



ORIGINAL
Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: October 27, 1999
TO: Division of Records and Reporting
FROM: Stephanie Clapp, Division of Water and Wastewater *SC*
RE: Docket No. 990731-WU: Application for transfer of water facilities from Sunrise Water Company, Inc., holder of Certificate No. 584-W, to Keen Sales, Rentals and Utilities, Inc., holder of Certificate No. 582-W, in Polk County, for cancellation of Certificate No. 584-W, and for amendment of Certificate No. 582-W to include additional territory.

Please add the following to the docket file:

Letter from Keen transmitting deficiency responses to letter of June 18, 1999.

Please note that two copies are provided.

Thank you.

Attachments

cc: Division of Water and Wastewater (Messer, Redemann)
Division of Legal Services (Crossman)

- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- PAI _____
- ✓ JSEC I
- WAW _____
- OTH _____

DOCUMENT NUMBER-DATE

13401 NOV-2 8

FPSC-RECORDS/REPORTING

KSRU

Keen Sales, Rentals and Utilities, Inc.

685 Dyson Road
Haines City, FL 33844
Business Phone 941-421-6827

July 20, 1999

RECEIVED

JUL 23 1999

Florida Public Service Commission
Division of Water and Wastewater

Ms. Stephanie Clapp
Division of Water and Wastewater
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 990731-WU: Application for transfer of water facilities from Sunrise Water Company, Inc., holder of Certificate No. 584-W, to Keen Sales, Rentals and Utilities, Inc., holder of Certificate No. 582-W, in Polk County, for cancellation of Certificate No. 584-W, and for amendment of Certificate No. 582-W to include additional territory.

Dear Ms. Clapp:

Enclosed please find an original and four (4) copies of the Deficiencies and Clarifications and Corrections requested by Mr. John D. Williams on June 18, 1999.

This documentation should complete all the necessary requirements of the Florida Public Service Commission and should hopefully expedite the transfer of the above referenced Certificates.

Should you have any questions or require any additional information, please feel free to contact my office.

Sincerely,


J. Ray Keen
President

JRK/mmc
Enclosures (5)

DEFICIENCIES #1

AGREEMENT FOR PURCHASE AND SALE

THIS AGREEMENT FOR PURCHASE AND SALE ("Agreement") is made as of the 4th day of February, 1999, by and between Sunrise Water Company, Inc., a Florida corporation (hereafter "Seller"), whose address is P.O. Box 2397, Winter Park, Florida 32790, and Keen Sales, Rentals Utilities, Inc. ("Purchaser"), whose address is 685 Dyson Road, Haines City, Florida 33844.

WHEREAS, Seller owns and operates a potable water production, treatment, storage, transmission, and distribution system ("Water System"), which is located in Polk County, Florida;

WHEREAS, Purchaser desires to acquire the assets of Seller and Seller desires to sell its assets to Purchaser, upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the sum of ten dollars (\$10), and other good and valuable consideration, and the mutual covenants contained herein, the receipt and sufficiency of which are acknowledged, Seller and Purchaser agree as follows:

1. **RECITALS**. The foregoing recitals are true and correct and are incorporated herein.

2. **COVENANT TO PURCHASE AND SELL; DESCRIPTION OF PURCHASED ASSETS**. Purchaser shall buy from Seller, and Seller shall sell to Purchaser, the following Purchased Assets upon the term and conditions set forth in this Agreement: all assets, business properties, and rights, both tangible and intangible, that Seller owns, or in which it has an interest, regarding the Water System ("Purchased Assets"). The Purchased Assets do not include the following:

(1) Cash, accounts receivable, bank accounts, equity and debt securities of any nature, deposits maintained by Seller with any governmental authority, utility deposits and prepaid expenses of Seller, which are Seller's sole property and are not subject to refund to customers, including Developers or others.

(2) Escrow and other Seller provisions for payment of federal and state income taxes.

(3) The name and the Florida corporation known as Sunrise Water Company, Inc.

3. **PURCHASE PRICE**. Purchaser shall pay to Seller, subject to the adjustments and prorations referenced herein, a total purchase price in the amount of \$100,000. \$50,000 shall be payable at the time of Closing and \$50,000 shall be paid in the form of a purchase money Promissory Note (executed by Purchaser and J. Ray Keen, individually) secured by a Mortgage and Security Agreement,

payable by Purchaser to Seller in equal monthly installments for a period of 60 months from the Closing Date with the unpaid balance accruing interest at the rate of 8% per annum. No prepayment penalty shall apply. Title to the Purchased Assets shall be delivered by the Seller to the Purchaser at Closing, free and clear of all liens, encumbrances, debts, liabilities, or third party claims, other than Permitted Encumbrances (as defined in Section 6 hereof).

4. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants to Purchaser as follows: Seller is duly organized, validly existing and its status is active under the laws of the State of Florida. Seller has all requisite corporate power and authority to carry on its business as now being conducted, to enter into this Agreement, and to carry out and perform the terms and conditions of this Agreement. The Board of Directors and Shareholders of Seller have, or prior to Closing will have, approved this Agreement. Seller makes no representation as to the condition of the real property and tangible personal property being conveyed to Purchaser, and Purchaser acknowledges that it is accepting the real property and tangible personal property in "AS IS" condition, with all faults and no warranty of merchantability or fitness for a particular purpose or use. Seller has not dealt with either a broker, salesman, or finder in connection with any part of this transaction and no broker, salesman or other person is entitled to any commission or fee with respect to such transaction.

5. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser represents and warrants to Seller as follows: Purchaser is duly organized, validly existing and its status is active under the laws of the State of Florida. Purchaser has all requisite corporate power and authority to carry on its business as now being conducted, to enter into this Agreement, and to carry out and perform the terms and conditions of this Agreement. The Board of Directors and Shareholders of Purchaser have, or prior to Closing will have, approved this Agreement. Purchaser shall, subsequent to Closing, and consistent with prudent business practices, industry standards, and the requirements of the appropriate governmental agencies having jurisdiction over the assets and businesses of the Water System, provide water services to all customers located within the Seller's service area after connection has been made, in a uniform and nondiscriminatory manner. Purchaser has not dealt with either a broker, salesman, or finder in connection with any part of this transaction and no broker, salesman or other person is entitled to any commission or fee with respect to such transaction.

6. TITLE INSURANCE AND PERMITTED ENCUMBRANCES. Prior to the Closing, Purchaser may, at its cost, cause to be issued and delivered a title insurance commitment issued by a title company licensed to do business in the State of Florida, covering the Real Property, in an amount equal to \$100,000. The title insurance commitment shall commit the insurer to issue owner's title

insurance policy to Purchaser covering the Real Property, the standard printed exceptions usually contained in an owner's title insurance policy, and the standard exclusions from coverage. Seller shall execute at or prior to Closing, in favor of the title insurance company, the appropriate mechanic's lien affidavit and "Gap" affidavit sufficient to allow the title insurance company to delete all standard exceptions addressed by such affidavits. The standard form survey exception for easements or claims of easements not shown by the Public Records exception, contained on the title insurance commitment and to be included on the title policy, shall not be deemed new title matters or title defects.

Purchaser shall notify Seller in writing no less than 20 days from the date of this Agreement of any alleged material defect in Seller's title to the Real Property, other than those accepted herein and the Permitted Encumbrances, which render or may render Seller's title to the Real Property unmarketable in accordance with standards adopted by The Florida Bar, or uninsurable. Seller shall have 20 days after receipt of Purchaser's notice, to eliminate all of the material objections to title set forth in Purchaser's notice. In the event Seller fails to cure defects identified by Purchaser then Purchaser may accept whatever title Seller is able to convey with no abatement of the Purchase Price or, reject title and terminate this Agreement with no liability for damages from either Purchaser or Seller. If Purchaser rejects title as provided above, neither party shall have any further liability under this Agreement.

As used above, "Permitted Encumbrances" mean and include (i) All present and future building restrictions, zoning regulations, laws, ordinances, resolutions, regulations and orders of any governmental authority having jurisdiction over the Real Property and the use thereof; and, (ii) easements, restrictions, reservations, rights-of-way, conditions and limitations of record, if any, which are not coupled with any reverter or forfeiture provisions, including (without limitation) any drainage, canal, mineral, road, or other reservations of record in favor of the State of Florida or any of its agencies or governmental or quasi-governmental entities, or as may be set forth in any "Murphy Deeds", none of which, however, shall impair or restrict the use of the Property for the operation of the Utility Systems.

7. PRE-CLOSING CONDUCT. Prior to the Closing Date, Seller shall operate and maintain the Water System in a normal and usual manner, to ensure that the condition of the Water System shall not be materially diminished or depleted, normal wear and tear excepted and promptly notify Purchaser of any notification received by Seller from any person, business, or agency of any existing, or potential, environmental law violation. Purchaser may, during normal business hours and following reasonable notice to Seller, inspect the Water System, and the books and records of Sunrise,

provided such inspection shall not interfere with the normal operation of the Water System.

