

VOTE SHEET

FEBRUARY 29, 2000

RE: DOCKET NO. 990975-SU - Application for transfer of Certificate No. 281-S in Lee County from Bonita Country Club Utilities, Inc. to RealNor Hallandale, Inc.

Issue 1: Should BCCU be ordered to show cause, in writing, within 21 days, why it should not remit a penalty in the amount of \$4,117.50 for its failure to file an annual report for 1998 in apparent violation of Rule 25-30.110, Florida Administrative Code?

Recommendation: Yes. Staff recommends that BCCU should be ordered to show cause, in writing, within 21 days, why it should not remit a penalty in the amount of \$4,117.50 (\$3,307.50 for 245 days x \$13.50 per day for 1999; \$810.00 for 60 days x \$13.50 per day for 2000) for failure to file its annual report for 1998, in apparent violation of Rule 25-30.110, Florida Administrative Code. The show cause order should incorporate the conditions stated in the staff analysis portion of staff's February 17, 2000 memorandum. Further, BCCU should notify the Commission within 21 days of the issuance date of this order of a reasonable time frame for filing its 1998 annual report, and should be put on notice that penalties will continue to accrue until the annual report is filed.

APPROVED

COMMISSIONERS ASSIGNED: DS JC

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

J. Jerry Deason
Chairman Garcia (5)

J. Jerry Deason

REMARKS/DISSENTING COMMENTS:

Commissioner Deason dissented on Issue 5. Chairman Garcia voted on Issue 5 to break the tie.

Replacement
DOCUMENT NO.
02762-00
03-01-00

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Issue 2: Should BCCU be ordered to show cause, in writing, within 21 days why it should not remit a statutory penalty in the amount of \$2,466.44 and interest in the amount of \$986.58, for its failure to timely pay regulatory assessment fees for 1998, in apparent violation of Section 350.113(4), Florida Statutes, and Rule 25-30.120(7)(a), Florida Administrative Code?

Recommendation: No. Staff recommends that BCCU should not be ordered to show cause at this time. Staff recommends that BCCU be given until March 30, 2000, to remit a statutory penalty in the amount of \$2,466.44 and \$986.58 in interest, for its failure to timely pay regulatory assessment fees for 1998, in apparent violation of Section 350.113(4), Florida Statutes, and Rule 25-30.120(7)(a), Florida Administrative Code. Should BCCU fail to remit its penalties and interest payment by March 30, 2000, staff will bring a show cause recommendation at that time.

APPROVED

Issue 3: Should the transfer of Wastewater Certificate No. 281-S from Bonita Country Club Utilities, Inc. to Realnor Hallandale, Inc. be granted?

Recommendation: Yes, the transfer of Certificate No. 281-S from BCCU to Realnor should be approved. Realnor is responsible for the 1999 annual report and RAFs. Realnor should be ordered to provide warranty deeds in the name of the utility for the land upon which the facilities are located within 60 days of the date the order is issued. In addition, Realnor should be required to provide service to customers who have prepaid BCCU for service but are not connected to the system.

APPROVED

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Issue 4: What is the rate base of Bonita Country Club Utilities, at the time of transfer?

Recommendation: The rate base, which for transfer purposes reflects the net book value, is \$564,991 for the wastewater system as of July 31, 1999.

APPROVED

Issue 5: Should an acquisition adjustment be approved?

Recommendation: No. An acquisition adjustment should not be included in the calculation of rate base for transfer purposes.

APPROVED - Commissioner Deason dissented; to break the tie, Chairman Garcia voted to approve the recommendation.

Issue 6: Should the funds in the escrow account be disbursed and the account closed?

Recommendation: Yes. The escrow account that was established for the collection of general revenues and CIAC collections should be closed after the disbursement of \$4,707 to BCCU and the remaining funds are to be distributed to Realnor.

APPROVED

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Issue 7: Should Realnor continue to charge the rates and charges approved in BCCU tariffs?

Recommendation: Yes, Realnor should continue to charge the rates and charges approved in BCCU tariffs. Staff will approve the tariff filing effective for services rendered or connections made on or after the stamped approval date.

APPROVED

Issue 8: Should this docket be closed?

Recommendation: This docket should remain open for BCCU to remit penalties and interest for its failure to timely pay its 1998 regulatory assessment fees and to allow for the resolution of the show cause proceeding pertaining to BCCU's 1998 annual report. However, this docket should be closed administratively if BCCU remits penalties and interest for its failure to timely pay its 1998 regulatory assessment fees, and responds to the show cause order by filing its 1998 annual report and paying the associated penalties and interest. If there are no timely protests filed by a substantially affected person to the proposed agency action issues (Issues Nos. 4, 5 and 6), no further action will be required.

APPROVED