

**Marguerite McLean**

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**From:** Trina Collins [TCollins@RSBattorneys.com]  
**Sent:** Monday, June 29, 2009 4:45 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** mgallarda@pluriscompanies.com; jphoy@uiwater.com; Martin Friedman; Christian W. Marcelli; Trina Collins  
**Subject:** Filing in Docket No.: 090232-WS; Joint Application of Wedgefield Utilities, Inc., and Pluris Wedgefield, LLC, for Authority to Transfer Assets and Certificate Nos. 404-W and 341-S to Pluris Wedgefield, LLC in Orange County, Florida  
**Importance:** High  
**Attachments:** PSC Clerk 06 (Response to Deficiencies and RAI).ltr.pdf

- a. Martin S. Friedman, Esq.  
Rose, Sundstrom & Bentley, LLP  
Sanlando Center  
2180 W. State Road 434, Suite 2118  
Longwood, FL 32779  
Phone: (407) 830-6331  
Fax: (407) 830-8522  
Email: [mfriedman@rsbattorneys.com](mailto:mfriedman@rsbattorneys.com)  
[cmarcelli@rsbattorneys.com](mailto:cmarcelli@rsbattorneys.com)
- b. Docket No. 090232-WS; Joint Application of Wedgefield Utilities, Inc., and Pluris Wedgefield, LLC, for Authority to Transfer Assets and Certificate Nos. 404-W and 341-S to Pluris Wedgefield, LLC in Orange County, Florida – Filing responses to the deficiencies and additional information which the Staff requested be addressed for this Application.
- c. Wedgefield Utilities, Inc. and Pluris Wedgefield, LLC.
- d. 8 Pages.
- e. Letter to Commission Clerk - 2 pages; Special Warranty Deed and Schedule A - 4 pages; Balance Sheet - 1 page and Operating Statement - 1 page.

6/29/2009

DOCUMENT NUMBER-DATE

06525 JUN 29 8

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LAW OFFICES  
**ROSE, SUNDBSTROM & BENTLEY, LLP**  
2548 BLAIRSTONE PINES DRIVE  
TALLAHASSEE, FLORIDA 32301

FREDERICK L. ASCHAUER, JR.  
CHRIS H. BENTLEY, P.A.  
ROBERT C. BRANNAN  
E. MARSHALL DETERDING  
JOHN R. JENKINS, P.A.  
KYLE L. KEMPER  
STEVEN T. MINDLIN, P.A.  
CHASTY H. O'STEEN  
WILLIAM E. SUNDBSTROM, P.A.  
DIANE D. TREMOR, P.A.  
JOHN L. WHARTON  
  
ROBERT M. C. ROSE (1924-2006)

(850) 877-6555  
FAX (850) 656-4029  
www.rsbatorneys.com

REPLY TO CENTRAL FLORIDA OFFICE

CENTRAL FLORIDA OFFICE  
SANLANDO CENTER  
2180 W. STATE ROAD 434, SUITE 2118  
LONGWOOD, FLORIDA 32779  
(407) 830-6331  
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.  
BRIAN J. STREET

CHRISTIAN W. MARCELLI, OF COUNSEL  
(LICENSED IN NEW YORK ONLY)

June 29, 2009

E-FILING

Ann Cole, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

RE: Docket No.: 090232-WS; Joint Application of Wedgefield Utilities, Inc., and Pluris Wedgefield, LLC, for Authority to Transfer Assets and Certificate Nos. 404-W and 341-S to Pluris Wedgefield, LLC in Orange County, Florida  
Our File Nos.: 43085.05 and 30057.175

Dear Ms. Cole:

The following are responses to the deficiencies and additional information which the Staff requested be addressed for this Application:

Deficiencies

1. **Ownership or continued use of land.** As requested, attached is an unexecuted Warranty Deed conveying the real property currently owned by the Seller to the Buyer. The closing is scheduled to occur ten days after the entry of the Order approving the transfer, so the Warranty Deed may not be back from recording in thirty (30) days from the issuance of the Order, and Applicants would request that the Buyer be given sixty (60) days after the issuance of the Order within which to file a copy of the recorded Warranty Deed.
2. **Financial ability.** Attached is the pro forma financial statements of Pluris Wedgefield, Inc. The financial statement of its shareholder, Pluris, LLC, will be provided to Staff.

