

State of Florida



Public Service Commission

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

-M-E-M-O-R-A-N-D-U-M-

DATE: September 7, 2017

TO: Carlotta Stauffer, Commission Clerk

FROM: Kyeshia Mapp, Senior Attorney, Office of General Counsel

RE: Docket No. 20160058-WS - Application for approval of transfer of Sun River Utilities, Inc. water and wastewater systems and Certificate Nos. 646-W and 554-S in Charlotte and DeSoto Counties to North Charlotte Waterworks, Inc.

Please place the attached correspondence between staff and Troy Rendell in the above referenced docket file.

Thank you.

KRM/as

From: [Troy Rendell](#)
To: [Adam Hill](#)
Subject: RE: North Charlotte - Transfer
Date: Wednesday, August 16, 2017 2:14:46 PM

Ok, well before we actually filed a condemnation proceeding – we had our attorney reach out to the landowner. They wanted us to draft some alternative language for their review concerning the termination of lease. I drafted some language and sent to our attorney to review and to send to the landowner. That was a couple of weeks ago. I haven't heard back since.

I just e-mailed our attorney to see if he reviewed my proposed language.

From: Adam Hill [mailto:AHill@PSC.STATE.FL.US]
Sent: Wednesday, August 16, 2017 1:54 PM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

Update please! Thank you.

*Adam R. Hill
Engineering Specialist II
Division of Engineering
(850) 413-6425*

From: Troy Rendell [mailto:trendell@uswatercorp.net]
Sent: Monday, July 03, 2017 7:59 AM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

We talked to our attorney last week. He's attempting to either set up a conference call or another face to face meeting.

Happy 4th to you too..

From: Adam Hill [mailto:AHill@PSC.STATE.FL.US]
Sent: Monday, July 03, 2017 7:57 AM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

With that response, what further are you pursuing? It's not entirely clear whether the developers see a compromise possible or not, based on their letter.

Thanks, and happy 4th!

*Adam R. Hill
Engineering Specialist II
Division of Engineering
(850) 413-6425*

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Thursday, June 15, 2017 8:06 AM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

The attached response letter from the landowner was electronically filed with the Commission Clerk's Office this morning.

We intend to follow up with a possible conference call and/or meeting once we consult with our attorney.

Thanks.

From: Adam Hill [<mailto:AHill@PSC.STATE.FL.US>]
Sent: Monday, April 24, 2017 7:58 AM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Thank you, I appreciate it! Let me know how it goes.

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Monday, April 24, 2017 7:52 AM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

Yes. We are meeting with an Eminent Domain attorney this afternoon. We are at the point of having to take legal action and pursue eminent domain against the landowners. The landowners are refusing to cooperate.

I can update you after our meeting with the attorney on what further actions will be forthcoming.

From: Adam Hill [<mailto:AHill@PSC.STATE.FL.US>]
Sent: Monday, April 24, 2017 7:48 AM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

Please provide an update. Thank you.

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Monday, March 27, 2017 7:43 AM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

Good morning,

We have contacted an eminent domain attorney. We are setting up a meeting with him sometime in early April. We requested a conference call with the landowner but did not receive a response.

Thanks.

From: Adam Hill [<mailto:AHill@PSC.STATE.FL.US>]
Sent: Monday, March 27, 2017 6:52 AM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

Please provide an update. Thank you.

From: Adam Hill
Sent: Thursday, March 02, 2017 7:53 AM
To: 'Troy Rendell'
Cc: Robert Graves; Jennifer Crawford; Kyesha Mapp
Subject: RE: North Charlotte - Transfer

Troy-

I've indicated that we may need to proceed with a quick take and condemnation proceeding. Would the PSC consider it prudent to begin with condemnation and quick take proceedings on the property? This will come at a cost to the customers.

Unfortunately, staff cannot advise to the prudence of such proceedings. A prudency determination could only be made by the Commission in a future cost recovery proceeding.

Rule 25-30.037(2)(s), Florida Administrative Code, requires documentation of the utility's right to access and continued use of the land upon which the utility treatment facilities are located.

Staff will be unable to move forward with North Charlotte's transfer application until this Rule has been satisfied.

Please let me know if you have any questions.

*Adam R. Hill
Engineering Specialist II
Division of Engineering
(850) 413-6425*

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Friday, February 24, 2017 11:20 AM
To: Adam Hill
Cc: Robert Graves
Subject: RE: North Charlotte - Transfer

I sent an e-mail this morning. They said they would only agree to terms where they (owners) could terminate the lease in the event they proceeded with developing or selling the property. I indicated that we could not agree to this since we still have to provide water and wastewater service to the existing customers. Attached is what I proposed. They will not agree to this.

