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MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD

September 28, 2004
VIA HAND DELIVERY

Stan Rieger
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Oak Springs, LLC; PSC Docket No. 040515-WU
Original Certificate Application
Our File No. 38021.01

Dear Mr. Rieger:

I have outlined below each of the five questions you posed to me and the explanations as obtained from Julian Coto and the utility management in answer to each of those issues or questions:

- 1. The Utility has stated that there are three general service customers all served by 5/8 X 3/4" meters. Two of these are irrigation and one is a pool and clubhouse. Are those really 5/8 X 3/4" meters and if so, how is that adequate given the fact that normally such types of general service customers are served by larger meters?**

Answer: Yes they are all in fact 5/8 X 3/4" meters, but the two irrigation meters. They provide service to relatively small common areas and as such, a 5/8 X 3/4" irrigation meter is adequate for that purpose. The pool and clubhouse would not be adequate to service the pool if the pool needed substantial filling frequently. However, that is not the case. All that is necessary is to maintain the level of the pool water for which the 5/8 X 3/4" meter is adequate.

CMP _____
COM _____
CTR _____
ECR _____
GCL _____
OPC _____
MMS _____
RCA _____
SCR _____
SEC 1
OTH _____

- 2. The water plant electric meter appears to have a lot of usage for the type of treatment involved. Is the wastewater treatment plant or some other non utility facility being utilized on this same water plant electric meter and if so, what is that other usage and what portion of the electric bill is related to it?**

Answer: Water plant electric service and the plants themselves are located away from other facilities and there is no non water utility function receiving

DOCUMENT RELEASED
10471 SEP 28 04
FPSC-COMMISSION CLERK

electrical service through these connections. We are double checking that this week.

3. **Exhibit F provided in the Utility's response to Staff Data Request No. 1 dated August 10, 2004 suggests that Well No. 2 is a 500 gallon/minute well with a 30 horsepower motor. The DEP's recent sanitary survey says that Well No. 2 is a 225 gallon/minute well with a 30 horsepower motor. Which of these is correct and why the discrepancy?**

Answer: While we do not know the reason for the discrepancy, the DEP sanitary survey is incorrect. While this Well No. 2 only has a 4" pipe which limits its GPM capability, with a 30 horsepower motor, it is still correctly rated at a level of at least 500 GPM and as such, the information provided in Exhibit "F" is accurate and the information provided in the DEP sanitary survey is inaccurate for some unknown reason.

4. **When the Utility filed its response to Staff's First Data Request dated June 23, 2004, a copy of a draft staff report relative to the new Water Use Permit was provided but at that time, no permit had been issued. Please provide the status of the new Water Use Permit and a copy of the permit if it has been issued.**

Answer: The new permit has been issued and a copy of it is attached hereto.

5. **Contractual services related to meter readings shows that \$2.50 per customer will be charged by this service provider during the period of time prior to approval of rates where the Utility is simply sending a notice to the customers of their usage, rather than an actual bill.**

Answer: Once rates are established by the Public Service Commission, the Utility will begin billing, collecting and booking the information relative to billing of the customers and as such, the billing costs from this contractor will increase to \$3.00 per bill because of the substantial additional duties related to billing, collecting, and record keeping. Therefore, the \$3.00 per bill is the appropriate figure to utilize.

6. **The staff has expressed some concerns with the service availability policy proposed by the Utility and the absence of a meter installation and an extension charge.**

Answer Attached hereto as Exhibit "G" two sets of revised tariff sheet no. 24.0 to reflect a corrected service availability policy. While all of the lines, services and other facilities are already in place throughout the service territory, and all of the over 400 connections within the service territory are currently or have previously received water and wastewater service, we have calculated a main extension charge to be applied to any future

Stan Rieger
September 28, 2004
Page 3

first time connections as requested. We are also in the process of calculating an appropriate calculation of a meter installation fee based on some relatively simple calculations. This is included with the tariff sheets as part of Exhibit "G." The calculation of the meter fee will be forthcoming shortly.