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Ann Cole, Commission Clerk  
Office of Commission Clerk  
June 29, 2009  
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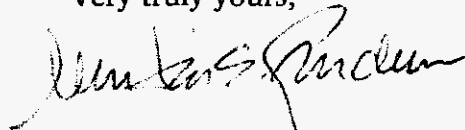
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3. **Tax Returns.** The Buyer has obtained or will obtain copies of all of the federal income tax returns of the Seller from the date rate base was last established by the Commission.

Additional Information

1. **Please provide a more specific statement describing the financing of the purchase.** The Buyer is prepared to pay all cash at closing without any financing. However, depending upon the debt market at the time of closing, the Buyer may use a combination of debt and equity as determined by market conditions.
2. **The proposed water and wastewater tariffs will need to be revised using the model tariff format.** Two (2) copies of the tariffs using the model tariff format have been forwarded to Stephanie Clapp.

Very truly yours,



MARTIN S. FRIEDMAN  
For the Firm

MSF/tlc  
Enclosures

cc: Mr. Maurice Gallarda (w/o enclosures) (via e-mail)  
John Hoy, Regional Vice President for Operations (w/o enclosures) (via e-mail)  
Ms. Stephanie Clapp (w/enclosures) (via hand delivery)

M:\ALTAMONTE\PLURIS, LLC (43085)\(05) Wedgefield Transfer\PSC Clerk 06 (Response to Deficiencies and RAI).ltr.wpd

THIS DOCUMENT PREPARED BY:  
Martin S. Friedman, Esquire  
ROSE, SUNDSTROM & BENTLEY, LLP  
2180 W. State Road 434, Suite 2118  
Longwood, Florida 32779  
(407) 830-6331

### SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2009 by **WEDGEFIELD UTILITIES, INC.**, a Florida corporation, whose post office address is 200 Weathersfield Avenue, Altamonte Springs, Florida 32714 ("Grantor") to **PLURIS WEDGEFIELD, INC.**, a Florida corporation, whose post office address is 26000 Commercentre Drive, Lake Forest, California ("Grantee").

(Whenever used herein the term "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

**WITNESSETH**, that the Grantor, for and in consideration of the sum of Ten Dollars, (\$10.00) and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all that certain land situate in Orange County, Florida, viz:

**SEE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A"**

**SUBJECT** to covenants, conditions, restrictions and easements of record.

**TOGETHER** with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining thereto.

**TO HAVE AND TO HOLD** the same in fee simple forever.

**AND** the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land; that the Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances except taxes accruing subsequent to December 31, 2008.

**IN WITNESS WHEREOF**, the Grantor, WEDGEFIELD UTILITIES, INC., has signed and sealed these presents the day and year first above written.

<p><i>Signed, sealed and delivered in our presence:</i></p> <p>_____</p> <p>Witness Printed Name: _____</p> <p>_____</p> <p>Witness Printed Name: _____</p>	<p>WEDGEFIELD UTILITIES, INC., a Florida corporation,</p> <p>_____ JOHN STOVER Vice President and Secretary</p>
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STATE OF ILLINOIS  
COUNTY OF COOK

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2009, by JOHN STOVER, as Vice President and Secretary of WEDGEFIELD UTILITIES, INC., on behalf of the company. He is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public - State of Florida

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**SCHEDULE A (Continued)**

Issuing Office File No.: 2037-2121989

PARCEL I:

