

DEFICENCY 1.)

971204-WU

PETITION FOR VARIANCE

Flood Lakes Utility, Inc. is requesting relief from Rule 25-30.036(3)(C) due to the substantial hardship and cost of surveying approximately 1,000 acres of property to provide the metes and bounds descriptions the rule requires as allowed under Section 120.542.

**Specifically we request relief from
120.542 (3)(a) Rule 25-30.036(3)(C)**

120.542(3)(b) Type of action - variance

120.542(3)(C) The rule is a substantial hardship to the utility. It would be cost prohibitive to survey such an extensive area to provide the metes and bounds description the rule requires. When this territory was deleted these descriptions were accepted by the Commission and we are only re-submitting this exact same area for re-instatement into our service area.

120.542(3)(d) The variance would serve the underlying purpose of Section 367.045-notice to customers-in that the notice given by County Section, Township and Range is the most common used and familiar form of reference. All customers receive their real estate taxes in this form and would more readily recognize this form of description over a metes and bounds description that requires the expertise of a lawyer or engineer to figure where the property begins and ends. Again, the territory description is that same exact description used to remove the territory.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EIG _____
- LEG 2 _____
- LIN _____
- CLC _____
- RCH _____
- SEC _____
- WAS Redemann
- OTH _____

Please see enclosed County and Sub-Division Maps.

Maps to WARD

DOCUMENT NUMBER-DATE

12221 DEC-85

FPSC-REGULATIONS/REPORTING

PLACED LAKES UTILITIES, INC.

DEFICIENCY 2)

RULE 25-30.000(3)(c)

The existing line capacity would serve approximately half of the subdivision or 4,250 lots. At the present time there are 1,300 connections.

The existing capacity of the treatment facility is 440,000 GPD permitted by SWFWMD
*This has not been updated for the recent plant expansion. SWFWMD permits on an as used basis.

Current connections 1,300 X 1.7 =	2,210 ERC's
Current Average Daily Usage	253,300 GPD
Current Minimum Daily Usage	355,700 GPD
Avg. Minimum/ERC's =	160.95 Avg. Daily Use per ERC

Estimated Flow for this addition:

Additional 2,614 lots X 1.7 =	4,443.8 ERC's
4,443.8 ERC's @ 300 GPD	1,555,330 GPD (Your Estimate)
4,443.8 ERC's @ 160.95 GPD	715,229.61 GPD (Our Actual)

Estimated Flow for Entire Subdivision

Total Lots 8,900 X 1.7 =	14,450 ERC's
14,450 ERC's @ 300 GPD	5,657,500 GPD (Your Estimate)
14,450 ERC's @ 160.95 GPD	2,325,727.5 GPD (Our Actual)

CURRENT PLANT: The current plant consists of three (3) wells, two (2) One hundred fifty thousand (150,000) gallon concrete storage tanks, a pump house with three (3) 40 HP pumps, and three (3) fifteen thousand (15,000) gallon Hydromatic tanks. We are permitted for a fourth well when needed.

OPERATION OF WELLS: The wells come on when the ground storage tank is at the turn on point and are controlled by an Air Bubble System connected to Mercoid switches. Each well runs a cycle of on at 7' and off at 11' alternating after each cycle. Chlorination is done as each well runs. In an emergency, when well #1 is running and can not keep up with the demand, #2 well will come on. If demand exceeds both #1 and #2 then #3 well would come on until demand was met.

Deficiency #2

PLACED LAKES UTILITIES, INC.

STORAGE: The two 150,000 gallon ground storage tanks are hooked together by a series of pipes and valves. They are able to operate together or separately by leaving a valve open or closed. Control is done by the Air Bubble System. Chlorination is injected after the aeration and is valved also.

HIGH SERVICE: The high service pumps take the water from the ground storage tanks and pump it to the three Hydraulic tanks. This is controlled by air and the Mercoid switches. The pumps are all 40 HP. All three pumps run their cycles one at a time, on at 30 PSI and off at 90 PSI, then alternate. In an emergency, if #1 pump was running and could not meet the demand then #2 pump would come on. If demand was more than #1 and #2 pumps could meet, then #3 pump would come on until demand was met.