7. What is the amount of the lot rent reduction that the Utility is implementing to coincide with the beginning to charge for water service provided to customers?

Answer The Utility will implement a lot rent rate reduction of \$10.17 per month based upon the average out of pocket costs it has incurred in providing water service in the past. This credit will be implemented as soon after implementation of the new water rates as is possible and allowable under applicable regulations.

8. Please provide a revised tariff sheet reflecting that the Utility is proposing to provide and bill for water service only.

Answer Attached as Exhibit "H" is the revised tariff sheet reflecting the bill for water service only.

I trust that the above information and the attached permit provides you with the information you need. If you have any further questions in this regard, please let me know and we will be glad to provide that to you as quickly as possible.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD/tms

cc: Blanca S. Bayo
Patti Daniel
Cheryl Johnson
Martha Brown
Mike Campbell
Julian Coto
Gary Morse



St. Johns River Water Management District

Kirby B. Green III, Executive Director • David W. Fisk, Assistant Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500
On the Internet at www.sjrwmd.com.

July 7, 2004

MVC Real Estate Services
1886 Canova St
Palm Bay, FL 32909

SUBJECT: Consumptive Use Permit Number 2416
Oak Springs MHP

RECEIVED
mj 7/7/04

Dear Sir/Madam:

Enclosed is your permit and the forms necessary for submitting information to comply with conditions of the permit as authorized by the St. Johns River Water Management District on July 07, 2004.

Please be advised that the period of time within which a third party may request an administrative hearing on this permit may not have expired by the date of issuance. A potential petitioner has twenty-six (26) days from the date on which the actual notice is deposited in the mail, or twenty-one (21) days from publication of this notice when actual notice is not provided, within which to file a petition for an administrative hearing pursuant to Sections 120.569 and 120.57, Florida Statutes. Receipt of such a petition by the District may result in this permit becoming null and void.

Permit issuance does not relieve you from the responsibility of obtaining permits from any federal, state and/or local agencies asserting concurrent jurisdiction over this work.

The enclosed permit is a legal document and should be kept with your other important records. Please read the permit and conditions carefully since the referenced conditions may require submittal of additional information. All information submitted as compliance with permit conditions must be submitted to the nearest District Service Center and should include the above referenced permit number.

Sincerely,

Gloria Lewis, Director
Permit Data Services Division

Enclosures: Permit, Conditions for Issuance, Compliance Forms, Map, Well Tags

cc: District Permit File

Excel Engineering Consultants
122 Wilshire Blvd
Casselberry FL 32707

Ruden McClosky Smith Schuster & Russell
PO Box 14034
Saint Petersburg, FL 33733

GOVERNING BOARD

- | | | | |
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PERMIT NO. 2416

DATE ISSUED: July 7, 2004

PROJECT NAME: Oak Springs MHP

A PERMIT AUTHORIZING:

The District authorizes, as limited by the attached permit conditions, the use of 54.62 million gallons per year of ground water from the Floridan aquifer for household and commercial use for an estimated population of 986 at a mobile home park, and for irrigation of 2 acres of common area.

LOCATION:

Site: Oak Springs MHP
Lake County

Section(s): 32 Township(s): 19S Range(s): 28E

ISSUED TO:

MVC Real Estate Services
1886 Canova St
Palm Bay, FL 32909

Permittee agrees to hold and save the St. Johns River Water Management District and its successors harmless from any and all damages, claims, or liabilities which may arise from permit issuance. Said application, including all maps and specifications attached thereto, is by reference made a part hereof.

This permit does not convey to permittee any property rights nor any rights of privileges other than those specified herein, nor relieve the permittee from complying with any law, regulation or requirement affecting the rights of other bodies or agencies. All structures and works installed by permittee hereunder shall remain the property of the permittee.

This permit may be revoked, modified or transferred at any time pursuant to the appropriate provisions of Chapter 373, Florida Statutes and 40C-1, Florida Administrative Code.

