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CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

May 28, 2002

Mr. Mark Waltrip
River Ranch Water Management, L.L.C.
5601 Windhover Drive
Orlando, Florida 32819

Re: Docket No. 020382-WS, Application for transfer of Facilities and Certificate Nos. 603-W and 519-S in Polk County from New River Ranch, L. C. d/b/a River Ranch to River Ranch Water Management, LLC.

Dear Mr. Waltrip:

After reviewing the application in the above referenced docket, the staff has identified the following deficiencies. Please correct and provide additional information as requested.

1. As required by Rule 25-30.037(2)(a), Florida Administrative Code (F.A.C.), provide the complete name and address of the seller as it appears on the certificates. Since the utility was acquired through a foreclosure, provide the name and the address of the company that owned the utility before the foreclosure.

2. Rule 25-30.037(2)(g)(1) F.A.C., requires that the purchase price and terms of payment for acquiring the utility be included in the application. According to the application, the utility and other property was acquired in a cash transaction at a foreclosure sale. Please identify the portion of the total purchase price that is attributable to the utility.

3. As required by Rule 25-30.037(2)(j) F.A.C., provide a statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in the water and/or wastewater industry and a showing of the buyer's financial ability to provide service. An example of the buyer's financial ability can be demonstrated by submitting financial statements, or tax returns. The buyer must demonstrate that it has the financial resources or access to financial resources to meet the utility's financial obligations and repair and maintenance expenses.

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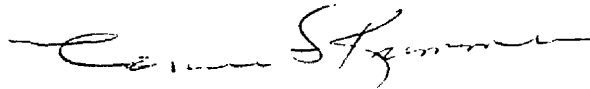
4. Pursuant to Section 367.145 Florida Statute and Rule 25-30.120 (2), F.A.C., the 2001 regulatory assessment fees are past due and must be remitted. In addition penalties and interest will continue to accumulate until the RAFs are paid. You may wish to arrange with the prior receiver of the utility, Mr. Andrew Bolnick, to pay for the portion of the regulatory assessment fees that were collected through rates during the time the receiver ran the utility.

5. The application included a consent order requiring the buyers to take corrective measures on the utility systems. As required by Rule 25-30.037(2)(p), F.A.C., please provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violations, a list of the improvements and repairs consented to, and the approximate cost to make them.

6. As required by Rule 25-30.037(2)(q), F.A.C., please provide a warranty deed in the name of River Ranch Water Management LLC. as evidence that the utility owns the land where the utility treatment facilities are located or a copy of the agreement which provides for the long term, continuous use of the land, such as a 99-year lease.

Please file an original and five copies of the requested information no later than July 15, 2002 with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Fl 32399. If you have any questions please call Ms. Cheryl Johnson at (850) 413-6984, Ms. Lorena Espinoza (850) 413-6185 or Mr. Tom Walden at (850) 413-6950.

Sincerely,



Connie Kummer, Chief
Bureau of Certification & Tariffs

CAJ: caj

cc: Office of General Counsel (Espinoza)
Division of Economic Regulation (Johnson, Walden, Mailhot)
Division of Commission Clerk and Administrative Services (Bayó)
New River Ranch, L.C. d/b/a River Ranch (Mr. Andrew Bolnick)
Ellen Avery-Smith, Esquire