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State of Florida



Public Service Commission

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COMMISSION  
CLERK

DATE: August 13, 2003  
TO: Jennifer Brubaker, General Counsel  
FROM: Cheryl Johnson, Economic Regulation *CJ KK PD DM*  
RE: Docket No. 030572-WS Application for transfer of water and wastewater facilities to Orange County, and request for cancellation of Certificate Nos. 15-W and 76-S, by Park Manor Waterworks Inc.

Park Manor Waterworks, Inc. (Park Manor or utility) is a Class B water utility providing service to the community of Park Manor in Orange County, Florida. Park Manor was granted Certificate Nos. 15-W and 76-S pursuant to Order No. 4968, in Docket Nos. 70329-W and 70330-S, issued November 12, 1979. The utility serves approximately 1,436 water customers and 1,410 wastewater customers. The utility's 2002 annual report lists combined operating revenues of \$876,979 and a combine net operating income of \$7,496.

On June 24, 2003, an application was filed on behalf of Park Manor with the Commission for the acknowledgment of the transfer of Park Manor to Orange County (County) and cancellation of Certificate No. 15-W and 76-S pursuant to Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037, Florida Administrative Code. A copy was provided of the Asset Purchase & Sale Agreement executed by the County and Park Manor for a purchase price of \$3,350,000 which is subject to adjustments and required proportions. The closing is scheduled to occur in August, 2003. The County is exempt from the Commission's regulation pursuant to Section 367.022(2), Florida Statutes.

Pursuant to Rule 25-30.037(4)(g), Florida Administrative Code, a statement was included that Park Manor will submit a final bill to its customers and will credit its customers accounts or refund excess deposits to the customers, following the closing. In addition, a statement was provided with the application confirming that the County had obtained the most recently available income and expense statement, balance sheet, statement of rate base for regulatory purposes and contributions-in-aid-of-construction pursuant to Rule 25-30.037(4)(e), Florida Administrative Code.

Finally, according to our records and the application, the utility's annual reports and regulatory assessment fees (RAFs) are current through December 31, 2002 and there are no outstanding fines, or interest owed. Park Manor and the County have agreed to pay the Utility's estimated 2003 RAFs and file the final Regulatory Assessment Fee Return the day of the closing. The RAFs will be deducted from the proceeds of the sale and the closing agent will forward the RAFs to the Commission. In addition, after undergoing a diligent search, Park Manor could not locate its original certificates for water and wastewater. The utility has no open dockets pending before the Commission.

Section 2.07(C)(11), Administrative Procedures Manual, grants the Director of the Division of the Commission Clerk and Administrative Services, in coordination with the appropriate industry division and the Office of the General Counsel, the authority to administratively approve the transfer of utilities from private to governmental agencies when filed and processed in accordance with Chapter 367.

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Based on the above, staff recommends that the application is in compliance with Section 367.071(4)(a), Florida Statutes and Rule 25-30.037(4), Florida Administrative Code. Pursuant to Section 367.071(4)(a), Florida Statutes, the sale or transfer of facilities to a governmental authority is approved as a matter of right. Therefore, an order should be issued acknowledging the transfer of the facilities from Park Manor to the County. Staff will administrative close this docket and cancel the certificates upon receipt of the RAFs.

cc: Division of Economic Regulation (Mailhot, Kaproth)  
Division of the Commission Clerk and Administrative Services