

REQUEST TO ESTABLISH DOCKET
 (Please type or print. File original *plus* 1 copy with CLK.)

RECEIVED-FPSC

Date: 9/8/2011 Docket No.: 110216-WS 11 SEP -8 PM 2:33

1. From Division / Staff: Division Of Economic Regulation/Hudson *St BO* COMMISSION CLERK

2. OPR: ECR

3. OCR: APA

4. Suggested Docket Title: Application for staff-assisted rate case in Highlands County by Country Club Utilities, Inc.

5. Program/Module/Submodule Assignment: A/1/B

6. Suggested Docket Mail List.

a. Provide NAMES/ACRONYMS, if registered company. Provided as an Attachment

Company Code, if applicable:	Parties (include address, if different from MCD):	Representatives (name and address):
WS654	Country Club Utilities, Inc.	

b. Provide COMPLETE NAME AND ADDRESS for all others. (match representatives to companies)

Company Code, if applicable:	Interested persons, if any, (include address, if different from MCD):	Representatives (name and address):
	Office of Public Counsel	

7. Check one: Supporting Documentation Attached To be provided with Recommendation

Comments:

COM _____
 PA _____
 CR _____
 CL _____
 AD _____
 RC _____
 DM _____
 PC _____
 CLK _____

DOCUMENT NUMBER-DATE

06468 SEP-8 =

G:\COUNTRY CLUB - ESTABLISH DOCKET.doc

FPSC-COMMISSION CLERK

COUNTRY CLUB UTILITIES, INC.
3035 WYNSTONE DRIVE
SEBRING, FL 33875

September 1, 2011

Marshall Willis, Director
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

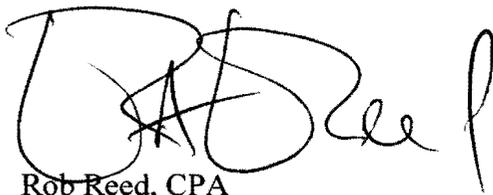
Subject: Application for Staff-Assisted Rate Case
Certificates 540W and 468S
Country Club Utilities, Inc.

Dear Mr. Willis,

Enclosed please find our Application for a Staff-Assisted Rate Case for the subject utility. We understand that the Commission will calculate the appropriate filing fee. Please let us know the fee, along with any other information that may be necessary to put this Application on the Docket for processing.

Thank you for your assistance in this matter.

Very truly yours,



Rob Reed, CPA

Enclosures

11 SEP -6 AM 7:18
ECONOMIC REGULATION
PUBLIC SERVICE

DOCUMENT NUMBER-DATE
06468 SEP-8=
FPSC-COMMISSION CLERK

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:

Address:

II. ACCOUNTING DATA

A. Outside Accountant

1. Name: **ROB REED, CPA**
2. Firm: **ROB REED, CPA**
3. Address: **1 HAMMOCK FALLS CIR, SEBRING, FL 33872**
4. Telephone: **(863) 381-8953**

B. Individual To Contact On Accounting Matters:

1. Name: **SAME AS OUTSIDE ACCOUNTANT**
2. Telephone: ()

C. Location of Books and Records: **UTILITY OFFICE**

D. Have you filed an Annual Report with the Commission? Yes No
Date Last Filed: **MARCH 2011 FOR 2010**

E. Has your latest Regulatory Assessment Fee Payment been made? **NO**
(January 30 or July 30 whichever is applicable) Jan 30 July 30

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

1. Water:

	2010	2009
Cost of Plant In Service	\$ <u>1,521,181</u>	\$ <u>1,517,262</u>
Less Accumulated Depreciation	<u>(844,501)</u>	<u>(807,148)</u>
Less Contributed Plant	<u>-0-</u>	<u>-0-</u>
Net Owner's Investment	\$ 676,680	\$ 710,114

2. Wastewater:

2010 2009

Cost of Plant In Service	\$ 669,002	\$ 659,470
Less Accumulated Depreciation	(427,108)	(411,152)
Less Contributed Plant	-0-	-0-
Net Owner's Investment	\$ 241,894	\$ 248,318