8. CLOSING DATE AND CLOSING. This transaction shall be closed on or before February 25, 1999 ("Closing Date"), unless advanced or extended by mutual agreement of the parties, at Seller's office, or a location mutually acceptable to both parties. At Closing:

(1) Purchaser shall deliver \$50,000 to Seller. Title to the Real Property shall be conveyed to the Purchaser by warranty deed free of all claims, liens, or encumbrances, other than Permitted Encumbrances.

(2) Title to the Tangible Personal Property shall be conveyed to Purchaser by Bill of Sale free of all claims, liens, or encumbrances, other than Permitted Encumbrances.

(3) Seller's right, title and interest in and to its easements shall be assigned to Purchaser.

(4) All documentary stamps, if required, on the deeds of conveyance of the Real Property included in the Purchased Assets shall be paid by Seller.

(5) Real property and personal property taxes on the Purchased Assets and Water System, and any other applicable taxes, shall be prorated as of the Closing Date and Seller shall be required to pay its share at or prior to Closing. All other taxes and assessments accrued or owed by Seller as of the date of Closing, with respect to the Purchased Assets, shall be and remain the obligation of Seller. All other taxes and assessments imposed or attempted to be imposed from and after the date of Closing, with respect to the Purchased Assets, shall be the obligation of Purchaser.

(6) Purchaser shall execute in favor of Seller a purchase money Promissory Note in the amount of \$50,000 (executed by Purchaser and J. Ray Keen, individually), secured by a Mortgage and Security Agreement, payable to Seller in equal monthly installments for a period of 60 months with the unpaid balance accruing interest at the rate of 8% per annum. Payment of the Promissory Note shall be secured by the Purchased Assets, including after-acquired property.

(7) The parties recognize that the Closing may be established during the normal billing cycle of Seller. All accounts receivable shall remain the property of Seller. The gross revenues from water services rendered, but not yet billed ("Unbilled Revenue") as of the date of Closing, shall be paid to Seller within ten (10) days of Purchaser's collection thereof. Purchaser shall utilize the same methods of collecting the Unbilled Revenue as it

would if such Unbilled Revenue was its own. Except as set forth above, Purchaser shall be entitled to all Water System revenue earned from the Closing Date forward.

(8) Connection Charges (defined as connection, plant capacity, main extension, capital or other charges paid for the availability of utility services) received by Seller prior to closing shall be retained by Seller.

(9) All transfers required or necessary hereunder shall take place, unless extended by mutual consent.

(10) Each of the parties shall pay the fees of its own attorneys and other professional advisers or consultants in connection with this transaction.

(11) All bills for services, materials and supplies rendered in connection with the operation of the Water System prior to Closing, including but not limited to electricity for a period up to and including the Closing Date, shall be paid by Seller. Any prepaid expenses shall be a Purchase Price credit to Seller at Closing.

(12) All prorations required under this Agreement shall be made.

(13) Purchaser shall assume Seller's liability for customer deposits, and credit shall be given to the Purchaser on the Purchase Price therefor.

9. POST CLOSING COOPERATION. Seller and Purchaser shall, at any time and from time to time after the Closing Date, upon reasonable request of the other party, execute, acknowledge and deliver, such further documents and assurances as may be required in order to implement and perform any of the obligations, covenants and agreements of the parties. Seller shall, for two post-Closing meter readings, assist Purchaser to the extent reasonably necessary with such meter readings.

10. FLORIDA PUBLIC SERVICE COMMISSION MATTERS. The Water System operates under Certificate of Authority No. 584-W ("Certificate") issued by the Florida Public Service Commission ("PSC"), which authorizes it to provide water service to certain territories in unincorporated Polk County, Florida. The parties acknowledge that this transaction is subject to the jurisdiction of the PSC and Section 367.071 of the Florida Statutes. Recognizing that PSC approval of the transaction and transfer of the certificate may not be accomplished on or before the Closing Date, this Agreement shall be subject to modification, including rescission by mutual agreement, in the event the PSC fails to approve the transfer. In such an event, the parties shall immediately meet to discuss and negotiate, in good faith, a course of action acceptable to both

parties. Purchaser shall pay all costs required to prepare, file and accomplish a transfer of the Certificate at the PSC that pertains to the Purchaser's part of this transaction.

