

State of Florida

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DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

December 5, 1996

Mr. John S. Yonge
Point Water and Sewer, Inc.
47533 Raggedy Point Road
Orange Park, Florida 32073

Re: Docket No. 961321-WS, Application for certificate to provide water and wastewater service in Clay County by Point Water and Sewer, Inc.

Dear Mr. Yonge:

Staff has preliminarily reviewed the above referenced application and has identified the following additional documents and information needed to process the application:

1. **Corporate Identity.** According to Florida's Department of State, Division of Corporations, Point Water and Sewer, Inc.'s (PWS's) corporate registration has been involuntarily dissolved for failure to file an Annual Report. In order to receive a certificate, the utility's registration with the state must be active. You may obtain information for filing an Annual Report by calling 904/488-9000. Please provide a copy of the utility's reinstatement with the Division of Corporations as a late-filed exhibit.

- ACK _____
- AFA _____ 2.
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____ 3.
- LEG _____
- LIN _____
- OPC _____ 4.
- RCH _____
- SEC 1
- WAS _____
- OTH _____

2. **Corporate Officers.** According to the application, the corporation has one officer which is the President, Mr. John Yonge. Please confirm that Mr. John Yonge is the only entity with an interest in the utility. Otherwise, Rule 25-30.034(1)(c), Florida Administrative Code, requires the names and addresses of all corporate officers, directors, partners, or any other persons or entities owning an interest in the applicant's business organization.

3. **Meter Size.** Please indicate whether the Point Property Owner's Association (PPOA) is master-metered and, if so, what size meter is used.

4. **System Capacity.** Please provide a copy of the Sanitary Survey issued by the Florida Department of Environmental Protection (DEP) as a confirmation of the maximum rated capacity of the utility's water well.

DOCUMENT NUMBER-DATE

63175 DEC 11 8

5. **DEP Permits.** According to the Florida Department of Environmental Protection (DEP), the utility's wastewater Permit No. D010-221312 has expired. DEP is in receipt of the utility's application for a new permit. Please provide a copy of the utility's new permit as a late-filed exhibit.
6. **Proof of Ownership.** Exhibit A-3 does not appear to indicate that the utility owns the land upon which the utility facilities are located. To satisfy Rule 25-30.034(1)(e), Florida Administrative Code, please furnish a recorded warranty deed in the name of Point Water and Sewer, Inc. Attached to the deed should be a legal description and a diagram showing the location of the land being deeded with the facilities clearly plotted thereon. If you incur problems obtaining a warranty deed, please contact Ms. Kathleen Johnson in the Legal Division at 904/413-6230 to discuss possible alternatives.
7. **Financial Ability.** Exhibit B-1 is not a statement of financial ability. Since it appears that the only corporate officer is Mr. John Yonge, please furnish a recent financial statement for Mr. Yonge. The financial statement should show the ability of Mr. Yonge to provide emergency capital for the utility based on liquid assets or the ability to secure emergency capital from lenders based on the financial statement.
8. **Technical Ability.** Please provide evidence that Coastal Utility Service and/or Mr. Edward McCormick have DEP-approved licenses to operate water and wastewater facilities.
9. **Ownership History.** According to Exhibit B-2, operations of the utility was turned over to the Point Property Owners Association, Inc., (PPOA) in 1988. Please provide evidence of the assignment or transfer to the PPOA. Please provide a copy of the PPOA's position in 1995 that it no longer operated the facilities and the request that NOH, Inc., begin operating the plant. Please provide a copy of IGR, Inc.'s, assignment to PWS.
10. **Rates.** Rule 25-30.034(1)(g), Florida Administrative Code, requires the applicant to state the date and the authority under which the current rates were established. Please provide the following supplemental information to Exhibit C-1:
 - a) The approximate date PWS began charging its current rates.
 - b) The rate the PPOA charged itself when it operated the utility.

- c) Details of any meetings or copies of any correspondence PWS may have had with its customers regarding the rates prior to implementation.

Also, please describe how the utility determined that the PPOA should be charged \$3,000.00 per month and Whitney's Marina should be charged \$300.00 per month for water and wastewater service. Was the determination based on relative capacity, cost of service, or some other basis?