PERMIT IS CONDITIONED UPON:

See conditions on attached "Exhibit A", dated July 7, 2004

AUTHORIZED BY: St. Johns River Water Management District
Department of Resource Management

By: 
Dwight Jenkins
Division Director

"EXHIBIT A"
CONDITIONS FOR ISSUANCE OF PERMIT NUMBER 2416
MVC REAL ESTATE SERVICES
DATED JULY 7, 2004

1. District Authorized staff, upon proper identification, will have permission to enter, inspect and observe permitted and related facilities in order to determine compliance with the approved plans, specifications and conditions of this permit.
2. Nothing in this permit should be construed to limit the authority of the St. Johns River Water Management District to declare a water shortage and issue orders pursuant to Section 373.175, Florida Statutes, or to formulate a plan for implementation during periods of water shortage, pursuant to Section 373.246, Florida Statutes. In the event a water shortage, is declared by the District Governing Board, the permittee must adhere to the water shortage restriction as specified by the District, even though the specified water shortage restrictions may be inconsistent with the terms and conditions of this permit.
3. Prior to the construction, modification, or abandonment of a well, the permittee must obtain a Water Well Construction Permit from the St. Johns River Water Management District, or the appropriate local government pursuant to Chapter 40C-3, Florida Administrative Code. Construction, modification, or abandonment of a well will require modification of the consumptive use permit when such construction, modification or abandonment is other than that specified and described on the consumptive use permit application form.
4. Leaking or inoperative well casings, valves, or controls must be repaired or replaced as required to eliminate the leak or make the system fully operational.
5. Legal uses of water existing at the time of the permit application may not be interfered with by the consumptive use. If unanticipated interference occurs, the District may revoke the permit in whole or in part to curtail or abate the interference unless the permittee mitigates for the interference. In those cases where other permit holders are identified by the District as also contributing to the interference, the permittee may choose to mitigate in a cooperative effort with these other permittees. The permittee must submit a mitigation plan to the District for approval prior to implementing such mitigation.
6. Off-site land uses existing at the time of permit application may not be significantly adversely impacted as a result of the consumptive use. If unanticipated significant adverse impacts occur, the District shall revoke the permit in whole or in part to curtail or abate the adverse impacts, unless the impacts can be mitigated by the permittee.
7. The District must be notified, in writing, within 30 days of any sale, conveyance, or other transfer of a well or facility from which the permitted consumptive use is made or within 30 days of any transfer of ownership or control of the real property at which the permitted consumptive use is located. All transfers of ownership or transfers of permits are subject to the provisions of section 40C-1.612, Florida Administrative Code.
8. A District-issued identification tag shall be prominently displayed at each withdrawal site by permanently affixing such tag to the pump, headgate, valve or other withdrawal facility as provided by Section 40C-2.401, Florida Administrative Code. Permittee shall notify the District in the event that a replacement tag is needed.
9. All submittals made to demonstrate compliance with this permit must include the CUP number 2416 plainly labeled.

10. This permit will expire 20 years from the date of issuance.

11. Maximum annual ground water withdrawals must not exceed:

41.04 million gallons in 2004;
 43.21 million gallons in 2005;
 45.49 million gallons in 2006;
 47.78 million gallons in 2007;
 50.19 million gallons in 2008;
 52.33 million gallons in 2009; and
 54.62 million gallons from January 1, 2010, through the expiration date of this permit.

12. Maximum daily ground water withdrawals for essential use, for fire protection, must not exceed 1.26 million gallons.

13. Wells no. 1 (station ID 8968) and 2 (station ID 8969) must continue to be monitored with a common totalizing flowmeter. This meter must maintain 95% accuracy, be verifiable and be installed according to the manufacturer's specifications.