11. MISCELLANEOUS PROVISIONS.

a. This Agreement, and the documents referred to herein, collectively embody the entire agreement and understandings between the parties and there are no other agreements or understandings, oral or written, with reference to this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be considered an original.

b. Any notice or other document required or allowed to be given pursuant to this Agreement by either party to the other shall be in writing and shall be delivered personally, or by recognized overnight courier or sent by certified mail, postage prepaid, return receipt requested, or by facsimile transmission with written confirmation. If to Seller such Notice shall be addressed to Seller at:

Sunrise Water Company, Inc.
c/o Macauley Whiting, Jr., President
P.O. Box 2397
Winter Park, Florida 32790

If to Purchaser, such notice shall be addressed to Purchaser at:

Keen Sales, Rentals Utilities, Inc.
c/o J. Ray Keen, President
685 Dyson Road
Haines City, Florida 33844

c. The drafting of this Agreement constituted a joint effort of the parties, and in the interpretation hereof it shall be assumed that no party had any more input or influence than any other.

d. This Agreement is solely for the benefit of the parties hereto and not for the benefit of any third party.

e. In the event any term or provision of this Agreement is determined to be illegal or otherwise invalid, such provision shall be given its nearest legal meaning or deleted, and the remainder of this Agreement shall be construed to be in full force and effect.

f. In the event of any litigation that arises between the parties with respect to this Agreement, the prevailing party shall be entitled to reasonable attorney fees and court costs at all trial and appellate levels.

g. This Agreement may be amended or modified only if executed in writing and in the same manner as the original. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida.

h. Neither Purchaser nor Seller may transfer or assign this Agreement or the duties or obligations created herein.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed the day and year aforesaid in counterparts, each counterpart to be considered an original.

SUNRISE WATER COMPANY, INC.


Secretary
(SEAL)

 2-4-99
By: Macadley Whiting, Jr.
President

KEEN SALES, RENTALS UTILITIES, INC.


Secretary
(SEAL)

 2-8-99
By: J. Ray Keen
President

whiting\munic\p64 887

**BILL OF SALE OF WATER SYSTEM
BY SUNRISE WATER COMPANY, INC.
TO KEEN SALES, RENTALS AND UTILITIES, INC.**

KNOW ALL MEN BY THESE PRESENTS that SUNRISE WATER COMPANY, INC. (hereinafter "Seller") for the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations paid by KEEN SALES, RENTALS AND UTILITIES, INC. (hereinafter "Purchaser"), the receipt of which is hereby acknowledged, pursuant to an Agreement for Purchase and Sale between the parties dated February 4TH, 1999 (the "Agreement"), which Agreement is incorporated herein by specific reference, has granted, bargained, sold, transferred, set over and delivered, and by these presents does grant, bargain, sell, transfer, set over and deliver, unto the Purchaser, its successors and assigns, the water system owned by Seller, both tangible and intangible, and such rights and obligations, whether contractual or not, as more fully set forth in the following paragraphs, of the Seller include, but are not limited to, the following personalty:

1. All water treatment plants, water supply and distribution facilities, of every kind and description whatsoever, including but not limited to pumps, plants, tanks, lift stations, transmission mains, distribution mains, supply pipes, valves, meters, meter boxes, service connections and all other physical facilities, equipment and property installations owned by Seller and used primarily in connection with the water system, together with all additions or replacements thereto.

2. All licenses, easements, prescriptive rights, rights-of-way and rights to use public and private roads, highways, streets and other areas owned or used by Seller for the construction, operation and maintenance of the water system.

3. All certificates, immunities, privileges, permits, license rights, consents, grants, ordinances, leaseholds, and all rights to construct, maintain and operate the water system and its plants and systems for the procuring, treatment, storage and distribution of potable water and every right of every character whatever in connection therewith, and the obligations thereof; all agencies for the supply of water to the water system or others; all water rights, flowage rights and riparian rights and all renewals, extensions, additions or modifications of any of the foregoing; together with all rights granted to Seller under any certificates in favor of Seller, to the extent that Seller's rights to the foregoing are transferable.

4. All items of inventory owned by Seller on the Closing Date.

5. All supplier lists, customer records, prints, plans, engineering reports, surveys, as-built plants, specifications, shop drawings, equipment manuals, maps, books, and other information

reasonably required by Purchaser to operate the water system in Seller's possession.

6. All warranties by third parties in favor of Seller, including those related to completed or in-progress construction work, including professional engineering warranties.

Seller represents and warrants that it has exclusive ownership, possession, control, and marketable title to the above-referenced property, and the above-referenced property is subject to no mortgage, pledge, lien, charge, security interest, encumbrance, or restriction except the Permitted Encumbrances, as that term is defined in the Agreement.

IN WITNESS WHEREOF the parties have caused their names to be hereunto subscribed this 23rd day of February, 1999.