CURRENT PLANT

#1 Well

**20 HP 400 GPM
6" Well, 8" Casing
1,200'**

#2 Well

**30 HP 400 GPM
6" Well, 8" Casing
1,200'**

#3 Well

**40 HP 400-500 GPM
6" Well, 10" X 8" Casing
1,400'**

(2) 150,000 Gallon Ground Storage Tanks

(3) 15,000 Gallon Hydraulic Tanks

**(3) 40 HP High Service Pumps
800 GPM**

- * See original As-Built Plan filed with original certificate for line sizes and capacity. Map enclosed shows line sizes for the requested addition.**

PLACID LAKES UTILITIES, INC.
WATER TARIFF

THIRD REVISED SHEET NO. 3.0
CANCELS SECOND REVISED SHEET NO. 3.0

TERRITORY SERVED

CERTIFICATE NUMBER - 401 - W

COUNTY _ HIGHLANDS

COMMISSION ORDER (S) APPROVING TERRITORY SERVED _

<u>ORDER NUMBER</u>	<u>DATE ISSUED</u>	<u>DOCKET NO.</u>	<u>FILING TYPE</u>
12954	11-10-83	820478-W	Original Certificate
17372	04-07-87	860532-WU	Deletion of Territory
22164	11-08-89	891158-WU	Amendment
PSC-97-1148-FOF-WU	09-30-97	970231-WU	Amendment
		971204-WU	Amendment

(Continued to Sheet No. 3.1)

ROLAND TOBLER
PRESIDENT

TERRITORY SERVED

ORDER NO. 12594, ORDER NO. 17372 AND ORDER NO. PSC

Order No. 12594 granted Placid Lakes Utilities, Inc. their Original Certificate. Order No. 17372 removed a portion of this original territory. Order No. PSC - added a portion of the territory that was deleted in Order No. 17372 into the Certificated Area. This consolidated description is a Combination of all three Orders.

TOWNSHIP 37 SOUTH, RANGE 29 EAST

SECTION 9

The east $\frac{1}{4}$ of Section 9

SECTION 10

All of said Section 10 lying South and West of Lake June in Winter (also, known as Lake Stearns)

SECTION 11

All of said Section 11 lying South and West of Catfish Creek

SECTION 14

All of said Section 14 lying South and West of Catfish Creek

SECTION 15

The East $\frac{1}{4}$ of Section 15

SECTIONS 22, 23

All of said Section 22, 23

(Continued to Sheet No. 3.2)

ROLAND TOBLER
PRESIDENT

PLACID LAKES UTILITIES, INC.
WATER TARIFF

FIRST REVISED SHEET NO. 3.2
CANCELS ORIGINAL SHEET NO. 3.2

TERRITORY SERVED

ORDER NO. 22164

TOWNSHIP 37 SOUTH, RANGE 29 EAST

SECTIONS 19 and 22

The following lots in Placid Lakes:

Unit 7, Block 1, Lots 71-75
Unit 3, Block 2, Lots 12, 13
Unit 3, Block 3, Lots 11, 12
Unit 3, Block 4, Lots 7, 8
Unit 3, Block 37, Lots 1, 28
Unit 3, Block 38, Lots, 1, 28
Unit 3, Block 39, Lots 1-6, 26

(Continued to Sheet No. 3.3)

