

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION **ORIGINAL**

In re: Application for )  
certificates to operate a water )  
and wastewater utility in )  
Charlotte and DeSoto Counties by )  
Lake Suzy Utilities, Inc. )

DOCKET NO. 970657-WS

In re: Application for amendment )  
of certificates Nos. 570-W and )  
496-S to add territory in )  
Charlotte County by Florida )  
Water Services Corporation. )

DOCKET NO. 9802621-WS

CHARLOTTE COUNTY'S RESPONSE TO COMMISSION  
STAFF'S SECOND SET OF INTERROGATORIES

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JAN-8 4:18:33  
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THE CHIEF

Charlotte County by and through its undersigned attorney, hereby responds to the interrogatory, number seven, propounded to Charlotte County, by the Staff of the Florida Public Service Commission pursuant to Rule 1.340, Florida Rules and Civil Procedure. This response to the interrogatory is answered under oath by representatives of Charlotte County who are qualified

to answer and are identified herein.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
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- LIN \_\_\_\_\_
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- RCH \_\_\_\_\_
- SEC   1
- WAS   1

OTH \_\_\_\_\_  
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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

CHARLOTTE COUNTY'S RESPONSE TO  
SECOND SET OF INTERROGATORIES  
Docket Nos. 980261-WS and 970657-WS

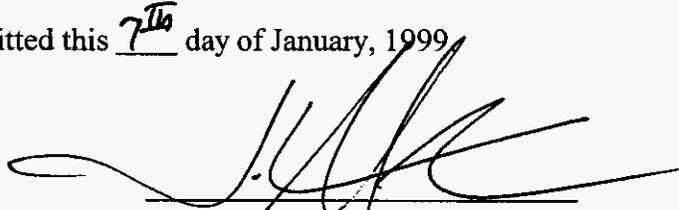
**INTERROGATORIES**

7. Please state all actions Charlotte County has taken in regards to the disputed bulk service fees and charges, including whether or not Charlotte County has initiated any legal action against FWSC or has imposed any moratorium on future connections by FWSC.

**Document: See attached document.**

All responses to the interrogatory and the documents produced in this response was provided by Richard E. Howell, Director for Charlotte County Utilities and/or Laretta Case, Fiscal Manager for Charlotte County Utilities, 20101 Peachland Boulevard, Suite 301, Port Charlotte, Florida 33954, telephone number 941-625-4164.

Respectfully submitted this 7<sup>th</sup> day of January, 1999



John R. Marks, III  
Knowles, Marks & Randolph, P.A.  
215 South Monroe Street, Suite 130  
Tallahassee, Florida 32301  
(850) 222-3768

I HEREBY DECLARE that the response to the above interrogatory is true and correct to my best knowledge and belief.

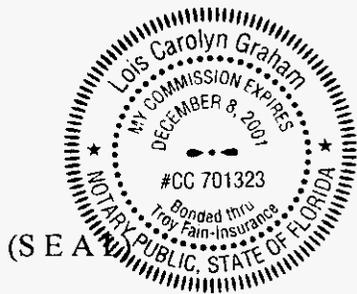
Charlotte County  
c/o John R. Marks, III  
215 South Monroe Street, Suite 130  
Tallahassee, Florida 32301

By: [Signature]

STATE OF FLORIDA

COUNTY OF Leon

SWORN to and subscribed before me at Tallahassee, Leon County, Florida, this 7<sup>th</sup> day of January, 1999.



[Signature]

Notary Public  
State of Florida  
My Commission Expires:

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy Charlotte County's Response to Commission Staff's Second Set of Interrogatories to the Florida Public Service Commission has been furnished has been furnished by hand delivery to Bobbie L. Reyes, Senior Attorney, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850; and that a true and correct copy thereof has been furnished by U.S. mail to Martin Friedman, Esquire, Rose, Sundstrom & Bentley, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301; Matthew J. Feil, Esquire, Post Office Box 609520, Orlando, Florida 32860-9520; and to Haus Development, Inc., c/o Ms. Charlotte L. Sopko, Post Office Box 3024, Port Charlotte, Florida 33949 this 7<sup>th</sup> day of January, 1999.



