

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A
STAFF ASSISTED RATE CASE

REGISTRATION CENTER
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110130-WS

I. GENERAL DATA

A. Name of Utility: **Shangri-La By The Lake Utilities, Inc.**

B. Address: **100 Shangri-La Blvd., Leesburg, FL 34788**

1. Telephone Nos.: (352) 589-7744

2. County: **Lake**

Nearest City: **Leesburg**

3. General Area Served: **Shangri-La By The Lake, Eagle Point, Shangri-La Shores**

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C. Authority:

1. Water Certificate No. **567-W** Date Received: **2/23/1996**

2. Wastewater Certificate No. **494-S** Date Received: **2/23/1996**

3. Date Utility Started Operations: Water: **1/1/1994** Wastewater: **1/1/1994**

D. How System Was Acquired: **Division from Werner & Werner, Inc.**

If utility was purchased, give date **1/1/1994** Amount Paid \$ **Unknown**

1. Name of Seller: **Werner & Werner, Inc.**

2. Was seller affiliated with present owners? Yes No

3. Did you purchase: Stock or assets only

E. Type of Legal Entity:

Corporation Partnership Sole Proprietorship

F. Ownership & Officers:

COM
ADA
ECR
GCL
RAD
SSC
ADM
DPC
ELK

	Name	Title	Percent Ownership
1.	<u>Mertis L. Werner Estate</u>		<u>100%</u>
2.	<u>Jay E. Werner</u>	<u>President, Secretary, Treasurer, Director</u>	<u>0%</u>
3.	<u>Andrew R. Werner</u>	<u>Vice-President, Director</u>	<u>0%</u>
4.	<u></u>	<u></u>	<u></u>

DOCUMENT NUMBER-DATE

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G. List of Associated Companies and Addresses:

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

Name:

Martin S. Friedman

Address:

766 N. Sun Dr. Suite 4030, Lake Mary Fl. 32746

II. ACCOUNTING DATA

A. Outside Accountant

1. Name: **Joseph M. Turnes**
2. Firm: **Biggs, Hausserman, Thompson & Dickinson, PC**
3. Address: **356 E. Main St., PO Box 60, Saranac, MI 48881**
4. Telephone: **(616) 642- 9467**

B. Individual To Contact On Accounting Matters:

1. Name: **Jay E. Werner**
2. Telephone: **(815) 738- 2508**

C. Location of Books and Records: **1214W IL Route 72, Leaf River, IL 61047**

D. Have you filed an Annual Report with the Commission? X Yes No

Date Last Filed: **3/21/2011**

E. Has your latest Regulatory Assessment Fee Payment been made?

(January 30 or July 30 whichever is applicable) Jan 30 X July 30

F. Basic Rate Base Data: (Most recent two years)

1. Water:

	2010	2009
Cost of Plant In Service	\$ 177,932	\$ 166,405
Less Accumulated Depreciation	<u>49,591</u>	<u>44,942</u>
Less Contributed Plant	<u>0</u>	<u>0</u>
Net Owner's Investment	\$ 128,341	\$ 121,463

2. Wastewater:

2010 2009

Cost of Plant In Service	\$ 301,374	\$ 301,374
Less Accumulated Depreciation	152,155	138,646
Less Contributed Plant	0	0
Net Owner's Investment	\$ 149,219	\$ 162,728

G. Basic Income Statement: (Most recent two years)

1. Water:

	2010	2009
Revenues (By Class)		
a. Residential	\$ 43,824	\$ 36,724
b.	0	0
c.	0	0
Total Operating Revenues:	\$ 43,824	\$ 36,724
Less Expenses:		
a. Salaries & Wages - Employees	5,934	5,876
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	0	0
c. Employee Pensions & Benefits	0	0
d. Purchased Water	0	0
e. Purchased Power	0	0
f. Fuel for Power Production	0	12
g. Chemicals	0	0
h. Materials & Supplies	0	245
i. Contractual Services	8,472	9,450
j. Rents	4,200	4,200
k. Transportation Expenses	0	0
l. Insurance Expense	0	0
m. Regulatory Commission Expense	1,972	1,653
n. Bad Debt Expense	0	0
o. Miscellaneous Expense	9,378	10,469
p. Depreciation Expense	4,649	4,451
q. Property Taxes	0	0
r. Other Taxes	2,112	2,368
s. Income Taxes	0	0
Operating Income (Loss)	\$ 7,107	\$ -2,000