ROLAND TOBLER
PRESIDENT

TERRITORY SERVED

ORDER NO. PSC-97-1148-FOF-WU

Township 37 South, Range 29 East in Sections 2 and 11

Commence at the Southeast corner of Section 2, Township 37 South, Range 29 East; thence run North $0^{\circ}13'0''$ West along the East Section Line of said Section 2 for a distance of 780.16 feet to the Point of Beginning; thence continue north $0^{\circ}13'0''$ West along the East Section Line of said Section 2 for a distance of 962.36 feet; thence run South $83^{\circ}36'0''$ West for a distance of 455.19 feet; thence run South $1^{\circ}38'25''$ East for a distance of 739.01 feet; thence run South $50^{\circ}42'2''$ West for a distance of 1,599.11 feet; thence run South $59^{\circ}55'57''$ West for a distance of 1,888.03 feet; thence run South $82^{\circ}7'25''$ West for a distance of 1070.81 feet; thence run South $38^{\circ}16'10''$ East for a distance of 310.00 feet; thence run along the arc of a curve to the left having the following elements: (Radius 500.00 feet, Central angle = $8^{\circ}52'0''$. Arc length 77.38 feet, Chord length = 77.30 feet, Chord Bearing = South $42^{\circ}41'44''$ East), thence run South $47^{\circ}8'10''$ East for a distance of 888.54 feet; thence run North $42^{\circ}51'50''$ East for a distance of 373.44 feet; thence run North $65^{\circ}22'58''$ East for a distance of 470.85 feet; thence run North $80^{\circ}57'52''$ East for a distance of 605.70 feet; thence run North $80^{\circ}58'39''$ East for a distance of 815.00 feet; thence run South $89^{\circ}08'52''$ East for a distance of 130.75 feet; thence run South $88^{\circ}47'43''$ East for a distance of 386.18 feet; thence run along the arc of a non-tangential curve to the left having the following elements: (Radius 1,000.00 feet, Central angle = $79^{\circ}0'52''$. Arc length 1,379.06 feet, Chord length = 1,272.35 feet, Chord Bearing = North $23^{\circ}59'16''$ West); thence run North $54^{\circ}25'0''$ East for a distance of 1,704.89 feet to the Point of Beginning, containing 4,135,082 square feet or 94.9284 acres more or less.

(Continued to sheet No. 3.4)

ROLAND TOBLER
PRESIDENT

PLACID LAKES UTILITIES
WATER TARIFF

FIRST REVISED SHEET NO. 3.4
CANCELS ORIGINAL SHEET NO. 3.4

TERRITORY SERVED

This sheet held for future use.

ROLAND TOBLER
PRESIDENT


AFFIDAVIT

**STATE OF FLORIDA
COUNTY OF HIGHLANDS**

Before me this day personally appeared Roland Tobler, who is personally known to me, and who did not take an oath, but being duly affirmed according to the law, deposes and says:

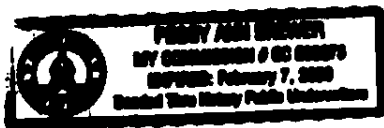
Field Lakes Utilities has notified all attached Utilities and government agencies that may be affected by its added territory.

Further affirm says not.


Roland Tobler

Affirmed and subscribed before me this
24th day of November, 1997.


Peggy Ann Brewer, Notary Public



HIGHLANDS COUNTY (continued)

/ HEARTLAND UTILITIES, INC. (M566) P. O. BOX 1991 SEBRING, FL 33871-1991	HOWARD SHORT (941) 655-4300
/ HIGHLANDS RIDGE ASSOCIATES, INC. (M5672) 3003 EAST FAIRMAY VISTA DRIVE AYON PARK, FL 33825-6001	NANCY DICKEY (941) 471-1117
/ HIGHLANDS UTILITIES CORPORATION (SU299) 1511 U.S. HIGHWAY 27 SOUTH LAKE PLACID, FL 33852-8980	DIXON PUGH (941) 465-1296
/ HOLMES UTILITIES, INC. (M760) 760 HENSCRATCH ROAD LAKE PLACID, FL 33852-8397	DANIEL HOLMES (941) 465-6044 OR -6911
/ LAKE JOSEPHINE WATER (M349) 760 HENSCRATCH ROAD LAKE PLACID, FL 33852-8397	DARALD E. PUGH (941) 465-2916
/ LAKE PLACID UTILITIES, INC. (M5709) & UTILITIES, INC. 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4093	DONALD RASMUSSEN (407) 869-1919
/ LANDMARK ENTERPRISES, INC. (SU686) 62 LAKE HENRY DRIVE LAKE PLACID, FL 33852-6000	DAVID S. PLANK (941) 382-3030
/ PLACID LAKES UTILITIES, INC. (M193) 2000 JEFFERSON AVENUE, NORTH LAKE PLACID, FL 33852-9749	ROLAND TOBLER (941) 465-0345
/ SEBRING RIDGE UTILITIES, INC. (M5345) 3625 VALERIE BLVD. P. O. BOX 488 SEBRING, FL 33871-0488	ROGER E. MILLER (941) 385-8542

