

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint application for ) DOCKET NO. 950687-WU  
transfer of River Park Water ) ORDER NO. PSC-95-1451-FOF-WU  
Facilities in Putnam County from ) ISSUED: November 28, 1995  
Southern States Utilities, Inc. )  
to River Park Utilities )  
Management Association, Inc. and )  
amendment of Certificate 76-W to )  
delete territory in Putnam )  
County; and application for )  
exemption from Florida Public )  
Service Commission regulation )  
for provision of water service )  
by River Park Utilities )  
Management Association, Inc. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman  
J. TERRY DEASON  
JOE GARCIA  
JULIA L. JOHNSON  
DIANE K. KIESLING

ORDER APPROVING TRANSFER, AMENDING CERTIFICATE  
AND GRANTING EXEMPTION

BY THE COMMISSION:

BACKGROUND

On June 6, 1995, Southern States Utilities, Inc. (SSU), jointly with River Park Utilities Management Association, Inc. (RPUMA), submitted an application for the transfer of the River Park water system from SSU to RPUMA; the deletion of certain territory from SSU's Water Certificate No. 76-W; and to request exempt status be granted RPUMA as a non-profit association water service provider. SSU is a Class A utility providing water service in several Florida counties, including Putnam County. We granted SSU Certificate No. 76-W in Order No. 5376, Docket No. C71587-W, issued on April 5, 1972. The area to be presently transferred was originally certificated as Merritt Pump Service on August 4, 1972. We approved a transfer of the Merritt Pump Service assets and

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lines to SSU in Order No. 13519, Docket No. 840023-WU, issued on July 17, 1984. The Merritt Pump Service area then became known as the River Park system. In 1994, the River Park system provided service to 349 water customers.

The proposed transfer of the water system from SSU to RPUMA was met with several timely objections from SSU customers. Some existing RPUMA wastewater customers complained that they were unsatisfied with the cost and quality of service provided by RPUMA and were concerned that their water service would be compromised if RPUMA became their water utility. Most of the objecting customers joined in requesting a formal administrative hearing. However, all objections were eventually withdrawn.

RPUMA is a member-owned non-profit corporation, formed on January 15, 1992, to provide wastewater service in Putnam County. RPUMA acquired the wastewater utility system from the county in 1992. RPUMA is registered with the Secretary of State as a not-for-profit corporation. By Order No. PSC-93-0401-FOF-SU, issued March 15, 1993, we granted RPUMA exempt status for the provision of wastewater services solely to its members, pursuant to Section 367.022(7), Florida Statutes.

#### TRANSFER

SSU's application for transfer complies with the governing statute, Section 367.071, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for transfer of utility assets. The application contained a check for water service totaling \$750.00, the correct filing fee pursuant to Rule 25-30.020(2)(c), Florida Administrative Code. The applicant provided evidence in the form of a warranty deed that it owns the land upon which the River Park plant is located, as required by Rule 25-30.037(2)(q), Florida Administrative Code. In addition, the application contained proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code, including notice to the customers of the system to be transferred.

As just mentioned, six customers filed, and then shortly afterwards withdrew, objections to the transfer and requests for a formal administrative hearing. Some stated a concern that their monthly water bills would increase more if RPUMA were to provide water service. Others stated a concern that RPUMA lacked sufficient management experience and technical expertise, and that, consequently, the quality of service would decline with RPUMA. One alleged that some of the wastewater customers of RPUMA were not members of the association and did not have voting privileges.

RPUMA stated that it has contracted with Enviro Systems Control, Inc., a licensed utility operator, for technical oversight of water plant operations. River Park also has contracted with Mittauer & Associates, Inc., a consulting engineering firm, which is providing engineering and planning services for the water plant and a proposed expansion of the wastewater system. The utility has consistently met Department of Environmental Protection standards and provided customers with adequate wastewater service.

The applicant stated that the transfer is to include all the assets of the River Park system. Service territory and system maps and a territory description were provided as prescribed by Rule 25-30.036(4)(b)(c)(e), Florida Administrative Code. The territory requested by the applicant to be deleted from Certificate 76-W is identified as Attachment A, attached hereto and incorporated by reference.

We believe that the customers will receive water service compliant with Department of Environmental Protection standards. We find that, pursuant to Section 367.071(1), Florida Statutes, the transfer of the River Park water system to RPUMA is in the public interest and that RPUMA is capable of fulfilling the commitments, obligations and representations of SSU. Therefore, we find it appropriate to approve the said transfer and to amend SSU's Certificate No. 76-W by deleting the relevant territory.

#### EXEMPTION

Jointly with SSU's application for transfer, RPUMA filed an application for nonprofit association exemption pursuant to Section 367.022(7), Florida Statutes, for the transferred water system. RPUMA has met all of the requirements of Chapter 367.022(7), Florida Statutes, and Chapter 25-30.060(3)(g), Florida Administrative Code, for the exemption requested.

RPUMA represented that all of its water customers are members of the association with appropriate voting rights as set forth in its bylaws, and that all future customers will be members as well. RPUMA further represented that, as a nonprofit corporation, it will provide water service solely to its members who own and control it. It specified that it will do its own billing. RPUMA will continue to provide wastewater services under its present exemption. It submitted its Articles of Incorporation as filed with the Secretary of State and its by-laws.

Accordingly, we find it appropriate to grant RPUMA a non-profit association water exemption pursuant to Section 367.022(7), Florida Statutes. Since no further action is required, this docket shall be closed upon issuance of this Order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of the assets of Southern States Utilities, Inc., known as River Park, to River Park Utilities Management Association, Inc., is hereby approved. It is further

ORDERED that Southern States Utilities, Inc.'s Water Certificate No. 76-W is amended by the deletion of the territory described in Attachment A to this Order, and incorporated herein by reference. It is further

ORDERED that River Park Utilities Management Association, Inc., shall be exempt from regulation of its water service pursuant to Section 367.022(7), Florida Statutes. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 28th day of November, 1995.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

by: Kay Dejeu  
Chief, Bureau of Records

( S E A L )

CJP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

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ATTACHMENT A

**Putnam County, Florida**

**Township 12 South, Range 26 East**

All of Section 38, plus all of Section 35 North of the North line of Section 38, plus all of Section 26 East of the St. Johns River up to the centerline of County Road 309 and South of County Road 308 Extension, plus a North South portion 1,360 feet wide more or less of Section 26 directly East of the centerline of County Road 309 and South of County Road 308, said sections all being situated in Township 12 South, Range 26 East, Putnam County, Florida.