14. Total withdrawals from wells no. 1 (station ID 8968) and 2 (station ID 8969) must be recorded continuously, totaled monthly, and reported to the District at least every six months from the initiation of the monitoring using Form No. EN-50. The reporting dates each year will be as follows for the duration of the permit:

<u>Reporting Period</u>	<u>Report Due Date</u>
January - June	July 31
July - December	January 31

15. The permittee must maintain all flowmeters. In case of failure or breakdown of any meter, the District must be notified in writing within 5 days of its discovery. A defective meter must be repaired or replaced within 30 days of its discovery.

16. The permittee must have all flowmeters checked for accuracy at least once every 3 years within 30 days of the anniversary date of permit issuance, and recalibrated if the difference between the actual flow and the meter reading is greater than 5%. District Form No. EN-51 must be submitted to the District within 10 days of the inspection/calibration.

~~17.~~ The permittee must assure that all service connections are metered.

18. Within 30 days of the anniversary date of issuance of this permit, the permittee must submit an annual water audit to the District. The audit must cover a period of at least one calendar year, and must identify all system losses (water utility) and all sources of unaccounted for water.

19. The permittee must implement the Water Conservation Plan submitted to the District on August 29, 2003, in accordance with the schedule contained therein.

20. The lowest quality water source, such as reclaimed water or surface/stormwater, must be used as irrigation water when deemed feasible pursuant to District rules and applicable state law.

21. The permittee shall submit, to the District, a compliance report pursuant to subsection 373.236(3), Florida Statute, 5, 10 and 15 years during the term of this permit. Specifically, the permittee shall submit the reports by January 31 of the required years. The report shall contain sufficient information to demonstrate that the permittee's use of water will continue, for the remaining duration of the permit, to meet the conditions for permit issuance set forth in the District rules that existed at the time

the permit was issued for 20 years by the District. At a minimum, the compliance report must:

- a) meet the submittal requirements of section 4.2 of the Applicant's Handbook: Consumptive Uses of Water, February 8, 1999;
- b) evaluate the effect of the newly-instituted water rate structure on the annual per capita water use at this community; and
- c) demonstrate that the existing ground water source can continue to provide the recommended amount of water without causing adverse impacts on water resources or interference with existing legal uses of water.

Notice Of Rights

1. A person whose substantial interests are or may be determined has the right to request an administrative hearing by filing a written petition with the St. Johns River Water Management District (District), or may choose to pursue mediation as an alternative remedy under Sections 120.569 and 120.573, Florida Statutes, before the deadline for filing a petition. Choosing mediation will not adversely affect the rights to a hearing if mediation does not result in a settlement. The procedures for pursuing mediation are set forth in Sections 120.569 and 120.57, Florida Statutes, and Rules 28-106.111 and 28-106.401-.405, Florida Administrative Code. Pursuant to Chapter 28-106 and Rule 40C-1.1007, Florida Administrative Code, the petition must be filed at the office of the District Clerk at District Headquarters, P. O. Box 1429, Palatka, Florida 32178-1429 (4049 Reid St., Palatka, FL 32177) within twenty-six (26) days of the District depositing notice of District decision in the mail (for those persons to whom the District mails actual notice) or within twenty-one (21) days of newspaper publication of the notice of District decision (for those persons to whom the District does not mail actual notice). A petition must comply with Chapter 28-106, Florida Administrative Code.
2. If the Governing Board takes action which substantially differs from the notice of District decision, a person whose substantial interests are or may be determined has the right to request an administrative hearing or may choose to pursue mediation as an alternative remedy as described above. Pursuant to District Rule 40C-1.1007, Florida Administrative Code, the petition must be filed at the office of the District Clerk at the address described above, within twenty-six (26) days of the District depositing notice of final District decision in the mail (for those persons to whom the District mails actual notice) or within twenty-one (21) days of newspaper publication of the notice of its final agency action (for those persons to whom the District does not mail actual notice). Such a petition must comply with Rule Chapter 28-106, Florida Administrative Code.
3. A substantially interested person has the right to a formal administrative hearing pursuant to Section 120.569 and 120.57(1), Florida Statutes, where there is a dispute between the District and the party regarding an issue of material fact. A petition for formal must comply with the requirements set forth in Rule 28-106.201, Florida Administrative Code.
4. A substantially interested person has the right to an informal hearing pursuant to Sections 120.569 and 120.57(2), Florida Statutes, where no material facts are in dispute. A petition for an informal hearing must comply with the requirements set forth in Rule 28-106.301, Florida Administrative Code.
5. A petition for an administrative hearing is deemed filed upon delivery of the petition to the District Clerk at the District headquarters in Palatka, Florida.
6. Failure to file a petition for an administrative hearing, within the requisite time frame shall constitute a waiver of the right to an administrative hearing (Section 28-106.111, Florida Administrative Code).
7. The right to an administrative hearing and the relevant procedures to be followed are governed by Chapter 120, Florida Statutes, and Chapter 28-106, Florida Administrative Code and Section 40C-1.1007, Florida Administrative Code.