HIGHLANDS COUNTY

/ BUTTWOOD BAY UTILITIES, INC. (MS387) 10001 U.S. 27 SOUTH SEBRING, FL 33870-9629	JOHN GREYAK (941) 655-1122
J C & H UTILITIES, INC. (SU526) P. O. BOX 1088 SEBRING, FL 33871-1088	WENDELL L. FAIRCLOTH (941) 471-1400
J C & H UTILITIES, INC. (MU649) P. O. BOX 1088 SEBRING, FL 33871-1088	WENDELL L. FAIRCLOTH (941) 471-1400
/ COUNTRY CLUB OF SEBRING (MS654) 4800 HAW BRANCH ROAD SEBRING, FL 33872-4706	R GREG HARRIS (941) 382-8538
J CREOLA, INC. (SU658) P. O. BOX 1346 SEBRING, FL 33871-1346	DAVID L. HICKMAN (941) 385-0981
/ CRYSTAL LAKE CLUB (MS638) & CLAYTON, SHERWOOD, WILLIAMS 2500 MATTLAND CENTER PARKWAY, STE 105 MATTLAND, FL 32751-4165	JOE SHERWOOD (407) 660-0050
J DAMON UTILITIES, INC. (MS551) 47 LAKE DAMON DRIVE AVON PARK, FL 33825-0902	LISA DAVIS (941) 453-0773
/ FAIRMOUNT UTILITIES, THE 2ND, INC. (SU648) 3625 VALERIA BLVD. SEBRING, FL 33870-1048	ROGER E. MILLER (941) 385-8542
J FLORIDA WATER SERVICES CORPORATION (MS618) P. O. BOX 609520 ORLANDO, FL 32860-9520	BRIAN P. ARMSTRONG (407) 880-0058
/ HARDER HALL - HOWARD, INC. (SU644) 122 EAST LAKE DRIVE BLVD. SEBRING, FL 33872-5018	PAUL E. HOWARD (941) 382-8725

GOVERNMENTAL AGENCIES

✓ CENTRAL FL. REGIONAL PLANNING COUNCIL
P.O. BOX 2089
BARTON, FL 33831

✓ CLERK, BOARD OF COUNTY COMMISSIONERS, HIGHLANDS COUNTY
430 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3701

✓ DEP SOUTH DISTRICT
2295 VICTORIA AVE., SUITE 364
FORT MYERS, FL 33901

✓ MAYOR, CITY OF AVON PARK
110 EAST MAIN STREET
AVON PARK, FL 33825-3945

✓ MAYOR, CITY OF SEBRING
368 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3606

✓ MAYOR, TOWN OF LAKE PLACID
50 PARK DRIVE
LAKE PLACID, FL 33852-9693

✓ S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6899

SO. FLORIDA WATER MANAGEMENT DISTRICT
P.O. BOX 24600
WEST PALM BEACH, FL 33416-4600

STATE OFFICIALS

STATE OF FLORIDA PUBLIC COUNCIL
C/O THE HOUSE OF REPRESENTATIVES
THE CAPITOL
TALLAHASSEE, FL 32399-1300

DIVISION OF RECORDS AND REPORTING
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

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Deficiency #5

PLACID LAKES UTILITIES, INC.

Rule 25-30.036(3)(b) This utility has been in operation since 1970 and the current plant supervisor has worked for the utility for nineteen years. The utility is in compliance with all of its regulatory agencies. The utility has recently expanded its water plant and increased the water supply with a third well. The utility has the technical ability and the facilities to render reasonable, sufficient, adequate and efficient service to its certificated area, including the area deleted that we are now requesting added back into the area. The utility has recently had a staff-assisted rate case that increased the rates to a level where the utility is losing money at a less severe pace than in the past, but as you are aware and as Neil Botha commented on at a meeting March 18, 1996 small systems such as ours have negative earnings under the jurisdiction of the PSC. Our utility is fortunate that the parent company is in a financial situation to loan money to keep this utility in business, but there is still a need for the PSC to adjust the way rate base is determined, the way CIAC is calculated, and "used & useful" determined. People who purchased lots in this subdivision expected to have access to the central water system. The customers in the area previously deleted because of PSC rules on "used and useful" and CIAC have as much right to receive water from the subdivision's central water as the current customers. This utility is right now running water lines to people outside the subdivision because the state is funding an extension to people with contaminated wells. Denying access to a system available and forcing these people to drill wells in an area that is surrounded by citrus groves is not in the best interest of the customers.

