

STATE OF FLORIDA



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ORIGINAL
DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

November 13, 1998

Mr. Norman F. Mears
Rhema Business Services, Inc.
1344 Vickers Drive
Tallahassee, FL 32303-3041

Re: Docket No. 981340-WS, Application for grandfather certificates to operate water and wastewater utility in Polk County by Four Lakes Golf Club, Ltd.

Dear Mr. Mears:

Your application on behalf of Four Lakes Golf Club, Ltd., (Four Lakes) for grandfather certificates was received by the Commission on October 14, 1998 and assigned the above referenced docket number and name. Staff has preliminarily reviewed the application for deficiencies as well as for items that need clarification or correction. These items are as follows:

Deficiencies:

1. Utility Name: According to the application, the recorded name for the utility is "Four Lakes Golf Club, Ltd". The warranty deed is filed in the name of "Lake Haines Golf Club, Ltd.". Please indicate whether the name, as currently recorded in the application is correct. If the utility's name is improperly recorded in the warranty deed, please correct the warranty deed and refile.

Rate Authority. Pursuant to Rule 25-30.035(8), Florida Administrative Code (F.A.C.), a statement is required on the date and under what authority the current rates and charges were established. The application contained a statement that the rates are disclosed within the prospectus and lease pursuant to Chapter 723, Florida Statutes, governing mobile home rental communities. However, no information was provided as to the effective date.

Please provide a statement indicating when the current rates were put into effect.

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FPSC - RECORDS/REPORTING

As verification of the existing rates, please provide a copy of the portions of the prospectus and lease that pertain to the utility's water and wastewater rates and when they were authorized.

Also, please provide statement specifically indicating whether or not the County ever authorized the utility's current rates. This statement is needed for legal purposes.

3. Legal Description and Territory Map. Rule 25-30.035(9), F.A.C., requires a legal description of the territory the utility is serving and Rule 25-30.035(11), F.A.C., requires a territory map reflecting that description. The legal description area for Section 3 is unclear please review the map territory description.

The utility's engineer, Mr. Ivan King, has been notified by staff's engineer, Mr. Richard Redemann, P.E., of the apparent discrepancy. A revision to either the legal description or territory map has been requested. (See attached copy Mr. Redemann's October 27, 1998 fax to Mr. King.) Please ensure that Mr. King's correction(s) are provided with your response and, if necessary, Tariff Sheet No. 3.1 is corrected in both the water and wastewater tariffs.

4. Permit Information. Rule 25-30.035(12), F.A.C., requires the numbers and dates of any permits issued by the Department of Environmental Protection (FDEP) or designated agency. For the water system, the application indicates the water permit number issued by the Southwest Florida Water Management District but does not indicate the date. For the wastewater system, the application indicates the current wastewater permit number issued by FDEP, but not the date, and it also indicates a new permit is pending.
 - a) Please indicate the dates the water construction permit and the current wastewater permit were issued.
 - b) For verification purposes, and for information needed for rates, please provide copies of the utility's water construction permit and both its current wastewater permit as well as its application for a new wastewater permit.
 - c) Also, please provide both the water and wastewater Monthly Operating Reports (MORs) for the twelve (12) months immediately prior to filing.
 - d) Please specifically indicate whether or not the utility is in a water caution area and, if so, which one.
 - e) Please indicate whether the water system is subject to any FDEP warning letter(s), which have not yet been resolved, or current consent order(s). If so, please provide copies of same along with a brief description of the actions the utility is taking to resolve the matter(s).

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Clarifications / Corrections:

5. Tariff Address and Phone Number. The address and phone number for the utility on Four Lakes Golf Club,'s tariffs is the same as that given for all the partners listed in the application, i.e., 5015 South Florida Avenue, Lakeland, Florida, 33813.

Please explain whether the address is for a management company and, if so, please indicate the name of the management company.

Also, please indicate how far this address is from the physical location of the utility, and its customers, and whether or not the phone numbers would be local calls.

6. Tariff Rates. The water and wastewater tariff rates for the Residential Service Schedules show a fixed monthly charge of \$25.00 in advance which includes up to 5,000 gallons of water. The customers are then billed quarterly, in arrears, for any usage above 5,000 gallons using a tiered-rate system. The Commission discourages combining normal usage in the base facility charge.

Please provide an analysis of customer bills for the twelve (12) months immediately preceding the filing to include:

- a) number of customers each month exceeding 5,000 gallon minimum charge
- b) average usage each month for customers exceeding 5,000 gallon minimum charge
- c) average usage each month for customers not exceeding 5,000 gallon minimum charge.

If changing the rate structure to separate usage from base facility charges would represent a hardship for the utility, please provide a detailed explanation. For instance, would it require an amendment to the utility's prospectus and, if so, what is the anticipated cost and length of time to implement this change?

