State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

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

DATE: September 24, 2007

TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk

FROM: Richard P. Redemann, Professional Engineer III, Division of Economic Regulation

RE: Docket No. 070325-WU – Application for quick-take amendment of Certificate No.

278-W to extend water service to certain territory in Seminole County, by Utilities,

Inc. of Florida.

Please add to the docket file the attached letter dated September 24, 2007, from John C. Litton, City Manager, City of Lake Mary, providing the details of the transfer of the Phillips customers to the City of Lake Mary.

RPR:kb

Attachment

cc: Division of Economic Regulation (Daniel)

Office of General Counsel (Jaeger)

COMMISSION

07 crp 21. PM 1: 09

John C. Litton City Manager jlitton@lakemaryfl.com



September 24, 2007

Richard Redemann, P. E. Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Ft. 32399

Dear Mr. Redemann:

Attached please find certification of the action taken by the City Commission on September 20, 2007, regarding transferring customers from Utilities, Inc. of Florida, to the City of Lake Mary.

VIA FAX: 850-413-7000

Please feel free to contact me should you have any questions or need additional information.

Sincerely

µøhn C. Litton Eity Manager

Attachment

OCUMENT NUMBER-DATE

08735 SEP 24 5

Thomas C. Greene Mayor tgreene@lakemaryfl.com



STATE OF FLORIDA

COUNTY OF SEMINOLE

I, Carol A. Foster, City Clerk of the City of Lake Mary, Florida, do hereby certify that on September 20, 2007, the City Manager recommended as indicated in the attached Memorandum and the City Commission approved transferring four existing customers and two vacant lots on Country Club Road who are currently serviced by Utilities, Inc. of Florida (UIF) to the City of Lake Mary. These customers will obtain water service from the City of Lake Mary without the payment of impact fees or other related charges. In return, UIF will convey to the City of Lake Mary the two-inch water line and meters serving the customers to be transferred to the City "as is where is" without any warranties of any kind. It was further approved that the City will pay UIF \$4,0000.00 in consideration of the transfer.

Carol A. Foster, City Clerk

Dated this 24th day of September, 2007.



TO:

Mayor and City Commission

VIA:

💖 John C. Litton, City Manager

FROM:

Bruce Paster, P.E., Director of Public Works

DATE:

September 19, 2007

SUBJECT:

Transfer of water customers from Utilities, Inc. of Florida to the City

of Lake Mary

DISCUSSION: Prior to Lake Mary being able to provide water service to all residents within the corporate limits, citizens either had private wells or in a few cases, were able to obtain service from a private utility which are regulated by the Florida Public Service Commission (FPSC). We recently became aware that Utilities, Inc. of Florida (UIF) had applied with the FPSC to include four customers who are within our corporate boundaries into their certificated service area. Upon investigation, staff determined that because of a previous oversight these customers were not within the service boundaries of UIF as recognized by the FPSC.

The City Manager then wrote the FPSC asking them not to approve the UIF application based on our ability to provide service. To our surprise, the FPSC delayed action and earlier this week we negotiated a settlement with UIF which we believe to be in the best interests of all parties concerned. The end result is that these Lake Mary citizens currently being served by UIF will now become our customers and pay less for their water based on existing rate structures. It is also important to note that they already receive a monthly utility bill from us, but it only includes storm water and garbage.

Specifics of the agreement are as follows:

 UIF will amend its service area amendment application to delete the four existing customers and two vacant lots on Country Club Road (see attachment), and the customers will obtain water service from the City without the payment of impact fees or other related charges since they already have

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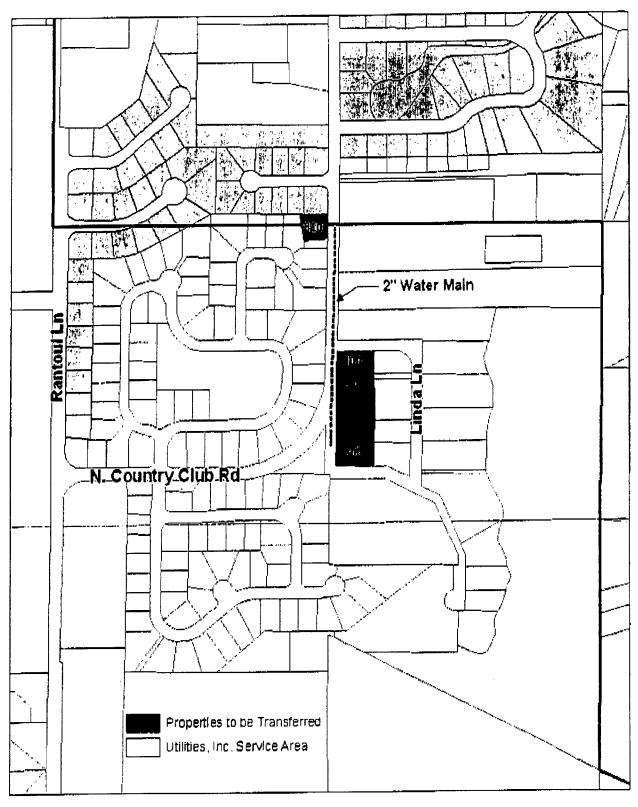
service. In return, UIF will convey to the City the two-inch water line and meters serving the customers to be transferred to the City "as is where is", without any warranties of any kind.

- 2. The City will pay UIF \$4,000.00 from the Water & Sewer Fund in consideration for #1 above.
- 3. The City and UIF will prepare a joint notice advising the customers of the transfer and the timing and procedure to connect to the City.

RECOMMENDATION: City Commission authorize the City Manager to move forward with the provisions enumerated in this negotiation with Utilities, Inc. of Florida effective ASAP.

Attachment

10:00



Properties to be transferred from Utilities, Inc. of Florida's water service to the City of Lake Mary