PLACID LAKES UTILITIES

DEFICIENCY 7.)

RULE 25-30.036(3)(m)

The types of customers that Placid Lakes Utilities plans to serve in the proposed service area are single family homes.

original

EXHIBIT F

The type of customer in the service area is single family, duplex or multi-family residential homes.

*This original states that all customers will be residential homes. I still think this is the best description of the customers to be served. Some of the area is zoned single family, some are zoned duplex lots and some lots are zoned multi-family or tri-plex and four-plex, but all will house single family residents.

DEFICIENCY #8

PLACID LAKES UTILITIES, INC.

Rule 25-30.036(3)(f) The parent company Lake Placid Holding Company has granted an unsecured line of credit to loan the necessary funds to finance line extensions. Copy of credit agreement attached. This should favor the utility's capital structure in adding to the amount the utility has invested, thus adding to rate base. At the current rate of growth there is no danger of being over contributed anytime soon.

CREDIT AGREEMENT

This Agreement made by and between LAKE PLACID HOLDING CO. (Lender) and PLACID LAKES UTILITIES, INC. (Borrower).

RECITAL:

Borrower has determined that it may need from time to time, loan advances not to exceed ONE HUNDRED THOUSAND AND NO/100-----(\$100,000.00)---DOLLARS. Lender has agreed to make said advances under certain terms and conditions. It is therefore agreed as follows:

1. ADVANCES: During the term of this Agreement Borrower may request from Lender, from time to time, loan advances which shall not exceed at any time the principal sum of ONE HUNDRED THOUSAND AND NO/100----(\$100,000.00)----DOLLARS, exclusive of accrued interest. Said request for advances shall be made in writing to Lender at its offices at 2000 Jefferson Avenue, North, Lake Placid, Florida 33852 and shall be acted upon by Lender within ten (10) days from date of receipt of said request for advance. Simultaneously with making said advance to Borrower, Lender may require Borrower to execute a Promissory Note or other writing evidencing said advance.

2. INTEREST: Interest shall accrue on all principal advances at a variable rate of one percent (1%) per annum simple interest in excess of the prime rate charged by Barnett Banks, Inc.

3. REPAYMENT: Accrued interest under the terms of this Agreement shall be paid on the first day of each month during the term of this Agreement. All principal shall be repaid to Lender no later than three (3) years from the date of this Agreement OR at any time Lender shall direct in a writing sent to Borrower by certified mail, return receipt requested, provided said notification shall allow Borrower thirty (30) days within which to repay said obligation.

4. DEFAULT: In the event that Borrower shall fail to repay its obligations as set forth hereinabove, then interest shall begin to accrue on the remaining unpaid principal balance at the maximum rate allowed by law provided same shall never exceed eighteen percent (18%) per annum. In any action for collection Lender shall be entitled to all of its attorney's fees and costs through all levels of trial and appeal.

5. SECURITY: At any time during which Lender shall deem itself secure Lender shall be entitled to require the immediate

execution of a second mortgage regarding real property described on Schedule A hereto. Borrower shall assume all costs regarding the preparation and recording of same, including Documentary Stamp Tax and Intangible Tax.

DATED THIS 29th DAY OF May, 1996.

Signed, sealed and delivered in the presence of:

Scott Hutchins
Printed Name: Scott Hutchins
Witness

Peggy Ann Brewer
Printed Name: Peggy Ann Brewer
Witness

PLACID LAKES UTILITIES, INC.,
a Florida corporation

BY: August F. Toller
AUGUST F. TOLLER
as its President

DATED THIS 29th DAY OF May, 1996.

Signed, sealed and delivered in the presence of:

Scott Hutchins
Printed Name: Scott Hutchins
Witness

Peggy Ann Brewer
Printed Name: Peggy Ann Brewer
Witness

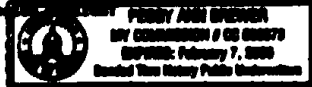
LAKE PLACID HOLDING CO.
a Florida corporation

BY: August F. Toller
AUGUST F. TOLLER
as its President

STATE OF FLORIDA
COUNTY OF HIGHLANDS

The foregoing instrument was acknowledged before me this 29th day of May, 1996 by AUGUST F. TOLLER, as President of PLACID LAKES UTILITIES, INC., a Florida corporation on behalf of the corporation. He is personally known to me.

