



Public Service Commission

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

DATE: April 29, 1996
TO: Division of Records and Reporting
 Division of Legal Services, Alice Crosby
FROM: Division of Water & Wastewater, J. Travis Coker *JTC*
RE: Docket No. 960277-WS; Request for exemption from Florida Public Service Commission regulation for provision of water and wastewater service in Lee County by River Bend Apartments.

**ORIGINAL
FILE COPY**

On March 5, 1996, this Commission received an application from River Bend Apartments (River Bend or reseller) for a reseller exemption pursuant to Section 367.022(8), Florida Statutes, (F.S.). Staff has determined that River Bend meets the requirements for status as an service entity that will resell water and wastewater at a rate that will not exceed the actual purchase price thereof provided in Section 367.022(8), F.S.

The application was filed in accordance with Section 367.022(8), F.S., and Rule 25-30.060(3)(h), Florida Administrative Code (F.A.C.). Included with exemption application was a statement from the agent of the system describing the statutory and factual basis for the exemption. The applicant stated that services are only to provide utility service as a nonprofit service. River Bend is owned by EPNG Building, Ltd. Mr. Norton Herrick, President of EPNG Building, Ltd., signed the application on behalf of River Bend. In addition, Mr. Herrick acknowledged Section 837.06, Florida Statutes, regarding false statements. The applicant acknowledged the requirements of Rule 25-30.111, F.A.C., regarding annual reporting requirements. The applicant also acknowledged Chapter 367.122, F.S., which deals with the examination and testing of meters; and Rules 25-30.262 through 25-30.267, F.A.C., which explains the responsibilities of the utility owner for insuring the accuracy of the meters.

ACK _____ River Bend has named the City of Fort Myers as the entity providing service to the
 AFA _____ apartment complex and has submitted that company's rates and charges. The reseller has
 APP _____ also provided its proposed rates and charges and an explanation of its proposed method of
 CAF _____ billing. The actual rates billed to the tenants are identical to the rates charged by the City
 CMU _____ of Fort Myers. This demonstrates that the rates charged will not exceed the amount paid
 CTR _____ for water or wastewater by the reseller entity. River Bend states it does not require a
 EAG _____ deposit and will notify this Commission of any change in this policy. River Bend also stated
 LEG _____ in its application that tenants will be billed monthly, no miscellaneous charges or water
 LIN _____ charges for common areas will be levied and that the service territory will be limited to the
 OTH _____ apartment complex only. The service area is identified by the following address: 2825
 Winkler Avenue, Fort Myers, Florida 33916.

OPC _____
 RCH _____
 SEC _____
 WAS _____
 OTH _____

DOCUMENT NUMBER-DATE
05056 MAY-3 96
 FPSC-RECORDS/REPORTING

For informational purposes, the City of Fort Myers' rates and charges for general metered water and wastewater service, charged monthly are as follows:

Base Facility Charge

<u>Meter Size</u>	<u>Water</u>	<u>Wastewater</u>
5/8"	\$ 1.48	\$ 3.81
1.0"	3.70	9.53
1.5"	7.40	19.05
2.0"	11.84	30.48
3.0"	23.68	60.96
4.0"	37.00	95.25
6.0"	74.00	190.50
8.0"	118.00	304.80
10.0"	185.00	476.25

WATER RATES

Consumption Rate

0 to 3,000 gallons	\$ 2.11 per 1,000 gallons
3,001 to 15,000 gallons	\$ 2.60 per 1,000 gallons
+ 15,000 gallons (res. only)	\$ 4.61 per 1,000 gallons

Customer Service Charge/Admin. Fee
(per meter account)

\$ 1.41

WASTEWATER RATES

Consumption Rate

all levels of consumption \$ 3.83 per 1,000 gallons

Maximum Wastewater Volume Charge

10,000 gallon maximum for single family dwelling \$38.30

All Others = No Maximum Charge

Customer Service Charge/Admin. Fee
(per meter account)

\$ 1.41

The City Council of Fort Myers issued Ordinance No. 2774 on March 4, 1996, which ordered these rates effective May 1, 1996.

River Bend has twelve 2.0" meters and two 1.5" meters in use. The proposed rates for water and wastewater service for the apartment complex, charged monthly are as follows:

WATER RATES

Consumption Rate

0 to 3,000 gallons	\$ 2.11 per 1,000 gallons
3,001 to 15,000 gallons	\$ 2.60 per 1,000 gallons
+ 15,000 gallons (res. only)	\$ 4.61 per 1,000 gallons

Water Admin. Fee	(1.41 x 14) / 240 units	.08 per tenant
Ready to Serve Charge	[(2 x 7.40) + (12 x 11.84)] =	\$156.88 / 240

WASTEWATER RATES

Consumption Rate

all levels of consumption	\$ 3.83 per 1,000 gallons
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Wastewater Admin. Fee	(1.41 x 14) / 240 units	.08 per tenant
Ready to Serve Charge	[(2 x 19.05) + (12 x 30.48)] =	\$403.86 / 240

The 240 units at River Bend will be billed for consumption based on these rates. An example of a River Bend tenant with 5,000 gallons usage would be calculated as follows:

Water Admin. Fee	(1.41 x 14) / 240 units	\$.08
Ready to Serve Charge	(156.88 / 240)	.65
Water Usage Charge	(3 x 2.11 per 1K)	6.33
	(2 x 2.60 per 1K)	<u>\$ 5.20</u>
		\$12.26

10.0% Tax on water, BFC customer service charge		<u>\$ 1.23</u>
	Water Total	\$13.49

Wastewater Admin. Fee	(4.90 x 14) / 240 units	\$.08
Ready to Serve Charge	(403.86 / 240)	1.68
Wastewater Usage Charge	(5 x 3.83 per 1K)	<u>\$19.15</u>
	Wastewater Total	\$20.91
	Total	<u>\$34.40</u>

In summary, staff has determined that River Bend meets the necessary qualifications for a nonprofit reseller exemption pursuant to Section 367.022(8), Florida Statutes and Rule 25-30.060(3)(h), Florida Administrative Code. Staff recommends that an administrative order be issued finding River Bend exempt from Commission regulation pursuant to Section 367.022(8), Florida Statutes. Staff further recommends that the order require River Bend to notify this Commission in the event of any change of circumstances or method of operation of its water system. Furthermore, staff recommends that this docket be closed.