ATTEST:

SUNRISE WATER COMPANY, INC.



Sara S. Whiting
Secretary

By: 

Macauley Whiting, Jr.
President

(Seal)

CLARIFICATIONS OR CORRECTIONS #7

Sunrise Water Company, Inc., will be responsible for the Regulatory Assessment Fees for the period of January 1, 1999, to February 23, 1999.

Keen Sales, Rentals and Utilities, Inc., will be responsible for the Regulatory Assessment Fees for the period beginning February 24, 1999, until the end of 1999. Upon successful transfer of the water certificate, Keen Sales, Rentals and Utilities, Inc., will be responsible for all future Regulatory Assessment Fees.

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

FORMERLY SUNRISE WATER COMPANY, INC.
SERVICE AVAILABILITY FEES AND CHARGES

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFER TO SHEET NO.</u>
Meter Installation Fee	\$N/A	N/A
<u>Guaranteed Revenue Charge</u>	\$N/A	N/A
<u>Inspection Fee</u>	Actual Cost(1)	N/A
<u>Main Extension Charge</u>		
Residential-per ERC/month (____) GPD	\$N/A	N/A
All others-per gallon/month	\$N/A	N/A
<u>Plan Review Charge</u>	N/A	N/A
<u>Application Charge</u>	N/A	N/A
<u>Recording Charge</u>	N/A	N/A
<u>Legal Review Charge</u>	N/A	N/A
<u>Plant Capacity Charge</u>		
Residential-per ERC/ (__) GPD . .	N/A	N/A
All others-per gallon	N/A	N/A
<u>System Capacity Charge</u>		
Residential-per ERC	\$450.00	N/A
All others-per gallon	N/A	N/A

(1) Actual Cost is equal to the total cost incurred for services rendered to a customer, plus appropriate overhead associated with installation.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

J. RAY KEEN
ISSUING OFFICER
PRESIDENT
TITLE

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

(Continued from Sheet No. 3.1)

DESCRIPTION OF TERRITORY SERVED

Township 30 South, Range 26 East, in Section 16

The Northeast 1/4 less the Northwest 1/4 of the Northwest 1/4 and less the Northwest 1/4 of the Northeast 1/4 of the Northeast 1/4 and less Star Lake.

The Southeast 1/4 of the Southeast 1/4 of the Northwest 1/4

The North 480 feet of the Southeast 1/4

The East 672 feet of the Southeast 1/4 less the South 672 feet.

Continued to Sheet 3.2

J. RAY KEEN
ISSUING OFFICER
PRESIDENT
TITLE

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

(Continued from Sheet 3.2)

FORMERLY SUNRISE WATER COMPANY, INC.

DESCRIPTION OF TERRITORY SERVED

Township 28 South, Range 25 East, Section 21

Serving an area generally known as Sunrise Acres Subdivision, an unrecorded subdivision known as Pinewood, and an unrecorded mobile home village. More particularly described as:

From the Northwest corner of Section 21, also the Point of Beginning, run due East (along the South line of Section 16 and the North line of Section 21) for a distance of 2618.23 feet, more or less; thence, due South a distance of 1313 feet, more or less; thence due West a distance of 1455.20 feet, more or less; thence due South a distance of 235 feet, more or less; thence due West a distance of 405 feet, more or less; thence due South a distance of 1063 feet, more or less; thence due West a distance of 420.71 feet, more or less; thence due North a distance of 695 feet, more or less; thence due West a distance of 340 feet, more or less, to the West line of Section 21; thence due North a distance of 1922.35, more or less, to the Point of Beginning.

J. RAY KEEN
ISSUING OFFICER
PRESIDENT
TITLE

SECOND REVISED SHEET NO. 4.0
CANCELS FIRST REVISED SHEET NO. 4.0

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

COMMUNITIES SERVED LISTING

<u>COUNTY</u> <u>NAME</u>	<u>DEVELOPMENT</u> <u>NAME</u>	<u>RATE</u> <u>SCHEDULE(S)</u> <u>AVAILABLE</u>	<u>SHEET NO.</u>
POLK	EARLENE SUBDIVISION	GS, RS	12.0-13.0
POLK	RAY KEEN SUBDIVISION	GS, RS	12.0-13.0
POLK	ELLISON PARK SUBDIVISION	GS, RS	12.0-13.0
POLK	ALTURAS WATER WORKS	GA, RS	12.1-13.1
POLK	SUN ACRES	RS	13.2

J. RAY KEEN
ISSUING OFFICER
PRESIDENT
TITLE

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>SHEET NUMBER</u>
Customer Deposits.....	14.0 - 14.2
General Service, GS.....	12.0 - 12.11
Meter Test Deposit.....	15.0
Miscellaneous Service Charges.....	16.0 - 16.2
Residential Service, RS.....	13.0 - 13.2
Service Availability Fees and Charges.....	17.0 - 17.1

J. RAY KEEN
ISSUING OFFICER
PRESIDENT
TITLE

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

FORMERLY SUNRISE WATER COMPANY, INC.