11. **Notice Format and Territory Map.** The territory description cited in the notice of filing is not in the correct format and may need to be renoticed. Rule 25-30.030(2), Florida Administrative Code, requires that the legal description of the territory be given in one of the following formats:

1. **Sections:** If the territory includes complete sections, the description shall only include the township, range, and section reference. If the territory includes partial sections, the description shall either identify the subsections included or excluded.
2. **Metes and bounds:** A point of beginning which is reference from either a section corner or a subsection corner, such as a quarter corner. The perimeter shall be described by traversing the proposed territory and closing at the point of beginning. The description shall include all bearings and distances necessary to provide a continuous description.

Also, Rule 25-30.030(2), Florida Administrative Code, requires that the legal description not rely on references to government lots, local streets, recorded plats or lots, tracts, or other recorded instruments.

According to Exhibit D-1 to the application, the territory that is being requested is Township 4 South, Range 26 East, Section 44. This description appears to encompass more territory than described in the notice and shown in Exhibit D-1-A. The utility's proposed territory may be that described in Exhibit "A" to the title search in Exhibit A-3 to the application. If that is the case and, if the territory described in the notice of filing is intended to describe that same territory, please provide an affidavit attesting to that fact. Attached to the affidavit should be a revised Exhibit D-1 with the correct legal description of the territory being requested in the format required by rule.

- Territory Map.** The affidavit, above, revising the legal description must also be accompanied with a map which showing the relationship of the proposed territory to township, range and section. Exhibit D-1-A to the application may be such a map if plotted on a map base with township, range and section. Such a map may be obtained by contacting the County Property Appraiser's Office.
12. **System Map.** The system map provided as Exhibit F is not adequate as it only shows utility plant. The system map required by Rule 25-30.034(1)(i), Florida Administrative Code, must include the water distribution lines and wastewater collection lines and treatment facilities plotted on a map of the proposed territory. Since the utility would have been required to provide systems maps to the DEP at the time of construction, you might want to contact the regional DEP water and wastewater permit divisions for permission to search their files. However, an easier solution may be to contact the engineering firm that designed the water and wastewater systems to see if they retained a copy of the system maps in their files.
13. **Government and Utility Entities Notice.** The affidavit in Exhibit G does not indicate the date that notice was given to local government and utility entities. Please provide a revised affidavit indicating the date that notice was given.
- Customer Notice.** The affidavit in Exhibit H does not indicate the date that notice was given to customers of the utility. Please provide a revised affidavit indicating the date that notice was given.
- Publication.** The affidavit attesting to publication in a local newspaper of general circulation must come from the newspaper. To date staff has not received an affidavit from Clay Today indicating the notice was published. Please ensure that Clay Today furnishes such affidavit to the Commission at the address given below.
14. **Water and Wastewater Tariffs:**
- Application for Water and Wastewater Service.** The terms and conditions of application must be on the application form. Please consolidate the additional information shown on Water Tariff Sheets No. 20.0 (and Wastewater Tariff Sheet No. 25) into the application form. The form should then be reduced to fit on the tariff sheets and still leave room for the Issuing Officer's name and title in the bottom right-hand corner.

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Customer's Bill. Please provide a copy of a sample customer bill on Water Tariff Sheet No. 22.0 and Wastewater Tariff Sheet No. 27.0. The bill should be reduced to fit on the tariff sheets and still leave room for the Issuing Officer's name and title in the bottom right-hand corner.

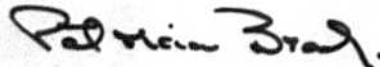
Please provide your response to information requested above the extent possible by January 30, 1997. If the utility is not yet in receipt of items which need to be furnished from other state agencies, please indicate the status of the items in your response. All responses should be provided in an original and five copies to:

The Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Attention: Docket No. 961321-WS

If you have any questions regarding the information requested you may call either myself at 904/413-6686 or Mr. Richard Redemann at 904/413-6999. If you have any legal questions, please address the questions to Ms. Kathleen Johnson at 904/413-6230.

Sincerely,



Patricia Brady
Regulatory Analyst IV
Bureau of Policy Development
and Industry Structure

cc: Richard Redemann, Division of Water and Wastewater
Kathleen Johnson, Division of Legal Services
Division of Records and Reporting