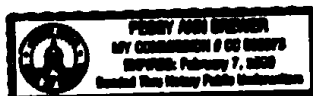
Peggy Ann Brewer
Printed Name: Peggy Ann Brewer
NOTARY PUBLIC, STATE OF FLORIDA



STATE OF FLORIDA
COUNTY OF HIGHLANDS

The foregoing instrument was acknowledged before me this 29th day of May, 1996 by AUGUST F. TOLLER, as President of LAKE PLACID HOLDING CO., a Florida corporation on behalf of the corporation. He is personally known to me.

Peggy Ann Brewer
Printed Name: Peggy Ann Brewer
NOTARY PUBLIC, STATE OF FLORIDA



THIS INSTRUMENT PREPARED BY:

J. TIMOTHY SHEEHAN
ATTORNEY AT LAW
234 Central Avenue
Lake Placid, FL 33852

SCHEDULE A

A portion of Tract "G" of PLACID LAKES Section 12, as per plat recorded in Plat Book 8, page 8, of the Public Records of Highlands County, Florida, being more particularly described as follows: Commence at the most southerly corner of Tract "H" of Placid Lakes Section 12, thence run S. 51°41'27" W. along the Northwesterly right-of-way line of Rocket Road for a distance of 52.74 feet; thence run N. 40°48'33" W. for a distance of 42.50 feet for the Point of Beginning; thence run N. 40°41'00" W. for a distance of 212.45 feet; thence run S. 49°18'45" W. for a distance of 87.68 feet; thence run S. 40°41'00" E. for a distance of 212.45 feet; thence run N. 49°18'45" E. for a distance of 87.68 feet to the Point of Beginning.

DEFICIENCY #9

PLACID LAKES UTILITIES, INC.

Rule 25-30.036(3)(a) There will be no impact on monthly rates as the cost of the line extensions are collected through line extension fees under service availability charges. Attached are copies of the estimated cost of extensions to the whole subdivision including the area we are requesting added back. On the basis of this estimate, the PSC allowed a \$299.00 extension charge to our service availability charges. Therefore, this addition has already been included in the current charge and there will be no impact if this area is added back.

ESTIMATED COST OF EXTENSIONS

PIPE

58,820' OF 6" @ 2.13	125,286.60
91,530' OF 4" @ 1.34	122,650.20
113,745' OF 3" @ .68	77,346.60
980' OF 2" @ .49	480.20

325,763.60

GATE VALVES

52 - 6" @ 220.00 EA	11,440.00
132 - 4" @ 175.00 EA	23,100.00
270 - 3" @ 150.00 EA	40,500.00
51 - 2" @ 34.00 EA	1,734.00

76,774.00

T'S & CROSS'S

85 - 6" T @ 32.20	2,737.00
18 - 6" CROSS @ 175.00	3,150.00
194 - 4" T @ 27.45	5,325.30
18 - 4" CROSS @ 98.75	1,777.50
47 - 3" T @ 14.00	658.00

13,647.80

PUSHUNDER'S

85 - 6" @ 920.00	78,200.00
170 - 4" @ 480.00	81,600.00
184 - 3" @ 240.00	44,160.00
1 - 2" @ 120.00	120.00

204,080.00

PIPE	203,338.00
VALVES	76,774.00
FITTINGS	13,647.80
PUSHUNDERS	204,080.00

620,265.40 + 20% OVERHEAD =
744,318.48

INSTALLATION	265,070.00 @ 5.00 =
	1,325,375.00

744,318.48
+1,325,375.00

2,069,693.48

TOTAL LOTS	8,504
CURRENT	-1,224
	<u>7,280</u>

2,069,693.48 DIVIDED BY 7,280 = 284.30 EACH

* EACH EXTENSION SUBJECT TO:	
200.00	HIGHLANDS COUNTY PERMIT FEE
250.00	DEP PERMIT FEE
300.00	ENGINEERING FEE
<u>750.00</u>	