A PORTION OF TRACT A, BLOCK 25, CAPE ORLANDO ESTATES UNIT I AS RECORDED IN PLAT BOOK Z, PAGES 29 THROUGH 31 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, LYING IN SECTION 1, TOWNSHIP 23 SOUTH, RANGE 32 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY LINE OF MANSFIELD STREET (A 60.00' RIGHT-OF-WAY) WITH THE WESTERLY RIGHT-OF-WAY OF ARDON AVENUE (A 60.00' RIGHT-OF-WAY) THENCE RUN SOUTH 89° 55' 44" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY FOR A DISTANCE OF 125.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 340.11 FEET AND A CENTRAL ANGLE OF 32° 27' 17", THENCE RUN SOUTHWESTERLY ALONG THE ARC OF SAID CURVE FOR A DISTANCE OF 192.65 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 82° 11' 42" THENCE RUN ALONG THE ARC OF SAID CURVE FOR A DISTANCE OF 35.86 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 380.00 FEET AND A CENTRAL ANGLE OF 09° 35' 44", RUN NORTHWESTERLY ALONG THE ARC OF SAID CURVE FOR A DISTANCE OF 63.04 FEET; THEN LEAVING SAID NORTHERLY RIGHT-OF-WAY OF MANSFIELD STREET RUN NORTH 00° 04' 16" WEST FOR A DISTANCE OF 193.28 FEET; THENCE RUN NORTH 89° 55' 44" EAST FOR A DISTANCE OF 260.00 FEET; THENCE RUN SOUTH 00° 04' 16" EAST ALONG THE EAST LINE OF SAID TRACT A FOR A DISTANCE OF 190.00 FEET TO THE POINT OF BEGINNING.

AND

A PORTION OF THE SOUTHEAST 1/4 OF SECTION 11, TOWNSHIP 23 SOUTH, RANGE 32 EAST, LYING IN ORANGE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE EAST 1/4 CORNER OF SAID SECTION 11, THENCE RUN NORTH 89° 57' 02" WEST ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 11 FOR A DISTANCE OF 178.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING ON THE WEST LINE OF CAPE ORLANDO ESTATES UNIT 1A AS RECORDED IN PLAT BOOK Z, PAGE 71 THROUGH 73; THENCE RUN NORTH 00° 24' 40" EAST ALONG THE WEST LINE OF CAPE ORLANDO ESTATES UNIT 1A FOR A DISTANCE OF 16.13 FEET TO A POINT ON THE NORTH BOUNDARY LINE OF THE CITY OF ORLANDO 220' POWER EASEMENT AS RECORDED IN MINUTE BOOK 11, PAGE 73, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA SAID POINT ALSO BEING ON THE SOUTH BOUNDARY LINE OF THE NETTLETON CANAL; THENCE RUN ALONG SAID NORTH LINE OF THE POWER EASEMENT SOUTH 89° 59' 18" WEST FOR A DISTANCE OF 2663.51 FEET TO A POINT ON THE NORTHEAST LINE OF CAPE ORLANDO ESTATES UNIT 12A AS RECORDED IN PLAT BOOK 4, PAGES 66 THROUGH 70; THENCE RUN SOUTH 52° 32' 16" EAST ALONG SAID LINE, ALSO BEING THE SOUTHWESTERLY LINE OF THE 160.00 FOOT FLORIDA POWER AND LIGHT COMPANY EASEMENT AS RECORDED IN MINUTE BOOK 7, PAGE 581 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, FOR A DISTANCE OF 3491.67 TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF BANCROFT BOULEVARD; THENCE RUN NORTH 00° 24' 40" EAST ALONG THE WESTERLY RIGHT-OF-WAY OF BANCROFT BOULEVARD FOR A DISTANCE OF 200.48 FEET; THENCE

# *First American Title Insurance Company*

RUN NORTH 52° 32' 16" WEST ALONG THE WEST LINE OF THE AFOREMENTIONED CAPE ORLANDO ESTATES UNIT 1A FOR A DISTANCE OF 156.62 FEET; THENCE RUN ALONG SAID WEST LINE NORTH 00° 24' 40" EAST FOR A DISTANCE 1822.68 FEET TO THE POINT OF BEGINNING.

