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LAW OFFICES  
**COX & REYNOLDS**  
A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS  
SAVINGS OF AMERICA BUILDING, 10TH FLOOR  
4875 NORTH FEDERAL HIGHWAY  
FORT LAUDERDALE, FLORIDA 33308

TELEPHONE 954-491-5220  
TELECOPIER 954-491-0702

November 27, 1996

**VIA FEDERAL EXPRESS**

961434-WS

DEPOSIT TREAS. REC. DATE  
D411 4444 DEC 02 '96

Division of Records and Reporting  
Florida Public Service Commission  
2540 Sumard Oak Boulevard  
Tallahassee, Florida 32399-0850

96  
DEC-2  
1996

**RE: Application of Point Water & Sewer, Inc.  
for Staff Assisted Rate Case**

Gentlemen and Ladies:

Please find enclosed our original Application for a staff assisted rate case and fifteen (15) copies. We are requesting staff assistance in setting a fair and reasonable rate for this Class "C" utility. PWS understands that it must accept the determination of the PSC as to the rate established and waives certain legal rights with respect to an appeal.

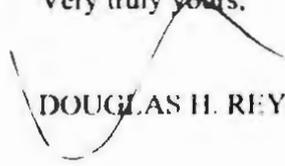
Please accept this as a written request for **emergency consideration** as to rate determination. The reason for this request is that the primary customer of this utility, the Point Property Owner's Association, has failed to make **any** payments for services since March 1, 1995, and this obviously imposes a substantial and unfair financial hardship on this small utility.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

We are also enclosing the filing fee of \$200.00.

Please contact us should you have any questions regarding the above.

Very truly yours,

  
DOUGLAS H. REYNOLDS

DHR:pdI

Enclosures

cc: Point Water & Sewer

DOCUMENT NUMBER - DATE

12800 DEC-2 96

FPSO DIV. OF RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A STAFF  
ASSISTED RATE CASE

I. General Data

A. Name of utility: POINT WATER & SEWER, INC. ("PWS")

B. Address: 4753 Raggedy Point Road, Orange Park, FL 32073.

1. Telephone No.: (904) 269-1825

2. County: Clay. Nearest City: Orange Park.

3. General area served: Point Townhouses (19 townhomes ) and Whitney's Sail Center.

C. Authority:

1. Water Certificate No. Applied for Date received: 11/4/96 (docketed).

2. Sewer Certificate No. Applied for Date received: 11/4/96 (docketed).

3. Date utility started operations: Water 9/95 Sewer 9/95. Facility has been in operation since 1981.

D. How system was acquired: Purchased.

If utility was purchased, give date: September 12, 1995. Amount paid: \$100,000.

1. Name of Seller: NOH, Inc.

2. Was seller affiliated with present owners? NOH, Inc.'s stockholder(s) are family members of John Yonge, Owner of PWS.

3. Did you purchase: Stock No or assets only Yes

E. Type of legal entity: Florida Corporation.

F. Ownership & Officers:

<u>Name</u>	<u>Title</u>	<u>Percent Ownership</u>
1. John S. Yonge	President	100

G. List of Associated Companies and Addresses:

1. None.
2. None.
3. None.

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

Douglas H. Reynolds, Esq.  
Cox & Reynolds  
4875 N. Federal Highway, 10th Floor  
Fort Lauderdale, FL 33308

James M. Lucas, P.E.  
J. Lucas & Associates, Inc.  
10475 Fortune Parkway  
Building 200, Suite 202  
Jacksonville, FL 32256

**II. Accounting Data**

A. Outside Accountant

1. Name: Ms. Emma Pfister.
2. Firm: Machen, Powers, Disque & Boyle.
3. Address: 707 S.E. 3rd Avenue, Fort Lauderdale 33301.
4. Telephone: (954) 764-4500.

B. Individual to contact on accounting matters:

1. Name: Ms. Emma Pfister.
2. Telephone (954) 764-4500.

C. Location of books and records: Corporate offices and accountant.

D. Have you filed an Annual Report with the Commission? Not yet.

Date last filed: Not applicable.

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? No. Application for certificate is pending.

F. Basic Rate Base Data (Most recent two years)

1. Water	1995	1996
Cost of Plant In Service:	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Less Accumulated Depreciation:	<u>\$ -0-</u>	<u>\$ -0-</u>
Less Contributed Plant:	<u>\$ N/A</u>	<u>\$ N/A</u>
Net Owner's Investment:	<u>\$ 50,000</u>	<u>\$ 50,000</u>
2. Sewer		
Cost of Plant In Service:	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Less Accumulated Depreciation:	<u>\$ -0-</u>	<u>\$ -0-</u>
Less Contributed Plant:	<u>\$ N/A</u>	<u>\$ N/A</u>
Net Owner's Investment:	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Note: Cost of plant equally allocated to water and sewer.

