

REQUEST TO ESTABLISH DOCKET

(PLEASE TYPE)

Date 5-23-96

Docket No. 960648-609

- 1. Division Name/Staff Name Water and Wastewater (Von Fossen)
- 2. OPR Water and Wastewater (Von Fossen)
- 3. OCR Division of Legal Services

4. Suggested Docket Title Request for Approval of a new class of service to provide for bulk water and wastewater service by JJ's Mobile Homes, Inc.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries, as shown in Rule 25-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Match representatives to clients.)

1. Parties and their representatives (if any)

<u>JJ's Mobile Homes Inc.</u>	<u>Attorney, F. Marshall Deterding, Rose Sundstrom and</u>
_____	<u>Bentley, 2548 Blairstone Pines Drive, Tallahassee, Fl.</u>
_____	<u>32301</u>
_____	_____
_____	_____
_____	_____

2. Interested Persons and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. Check one:

- Documentation is attached.
- Documentation will be provided with the recommendation.

I:\PSC\RAR\WP\ESTDKT.
PSC/RAR 10 (Revised 01/96)

DOCUMENT NUMBER: DATE
05734 MAY 23 96
FPSC-RECORDS/REPORTING

LAW OFFICES

ROSE, SUNDBSTROM & BENTLEY

A PARTNERSHIP INCLUDING PROFESSIONAL ASSOCIATIONS

2548 BLAIRSTONE PINES DRIVE

TALLAHASSEE, FLORIDA 32301

(904) 877-6555

RECEIVED

APR 30 1996

Florida Public Service Commission
Division of Water and Wastewater

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STEVEN T. MINDLIN, PA
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WILLIAM E. SUNDBSTROM, PA
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April 30, 1996

VIA HAND DELIVERY

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Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 3239-0850

Re: JJ's Mobile Homes, Inc.; PSC Docket No. 921237-WS;
Application of JJ's Mobile Homes, Inc. for Extension of
Service Territory and PSC Docket No. 940264-WS;
Investigation into Provision of Water and Wastewater Service
by JJ's Mobile Homes, Inc.
Our File No. 27037.04

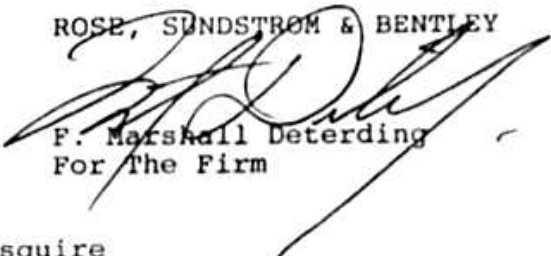
Dear Ms. Bayo:

Attached is an executed copy of the Third Addendum to Developer Agreement which serves to incorporate the new bulk service rate for water and wastewater to Phase I of the Country Club of Mt. Dora by JJ's Mobile Homes, Inc. as required by Commission Order No. PSC-95-1319-POF-WS. I apologize for the delay in getting this to the Commission. It was based primarily on an oversight by me.

If you have any further questions in this regard, please let me know. Otherwise, as soon as the Commission approves the form of this Agreement for implementation of the new rate, we can move forward with the actual implementation thereof.

Sincerely,

ROSE, SUNDBSTROM & BENTLEY


F. Marshall Deterding
For The Firm

FMD/lts

Enclosure

cc: Margaret O'Sullivan, Esquire
Mr. Ralph VonFossen
Ms. Joann Chase
Mr. Travis Coker
Mr. Jordan Hypes
Robert Q. Williams, Esquire

THIRD ADDENDUM TO DEVELOPER AGREEMENT

THIS THIRD ADDENDUM to Developer's Agreement is made and entered into this 2nd day of April, 1996, by and between the Country Club of Mount Dora Homeowners Association, Inc., the successor in interest to MORRISON HOMES OF FLORIDA, INC., f/k/a GEORGE WIMPEY OF FLORIDA, INC., a Florida Corporation, under the Developer Agreement dated June 29, 1992, hereinafter referred to as "Developer" and JJ'S MOBILE HOMES, INC., a Florida Corporation, hereinafter referred to as "Service Company."