7. Combined Rates. It appears that the utility has the same rate schedule for both water and wastewater service. Please verify whether there is one rate schedule to cover the costs of both services.
8. Cost of Service. If the rates and charges in Item 6, above, apply to both services, they will have to be allocated to the separate tariffs based on the relative cost to provide the services. Please provide an estimate of the relative costs to provide each service along with supporting documentation.

9. Miscellaneous Tariff Correction.

- a) Rules and Regulations--Signed Applications Necessary. The Index of Rules and Regulations for Water Tariff Sheet No. 6.1 and Wastewater Tariff Sheet No. 7.0, lists "Signed Application Required." The actual heading for the rule is "Signed Application Necessary." Please correct either the indexes or the rule headings to be consistent.
- b) Rules and Regulations--Payment of Water and Wastewater Service Bills Concurrently. The Index of Rules and Regulations for Wastewater Tariff Sheet No. 7.0, also lists "Payment of Water and Sewer Service Bills Concurrently." The actual rule heading is "Payment of Wastewater and Water Service Bills Concurrently." Please correct either the index or the rule heading to be consistent. In any case, "wastewater" is the preferred term over "sewer."
- c) Rules and Regulations--Withholding Service. Since not all violations of the rules and regulations in the utility's tariffs may be adequate cause for refusal or discontinuance of service pursuant to Rule 25-30.320, F.A.C., please remove the second paragraph of Rule 5.0 in both the water and wastewater tariffs.
- d) Rule and Regulations--Limitation of Use. Commission ruled to not prohibit a customer of a utility from remetering. However, the customer must first have the utility's written consent, which the utility may withhold for cause. Please remove the second paragraph of Rule 7.0 in the water tariff and include at the end of the third paragraph of both the water and wastewater tariff the following parenthetical phrase taken from the model tariffs:

(This shall not be construed as prohibiting a Customer from remetering.)

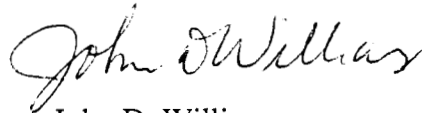
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- e) Application for Service. Pursuant to Rule 25-30.310, F.A.C., a signed application is required prior to the initiation of service. (See also Rule 3.0 in the "Rules and Regulations" section of the utility's water and wastewater tariffs.) Once the utility's tariffs are effective, a signed application will be required on a going-forward basis for requests for service from new residents.

Please have the utility develop an application for water and wastewater service and provide a legible copy on the "Application for Service" tariff sheet. A sample application is included in the model tariffs. In any case, the application should include information on the payment period as well as how much notice the utility requires prior to service being voluntarily disconnected. This later provision is important since the "Rules and Regulations" section of the utility's tariffs do not contain a full "Termination of Service" rule--only a "Temporary Discontinuance of Service" rule.

Please file an original and five copies of your response to the items listed above with the Division of Records and Reporting on or before January 8, 1999. If you have any questions regarding the information requested, please contact Ms. Cheryl Johnson (850) 413-6984.

Sincerely,



John D. Williams
Chief, Bureau of Policy Development
and Industry Structure

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JDW:cj

Attachments: (3)

cc: Division of Water and Wastewater (Hill, Lowe, Johnson, Redemann)
Division of Legal Services (Crosby)
Division of Records and Reporting

State of Florida



Public Service Commission

FAX COVER SHEET

DATE: October 23, 1998

FROM: Division of Water & Wastewater, Richard Redemann P.E.
Florida Public Service Commission

FAX (850) 413-7000

If you have any questions or problems, please contact me at (850) 413-6999.

TO: Mr. Ivan King

FAX NUMBER: 6-1-941-299-7826

PHONE NUMBER: 6-1-941-325-6146

comments: Docket No. 981340-WS; Four Lakes Golf Club, Ltd

The area in Section 28 checked out ok. I was unclear about the area in Section 3. Please review the map and territory description and advise if it is correct.