G. Basic Income Statement (Combined) (Most recent two years) (approximate):

**Note:** Below calculations are based on presently available information and best estimates. Accountant is preparing financial statements. Some costs have not been incurred because of non-payment by PPOA. A proposed list of expenses is set forth below in paragraph 2.

1. Water and Sewer:	1995 (9 mos.)	1996
Revenues (By Class):		
a. PPOA	<u>\$ 27,000*</u>	<u>\$ 36,000*</u>
b. Whitney's	<u>\$ 2,700</u>	<u>\$ 3,300</u>
c. _____	<u>\$ _____</u>	<u>\$ _____</u>
Totaling Operating Revenues:	<u>\$ 29,700*</u>	<u>\$ 39,300*</u>

\*PPOA has not made any payments since March 1, 1995. PPOA claims monthly rate of \$3,000.00 is "too high." PWS is seeking guidance of PSC to set appropriate and reasonable rates.

Less Expenses:

a. Salaries and Wages - Employees	\$ -0-	\$ -0-
b. Salaries and Wages - Officers, Directories & Majority Stockholders	\$ 7,200.00	\$ 9,600.00
c. Employees Pensions & Benefits	\$ -0-	\$ -0-
d. Purchased Water	\$ -0-	\$ -0-
e. Purchased Power	\$ -0-	\$ -0-
f. Fuel for Power Production	\$ -0-	\$ -0-
g. Chemicals	\$ 6,515.12	\$ 6,906.00
h. Materials & Supplies	\$ Incd.	\$ Incd.
i. Contractual Services	\$ 4,950.00	\$ 6,600.00
j. Rents	\$ -0-	\$ -0-
k. Transportation Expenses	\$ 1,500.00	\$
l. Insurance expense	\$	\$
m. Regulatory Commission Experts	\$ -0-	\$ -0-
n. Bad Debt Expense	\$ -0-	\$ -0-
o. Miscellaneous Expense	\$ 1,000.00	\$ 1,000.00
p. Depreciation Expense	\$ 5,000.00	\$ 5,000.00
q. Property Taxes	\$ 1,316.00	\$ 1,334.00
r. Other Taxes (SS)	\$ 550.00	\$ 734.00
s. Income Taxes	\$	\$ 1,000.00
t. Regulatory Fees	\$ 1,847.39	\$ 1,608.00
u. PSC fee (4.5%)	\$ 1,336.50	\$ 1,782.00
v. Accounting fees	\$ -0-	\$ 6,000.00
w. Legal fees	\$ -0-	\$ 10,000.00
x. Engineer	\$ -0-	\$ 5,000.00
Operating Income (Loss)	\$ (1,515.01)	\$ (17,264.00)

**2. PWS' proposed monthly and annual expenses**

Accounting Fees	\$ 500.00	\$ 6,000.00
Administrative:	\$ 190.00	\$ 2,280.00
Attorney's Fees:	\$ 250.00	\$ 3,000.00
Bank Charges:	\$ 12.00	\$ 144.00
Chemicals, Tests, Etc.:	\$ 396.83	\$ 4,761.90
Depreciation (Facility):	\$ 416.66	\$ 5,000.00
Depreciation (Office Equipment):	\$ 21.66	\$ 260.00
Equipment Replacement:	\$ 1,111.11	\$ 13,333.33
Insurance:	\$ 333.33	\$ 4,000.00
Interest:	\$ 796.67	\$ 9,560.04
Maintenance and Repairs:	\$ 100.00	\$ 1,200.00
Management:	\$ 800.00	\$ 9,600.00
Organizational Fees:	\$ 41.66	\$ 500.00

Payroll Taxes:	\$ 66.66	\$ 800.00
Property Taxes:	\$ 111.34	\$ 1,336.10
PSC Application Fee:	\$ 125.00	\$ 1,500.00
Regulatory Assessment Fees:	\$ 148.50	\$ 1,782.00
Rent (Office):	\$ 265.00	\$ 3,180.00
Service Tech:	\$ 550.00	\$ 6,600.00
Telephone:	\$ 70.00	\$ 840.00
<b>TOTAL EXPENSES:</b>	<b>\$ 6,509.53</b>	<b>\$ 78,114.36</b>

### 3. Sewer

#### Revenues (By Class):

a. <u>See above.</u>	\$ _____	\$ _____
<b>Total Operating Revenues:</b>	<b>\$ _____</b>	<b>\$ _____</b>