WHEREAS, Developer and Service Company previously entered into a Developer's Agreement dated, on its face, June 29, 1992, and a First and Second Addendum to that Agreement, executed on October 20, 1992 and April 2, 1996, respectively.

WHEREAS, Developer and Service Company desire to make certain changes to those agreements related to the Bulk Service Rates for water and wastewater service to Phase I of Developer's property known as the Country Club of Mt. Dora (hereinafter referred to as "The Property") in order to comply with Order No. PSC-95-1319-FOF-WS of the Florida Public Service Commission.

WHEREAS, to the extent that the provisions of that June 29, 1992, Developer's Agreement, and First and Second Addendum thereto, are not specifically or by necessary implication altered hereunder, the parties wish to reaffirm their commitment and continued agreement to the provisions of rights and obligations under that Developer's Agreement, and the First and Second Addendum thereto.

NOW THEREFORE, for and in consideration of the sum of ten dollars (\$10.00), and the mutual undertakings and agreements herein contained and assumed and those contained in the Developer's

Agreement of June 29, 1992, and the First and Second Addendum thereto, and subject to any necessary approval by all governmental entities having jurisdiction, Developer and Service Company hereby covenant and agree that the provisions of the Developer Agreement, dated June 29, 1992, and First and Second Addendum thereto, between Developer and Service Company are altered by specific reference to Section and paragraph of the Developer Agreement dated June 29, 1992, as outlined below. The parties recognize and agree that these changes are in addition to and not in replacement of those made under the First Addendum to Developer Agreement executed on October 20, 1992 and the Second Addendum to Developer Agreement executed on April 2, 1996:

1. Under Section 7. Agreement to Serve, the following language shall be inserted before the last sentence of this section and after the second to the last sentence:

The applicable rate schedules shall include the Bulk Service Rates set forth in section 7.5 below.

2. The following new section shall be inserted between Section 7 - Agreement to Serve and Section 8 - Application for Service:

Section 7.5. Bulk Service Rates. Subject to the Bulk Service Rates set forth in this section, the provisions of the Developer's Agreement, First Addendum to Developer's Agreement, and Second Addendum to Developer's Agreement regarding provision of water and wastewater service by the Service Company shall remain and continue in full force and effect. The Bulk Service Rate schedule applicable under this agreement shall be in compliance with Order No. PSC-95-1319-~~POF~~-WS of the Florida Public Service Commission and shall be effective beginning for meter readings occurring 30 days on or after approval of the new bulk service rate tariffs filed pursuant to that order, or the receipt by the Utility of the current and accurate customer information required under Paragraph (c) of this Section, whichever occurs last.

(a) The derivation of such Bulk Service rates shall be based upon employment of a standard base charge and gallonage charge as currently reflected in the Service Company's general service tariff. Those respective rates shall be calculated as follows:

(i) Base charge - The base charge imposed each month for both water and sewer service shall be the greater of: (1) the base charge applicable utilizing the standard general service tariff rates for the size meter utilized in providing Bulk Service; or to the extent that meter size is not reflected in the general service tariff, the base charge that would be calculated utilizing the AWWA meter equivalent standards provided for in Rule 25-30.055, FAC, and applying those standards to then existing rates; or (2) the residential service base facility charge for a 5/8" X 3/4" meter multiplied by the number of ERCs behind the Bulk Service meter in any given month. If this latter basis for determining the base charge is utilized, the base charge per ERC shall be discounted 20% for water and wastewater to recognize the savings in billing and other related costs to the Service Company as a result of this bulk service arrangement.

To the extent and so long as the base charges are applied under Section 7.5(a)(i)(1) above, and those charges exceed those that would be applicable under application of Section 7(a)(i)(2) above, the Developer shall ensure that that excess is paid by Developer so long as an excess exists, and that none of the residential or commercial customers behind the bulk meter are assessed an individual charge which is intended to recover that excess from those individual customers behind the bulk meter.

