



Public Service Commission

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

DATE: November 2, 1995
TO: Division of Records and Reporting
 Division of Legal Services, Alice Crosby
FROM: Division of Water & Wastewater, J. Travis Coker JTC btm (RW)
RE: Docket No. 950830-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Lee County by Daniel's Crossing Shopping Center.

On July 17, 1995, this Commission received an application from Daniel's Crossing Shopping Center (Daniel's Crossing) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes. Staff has determined that Daniel's Crossing meets the requirements for status as a service entity that will resell water and wastewater at a rate that will not exceed the actual purchase price thereof provided in Section 367.022(8), Florida Statutes.

The application was filed in accordance with Section 367.022(8), Florida Statutes, and Rule 25-30.060(1), (2) and (3), Florida Administrative Code. Included with exemption application was a statement from the agent of the system describing statutory and factual basis for the exemption. The applicant acknowledged the requirements of Rule 25-30.111, F.A.C., regarding annual reporting requirements. The applicant also acknowledged of Chapter 367.122, F.S., which deal with the examination and testing of meters; and Rules 25-30.262 through 25-30.267, F.A.C., which explains the responsibilities of the utility owner for insuring the accuracy of the meters.

Daniel's Crossing has named the Lee County Utilities Department as the entity providing service to the shopping center and has submitted that utility's proposed rates and charges. The reseller has also provided its proposed rates and charges and an explanation of its proposed method of billing. Each unit has an individual meter to accurately measure water usage. Meter reading and billing services provided will be provided by Water Masters.

This demonstrates that the rate charged will not exceed the amount paid for water or wastewater by the exempt entity. Daniel's Crossing stated in its application that the service territory will be limited to the shopping center only. Mr. James W. Pierson, Property Manager of Stiles Property Management Company has been designated as the contact person for Commission purposes. The service area is identified by the following address: 6900 Daniels Road, Fort Myers, Florida, 33916. The mailing address of Stiles Property Management Company is 2891 Centerpoint Drive, Suite 209, Fort Myers, Florida, 33916.

DOCUMENT NUMBER-DATE

10921 NOV-6 95

FPSC-RECORDS/REPORTING

For informational purposes, the Lee County's rates and charges for water and wastewater service, charged monthly are as follows:

WATER

<u>CUSTOMER CLASSIFICATION</u>	<u>MONTHLY SERVICE CHARGE</u>	<u>USER CHARGE</u> (per 1,000 gallons)	
<u>RESIDENTIAL</u>			
Single Family	\$ 5.95 per unit	1,000 - 6,000 gallons	\$ 2.18
Multi-family	\$ 4.75 per unit	6,001 - 12,000 gallons	\$ 2.68
RV Unit / Lot		12,001 - 18,000 gallons	\$ 3.18
		18,001 + gallons	\$ 4.18

Each residential service account will be assessed a monthly administrative fee of \$2.15. The total monthly rate for residential service is the sum of the service charge, the administrative fee and the user charges in accordance with the listed rates.

<u>CUSTOMER CLASSIFICATION</u>	<u>MONTHLY SERVICE CHARGE</u>	<u>ERU RATIO</u>	<u>USER CHARGE</u>
<u>COMMERCIAL AND ALL NON-RESIDENTIAL</u>			
<u>Meter Size</u>			
5/8"	\$ 8.10	1.0	
3/4"	\$11.00	1.5	<u>for each ERU</u>
1.0"	\$16.90	2.5	1,000 - 6,000 \$ 2.18
1 1/2"	\$31.65	5.0	6,001 - 12,000 \$ 2.68
2.0"	\$49.30	8.0	12,001 - 18,000 \$ 3.18
3.0"	\$96.40	16.0	18,001 + gallons \$ 4.18
4.0"	\$149.35	25.0	<u>non-irrigation class</u>
6.0"	\$296.50	50.0	per 1,000 \$ 2.18
			<u>irrigation class</u>
			1,000 - 6,000 \$2.68
			6,001 - 12,000 \$3.18
			12,001 + \$4.18

The total monthly rate is the sum of service and user charges.