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY Available throughout the area served by the Company.

APPLICABILITY For water service for all purposes in private residences and individually metered apartment units.

LIMITATIONS Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD Monthly

RATE Minimum Charge (includes first 5,000 gallons)

Meter Size

5/8" X 3/4" \$8.85

Gallonage Charge

(Per 1,000 gallons over the first 5,000 gallons) \$1.31

MINIMUM CHARGE \$8.85

TERMS OF PAYMENT Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may be discontinued.

EFFECTIVE DATE

TYPE OF FILING Transfer

J. RAY KEEN
ISSUING OFFICER
PRESIDENT

TITLE

NAME OF COMPANY: KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

FORMERLY SUNRISE WATER COMPANY, INC.

CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to the meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" X 3/4"	<u>\$35.00</u>	<u>N/A</u>
1"	<u>N/A</u>	<u>N/A</u>
1-1/2"	<u>N/A</u>	<u>N/A</u>
OVER 2"	<u>N/A</u>	<u>N/A</u>

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customers account annually.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25.30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

J. RAY KEEN
ISSUING OFFICER
PRESIDENT
TITLE

NAME OF COMPANY - KEEN SALES, RENTALS AND UTILITIES, INC.

WATER TARIFF

FORMERLY SUNRISE WATER COMPANY, INC.MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company requires multiple actions.

INITIAL CONNECTION - This charge would be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge would be levied for transfer of service to a new customer account at a previously served location or reconnection of service subsequent to a customer requested disconnection.

VIOLATION RECONNECTION - This charge would be levied prior to reconnection of an existing customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment, and in the case of a cut lock or metering tampering.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

LATE PAYMENT FEE - This charge would be levied for payments not timely made following rendering of a bill for service. This charge will be levied if the bill is not paid within 20 days.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ 15.00
Normal Reconnection Fee	\$ 15.00
Violation Reconnection Fee	\$ 15.00
Premises Visit Fee (in lieu of disconnection)	\$ 10.00
Late Payment Fee	\$ 5.00

EFFECTIVE DATE

TYPE OF FILING - Transfer

J. RAY KEEN
ISSUING OFFICER
PRESIDENT

TITLE

DEFICIENCIES #3 - BUSINESS STATEMENT

The transfer of Sunrise Water Company to Keen Sales, Rentals and Utilities, Inc., is in the best interest of the public and the customers. Keen Sales, Rentals and Utilities, Inc., is a growing utility company and will be better able to serve the community and maintain the water system.

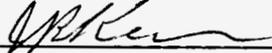
I began operating a water system in 1990. In January, 1997, I purchased Lake Region Paradise Island. In December, 1998, I purchased the Alturas Water Works Company. Both these water works, in conjunction with our current water works have been successfully operating. Since my first foray into the water distribution business in 1990, I have gained, and continue to gain, the knowledge and experience necessary to successfully operate a water utility.

The address of Keen Sales, Rentals and Utilities, Inc., is 685 Dyson Road, Haines City, Florida 33844 - the address for Sunrise Water Company is 2589 1/2 Sunrise Terrace, Auburndale, Florida 33823. The mailing address for both companies is 685 Dyson Road, Haines City, Florida 33844.

I, James Ray Keen, as President of Keen Sales, Rentals and Utilities, Inc., agree to fulfill the commitments, obligations and representations of the seller, Macauley Whiting, Jr., d/b/a Whiting Water Works, a/k/a Sunrise Water Company, Inc., to the customers of the water systems.

The financial statement of Keen Sales, Rentals and Utilities, Inc., is attached hereto and will reflect that Keen Sales, Rentals and Utilities, Inc., has the financial ability to provide service.

KEEN SALES, RENTALS AND UTILITIES, INC.

