

ORIGINAL
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MEMORANDUM

November 21, 1996

TO : DIVISION OF LEGAL SERVICES (CYRUS-WILLIAMS)
 DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN) *PPR BSM*

RE : DOCKET NO. 961246-WS; APPLICATION FOR AMENDMENT OF
 CERTIFICATES NOS. 533-W AND 464-S BY SOUTHLAKE UTILITIES,
 INC. IN LAKE COUNTY.

Southlake Utilities, Inc. (Southlake or utility) provides water and wastewater service to approximately 62 water and wastewater customers pursuant to Commission Certificates Nos. 533-W and 464-S in Lake County. Southlake's most recent submission to this Commission, the 1995 Annual Report, details utility operating revenues of \$78,901 and a net operating loss of \$218,962. The utility is a Class C utility company under FPSC jurisdiction.

On October 16, 1996 the utility applied for an amendment to Water Certificate No. 533-W and Wastewater Certificate No. 464-S in Lake County, Florida. The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The application contains one check in the amount of \$300 which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(1)(e), (f) and (I), Florida Administrative Code. A description of the territory requested by the utility is appended to this memorandum as Attachment A. The utility has submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission.

In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objections were filed and the time for filing such has expired. The local planning agency was provided notice of the application and did not file a protest to the amendment. The utility states that the provision of service will be consistent with the utility section of the local comprehensive plan. Service will be provided by the utility's .537 million gallons per day (mgd) water treatment plants and the utility's .164 mgd wastewater treatment plant. The utility intends to expand the wastewater treatment plant capacity to .5 mgd. Current maximum peaks flows at the water treatment plant are around .178 mgd.

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Current maximum monthly flows at the wastewater treatment plant are around 73,000 gallons per day. Thus the water and wastewater treatment plants have adequate capacity to provide 40,000 gallons per day of water and accept the approximately 40,000 gallons per day of influent. Southlake will dispose of the effluent by percolation ponds for the immediate future, but is presently preparing an application for authority to provide reuse service throughout its service area.

The utility has hired Southeast Utilities to operate the water and wastewater plants and facilities. Mr. Ronald H. Wilson, P.E. is the utility's consulting engineer and works for the utility on an as needed basis. Staff has contacted the Department of Environmental Protection and learned that there are no outstanding notices of violation issued for this system. The applicant states that the utility has provided reasonably sufficient, adequate and efficient service since it acquired the system in the early 80's. The construction of facilities to serve the area will be paid by the developer. Consequently, staff believes the utility has demonstrated the financial and technical expertise to provide quality service to these customers. Staff recommends the rates and charges approved by the Commission be applied to customers in the new service territory. The utility has filed revised tariff sheets incorporating the additional territory into its tariff and returned its certificate for entry reflecting the additional territory.

Based on the above information, staff believes it is in the public interest to grant the application of Southlake Utilities, Inc. for amendment of Water Certificate No. 533-W and Wastewater Certificate No. 464-S for the territory described in Attachment A. An administrative order should be issued approving the application and closing the docket within 30 days.

If you have any questions, please contact me.

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cc: Division of Records and Reporting (Security File)

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ATTACHMENT A

SOUTHLAKE UTILITIES, INC.

LAKE COUNTY

Water and Wastewater Territory Description

A portion of Section 35, Township 24 South, Range 26 East, Lake County, Florida, being more particularly described as follows:

BEGIN at the Southwest corner of the Northeast 1/4 of the Southeast 1/4 of said Section 35; thence run North 00°30'21" East, along the West line of the Northeast 1/4 of the Southeast 1/4 of said Section 35, a distance of 641.20 feet to a point on the South boundary line of an existing Florida Power Sub-Station Site; thence run South 89°53'12" East, along said South boundary line, a distance of 529.72 feet to a point on the Westerly right-of-way line of U.S. Highway No. 27; thence run South 20°08'20" East, along said Westerly right-of-way line, a distance of 699.96 feet; thence run North 89°55'32" West, a distance of 145.00 feet; thence run South 00°04'28" West, a distance of 164.25 feet; thence run North 89°55'32" West, a distance of 632.75 feet to a point on the West line of the Southeast 1/4 of the Southeast 1/4 of said Section 35; thence run North 00°30'21" East, along said West line, a distance of 180.29 feet to the POINT OF BEGINNING.

Containing 12.23 acres, more or less.