Notice Of Rights

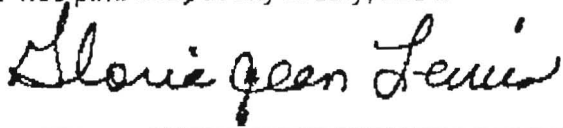
8. An applicant with a legal or equitable interest in real property who believes that a District permitting action is unreasonable or will unfairly burden the use of his property, has the right to, within 30 days of receipt of notice of the District's written decision regarding a permit application, apply for a special master proceeding under Section 70.51, Florida Statutes, by filing a written request for relief at the office of the District Clerk located at District headquarters, P. O. Box 1429, Palatka, FL 32178-1429 (4049 Reid St., Palatka, Florida 32177). A request for relief must contain the information listed in Subsection 70.51(6), Florida Statutes.
9. A timely filed request for relief under Section 70.51, Florida Statutes, tolls the time to request an administrative hearing under paragraph no. 1 or 2 above (Paragraph 70.51(10)(b), Florida Statutes). However, the filing of a request for an administrative hearing under paragraph no. 1 or 2 above waives the right to a special master proceeding (Subsection 70.51(10)(b), Florida Statutes).
10. Failure to file a request for relief within the requisite time frame shall constitute a waiver of the right to a special master proceeding (Subsection 70.51(3), Florida Statutes).
11. Any substantially affected person who claims that final action of the District constitutes an unconstitutional taking of property without just compensation may seek review of the action in circuit court pursuant to Section 373.617, Florida Statutes, and the Florida Rules of Civil Procedures, by filing an action in circuit court within 90 days of the rendering of the final District action, (Section 373.617, Florida Statutes).
12. Pursuant to Section 120.68, Florida Statutes, a person who is adversely affected by final District action may seek review of the action in the District Court of Appeal by filing a notice of appeal pursuant to the Florida Rules of Appellate Procedure within 30 days of the rendering of the final District action.
13. A party to the proceeding before the District who claims that a District order is inconsistent with the provisions and purposes of Chapter 373, Florida Statutes, may seek review of the order pursuant to Section 373.114, Florida Statutes, by the Florida Land and Water Adjudicatory Commission, by filing a request for review with the Commission and serving a copy on the Department of Environmental Protection and any person named in the order within 20 days of adoption of a rule or the rendering of the District order.
14. For appeals to the District Court of Appeal, a District action is considered rendered after it is signed on behalf of the District, and is filed by the District Clerk.
15. Failure to observe the relevant time frames for filing a petition for judicial review described in paragraphs #11 and #12, or for Commission review as described in paragraph #13, will result in waiver of that right to review.

Notice Of Rights
Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing Notice of Rights has been sent by U.S. Mail to:

MVC Real Estate Services
1886 Canova St
Palm Bay, FL 32909

At 4:00 p.m. this ^{15th} ~~7th~~ day of July, 2004.