BY: 
James Ray Keen, President

DEFICIENCIES #3

PROJECTED FINANCIAL STATEMENT (JULY 1, 1999 TO JUNE 30, 2000)

CURRENT ASSETS:

CASH ON HAND 7/1/99 \$9,790.00

LONG TERM ASSETS: \$290,370.00

SHORT TERM ASSETS: NONE

PROJECTED INCOME FROM WATER SOURCES FOR PERIOD ABOVE \$105,030.72

PROJECTED INCOME FROM OTHER SOURCES FOR PERIOD ABOVE 30,004.32

PROJECTED EXPENSES FOR PERIOD ABOVE 90,871.26

BREAKDOWN - JULY 1, 1999, TO JUNE 30, 2000

CURRENT CASH ON HAND \$ 9,790.68

PROJECTED INCOME 135,035.04

PROJECTED OUTGO 90,871.26

DEFICIENCIES #4 - INCOME TAX RETURNS

Since the original submission of the Application for Transfer of Sunrise Water Company, Inc., to Keen Sales, Rentals and Utilities, Inc., on June 11, 1999, we have requested copies of the returns.

We were told by Sunrise Water Company, Inc., by Ms. Sylve Davis, that the books for the company had been closed and stored and we would be unable to obtain them.

Subsequently, Mr. Charles Winston, Auditor, Florida Public Service Commission has contacted the offices of Keen Sales, Rentals and Utilities, Inc., and was told the above statement. He stated that he will contact Sunrise Water Company, Inc., specifically Ms. Sylve Davis, and request the necessary information.

DEFICIENCIES #5 - NOTICE TO CUSTOMERS

LEGAL NOTICE

Notice is hereby given on 7-13-99, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of SUNRISE WATER COMPANY, INC. from Whiting Water Works, Inc., to Keen Sales, Rentals and Utilities, Inc., providing service to the following described territory in Polk County, Florida.

Township 28 South, Range 25 East, Section 21
Serving an area generally known as Sunrise
Acres Subdivision, an unrecorded subdivision
known as Pinewood, and an unrecorded mobile
home village. More particularly described as:

From the Northwest corner of Section 21, also
the Point of Beginning, run due East (along
the South line of Section 16 and the North
line of Section 21) for a distance of 2618.23
feet, more or less; thence due South a distance
of 1313 feet, more or less; thence due West
distance of 1455.20 feet, more or less; thence
due South a distance of 235 feet, more or less;
thence due West a distance of 405 feet, more or
less; thence due South a distance of 1063 feet,
more or less; thence due West a distance of
420.71 feet, more or less; thence due North a
distance of 695 feet, more or less; thence due
West a distance of 340 feet, more or less; to
the West line of Section 21; thence due North a
distance of 1922.35, more or less, to the Point
of Beginning.

Any objection to the said application must be made in writing and
filed with the Director, Division of Records and Reporting, Florida Public
Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida
32399-0850, within thirty (30) days from the date of this notice. At the
same time, a copy of said objection should be mailed to the applicant
whose address is set forth below. The objection must state the grounds for
the objection with particularity.

KEEN SALES, RENTALS AND UTILITIES, INC.
685 DYSON ROAD
HAINES CITY, FLORIDA 33844
941-421-6827

DEFICIENCIES #5 - AFFIDAVIT

AFFIDAVIT

I, J. Ray Keen, President of Keen Sales, Rentals and Utilities, Inc., do solemnly swear or affirm that the attached Notice was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail to each customer of the system.

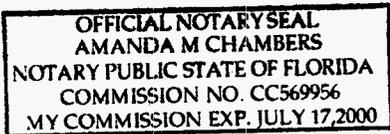
KEEN SALES, RENTALS AND UTILITIES, INC.
Applicant

J. Ray Keen
Name and Title
J. RAY KEEN - PRESIDENT

STATE OF FLORIDA
COUNTY OF POLK

I hereby Certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgements, personally appeared, J. RAY KEEN, known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, and an oath was not taken. J. Ray Keen is personally known to me.

Witness my hand and official seal in the County and State last aforesaid this 13TH day of July, 1999.



Amanda M. Chambers
AMANDA M. CHAMBERS - NOTARY PUBLIC

DEFICIENCIES #6 - PRIOR APPROVAL

The reason the sale of the utility was conducted prior to the approval of the Florida Public Service Commission is the fact that the seller was very motivated.

After the seller consulted with his attorney, his attorney stated that since this was a very small utility prior approval would not be necessary. The name and firm of the attorney are as follows:

MR. JOHN R. JENKINS, ESQUIRE
ROSE, SUNDSTROM & BENTLEY, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
850-877-6555

CLARIFICATIONS OR CORRECTIONS #1

The net book value of the system was determined by figures furnished to Keen Sales, Rentals and Utilities, Inc., by Sunrise Water Company, Inc., and included the following:

1. Number of Customers
2. Amount of Monthly Expenses
3. Amount of Monthly Income

After thoroughly discussing the furnished figures with the Board of Directors of Keen Sales, Rentals and Utilities, Inc., it was determined that the selling price of \$100,000.00 was acceptable.

