

Case Nos. 1D98-0713 and 1D98-0727

Florida Water Services Corporation vs. Florida Public Service Commission ("PSC");
Sugarmill Woods Civic Association, Inc. vs. Southern States Utilities, Inc. and the
PSC

vs. Joseph J. DeRouin, et al.

PSC Docket No. 920199-WS

SOUTHERN STATES UTILITIES, INC.

DOCKET NO. 920199-WS

CHARLES E. WOOD

LATE FILED EXHIBIT NO. 152

FWSC
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13785-92
FPSC-RECORDS/REPRODUCTION



09/22/89

Wm. Frank Sanderson
Regional Manager
Southern States Utilities
1000 Color Place
Apopka, Fl. 32703

Re: Bulk water sales to Rolling Green and Rosemont Developments

Dear Mr. Sanderson,

I have meet with the City Manager and the City's Public Works Director about the possibility of selling bulk water to the above mentioned developments. At the meeting it was determined that the City oordinances do not specifically address bulk sales of water. A price guide based on the ordinances and the information you gave me follows.

The City would require 4" meters to both developments. We feel the pressure loss thru 3" meters would be to great.

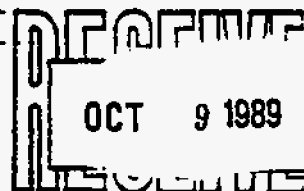
The City would require AWWA approved backflow preventers.

Meter Charge: 4" = \$ 3125.00 + \$ 500.00 per unit

Rolling Greens =	\$ 3125.00 + \$ 27,000 =	\$ 30,125.00
(54 units)		
Rosemont =	\$ 3125.00 + \$ 14,500 =	\$ 17,625.00
(29 Units)		
	Total	\$ 47,750.00

Monthly Water Charge: First 1000 gal/per unit = \$ 6.88
Each Additional 1000 gal. = \$ 1.25

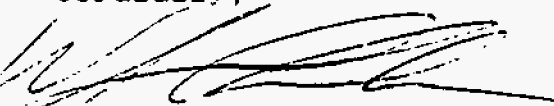
Rolling Greens =	\$ 371.52	for the first 54,000 gal.
(54 Units)	= \$ 1.25	each additional 1000 gal.
Rosemont	= \$ 199.52	for the first 29,000 gal
(29 Units)	\$ 1.25	each additional 1000 gal



The City may entertain a proposal from you relative to the "per nit charge" portion of the meter charge, if the above figures are unacceptable.

Please contact me should you have any questions.

Cordially,



William J. Thacher
Director of Utilities
City of Inverness
(904) 726-2777

cc: Bruce Banning, City Manager
Daniel Sawyer, Public Works Director



May 17, 1990

General Offices

1000 Color Place
Apopka, FL 32703
(407) 880-0058

Mr. Bruce D. Banning
City Manager
City Of Inverness
212 West Main Street
Inverness, Florida 32650

Re: Emergency connection to City of Inverness water system and wholesale water sales.
Water Service for Rolling Green sub-division.

Dear Mr. Banning:

We would like to thank you, Mr. William Thacher and Mr. Daniel Sawyer, for taking the time to meet with David Baar, Jim Mackinsey and me regarding the possibility of allowing Southern States Utility Services, Inc., to make an emergency connection to the water system belonging to the City of Inverness for the purpose of providing water for the Rolling Green sub-division.

As per our conversation in which we discussed the need for the connection being of the highest priority and our present wells not being able to keep up with the demand of the existing residents.

During our meeting you were optimistic that you would be able to provide us with water without it being too much of a problem, but you would need to address this with your legal counsel.

Regarding the charges for this connection, you mentioned that you had no wholesale water rates in your rate structure. I asked if we would agree to pay your normal residential rates for water, could you provide us with water sooner? Your answer was yes.

As discussed - you stated the rates and connection fee would be:

Water Rates - \$6.88/first 1,000 gal - \$1.25 per 1000 gal thereafter.
Connection charges - 4" meter (master) \$2437.50
6" meter (master) \$5562.50

As per our agreement we would:


- 1) Acquire all regulatory agency permits
- 2) Install interconnect main of your specifications and allow inspections.
- 3) Provide the city with approved plans.
- 4) Install approved backflow preventer
- 5) Install 4" compound meter with by pass
- 6) Install gate valves that could be locked by chain, etc..

During our meeting we also discussed the possibility of retaining the connection for future use as an emergency water source. You mentioned that we may have to pay a water availability charge even if it was not used. I was not receptive to this plan and we discussed the possibility of our 12" well providing your system with water if you should ever need it. (After we place it in service). This was well received, by you and your staff, as a good trade off for the availability charge.

We also discussed the possibility of SSUS deeding you the 12" well in the future for connection fees to our system and purchasing wholesale water from the city. I know that in the near future we can approach all our alternatives but for the present we are looking forward to hearing from you in regard to the initial water need and agreement.

Again thank you for your cooperation.