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

	2010	2009
1. <u>Water:</u>		
Revenues (By Class)		
a. RESIDENTIAL	\$ 94,857	\$ 100,150
b. COMMERCIAL	5,580	708
c. MULTI-FAMILY + IRRIGATION	44,416	33,809
Total Operating Revenues:	\$ 144,853	\$ 134,667
Less Expenses:		
a. Salaries & Wages - Employees	0	0
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	0	0
c. Employee Pensions & Benefits	0	0
d. Purchased Water	0	0
e. Purchased Power	17,596	12,656
f. Fuel for Power Production	0	0
g. Chemicals	31,721	32,263
h. Materials & Supplies	5,129	8,318
i. Contractual Services	21,384	42,924
j. Rents	765	5,896
k. Transportation Expenses	13,662	8,492
l. Insurance Expense	6,293	10,629
m. Regulatory Commission Expense	0	0
n. Bad Debt Expense	600	0
o. Miscellaneous Expense	58,066	25,526
p. Depreciation Expense	37,353	38,118
CIAC Amortization	(25,250)	(25,249)
q. Property Taxes	6,199	11,238
r. Other Taxes	7,466	6,060
s. Income Taxes	0	0
Operating Income (Loss)	\$ (36,131)	\$ (42,204)

2. <u>Wastewater</u>		2010	2009
Revenues (By Class):		\$	\$
a. RESIDENTIAL		<u>81,649</u>	<u>81,787</u>
b. COMMERCIAL		<u>3,500</u>	<u>2,941</u>
c. MULTI-FAMILY		<u>8,844</u>	<u>15,357</u>
Total Operating Revenues:		<u>\$ 93,993</u>	<u>\$ 100,085</u>
Less Expenses:			
a. Salaries & Wages - Employees		<u>0</u>	<u>0</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>12,000</u>	<u>8,794</u>
f. Purchased Power		<u>9,999</u>	<u>10,496</u>
g. Fuel for Power Production		<u>0</u>	<u>0</u>
h. Chemicals		<u>9,612</u>	<u>14,351</u>
i. Materials & Supplies		<u>9,405</u>	<u>6,044</u>
j. Contractual Services		<u>9,303</u>	<u>26,513</u>
k. Rents		<u>730</u>	<u>30</u>
l. Transportation Expenses		<u>3,484</u>	<u>6,599</u>
m. Insurance Expense		<u>6,293</u>	<u>0</u>
n. Regulatory Commission Expense		<u>0</u>	<u>0</u>
o. Bad Debt Expense		<u>400</u>	<u>0</u>
p. Miscellaneous Expense		<u>13,299</u>	<u>11,204</u>
q. Depreciation Expense		<u>15,956</u>	<u>15,702</u>
CIAC Amortization		<u>(11,113)</u>	<u>(11,113)</u>
r. Property Taxes		<u>4,133</u>	<u>6,884</u>
s. Other Taxes		<u>5,178</u>	<u>4,504</u>
t. Income Taxes		<u>0</u>	<u>0</u>
Operating Income (Loss)		<u>\$ 5,294</u>	<u>\$ 57</u>

H. Outstanding Debt:

	Date	Balance	Interest	Expiration
Creditor	Borrowed	Due	Rate	Date
1.	SEE ATTACHED SCHEDULE OF OUTSTANDING DEBT			
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____

I. Indicate Type of Tax Return Filed:

- 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: **DALE POLSTON, P.E.**
- 2. Firm: **POLSTON ENGINEERING**
- 3. Address: **2925 KENILWORTH BLVD, SEBRING, FL 33870**
- 4. Telephone: **(863) 385-5564**

B. Individual to contact on engineering matters:

- 1. Name: **SAME AS ABOVE**
- 2. Telephone: ()

C. Is the utility under citation by the Department of Environmental Protection (DEP) or County Health Department? If yes, explain: **YES. 1. Back flow prevention device leaking – fixed. 2. Aeration basin not providing adequate mixing – fixed. 3. Fence in disrepair – fixed. 4. Percolation ponds overgrown – fixed. 5. Lift station malfunction – fixed. 6. Surge tank not installed – pending completion.**

Please see attached Consent Order for additional information. Utility is correcting all issues.

D. List any known service deficiencies and steps taken to remedy problems: **NONE**

E. Name of plant operator(s) and DEP operator certificate number(s) held: **PUGH UTILITIES SERVICE, INC.**

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: **85,000**
 - b. Under Construction:
 - c. Proposed:

2. Type and make of present treatment facilities: **Extended Air / Concrete / Marolf**

3. Approximate average daily flow of treatment plant effluent: **44,985**

4. Approximate length of wastewater mains:

Size (diameter):	8"				
Linear feet:	27,754				

5. Number of manholes: **34**

6. Number of lift stations: **2**

7. How do you measure treatment plant effluent? **FLOW METER**

8. Is the treatment plant effluent chlorinated? Yes No

If yes, what is the normal dosage rate? **40% PER STROKE**

9. Tap in fees – Wastewater: \$ **550 (PLANT CAPACITY)**
10. Service availability fees – Wastewater: \$ **N/A**
11. Note DEP Treatment Plant Certificate Number and date of expiration: **FLA014351**
Number Expiration Date: **AUGUST 2012**
12. Total gallons treated during most recent twelve months: **16,419,780**
13. Wastewater treatment purchased during most recent twelve months: **0**