2. Wastewater

	2010	2009
Revenues (By Class):	\$	\$
a. Residential	<u>32,128</u>	<u>26,476</u>
b.	<u>0</u>	<u>0</u>
c.	<u>0</u>	<u>0</u>
Total Operating Revenues:	<u>\$ 32,128</u>	<u>\$ 27,476</u>
Less Expenses:		
a. Salaries & Wages - Employees	<u>5,934</u>	<u>5,876</u>
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	<u>0</u>	<u>0</u>
c. Employee Pensions & Benefits	<u>0</u>	<u>0</u>
d. Purchased Wastewater Treatment	<u>0</u>	<u>0</u>
e. Sludge Removal Expense	<u>0</u>	<u>0</u>
f. Purchased Power	<u>0</u>	<u>0</u>
g. Fuel for Power Production	<u>0</u>	<u>0</u>
h. Chemicals	<u>0</u>	<u>0</u>
i. Materials & Supplies	<u>1,469</u>	<u>218</u>
j. Contractual Services	<u>11,544</u>	<u>20,209</u>
k. Rents	<u>4,200</u>	<u>4,200</u>
l. Transportation Expenses	<u>0</u>	<u>0</u>
m. Insurance Expense	<u>0</u>	<u>0</u>
n. Regulatory Commission Expense	<u>1,445</u>	<u>1,203</u>
o. Bad Debt Expense	<u>0</u>	<u>0</u>
p. Miscellaneous Expense	<u>10,990</u>	<u>8,229</u>
q. Depreciation Expense	<u>13,509</u>	<u>12,252</u>
r. Property Taxes	<u>0</u>	<u>0</u>
s. Other Taxes	<u>1,781</u>	<u>1,792</u>
t. Income Taxes	<u>0</u>	<u>0</u>
Operating Income (Loss)	<u>\$ -18,744</u>	<u>\$ -26,503</u>

H. Outstanding Debt:

	Creditor	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1.	Werner & Werner, Inc.	varies	\$578,468	6.00%	2026
2.					
3.					
4.					

I. Indicate Type of Tax Return Field:

- Form 1120 -Corporation
- Form 1120S -Subchapter S Corporation
- Form 1065 - Partnership
- Form 1040 - Schedule C - Individual (Proprietorship)

III

ENGINEERING DATA

A. Outside Engineering Consultant:

- 1. Name: **Ted Wicks**
- 2. Firm: **Wick's Consulting Services, Inc.**
- 3. Address: **225 W. Main Street, Tavares, FL 32778**
- 4. Telephone: **(352) 343- 8667**

B. Individual to contact on engineering matters:

- 1. Name: **Ted Wicks**
- 2. Telephone: **(352) 255-4430, (352) 348-1424, (352) 508-5545**

C. Is the utility under citation by the Department of Environmental Protection (DEP) or County Health Department?
If yes, explain: **No**

D. List any known service deficiencies and steps taken to remedy problems: **0**

E. Name of plant operator(s) and DEP operator certificate number(s) held: **Tom Felton #C2817**

F. Is the utility serving customers outside of its certificated area? **No**
If yes, explain:

G. Wastewater:

- 1. Gallons per day capacity of treatment facilities:
 - a. Existing: **50,000**
 - b. Under Construction:
 - c. Proposed:
- 2. Type and make of present treatment facilities: **Mac concrete and general environmental**
- 3. Approximate average daily flow of treatment plant effluent: **7,521**

