

State of Florida

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DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 488-8482

Public Service Commission

February 14, 1995

ORIGINAL
FILE COPY

Mr. John J. Ustica
Tamiami Village Water Company, Inc.
13281 McGregor Boulevard
Fort Myers, Florida 33919

RE: Docket No. 950015-WU; Application for transfer of Certificate No. 388-W in Lee County from Tamiami Village Utility, Inc. to Tamiami Village Water Company, Inc.; and for a limited proceeding to increase rates to recover increased operating and maintenance expenses as a result of pending transfer by Tamiami Village Utility, Inc.

Dear Mr. Ustica:

The purpose of this letter is to inform you of the deficiencies in the above-referenced application, Docket No. 940963-SU. It is imperative that the following deficiencies be corrected as soon as possible in order to avoid any further delay in the processing of your application.

1. Contract for Sale - As required by Rule 25-30.037(2)(g), Florida Administrative Code (F.A.C.), the contract for sale should include the following: (1) purchase price and terms of payment; (2) a list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of non-regulated operations or entities; and (3) a description of all consideration between the parties, for example, promised salaries; retainer fees, stock, stock options, assumption of obligations. Upon close review of the contract for sale, it appears that item (3) was not included. Please provide a statement detailing the information needed to comply with item (3).

Also as required by Rule 25-30.037(2)(h), F.A.C., the contract for sale should also include the following: (1) customer deposits and interest thereon; (2) any guaranteed revenue contracts; (3) developer agreements; (4) customer advances; (5) debt of the utility; and (6) leases. It appears that items (2), (3),

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and (6) were not addressed by the contract of sale agreement. Please provide a statement addressing these items as well.

2. Statement of Financial and Technical Ability - Pursuant to Rule 25-30.037(2)(j), F.A.C., please provide a statement indicating how the transfer is in the public interest. As buyer of the utility, please detail your experience in water operations and provide a current copy of your job resume. Also, please state if the new owner will retain those employees currently operating the utility. In addition, please indicate who will be employed as the utility operator and their operator's license.

In order to evaluate your current financial ability, please provide your financial statements along with a letter from the bank verifying that you have secured a line of credit with them for any emergency repairs.

3. Evidence of Ownership - Pursuant to Rule 25-30.037(2)(q), F.A.C., please provide evidence that the utility owns the land upon which the utility treatment facilities are located.
4. Tariff - The sample tariff which was filed with your application was found to be unacceptable. Please file an original and two copies of the sample tariff using the new modified tariff sheets as attached.
5. Certificate - Please provide Tamiami Village Utility, Inc.'s original certificate, pursuant to Rule 25-30.037(2)(t), F.A.C.

Please file an original and twelve copies of the corrections to the application no later than March 31, 1995 with the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399. Also please be sure to reference the

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Docket Number indicated at the top of this letter on all future correspondence in order to ensure proper and timely processing. If you have any questions or comments, please feel free to contact me at (904) 488-8482.

Sincerely,

A handwritten signature in cursive script that reads "Christine C. Tomlinson". The signature is written in dark ink and is centered on the page.

Christine C. Tomlinson
Regulatory Analyst

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cc: Division of Legal Services (Capeless)
Division of Records and Reporting