H. Water:

1. Gallons per day capacity of treatment facilities:
a. Existing: **440,000** b. Under Construction : c. Proposed:
2. Type of treatment: **LIQUID CHLORINATION**
3. Approximate average daily flow of treated water: **250,000**
4. Source of water supply: **2 WELLS**
5. Types of chemicals used and their normal dosage rates: **LIQUID CL2**
60% PER STROKE
6. Number of wells in service: **2**
Total capacity in gallons per minute (gpm): **1,350**

Diameter/Depth:	10"	8"		
Motor horsepower:	75	25		
Pump capacity (gpm):	800	550		

7. Reservoirs and/or hydropneumatic tanks:

Description:	STEEL - ELEVATED	STEEL - ELEVATED	STEEL - ELEVATED
Capacity:	10,000	10,000	72,000

8. High service pumping:

Motor horsepower:	40	40		
Pump capacity (gpm):	800	800		

9. How do you measure treatment plant production?

10. Approximate feet of water mains:

Size (diameter):	10"	8"	6"	4"	2"
Linear feet:	2,800	13,658	5,162	2,028	300

11. Note any fire flow requirements and imposing government agency: **HYDRANTS;**
HIGHLANDS COUNTY
12. Number of fire hydrants in service: **22 HYDRANTS + 4 BLOW-OFFS**

- 13. Do you have a meter change out program? No Yes
- 14. Meter installation or tap in fees - Water \$ 100
- 15. Service availability fees - Water \$ 425 (PLANT CAPACITY)
- 16. Has the existing treatment facility been approved by DEP? No Yes
- 17. Total gallons pumped during most recent twelve months: 91.2 MILLION
- 18. Total gallons sold during most recent twelve months: 90.3 MILLION
- 19. Gallons unaccounted for during most recent twelve months: 901 THOUSAND
- 20. Gallons purchased during most recent twelve months: NONE

IV. RATE DATA

A. Individual to contact on tariff matters:

- 1. Name: GREG HARRIS
- 2. Telephone Number: (863) 385-6330 / (863) 381-8201

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

Water: SEE ATTACHED TARIFF

- 1. SHEETS
 - a. Residential Water \$6.54 + \$0.66 / 1,000 GAL FOR 5/8" METER
 - b. General Service SAME
 - c. Special Contract _____
 - d. Other - Specify _____

Wastewater: SEE ATTACHED TARIFF

- 2. SHEETS
 - a. Residential Wastewater \$13.71 + \$1.20 / 1,000 GAL (10K MAX) FOR 5/8" METER
 - b. General Service \$13.71 + \$1.45 / 1,000 GAL FOR 5/8" METER
 - c. Special Contract _____
 - d. Other - Specify _____

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

1. Water Metered	2010	2009
a. Residential	<u>404</u>	<u>404</u>
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - Specify	_____	_____
2. Water Unmetered	2010	2009
a. Residential	_____	_____
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - Specify	_____	_____
3. Wastewater	2010	2009
a. Residential	<u>401</u>	<u>401</u>
b. General Service	_____	_____
c. Special Contract	_____	_____

d. Other - Specify

V. AFFIRMATION

I, **R. GREG HARRIS**, 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.

COUNTRY CLUB UTILITIES, INC.
SCHEDULE OF OUTSTANDING DEBT
AT SEPTEMBER 1, 2011

<u>Creditor</u>	<u>Date Borrowed</u>	<u>Balance Due</u>	<u>Interest Rate</u>	<u>Exp Date</u>	<u>Mthly Pmt</u>
Highlands Independent Bank	4/14/2008	\$ 415,763.61	7.0%	8/10/2012	\$ 4,504.55
Ted Schmalzried	5/1/2009	48,140.58	8.0%	2/1/2014	1,536.57
Highlands Independent Bank	9/21/2009	17,390.28	9.3%	9/21/2012	1,449.19
Ray Brown	1/1/2010	20,296.23	7.5%	1/1/2015	495.03
Dave Rossodivita	2/1/2010	20,791.26	7.0%	2/1/2015	495.03
Greg Bagshaw	4/1/2010	21,781.32	7.0%	4/1/2015	495.03
Carrol Dukes	4/1/2010	21,781.32	7.5%	4/1/2015	495.03
Jerry & Betty Miller	1/1/2011	3,618.24	8.0%	1/1/2013	226.14
Art & Millie Freer	2/1/2011	7,688.59	8.0%	2/1/2013	452.27
Bill Cross	5/1/2011	30,568.23	7.0%	5/1/2014	926.31
Total		<u>\$ 607,819.66</u>			<u>\$ 11,075.15</u>