

STATE OF FLORIDA

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DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
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Public Service Commission

March 30, 1999

Mr. Lonnie Parnell
P.O. Box 72
Chiefland, Florida 32644

Docket No. 990253-WU - Application for Approval of Sale of Inglewood Water System in Levy County and Transfer of Certificate No. 428-W to Lonnie and Royanna Parnell

Dear Mr. Parnell:

Upon review, our staff has detected the following deficiencies in your application to transfer this utility's operating certificate to your company. These deficiencies are discussed in more detail below.

1. Pursuant to Rule 25-30.037(2)(q), Florida Administrative Code (FAC), the applicant must submit evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The Commission may consider a warranty deed, a long term lease, or a written easement or other cost-effective alternative. Your application includes a two-page title-abstract that refers to property located at Lot 17, Block A, in Inglewood Estates. The utility should demonstrate proof of ownership by filing a warranty deed that specifically references the utility's treatment plant site.

2. Pursuant to Rule 25-30.037(2)(g) and (h), FAC, the applicant must file a copy of the contract for sale and all auxiliary or supplemental agreements. Your application includes what appears to be a summary (an abstract) of the expected settlement costs. Usually, the purchaser signs a formal document that discusses the purchase price, the expected closing date, and any pre-closing conditions. If an actual purchase agreement was signed, that document should be filed as part of the application.

3. Pursuant to Rule 25-30.037(2)(j), FAC, a showing of the buyer's financial ability to provide service is required. The application describes your technical experience, but further information about your "financial ability" is needed for this section. In cases that involve sole proprietorships the buyer will commonly present a personal financial statement to satisfy this filing requirement. Please submit a showing of your financial ability.

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4. Pursuant to Rule 25-30.030, FAC, the application must contain an affidavit to show that: a) the application was given to the certain defined governmental agencies and local utilities, b) the notice was mailed or personally given to each customer of the system, and c) the notice was published in a newspaper of general circulation in the proposed service area. However, your application did not include a list of the governmental agencies and local utilities that you noticed, or any indication that the customers received notice, or proof that the notice was published in a newspaper of general circulation. The newspaper article regarding your filing under the Fictitious Name Statute does not satisfy the noticing requirement for the proposed transfer. Please re-notice and submit proof of notice/affidavits accordingly.

5. Pursuant to Rule 25-30.030, FAC, since the utility's service territory is within one mile of Citrus County, you also need to notify privately-owned utilities and governmental agencies in that county about the proposed transfer. A current list of systems and agencies in Citrus County is attached. Also, enclosed is an updated list of utilities and agencies in Levy County.

6. Pursuant to Rule 25-30.037(2)(a), FAC, the application for transfer of Inglewood's certificate must disclose the complete name and address of the seller, Mr. Ditullio. The application shows his name, but not his current address or telephone number. Please include that information in your response.

Thus, as indicated above, your application is deficient in several important respects. Accordingly, your application will not be deemed complete until these deficiencies are corrected. We recognize that this is a small system and that these rules are sometimes confusing. A staff analyst, Mr. N.D. Walker, has been assigned to this case and will assist you if you have further questions. His telephone number is (850) 413-6924. Thank you for your assistance in this matter.

Respectfully,

Handwritten signature of John D. Williams in cursive, with the initials "BBM" written below it.

John Williams
Bureau Chief
Policy Development and Industry Structure

Attachment

cc: Division of Records and Reporting
Division of Legal Services (Crosby, Crossman)
Division of Water and Wastewater (Walker, Redemann)