CLARIFICATIONS OR CORRECTIONS #2

Prior to the purchase a reasonable investigation was conducted. This investigation centered on information provided by the Polk County Health Department and by the company that managed the system for Sunrise Water Company. This company also provides water management services (i.e. monitoring of wells, etc.) for all of our other systems.

Keen Sales, Rentals and Utilities, Inc., called the company and was assured that there were no violations. The name of the company is as follows:

MR. KEITH JOHNSON, ENVIRONMENTAL MANAGER
TRI-FLORIDA WATER TREATMENT, INC.
226 EAST LAKE AVENUE
AUBURNDALE, FLORIDA 33823
941-421-1439

CLARIFICATIONS OR CORRECTIONS #3

On July 13, 1999, Keen Sales, Rentals and Utilities, Inc., contacted the offices of Sunrise Water Company, Inc., and requested the Certificate #584-W. We were told that they did not know the location of the Certificate.

CLARIFICATIONS OR CORRECTIONS #4

AFFIDAVIT

I, J. Ray Keen, President of Keen Sales, Rentals and Utilities, Inc., do solemnly swear or affirm that the attached Notice was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code by regular mail to the following: the governing body of the municipality, county or counties in which the system or the territory proposed to be served is located; the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located; the regional planning council; the Office of Public Counsel; the Public Service Commission's Director of Records and Reporting; the appropriate regional office of the Department of Environmental Protection; and the appropriate water management district.

KEEN SALES, RENTALS AND UTILITIES, INC.

Applicant

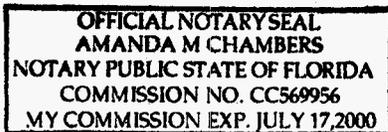


Name and Title
J. RAY KEEN - PRESIDENT

STATE OF FLORIDA
COUNTY OF POLK

I hereby Certify that on this day, before me, an officer duly authorized to administer oaths and take acknowledgements, personally appeared, J. RAY KEEN, known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me that he executed the same, and an oath was not taken. J. Ray Keen is personally known to me.

Witness my hand and official seal in the County and State last aforesaid this 28TH day of May, 1999.





AMANDA M. CHAMBERS - NOTARY PUBLIC

Keen Sales, Rentals and Utilities, Inc., respectfully requests the Florida Public Service Commission to raise the rates for the Sunrise Water Company, Inc.,

After extensive research which included conversations with the previous owners, it was determined that no sort of rate increase had been implemented since at least 1990, which is when they purchased the system. There are no previous records existing prior to 1990.

The current rate for this area is \$8.85 for the first 5,000 gallons of water and \$1.31 for each additional 1,000 gallons. At the current time there are approximately 265 customers on the system.

Keen Sales, Rentals and Utilities, Inc., strives to maintain the highest quality water systems. In order to accomplish this task we must constantly upgrade and improve our equipment.

Although the system is in good condition at the time of sale, there is always room for improvement; therefore, we request the following rate increase:

\$9.95 - MINIMUM CHARGE - INCLUDES THE FIRST
3,000 GALLONS
\$1.50 - PER 1,000 GALLONS OVER THE MINIMUM

CLARIFICATIONS AND CORRECTIONS #5

REQUEST FOR A LIMITED PROCEEDING FOR
A RATE INCREASE AT
SUNRISE WATER COMPANY, INC.

CLARIFICATIONS OR CORRECTIONS #6

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number

582 - W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to:

KEEN SALES, RENTALS AND UTILITIES, INC.

Whose principal address is:

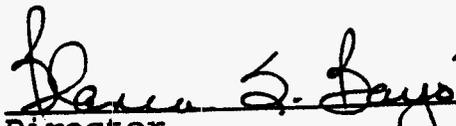
685 Dyson Road
Haines City, Florida 33844 (Polk County)

to provide water service in accordance with the provision of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER PSC-97-0152-FOF-WU	DOCKET 961007-WU
ORDER PSC-98-1294-FOF-WU	DOCKET 980751-WU
ORDER PSC-98-1752-FOF-WU	DOCKET 980536-WU
ORDER PSC-99-0431-FOF-WU	DOCKET 980536-WU
ORDER	DOCKET
ORDER	DOCKET

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



Director
Division of Records and Reporting