4. Approximate length of wastewater mains:

Size (diameter):	Unknown	Need guidance			
Linear feet:	Unknown	Need guidance			

- 5. Number of manholes: **15**
- 6. Number of lift stations: **4**
- 7. How do you measure treatment plant effluent? **V notch weir, sonar**

8. Is the treatment plant effluent chlorinated? Yes No
If yes, what is the normal dosage rate? **5.0 ppm**
9. Tap in fees – Wastewater: \$ **0**
10. Service availability fees – Wastewater: \$ **9.91**
11. Note DEP Treatment Plant Certificate Number and date of expiration: **FLA010521**
Number Expiration Date: **9-12-2011**
12. Total gallons treated during most recent twelve months: **2,745,000**
13. Wastewater treatment purchased during most recent twelve months: **0**

H. Water:

1. Gallons per day capacity of treatment facilities:
a. Existing: **48,000** b. Under Construction : c. Proposed:
2. Type of treatment: **Aeration & chlorinated**
3. Approximate average daily flow of treated water: **28,383**
4. Source of water supply: **Well**
5. Types of chemicals used and their normal dosage rates: **Sodium hypochlorite – 2.0 ppm**
6. Number of wells in service: **2**
Total capacity in gallons per minute (gpm): **1,075**

Diameter/Depth:	6" / 350'	8" / 330'	
Motor horsepower:	10	10	30
Pump capacity (gpm):	-	225	850

7. Reservoirs and/or hydropneumatic tanks:

Description:	Steel	Concrete	Steel
Capacity:	3,000	15,000	5,000

8. High service pumping:

Motor horsepower:	7.5	7.5	30	30
Pump capacity (gpm):	125	125	545	545

9. How do you measure treatment plant production? **Meters**

10. Approximate feet of water mains:

Size (diameter):	Unknown	Need guidance		
Linear feet:	Unknown	Need guidance		

11. Note any fire flow requirements and imposing government agency: **none**

12. Number of fire hydrants in service: **11**

13. Do you have a meter change out program? No Yes
14. Meter installation or tap in fees - Water \$ 125
15. Service availability fees - Water \$ 12.87
16. Has the existing treatment facility been approved by DEP? No Yes
17. Total gallons pumped during most recent twelve months: 10,360,000
18. Total gallons sold during most recent twelve months: 10,184,000
19. Gallons unaccounted for during most recent twelve months: 176,000
20. Gallons purchased during most recent twelve months: 0

IV. RATE DATA

A. Individual to contact on tariff matters:

1. Name: Jay E. Werner
2. Telephone Number: (815) 738- 2508

B. Schedule of present rates: (Attach additional sheets if more space is needed)

1. Water:

- a. Residential Water \$12.87 plus \$1.22 per 1,000 gallons
- b. General Service _____
- c. Special Contract _____
- d. Other - Specify _____

2. Wastewater:

- a. Residential Wastewater \$9.91 plus \$2.43 per 1,000 gallons (6,000 max)
- b. General Service _____
- c. Special Contract _____
- d. Other - Specify _____

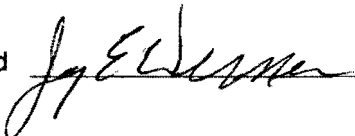
C. Number of Customers: (Most recent two years)

	2010	2009
1. Water Metered		
a. Residential	<u>186</u>	<u>181</u>
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - Specify	_____	_____
2. Water Unmetered		
a. Residential	<u>0</u>	<u>0</u>
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - Specify	_____	_____
3. Wastewater		
a. Residential	<u>179</u>	<u>174</u>
b. General Service	_____	_____
c. Special Contract	_____	_____

d. Other - Specify _____

V. AFFIRMATION

I, Jay E. Werner the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge, and belief.

Signed 
Title President

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.