#### Less Expenses:

a. Salaries & Wages - Employees	\$ _____	\$ _____
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	\$ _____	\$ _____
c. Employee Pensions & Benefits	\$ _____	\$ _____
d. Purchased Sewage Treatment	\$ _____	\$ _____
e. Sludge Removal Expense	\$ _____	\$ _____
f. Purchased Power	\$ _____	\$ _____
g. Fuel for Power Production	\$ _____	\$ _____
h. Chemicals	\$ _____	\$ _____
I. Materials & Supplies	\$ _____	\$ _____
j. Contractual Services	\$ _____	\$ _____
k. Rents	\$ _____	\$ _____
l. Transportation Expenses	\$ _____	\$ _____
m. Insurance Expense	\$ _____	\$ _____
n. Regulatory Commission Expense	\$ _____	\$ _____
o. Bad Debt Expense	\$ _____	\$ _____
p. Miscellaneous Expense	\$ _____	\$ _____
q. Depreciation Expense	\$ _____	\$ _____
r. Property Taxes	\$ _____	\$ _____
s. Other Taxed	\$ _____	\$ _____
t. Income Taxes	\$ _____	\$ _____
<b>Operating Income (Loss)</b>	<b>\$ _____</b>	<b>\$ _____</b>

#### H. Outstanding Debt:

<u>Creditor</u>	<u>Date</u>	<u>Balance Due</u>	<u>Interest</u>	<u>Expiration</u>
1. NOH, Inc.	9/12/95	\$100,000	9 1/2 %	Demand

I. Indicate Type of Tax Return Filed:

Form 1120 is to be filed for 1995; PWS anticipates seeking subchapter S election.

**III. Engineering Data**

A. Outside Engineering Consultant:

1. Name: Jim Lucas.
2. Firm: Jim Lucas & Associates, Inc.
3. Address: 10475 Fortune Parkway, Building 200, Suite 202, Jacksonville, Florida.
4. Telephone: (904) 464-0090.

B. Individual to contact on engineering matters:

1. Name: Jim Lucas.
2. Telephone: (904) 464-0090.

C. Is the utility under citation by the Department of Environmental Regulation (DER) or county health department? If yes, explain: No. However, PWS has been notified that PPOA "rescinded" state permit and EPA permit has expired. PWS has filed application for state and federal permits and paid filing fee. Application is pending.

D. List any known service deficiencies and steps taken to remedy problems.

Not applicable.

E. Name of plant operator and DER operator certificate no.: E.J. McCormack - C200.

F. Is the utility serving customers outside of its certificated area? No. If yes, explain.

G. Wastewater:

1. Gallons per day capacity of treatment facilities existing: \$15,000 Under Construction: Not applicable. Proposed: Not applicable.

2. Type and make of present treatment facilities: American Enviro-Port Wastewater Treatment Plant.

3. Approximate average daily flow of treatment plan effluent: 7,000 - 9,000 gallons per day.

4. Approximate length of sewer mains:

Size (diameter) 8 inch 3/4 inch \_\_\_\_\_  
Linear feet 1,500 ft. \_\_\_\_\_

5. Number of manholes None.

6. Number of liftstations One.

7. How do you measure treatment plan effluent? Elapsed time meters.

8. Is the treatment plant effluent chlorinated? Yes. If yes, what is the normal dosage rate? 2 parts per million.

9. Tap in fees - Sewer \$ Unknown.

10. Service availability fees - Sewer \$ Not applicable.

11. Note DER Treatment Plan Certificate Number and date of expiration: Number: D010-221312.

Expiration Date: April 4, 1998; PPOA, who held permit "rescinded" permit in 1996. As referenced above, PWS has applied for a new permit.

12. Total gallons treated during most recent twelve months: 3 million±.

13. Sewage treatment purchased during most recent twelve months: Not applicable.

14. Sewage treatment purchased during most recent twelve months: Not applicable.

#### H. Water

1. Gallons per day capacity of treatment facilities existing: 25,000.

2. Type of treatment: Aeration and chlorination.

3. Approximate average daily flow of treated water: 12,000 g/p/day.

4. Source of water supply: artesian well.

5. Types of chemicals used and their normal dosage rates: 1-2 parts per million of liquid chlorine.

6. Number of wells in service: One. Total capacity in gallons per minute (gpm): 200 gpm - approx.

Diameter/Depth	<u>4 inch</u>	<u>500 ft.+</u>	_____	/	_____	/	_____	
Motor horsepower	<u>2 1/2 hp</u>	_____	/	_____	/	_____	/	_____
Pump capacity	<u>100 gpm</u>	_____	/	_____	/	_____	/	_____