Sincerely,



Aaron Perlowich
Sr. Region Manager

Southern States Utility Services, Inc.,

/rb

cc: Charles L. Sweat
David Baar (Eng)
Daniel Sawyer (City of Inverness)
William Thacher (City of Inverness)

TEMPORARY - EMERGENCY
WATER CONNECTION AGREEMENT --

For 1 year

THIS AGREEMENT made and entered into this _____ day of _____, 1990, between SOUTHERN STATES UTILITY SERVICES, INC., 1000 Color Place, Apopka, Florida 32703, hereinafter referred to as DEVELOPER and the CITY OF INVERNESS, a municipal corporation authorized under the laws of the State of Florida, hereinafter referred to as CITY.

WHEREAS, DEVELOPER is a water utility provider and services Rolling Green Subdivision whose customers reside in Citrus County, Florida, and

WHEREAS, the DEVELOPER is in need of a temporary emergency connection to the CITY's water system to provide an alternate water source pending DEVELOPER'S completion of an alternate well site, and

WHEREAS, the DEVELOPER shall extend at its costs from its water system the necessary transmission and distribution lines to the CITY system herein after referred to as PROJECT.

WHEREAS, the CITY has the capacity available at its water facility and shall reserve for the DEVELOPER Fifty Thousand (50,000.00) gallons per day flow and such reservation being a material consideration to the DEVELOPER and the CITY obligating itself to preserve such capacity to the extent that such can not be offered to other development projects.

NOW, THEREFORE, the parties, for the purpose expressed herein, promise, agree and covenant as follows:

1. The CITY shall provide to the DEVELOPER Fifty Thousand (50,000.00) gallons per day flow from the water distribution system currently in existence for the PROJECT

proposed by the DEVELOPER.

2. That the DEVELOPER shall construct all necessary lines to effectuate the connection of water services to the CITY's facilities pursuant to the design plans and CITY specifications shown on the attached engineering plans marked Exhibit A and incorporated herein by reference. All costs of such construction, engineering and inspections shall be the

responsibility of the DEVELOPER. Said plans shall show all improvements that shall be placed upon public lands and designate that which will be placed upon private property of the DEVELOPER.

3. There shall be no changes, modifications, alterations, amendments or deletions, no matter their kind or nature in the scope of the PROJECT as represented to the CITY or the engineering design plans for the water connection lines unless written approval is first obtained from the CITY.

4. It is agreed by the parties hereto that the DEVELOPER shall pay to the CITY all required connection fees upon execution of this Agreement in the amount of Two Thousand Four Hundred Thirty-Seven and 50/100 \$2,437.50 (4' connection - \$1,950.00 x 1.25%). Said connection fees are calculated pursuant to ordinances in effect at the date of payment. The reservation of capacity is estimated based upon the normal average daily flows associated with the subdivision to be served. The connection fees paid by the DEVELOPER are non-refundable, however, if there are any minor changes or modifications to the PROJECT or a minor change in the number of Residential Unit calculated, the hook-up fees shall be appropriately adjusted upon application to the CITY. The DEVELOPER shall also pay a deposit of \$4,000.00 to be held by the CITY, pursuant to its ordinance as security for said monthly service anticipated hereunder.

5. Connection fees paid to the CITY become the sole property of the CITY upon payment and shall be full payment to the CITY for reserving the estimated capacity for the DEVELOPER's PROJECT. However, the reservation of capacity is based upon estimated Residential Units and nothing herein shall be construed to grant, transfer or reserve capacity at the CITY's water

facilities that are in excess of that actually estimated to be utilized by each calculated Residential Unit. That although the service provided herein is temporary, no refund of connection fees shall be available upon termination of service.

6. The CITY shall place all connection fees and deposits paid by the DEVELOPER in an interest bearing account

upon payment with all such proceeds and accumulated interest being the CITY'S.

7. It is understood that the DEVELOPER shall have Three (3) months from the date of this contract to complete its PROJECT, i.e., obtain all permits from all appropriate governmental bodies and to complete all connections and extension to the CITY'S facilities. Failure to complete the PROJECT within the time provided above shall result in the forfeiture of the reservation of capacity with the CITY being entitled to contract for such capacity with the CITY being entitled to contract for such capacity with any other prospective applicants. (There shall be no refund for infra-structure costs or improvements paid by DEVELOPER if applicable to this project.)

8. The CITY, in its sole discretion upon written request of the DEVELOPER may extend the time periods provided in Paragraph 7 above for one three month period only, which shall not be unreasonably withheld.

9. It is understood by the DEVELOPER that all water line extensions and appurtenances thereto required to be constructed by the DEVELOPER pursuant to Paragraph 2 above, shall be, upon final inspection and approval of the CITY, transferred to the CITY and become the property of the CITY to the extent such improvements are upon public properties or deeded easements. Nothing herein shall be construed to require the CITY to accept, operate or maintain any improvements constructed that are installed upon private property, although all such improvements shall be inspected and shall comply with Paragraph 11 hereafter. All cost of inspections by the CITY shall be at the expense of the DEVELOPER and shall be paid to the CITY before final approval of final connection to the CITY facilities.