(ii) Gallage charge - The gallage charge imposed shall be based upon application of the general service charge per 1,000 gallons as contained in the Service Company's general service tariff multiplied by the number of gallons of water which has passed through the Bulk Service meter during any given month for both water and sewer service. To the extent and at such time as the base charge provisions under Paragraph 7.5(a)(i)(2) above are utilized in establishing the base charge for sewer services, a 10,000 gallon per ERC cap shall be placed on the charges for sewer service through the bulk meter.

(b) The Bulk Service rate as determined shall be charged in accordance with the standard tariffs for other general services rendered by the Service Company. Attached hereto as Exhibit "C" is a calculation of the appropriate charges that will be proposed for assessment to the Bulk Service customer under paragraph (a) hereof and utilizing the tariff rates of the Service Company in effect at the time of the execution of this Third Addendum to Developer's Agreement. The parties recognize that the jurisdiction over the rates and charges of the Service Company are governed by the regulatory oversight and authority of the Florida Public Service Commission. The Florida Public Service Commission or other economic regulator, having jurisdiction over the rates and charges of the Service Company, may from time to time revise those rates and charges which will

then be applicable to this Third Addendum to Developer's Agreement.

(c) The parties hereto recognize and agree that the implementation of the above rate system will require reporting by Developer to the Service Company on a monthly basis the exact number of equivalent residential connections on the Developer's side of the Bulk Service meter (within the On-Site System). Developer therefore agrees that it will provide to the Service Company by the twentieth day of each month following execution of this Addendum, a listing of the number of equivalent residential connections (ERC's) then receiving service as of the fifteenth of that month through the Bulk Service meter and within the On-Site System. Each tap-in to the mains of the On-Site System shall be considered one ERC, unless the size of the line providing such service is larger than 3/4" in diameter or the meter size measuring such service is larger than 5/8" X 3/4", in which case, the number of ERCs represented by each such tap-in shall be based upon application of the AWWA equivalency standards contained in Rule 25-30.055, FAC. Such monthly reports shall include a cumulative total from the previous month of the number of ERCs receiving such service, as well as detailed explanation of any new connections added during that period, including the size, address, type of service, meter or connection line diameter for each new service, and whether the customer is a residential, commercial, industrial or other type of service.

(d) Because of the importance of the timeliness and accuracy of these reports, Developer hereby agrees that the Service Company shall have rights at any time to inspect the facilities behind the meter to determine through any reasonable means the number of connections, number, nature and size of connections receiving service through the Point of Delivery. In order to ensure timely and accurate reporting of such connections by Developer, the Service Company may estimate and back bill Developer, at any time, for previous under billings resulting from under reporting of ERCs receiving service through the Point of Delivery, plus interest at 6% per annum and a penalty equal to 15% of the back billed amount. The Service Company shall also bill for and Developer shall pay all costs, including reasonable engineering, accounting and attorneys' fees incurred by the Service Company in determining the existence and nature of the under billing and collection of under billed amounts together with interest, penalty and costs. Such under billed amounts, plus interest, penalty and costs shall be paid within 20 days of written demand for same by Service Company to Developer. Should Developer fail to pay all such under billed amounts, fees, costs, interest and penalty in accordance with these time limitations, Service Company reserves the right to discontinue service to Developer, and/or its successors or assigns at this and any other installation owned or controlled by Developer, and/or its successors or assigns, receiving such service and to refuse service to any new installation requesting service until such time as all applicable fees, costs, penalties, interest and back

billed amounts are paid. This provision shall not be read to allow disconnection of Developer installation or refusal of service to Developer under circumstances where Developer no longer owns or operates the On-Site System and where Developer no longer controls the entity which owns or operates the On-Site System. Under those circumstances, these rights of termination and refusal of service shall apply solely to the owner and/or operator of the system at that time.