7. Reservoirs and/or hydro pneumatic tanks:

Description:	<u>Reservoir</u>	<u>Hydro Tank</u>	_____
Capacity	<u>2,000 gal.</u>	<u>500 gal.</u>	_____

8. High service pumping:

Motor horsepower:	<u>7 1/2 HP</u>	_____	_____	_____
Pump capacity (gpm):	<u>300 GPM</u>	_____	_____	_____

9. How do you measure treatment plant production? Flow meter.

10. Approximate feet of water mains:

Size(diameter)	<u>3 inch</u>	_____	<u>3/4 inch</u>	_____	_____	_____
Linear feet	<u>500 ft.</u>	_____	_____	_____	_____	_____

11. Note any fire flow requirements and imposing government agency  
None.

12. Number of fire hydrants in service: Not applicable.

13. Do you have a meter change out program? No.

14. Meter installation or tap in fees - Water: Not applicable.

15. Service availability fees - Water: Not applicable.

16. Has the existing treatment facility been approved by DER? Yes.

17. Total gallons pumped during most recent twelve months: 4 million±.

18. Total gallons sold during most recent twelve months: Same.

19. Gallons unaccounted for during most recent twelve months: Unknown.

20. Gallons purchased during most recent twelve months: None.

**IV Rate Data**

A. Individual to contact on tariff matters:

1. Name: John S. Yonge, President; Emma Pfister, Accountant; Douglas H. Reynolds, attorney.
2. Telephone No. See above.

B. Schedule of present rates (Attach additional sheet if more space is needed.)

1. Water
  - a. Residential Water 1500 per month - PPOA (contested by PPOA)
  - b. General Service \_\_\_\_\_
  - c. Special Contract 150 per month - Whitney's
  - d. Other \_\_\_\_\_
2. Sewer
  - a. Residential Water 1500 per month - PPOA (contested by PPOA)
  - b. General Service \_\_\_\_\_
  - c. Special Contract 150 per month - Whitney's
  - d. Other \_\_\_\_\_

C. Number of Customers (Most recent two years):

1. Water metered
  - a. Residential Water \_\_\_\_\_
  - b. General Service \_\_\_\_\_
  - c. Special Contract \_\_\_\_\_
  - d. Other \_\_\_\_\_
2. Water Unmetered
  - a. Residential Water 1- PPOA (19 townhomes)
  - b. General Service \_\_\_\_\_
  - c. Special Contract 1- Whitney's Marina
  - d. Other \_\_\_\_\_
3. Sewer
  - a. Residential Water 1- PPOA (19 townhomes)
  - b. General Service \_\_\_\_\_
  - c. Special Contract 1- Whitney's Marina
  - d. Other \_\_\_\_\_

**V. Affirmation**

I, JOHN YONGE, the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed: \_\_\_\_\_

Title: President

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.



LAW OFFICES  
**COX & REYNOLDS**  
 A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS  
 SAVINGS OF AMERICA BUILDING, 10TH FLOOR  
 4875 NORTH FEDERAL HIGHWAY  
 FORT LAUDERDALE, FLORIDA 33308

TELEPHONE (954) 481-8220  
 TELECOPIER (954) 481-0708

November 27, 1996

**VIA FEDERAL EXPRESS**

Division of Records and Reporting  
 Florida Public Service Commission  
 2540 Sumard Oak Boulevard  
 Tallahassee, Florida 32399-0850

DEPOSIT TREAS. REC. DATE  
 D411 11/27/96 DEC 02 '96

96 DEC -2 PM 9:31  
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We are also enclosing the filing fee of \$200.00.

<b>COX &amp; REYNOLDS</b> A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS 4875 NORTH FEDERAL HIGHWAY - TENTH FLOOR FORT LAUDERDALE, FL 33308		63-1187 / 670 No 13635
PAY TO THE ORDER OF: <i>Food-Enclosed</i>		AMOUNT: _____ DOLLARS
DATE: <i>11/27/96</i>	BY THE ORDER OF: <i>Public Service Commission</i>	CHECK NO.: <i>1325</i>
AMOUNT: <i>200.00</i>		DESCRIPTION: <i>PWS / RATE CASE FEE</i>
RE: <i>Point Water &amp; Sewer, Inc.</i>		OPERATING ACCOUNT
AMERICAN NATIONAL BANK Oakland Park, FL		

Front Water Sewer Inc  
4755 Rappah (A.R.)  
Orange Park FL 32073

ISS c/o Charles H. Hill  
Division of Waterworks  
Fletcher Builders  
101 East Gaines St.  
Tallahassee FL

32399-0850

32399/0850

