	\$ 1.15 per thousand gallon
Wastewater usage over 3,001 gallons	\$ 1.68 Per thousand gallon

Bristol Bay intends to charge its residents the identical rates which will ensure that the revenues received from reselling water and wastewater service to the tenants of Bristol Bay will not exceed the cost to provide the service. The reseller will be responsible for any charges for vacant units.

Section 2.08(C)(14) of the Administrative Procedures Manual grants staff the administrative authority to approve requests for determination of exempt status that are clear-cut and without controversy. Staff finds the application in compliance with statutory requirements and without apparent controversy. Staff recommends that an administrative order be issued finding Summit Properties, Inc. (Bristol Bay at Pericao Island) exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff recommends that the order require that the owners, or any successors in interest, to notify the Commission within 30 days of any change in circumstances or method of operation which causes it to no longer qualify for exemption pursuant to Section 367.022, Florida Statutes. The docket should remain open.