John R. Marks, III

## CHARLOTTE COUNTY UTILITIES

### CHRONOLOGY OF EVENTS

(RE: Florida Water Services -- formerly Southern States Utilities)

- June 1991 -- Charlotte County, upon purchasing the Utility from General Development, assumed as successor the Substitute Water and Sewer Agreement dated October 7, 1988, by and between Deep Creek Utilities, Inc. (now a part of Florida Water Services) and General Development Utilities, Inc.
- April 1996 -- Charlotte County Utilities prepared a Southern States Utilities Deep Creek Acquisition Feasibility Report
- July 1996 -- Southern States Utilities, now Florida Water Services (FWS), prepared an internal valuation of their Deep Creek water and wastewater system.
- September 1996 -- FWS voiced concerns over the actual charges from CCU for connection fees, AGRF, and GRF versus the 1988 Agreement, i.e., interpretation of the invoicing methodology differs between FWS and CCU.
- October 1996 -- FWS advised CCU that they were not paying the pending invoices until discrepancies are resolved. (Attempted to set up meetings with SSU, but had difficulty scheduling them.)
- February 1997 -- Discovered additional sewer customers of FWS that may not have been billed by CCU.
- March 1997 -- CCU responded to FWS's letter regarding their questions/concerns regarding the 1988 Agreement. (Meet with the County Attorney's Office prior to responding.)
- March 1997 -- Met with representatives from FWS. FWS agreed to pay the total amount due CCU of \$547,141.67 by May 15 per the current, 1988, agreement. FWS agreed to draft a proposed amendment to the existing contract.
- April 1997 -- CCU confirmed items agreed to at March meeting and advised FWS that research is being done to determine billing charges for sewer FWS customers that are Charlotte Harbor Water Association water customers.
- May 1997 -- FWS confirmed May phone call with CCU that the amount due of \$541,141.67 will be paid over a period of time, but no later than 9/30/97. Also that a proposed contract would be forthcoming from FWS.

- September 1997 – FWS paid only a portion of the amount due CCU including a letter stating their objections to CCU's charges versus the 1988 Agreement. Again, stated FWS would like to revise the 1988 Agreement, but only with concessions from CCU.
- CCU continued to receive payments from FWS, but not for the amount CCU billed.
- CCU continued to have difficulty receiving information from FWS on the new service connections.
- Met with County Attorney's Office to discuss the delinquent balance and the issue of back billing for the additional sewer usage.
- CCU is preparing the information required to bill FWS for the customers that are receiving sewer service from FWS that have not been reported to CCU.
- March 1998 – Letter sent to FWS giving them an additional 120 days to pay the past due fees.
- June 1998 – Met with FWS regarding the additional billing of sewer customers, guaranteed revenues owed, the contract, and filing for additions to their service area.
- June 1998 – Charged FWS for sewer usage of additional customers from July 1991 to May 1998 for Deep Creek Elementary and Harbor Heights customers.
- July 1998 – County representatives from CCU, Attorney's Office and Administration met with FWS to discuss their delinquent balances (\$649,488.90), additional billing for sewer usage never received (~ \$129,205.25) and possible acquisition of FWS, Deep Creek. Nothing resolved, still differences on the contract interpretation.
- July 1998 – Prepared charges to FWS for sewer usage of additional customers from July 1991 to May 1998 for Kingsway Villas and all three additional customer usage for June.
- Note that FWS delinquent balance is \$979,087.20 as of July 28, 1998 and the additional usage billings to be charged is \$46,793.25.
- July 1998 – CCU is connected to Community Development's Building Department permit process and has a review stop (approval) for permit processing.
- July 28, 1998 sending documentation to County Attorney's Office.