WASTEWATER

<u>CUSTOMER CLASSIFICATION</u>	<u>MONTHLY SERVICE CHARGE</u>	<u>USER CHARGE</u>
<u>RESIDENTIAL</u>		
Single Family	\$ 9.20 per unit	\$ 3.52 per 1,000 gallons
Multi-family	\$ 7.35 per unit	\$ 3.32 per 1,000 gallons
		*Unmetered service \$15.84

Each residential service account will be assessed a monthly administrative fee of \$2.95. No wastewater user charge shall be imposed on metered water usage greater than 12,000 gallons per month per residential service dwelling unit. The total monthly rate for residential service is the sum of the service charge, the administrative fee and the user charges in accordance with the listed rates.

<u>CUSTOMER CLASSIFICATION</u>	<u>MONTHLY SERVICE CHARGE</u>	<u>USER CHARGE</u>
<u>COMMERCIAL AND ALL NON-RESIDENTIAL</u>		
<u>Meter Size</u>		
5/8"	\$12.15	\$ 3.32 per 1,000 gallons for all size meters
3/4"	\$16.75	
1.0"	\$25.95	
1 1/2"	\$49.00	
2.0"	\$76.65	
3.0"	\$150.30	
4.0"	\$233.20	
6.0"	\$463.45	

These rates were adopted by the Lee County Board of County Commissioners in Resolution No. 94-03-114 on March 30, 1994 and the rates were effective May 1, 1994.

Lee County levies a water base charge of \$16.90 each for the 1" meters and \$49.30 each for the 2" meters Daniel's Crossing has in service. This total of \$132.40 is divided by the number of units in the shopping center. Each tenant is billed \$5.51 to cover the water base charges. Lee County levies a wastewater base charge of \$25.95 each for the 1" meters and \$76.65 each for the 2" meters Daniel's Crossing has in service. This total of \$205.20 is divided by the number of units in the shopping center. Each tenant is billed \$8.55 to cover the wastewater base charges. The proposed rates for water and wastewater service for the Daniel's Crossing, charged monthly are as follows:

WATER

Fixed Charge

Base Charge \$5.51

Commodity Charges

0-48,000 gallons	\$2.18 per 1,000 gallons
48,001 - 96,000 gallons	\$2.68 per 1,000 gallons
96,001 - 144,000 gallons	\$3.18 per 1,000 gallons
144,000 + gallons	\$4.18 per 1,000 gallons

WASTEWATER

Fixed Charge

Base Charge \$8.55

Commodity Charges

Unlimited \$3.52 per 1,000 gallons

The tenants of Daniel's Crossing will be billed for consumption based on these rates. An example of a Daniel's Crossing tenant with 5,000 gallons would be calculated as follows:

Water Fixed charges	(\$132.40 / 24)	\$ 5.51
Wastewater Fixed charges	(\$205.20 / 24)	\$ 8.55
Water	(5K gal * \$2.18)	\$10.90
Wastewater	(5K gal * \$3.52)	<u>\$17.60</u>
		Total \$42.56

In summary, staff has determined that Daniel's Crossing meets the necessary qualifications for a nonprofit reseller exemption pursuant to Section 367.022(8), Florida Statutes and Rule 25-30.060(3)(h), Florida Administrative Code. The applicant stated that services are only to provide utility service as a nonprofit service. Mr. James W. Pierson of Stiles Property Management signed the application on behalf of Daniel's Crossing. Staff

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received a letter from Mr. Terry W. Stiles, the Managing General Partner of Daniels Road Partners, authorizing Mr. Pierson to act on behalf of Daniel's Crossing on November 1, 1995. In addition, Mr. Pierson acknowledged Section 837.06, Florida Statutes, regarding false statements.

Staff recommends that an administrative order be issued finding Daniel's Crossing exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require Daniel's Crossing to notify this Commission in the event of any change of circumstances or method of operation of its water system. Furthermore, staff recommends that this docket be closed.

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