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MEMORANDUM

June 11, 1992

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FILE COPY

TO : NAYOLA FRAZIER, DIVISION OF LEGAL SERVICES
DIVISION OF RECORDS AND REPORTING

FROM : EDITH HOLMAN, DIVISION OF WATER AND WASTEWATER *et al*

RE : DOCKET NO. 920259-WS: REQUEST FOR EXEMPTION FROM FLORIDA
PUBLIC SERVICE COMMISSION REGULATION AS A RESELLER OF
WATER AND WASTEWATER SERVICES BY PINWOOD POINTE
APARTMENTS IN DUVAL COUNTY

Pinewood Pointe Apartments (Pinewood Pointe) is a 136 unit apartment complex located in Duval County. On March 18, 1992, Pinewood Pointe filed an application for exemption pursuant to Section 367.022(8), Florida Statutes, as a reseller. Pinewood Pointe provides water and wastewater service to its tenants, and is owned by Flournoy Development Company, a development company based in Georgia. Martin Flournoy, Vice President, is the contact person and the mailing address is 900 Brookstone Centre Parkway, P.O. Box 6566, Columbus, GA 31995.

The application was filed in accordance with Section 367.022(8), Florida Statutes, and Rule 25-30.060(3)(h), Florida Administrative Code. Included with the application was a statement from Mr. Flournoy that service is provided at a rate or charge that does not exceed the actual purchase price; he is aware of the requirements of Rule 25-30.111, Florida Administrative Code; that it provides both water and wastewater service and the service area will be limited to the apartment complex located at 1801 Kernan Boulevard South, Jacksonville, FL 32216.

In addition to the application Mr. Flournoy provided the following: a list of current rates and charges of The City of Jacksonville, supplier of water and wastewater services to Pinewood Pointe; a schedule of all of its proposed rates and charges; an explanation of the proposed method of billing customers, separately, for both water and wastewater; and a schedule showing that the amount billed will not exceed the amount paid for water or wastewater.

Pinewood Pointe proposes to pass along the base charge to the tenants by dividing the charge by the number of units in Pinewood Pointe. Each tenant will be charged for usage based on their meter reading. Pinewood Pointe will charge the usage ~~based on meter~~

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of Jacksonville. Based on this methodology, and the current rates of the City, the rates that will be charged by the Pinewood Pointe are as follows:

Base Charge:

Water \$.74 for use under 30 gallons/month
\$.74 for use over 30 gallons/month

Wastewater \$.06 for use under 30 gallons/month
\$.01 for use over 30 gallons/month

Usage Rate:

Water \$.308 per 750 gallons (\$.28 + \$.028 tax)
Wastewater \$2.50 per 750 gallons

According to Mr. Flournoy, the meters will be read once a month and bills will be mailed to the resident. Meter reading and billing costs will be paid by Pinewood Pointe and not included in the water or wastewater rates charged to the tenants. In addition, the common areas are provided water service from a private well. No wastewater service is provided to the common areas. The clubhouse is separately metered and the water and wastewater costs are recovered by Pinewood Pointe. These costs are not included in the rate charged to the tenants for water and wastewater service.

With regard to a customer deposit, Mr. Flournoy sent a letter to staff which indicates that he is not charging a separate customer deposit for water.

Based on the above, an administrative order should be issued within thirty days approving Pinewood Pointe's application for exemption pursuant to Section 367.022(8), Florida Statutes, and closing the docket.