Number of pages including cover sheet: 3

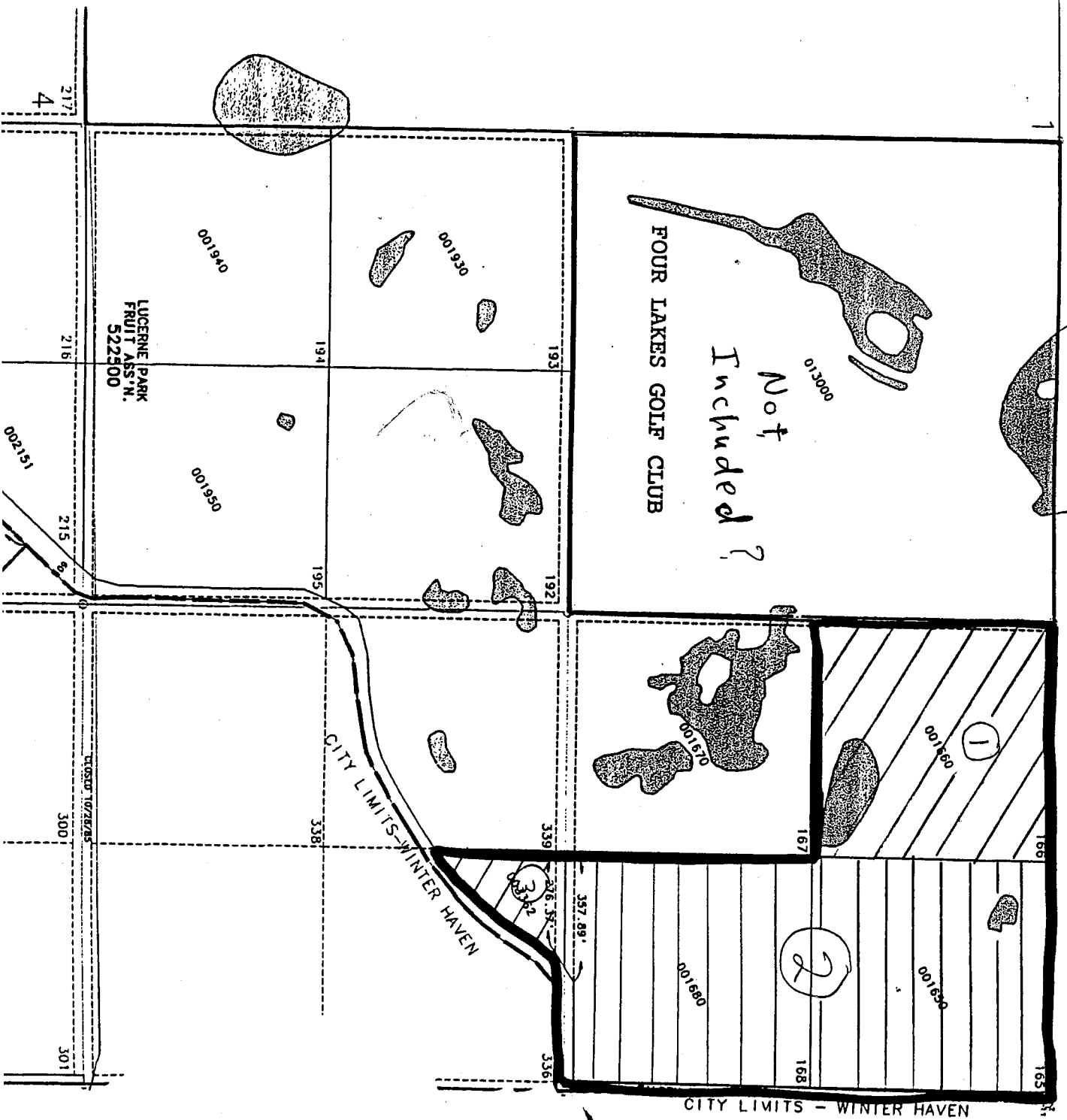
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FOUR LAKES GOLF CLUB, LTD
WATER AND WASTEWATER SERVICE AREA
POLK COUNTY

In Part of Section 3, Township 28 South, Range 26 East, and in Part of Section 34, Township 27 South, Range 26 East, Polk County, Florida describes as follows:

Section 34, Township 27 South, Range 26 East, All of Said Section, LESS AND EXCEPT the SE 1/4 of the SE 1/4, thereof and LESS AND EXCEPT the North 1/2 of the NE 1/4 of the NE 1/4, thereof, and less the waters of Lake Haines.

Section 3, Township 28 South, Range 26 East, The NW 1/4 of the NE 1/4 of the NE 1/4 and the East 1/2 of the NE 1/4 of the NE 1/4, and starting at the Northwest corner of the NE 1/4 of the SE 1/4 of the NE 1/4 of Section 3, Township 28, South, Range 26 East, Polk County, Florida, run S 00°07'3" E, along the West boundary of said NE 1/4 of the SE 1/4 of the NE 1/4 a distance of 25.0 feet to the Point of Beginning; thence continue S 00°07'53" E, along said West boundary, a distance of 336.26 feet; thence run N 54°18'33" E, a distance of 27.02 feet; thence run N 51°44'57" E, a distance of 100.74 feet; thence run N 46°11'58" E, a distance of 22.79 feet; thence run N 44°24'55" E, a distance of 64.80 feet; thence run N 36°13'28" E, a distance of 100.06 feet; thence run N 33°03'11" E, a distance of 82.62 feet; thence run N 31°12'06" E, a distance of 17.42 feet; thence run N 49°20'31" E, a distance of 47.05 feet; thence run N 89°54'05" W, a distance of 312.54 feet to the Point of Beginning.



FOUR LAKES GOLF CLUB

Not Included?

LUCERNE PARK
FRUIT ASS'N.
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CITY LIMITS - WINTER HAVEN

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