"THE EAST 1/4 CORNER OF SAID SECTION 11" ALSO MAY BE REFERRED TO AS "THE NORTHEAST CORNER OF THE SOUTHEAST 1/4 OF SAID SECTION 11"

LESS AND EXCEPT THE FOLLOWING:

BEGIN AT THE SOUTH CORNER OF TRACT A, BLOCK 92, CAPE ORLANDO ESTATES, UNIT 1A, AS RECORDED IN PLAT BOOK Z, PAGES 71 THROUGH 73, INCLUSIVE, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA AND RUN NORTH 00° 24' 40" EAST ALONG THE WEST LINE OF BLOCK 92 AND BLOCK 3 OF SAID CAPE ORLANDO ESTATES, UNIT 1A, FOR A DISTANCE OF 281.53 FEET; THENCE RUN NORTH 83° 08' 15" WEST FOR A DISTANCE OF 441.40 FEET; THENCE RUN SOUTH 52° 32' 16" EAST ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF THE AFOREMENTIONED 160 FOOT FLORIDA POWER AND LIGHT COMPANY EASEMENT FOR A DISTANCE OF 549.56 FEET TO THE POINT OF BEGINNING.

PARCEL II:

A PORTION OF TRACT A, BLOCK 25, CAPE ORLANDO ESTATES UNIT I AS RECORDED IN PLAT BOOK Z, PAGES 29 THROUGH 31 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, LYING IN SECTION 1, TOWNSHIP 23 SOUTH, RANGE 32 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF TRACT "A", BLOCK 25 ROCKET CITY UNIT 1, RECORDED IN PLAT BOOK Z, PAGE 29 THROUGH 31, OF THE PUBLIC RECORDS OF ORANGE COUNTY FLORIDA; THENCE RUN N 00° 04' 16" W ALONG THE EAST LINE OF SAID TRACT "A" A DISTANCE OF 189.99 FEET TO THE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE OF TRACT "A" S 89° 55' 44" W A DISTANCE OF 260.00 FEET; THENCE RUN S 00° 04' 16" E A DISTANCE OF 193.28 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF MANSFIELD STREET (60' RIGHT-OF-WAY), SAME POINT BEING ON A CURVE CONCAVE SOUTHWESTERLY; THENCE RUN NORTHWESTERLY 7.94 FEET ALONG THE ARC OF SAID CURVE, HAVING A RADIUS OF 380.00 FEET, A CENTRAL ANGLE OF 1° 11' 48" AND A CHORD BEARING OF N 50° 31' 25" W; THENCE RUN N 00° 14' 16" W A DISTANCE OF 274.82 FEET; THENCE RUN N 89° 48' 20" E A DISTANCE OF 100.10 FEET; THENCE RUN N 00° 30' 48" E A DISTANCE OF 174.89 FEET; THENCE RUN N 89° 48' 20" E A DISTANCE OF 164.24 FEET TO THE EAST LINE OF THE AFOREMENTIONED TRACT "A", THENCE RUN S 00° 04' 06" E ALONG SAID EAST LINE OF SAID TRACT "A" A DISTANCE OF 262.03 FEET TO THE POINT OF BEGINNING.

PARCEL III:

TRACT B (LIFT STATION), RESERVE AT WEDGEFIELD UNIT 2, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 53, PAGE 16, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

PARCEL IV:

TRACT B (LIFT STATION), RESERVE AT WEDGEFIELD UNIT 5, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 53, PAGE 136, PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA.