10. It is understood by the parties hereto that any monthly service charges levied for the use of water distribution system shall be paid to the CITY in a like manner that all other similar customers of the system shall be charged.

11. It is understood by the parties hereto that the construction of the appropriate water lines, described above by DEVELOPER shall comply with any and all regulations or

requirements of the CITY, any and all requirements set forth by the duly enacted ordinances of the CITY, any and all requirements or regulations set forth by the governing body of Citrus County, and any and all requirements, regulations or laws of the State of Florida.

12. If applicable, the DEVELOPER shall pay for all offsite improvements required to avail the DEVELOPER of extensions to the CITY's water facilities as it relates to its PROJECT. The DEVELOPER in addition to the connection fees set forth herein shall pay to the CITY a sum of \$ _____ representing offsite improvements advanced and constructed by the CITY to provide water availability to the DEVELOPER'S PROJECT. Said payment shall be made prior to connection to the City's utility system. Any offsite or onsite improvements not related directly to the DEVELOPER'S need for services to its PROJECT, or oversizing required by the CITY, shall be at the CITY's costs. DEVELOPER shall construct said onsite and/or offsite improvements pursuant to an Agreement to be entered into between the CITY and DEVELOPER which shall be an Addendum to this Agreement.

13. Upon completion of the water distribution system lines connecting DEVELOPER'S PROJECT to the CITY facilities, and any other offsite or onsite improvements constructed, DEVELOPER shall cause to be delivered to the CITY all necessary documents conveying all of the DEVELOPER'S right, title and interest in said line and improvements. Simultaneously with said conveyance, the CITY shall take over any and all maintenance required as well as all expenses and costs required for operation, providing same is upon public lands and rights-of ways.

14. The parties hereby state that this Agreement constitutes the entire Agreement between them and that there were

no other statements, promises or agreements on the part of either party not included or specifically mentioned herein, and that all parties to this Agreement shall rely on its terms as set forth herein. Nothing herein shall supersede any ordinance in effect at the date of this Agreement or subsequently enacted.

15. This Agreement is not transferable or assignable without the express written consent of the CITY which shall not unreasonably denied and any such assignment shall only be approved if it is in the best interest of the public and only if the PROJECT remains as represented, proposed and contemplated by this Agreement. Any such assignment shall be so conditional. Additionally, the reservation of capacity and payment of connection fees and infra-structure improvements is a right attached to and shall run with the land and is not a personal right of the DEVELOPER separate or apart therefrom.

16. Failure of the DEVELOPER to adhere to any of the terms and conditions of this Agreement, including but not limited to the representations of its PROJECT, shall result in the breach of this Agreement, the denial of water hookup to the CITY facilities and the absolute forfeiture of all moneys deposited with the CITY including all improvements undertaken by DEVELOPER herein.

17. Any dispute over the terms, conditions, compliance and interpretation of this Agreement shall be governed by the Laws of Florida and jurisdiction and venue over any and all such actions, claims and disputes shall be in Citrus County, Florida.

18. That the DEVELOPER before connection to the CITY system shall deliver to the CITY a maintenance bond in the form of an Irrevocable Letter of Credit or Cash in the amount of fifteen percent (15%) of the cost of the work to warrant, guarantee and insure, the maintenance of the improvements for one year from the date of connection to the CITY's distribution system and to guarantee disconnection from the system upon termination of this contract. Such Irrevocable Letters of Credit or cash shall be in a form acceptable by the CITY. Cash may be

placed in an interest bearing account at a depository selected by the CITY in its sole discretion which principal and interest can be used for satisfaction of the warranties of the system which at the termination of the one (1) year period both unused principal and interest therein shall be refunded to DEVELOPER if such is not otherwise prohibited by law.

19. That this contract for services shall terminated one (1) year from the date water becomes available to DEVELOPER or whenever DEVELOPER discontinues water service with the CITY, whichever is sooner. The date of commencement shall be considered the date written notice of commencement is mailed to DEVELOPER by the CITY. The parties may agree to a one (1) year renewal of this service provided the DEVELOPER notifies the CITY of such intention 60 days in advance of the termination date of this contract and capacity is available for such continued service. Upon termination of service as defined above DEVELOPER shall disconnect from the CITY system and shall do so at its costs and consistent with applicable engineering principles. If after disconnection DEVELOPER desires to reconnect to the CITY's system, it shall again pay all applicable connections fees as established by ordinance. If renewal of this agreement is consummated by the parties, DEVELOPER shall renew its cash bond or Letter of Credit with the CITY.

20. This Agreement shall be binding upon the personal representatives, heirs, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hands and affixed their seals and executed this Agreement on the day and year first above mentioned.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

DEVELOPER

BY: _____

Title: _____

WITNESS

WITNESS _____

ATTEST:

CITY OF INVERNESS

BY: _____

Title: _____