I've indicated that we may need to proceed with a quick take and condemnation proceeding. Would the PSC consider it prudent to begin with condemnation and quick take proceedings on the property? This will come at a cost to the customers.

From: Adam Hill [<mailto:AHill@PSC.STATE.FL.US>]
Sent: Friday, February 24, 2017 7:50 AM
To: 'Troy Rendell'
Cc: Robert Graves
Subject: RE: North Charlotte - Transfer

Please reach out again and give me an update next week. Thanks!

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Thursday, February 23, 2017 4:08 PM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

Unfortunately no. I've asked them through e-mail if they were ok with the language and haven't heard back.

From: Adam Hill [<mailto:AHill@PSC.STATE.FL.US>]
Sent: Thursday, February 23, 2017 2:57 PM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

Any update?

Thank you!

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Friday, February 03, 2017 7:54 AM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

Good morning,

I sent them some revised language a couple of days ago. Waiting to hear back from them again...

Thanks.

From: Adam Hill [<mailto:AHill@PSC.STATE.FL.US>]
Sent: Tuesday, January 31, 2017 9:54 AM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

Please provide an update on the applicant's most recent attempts to solve the land lease issue.

Thank you!

*Adam R. Hill
Engineering Specialist II
Division of Engineering
(850) 413-6425*

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Tuesday, October 25, 2016 7:47 AM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

Originally we believed the meeting went well. The landowners understood the need to have the long term lease and the benefits to them as future developers. We agreed to send a draft land lease to them for review and approval. They agreed to review and get back to us. I sent them the draft land lease on October 3, 2016. On October 4, 2016, one of the partners indicated that the managing partner was out of the country for a couple of weeks but would review upon his return.

I sent two follow up e-mails since then to request a status of their review and/or approval. I still have not heard back from them. They had indicated to us to e-mail them the draft – but we have not received any reply other than the one where he was out of the country.

The other alternatives would be to (a) pursue legal action through an attorney to begin a condemnation process of the property; or (b) to abandon the utility and let the Charlotte county address the abandonment.

We are holding off on both of the alternative due to (i) the cost involved for 55 customers; (ii) the health considerations of the customers water supply; (iii) the capital expenditures already incurred by the utility to make the necessary repairs and replacements; and (iv) the utility is currently working with DEP to address concerns at the plant.

We are in the process of replacing one of the storage tanks at the water plant – this would be lost costs if we can't get recovery. I might suggest putting the case out another couple of months to see if we hear back from the landowners.

Thanks for your cooperation and patience.

From: Adam Hill [mailto:AHill@PSC.STATE.FL.US]
Sent: Monday, October 24, 2016 7:50 PM
To: 'Troy Rendell'
Subject: RE: North Charlotte - Transfer

Troy-

Please update us on the following matters-

1. What was the result of the September 27th meeting?
2. Have you had any other meetings with the land owners since then?
3. What is the current status of the land lease?
4. If you have not been able to acquire a 99-year lease or equivalent, what is your next scheduled meeting or current course of action?

Thank you!

From: Troy Rendell [mailto:trendell@uswatercorp.net]
Sent: Friday, September 23, 2016 2:37 PM
To: Adam Hill
Subject: RE: North Charlotte - Transfer

Here is the new permit we just received.

From: Adam Hill [mailto:AHill@PSC.STATE.FL.US]
Sent: Friday, September 23, 2016 2:33 PM
To: 'Troy Rendell'; Amber Norris
Subject: RE: North Charlotte - Transfer

Thank you for the update. Glad you've been able to set up a meeting face-to-face!

Of course we would like to get this transfer done as soon as all the requirements are complete. If

you let us know how your meeting goes we'll be able to figure out which agenda makes the most sense.

Thanks again!

*Adam R. Hill
Engineering Specialist II
Division of Engineering
(850) 413-6425*

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Friday, September 23, 2016 2:26 PM
To: Adam Hill; Amber Norris
Subject: North Charlotte - Transfer

Good afternoon,

Two things. First off – we have a face-to-face meeting next Tuesday, September 27th with the land owners to discuss (1) the lease, and (2) new requirement on the water permit to get written agreement from landowner to discharge the RO reject water.

Second – I see the CASR has been revised for an agenda on December 6th .. for planning purposes – what is the likelihood that it will go to that agenda – or do you anticipate the CASR being revised again?

Thanks

Troy Rendell
U.S. Water Services Corporation



4939 Cross Bayou Boulevard
New Port Richey, FL 34652
(Office) 727-848-8292 x245
(Mobile) 727-777-2508
(Fax) 727-848-7701
(E-Mail) trendell@uswatercorp.net