**Wedgefield  
Balance Sheet  
Pro Forma - as of 12/31/08**

<b>PLURIS</b>
Purchase Adjusted 12/31/2008 Balance Sheet Pro forma

<b>Utility Plant</b>	
Land	\$ 101,907
Structures & improvements	8,206,955
Trans/distr & collection	2,826,963
Wtr Water treatment equipment	1,361,901
Wells and springs	256,863
Other water/sewer	2,884,589
Utility plant - subtotal	<u>15,639,178</u>
Construction in process	431,233
Total utility plant	<u>16,070,411</u>
Less: accumulated depreciation/amort	<u>(5,798,311)</u>
Utility plant	<u>10,272,100</u>
<b>Current assets:</b>	
Cash, deposits & other assets	\$ 15,989
Accounts receivable, net	209,745
Accounts receivable from Affiliates	-
Total current assets	<u>225,734</u>
<b>Other assets:</b>	
Deferred income taxes	-
GW	818,840
Other deferreds	-
Total deferred assets	<u>818,840</u>
<b>Total assets</b>	<b><u>\$ 11,316,674</u></b>
<b>Stockholders' equity:</b>	
Common stock	1,000
Additional paid-in capital	7,299,000
Retained earnings	-
Total stockholders' equity	<u>7,300,000</u>
<b>Long-term debt</b>	
Advances from affiliates	-
New debt	-
Bonds and other debt	-
Total long-term debt	<u>-</u>
<b>Current liabilities:</b>	
Accounts payable	\$ 363,217
Customer deposits	16,504
Accrued utility taxes	38,229
Accrued interest	-
Payable (receivable) - affiliates	-
Other deferred credits	65,830
Total current liabilities	<u>483,780</u>
<b>Contributions in aid of construction (CIAC)</b>	
CIAC	5,408,902
Less: acc amort - CIAC	<u>(1,876,008)</u>
Net CIAC	<u>3,532,894</u>
<b>Deferred income taxes, net</b>	
	<u>-</u>
<b>Total liabilities and equity</b>	<b><u>\$ 11,316,674</u></b>
<b>Memo - Rate Base:</b>	
Rate Base - before working cap adj	6,307,973
Working capital adjustment	<u>106,176</u>
Rate base	<u>6,414,149</u>



**Wedgefield  
Operating Statement  
Pro Forma - For Year 1 after ownership change**

	<b>PLURIS</b>		
	<b>Water</b>	<b>Wastewater</b>	<b>Total</b>
	<b>Year 1</b>	<b>Year 1</b>	<b>Year 1</b>
	<b>Pro Forma</b>	<b>Pro Forma</b>	<b>Pro Forma</b>
<b>Revenues</b>	\$ 1,147,242	\$ 742,000	\$ 1,889,242
<b>Operating expenses</b>			
Salaries - Employees	125,000	115,000	240,000
Salaries - Officers	10,000	9,000	19,000
Employee pensions	30,000	30,000	60,000
Sludge removal	-	50,000	50,000
Purchased power	-	125,000	125,000
Chemicals	60,000	55,000	115,000
Materials/Supplies	15,000	10,000	25,000
Contract services	18,000	25,000	43,000
Transportation	10,000	7,500	17,500
Insurance	14,000	14,000	28,000
Bad debt expense	7,500	7,500	15,000
Misc exp	65,000	65,000	130,000
Other	500	500	1,000
Total operating expenses	<u>355,000</u>	<u>513,500</u>	<u>868,500</u>
	30.9%	69.2%	46.0%
<b>Depreciation &amp; CIAC amort</b>			
Depreciation	176,000	257,000	433,000
CIAC Amortization	(39,000)	(116,000)	(155,000)
Net deprec/amort	<u>137,000</u>	<u>141,000</u>	<u>278,000</u>
<b>Other expenses</b>			
Taxes other than income	88,000	83,000	171,000
<b>Pretax income</b>	<u>567,242</u>	<u>4,500</u>	<u>571,742</u>
<b>Income taxes</b>			
Current income taxes	192,862	1,530	194,392
Def federal inc taxes	-	-	-
Def state inc taxes	-	-	-
Total income taxes	<u>192,862</u>	<u>1,530</u>	<u>194,392</u>
<b>Net utility operating income</b>	<u>\$ 374,380</u>	<u>\$ 2,970</u>	<u>\$ 377,350</u>