(e) In order to terminate service to the On-Site System as provided for within this Agreement, the Service Company shall be required to provide notice in accordance with its tariff to each of the individual customers within the On-Site System owned and operated by Developer or its assigns. Such notice shall be in conformance with the requirements of the tariff and Commission rules concerning notice of discontinuance of service. In order to facilitate such notice, Developer and its assigns shall be obligated to provide the Service Company with an updated and current monthly listing, including name, service address, and billing address of each connection and customer receiving service through that On-Site System within fifteen (15) days of the end of each month. Failure to provide such listing within the time limits outlined herein shall result in Developer (so long as Developer has control of the on-site system or its legal owners and thereafter its assigns) being liable to the Service Company for a penalty of an additional fifteen percent (15%) of the average monthly billing to the bulk customer for the most recent six (6) months after notice as provided herein. In addition, interest shall immediately begin to accrue on such penalty at the rate of six percent (6%) per annum after such notice. The Utility shall provide the Developer or its assigns five working days notice of its intent to impose the penalties and interest hereunder. The Developer or its assigns shall pay all costs including reasonable engineering, accounting and attorneys fees incurred by the Service Company in enforcing this provision.

(f) In order to facilitate the Service Company's rights hereunder, all connections to the On-Site System must be metered. Once installed, the Service Company shall have no obligation to maintain such meters, nor any ownership right in such meters.

(g) All of the provisions of this Agreement dealing with the required payment for service and reporting of connections and facilities behind the Point of Delivery within the On-Site System by the Developer and required payment for additional metering systems and all other continuing obligations that will or may continue beyond the execution date of this Agreement shall be an obligation running with ownership of that On-Site System and shall be binding upon any successor, assignee, purchaser or any other party who holds or in the future acquires an interest in the On-Site System of any subdivision served by Bulk Service pursuant to the terms of this Agreement.

(h) Developer further agrees that it will provide written notice of the requirements of this Agreement to any successor, assignee, purchaser or other party who holds or in the future acquires an interest in the On-Site System of any subdivision served by Bulk Service pursuant to the terms of this Agreement. Such notice shall be given to any such person or entity prior to the actual transfer of such On-Site System. A copy of this written notification shall be provided to Service Company to any such transfer.

3. Under Section 8. Application for Service, the following sentence shall be inserted after the last sentence:

The Bulk Service rates and charges presently in effect by the Service Company shall be those rates set forth above in section 7.5 of this agreement as set forth in the Third Addendum to Developer's Agreement.

IN WITNESS WHEREOF, the Developer and Service Company have executed or have caused this Third Addendum to Developer Agreement to be duly executed in counterparts, each of which counterpart shall be considered as an original executed copy of the Third Addendum to Developer Agreement.

WITNESSES:

Pamela A. Jenkins
Rebecca Rhea

WITNESSES:

Libby White
Kristen Chapman

SERVICE COMPANY:
JJ'S MOBILE HOMES, INC.

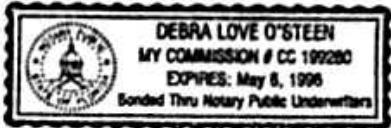
By: Carole M. Taylor, Pres

DEVELOPER:
THE COUNTRY CLUB OF MOUNT DORA
HOMEOWNERS ASSOCIATION, INC.
Successor to MORRISON HOMES OF
FLORIDA, INC., f/k/a, GEORGE
WIMPEY OF FLORIDA, INC.

By: J. White

STATE OF Florida)
COUNTY OF Lake)

The foregoing instrument was acknowledged before me this 26
day of April, 1996, by Jordan W. Hynes.



Debra Love O'Steen
Notary Public
State of Florida at Large

My Commission Expires:

STATE OF)
COUNTY OF)

24 The foregoing instrument was acknowledged before me this
day of APRIL, 1996, by John P. DeBittetto.

[Signature]
Notary Public
State of Florida at Large

My Commission Expires:

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