Division of Permit Data Services
Gloria Lewis, Director

St. Johns River Water Management District
Post Office Box 1429
Palatka, FL 32178-1429
(386) 329-4152

Permit Number: 2416

Service Availability Policy Tariff



NAME OF COMPANY OAK SPRINGS, LLC

WATER TARIFF

SERVICE AVAILABILITY POLICY

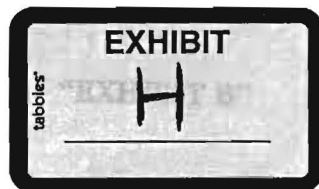
All of the plant and distribution system facilities within the existing territory were existing and invested at the time the Utility was certified. However, the following main extension and meter installation charges have been established for all future service connections where service has not previously been provided which charges shall be assessed against the occupant of any such future first time service connections.

<u>Main Extension Charge:</u>	\$243/ERC
<u>Meter Installation Fee :</u>	
5/8 x 3/4"	\$ _____
Larger than 5/8 x 3/4"	Actual Cost

MICHAEL CAMPBELL
ISSUING OFFICER

MANAGING MEMBER
TITLE

Proposed Customer Bill



NAME OF COMPANY OAK SPRINGS, LLC

WATER TARIFF

COPY OF CUSTOMER'S BILL

SEND PAYMENT TO: Oak Springs LLC
12 Highland Ave Sorrento, FL 32776

Presorted
First-Class Mail
U.S. Postage Paid
Palm Harbor, FL
Permit No. 3024

Account Number	Service ID
----------------	------------

Phone 888-455-8333

Service	Present Read	Usage	Amount
WAT	358560	4570	16.89
	Previous Read	353990	
Make Checks Payable to:		Oak Springs LLC	

Prev. Read Date	Cur Read Date	Past Due Amount
-----------------	---------------	-----------------

06/15/2004 07/15/2004 0.00

Due Date	Gross Amount	Net Amount
----------	--------------	------------

08/01/2004 19.39 19.39

PAY NET AMOUNT BY DUE DATE
Water Bill

-----RETURN THIS STUB WITH PAYMENT-----

Gross Amount	Net Amount
19.39	19.39

Account Number	Service ID
----------------	------------

MICHAEL CAMPBELL
ISSUING OFFICER

MANAGING MEMBER
TITLE

Service Availability Policy Tariff



NAME OF COMPANY OAK SPRINGS, LLC

WATER TARIFF

SERVICE AVAILABILITY POLICY

All of the plant and distribution system facilities within the existing territory were existing and invested at the time the Utility was certified. However, the following main extension and meter installation charges have been established for all future service connections where service has not previously been provided which charges shall be assessed against the occupant of any such future first time service connections.

<u>Main Extension Charge:</u>	\$243/ERC
<u>Meter Installation Fee :</u>	
5/8 x 3/4"	\$ _____
Larger than 5/8 x 3/4"	Actual Cost

MICHAEL CAMPBELL
ISSUING OFFICER

MANAGING MEMBER
TITLE

Proposed Customer Bill



NAME OF COMPANY OAK SPRINGS, LLC

WATER TARIFF

COPY OF CUSTOMER'S BILL

SEND PAYMENT TO: Oak Springs LLC
12 Highland Ave Sorrento, FL 32776

Account Number Service ID
[REDACTED] [REDACTED]

Phone 888-455-8333

Presorted
First-Class Mail
U.S. Postage Paid
Palm Harbor, FL
Permit No. 3024

Service	Present Read	Usage	Amount
WAT	358560	4570	16.89
	Previous Read	353590	
Make Checks Payable to:		Oak Springs LLC	

Prev. Read Date	Cur Read Date	Past Due Amount
06/15/2004	07/15/2004	0.00

Due Date	Gross Amount	Net Amount
08/01/2004	19.39	19.39

PAY NET AMOUNT BY DUE DATE
Water Bill

-----RETURN THIS STUB WITH PAYMENT-----

Gross Amount	Net Amount
19.39	19.39

Account Number Service ID
[REDACTED] [REDACTED]

MICHAEL CAMPBELL
ISSUING OFFICER

MANAGING MEMBER
TITLE