

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-**

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**DATE:** July 23, 2026

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Engineering (Wooten, Ellis, King) *LK*  
Office of the General Counsel (Thompson) *JSC*

**RE:** Docket No. 20260027-WS – Application for transfer of CPI Citrus Park Utility TRS, L.L.C.'s water and wastewater facilities, in Lee County, to Bonita Springs Utilities, Inc., an exempt entity under Section 367.022(7), F.S., and cancellation of Certificate Nos. 675-W and 576-S.

**AGENDA:** 08/04/26 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Ortega

**CRITICAL DATES:** None

**SPECIAL INSTRUCTIONS:** None

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### Case Background

CPI Citrus Park Utility TRS, L.L.C. (CPI or Utility) is located in Lee County, Florida. The Utility provides water and wastewater service to the Citrus Park Mobile Home and RV Park (Citrus Park), which serves approximately 1,531 residential mobile home customers with associated common area buildings. The Utility also provides water service via master meter to the Bell Villa Property Owners Association, Inc., which serves approximately 127 residential lots in the Bell Villa Subdivision. The water system was built in 1989, and the wastewater system was built in 1988. In its 2025 Annual Report, CPI reported a net operating loss of

\$186,351. In 2019, the Florida Public Service Commission (Commission) issued water and wastewater Certificate Nos. 675-W and 576-S to CPI.<sup>1</sup>

On February 19, 2026, CPI filed its application for transfer of water and wastewater facilities to Bonita Springs Utilities, Inc. (BSU or Buyer), an exempt entity under Section 367.022(7), Florida Statutes (F.S.), and cancellation of Certificate Nos. 675-W and 576-S. Staff found the initial application to be deficient and issued a deficiency letter on March 19, 2026.<sup>2</sup> Deficiencies were resolved on June 2, 2026.<sup>3</sup>

This recommendation addresses the transfer of CPI's water and wastewater facilities to BSU, an exempt entity, and the cancellation of Certificate Nos. 675-W and 576-S. The Commission has jurisdiction to consider this matter pursuant to Sections 367.071 and 367.022, F.S.

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<sup>1</sup> Order No. PSC-2020-0263-PAA-WS, issued July 27, 2020, in Docket No. 20190194-WS, *In re: Application for original water and wastewater certificates and approval of initial rates, charges and standard service agreements in Lee County, by CPI Citrus Park Utility TRS, L.L.C.*

<sup>2</sup> Document No. 01651-2026, filed March 19, 2026.

<sup>3</sup> Document No. 03306-2026, filed June 2, 2026.

## Discussion of Issues

**Issue 1:** Should the Commission approve the transfer of CPI Citrus Park Utility TRS, L.L.C.'s water and wastewater facilities in Lee County, to Bonita Springs Utilities, Inc., an exempt entity under Section 367.022(7), F.S., and cancellation of Certificate Nos. 675-W and 576-S?

**Recommendation:** Yes. The transfer of the water and wastewater systems is in the public interest and should be approved effective the date of the Commission's vote. Certificate Nos. 675-W and 576-S should be cancelled administratively upon receipt of the executed agreement confirming the actual date of closing, which is scheduled to take place within three days after the Commission's approval of the transfer. CPI should be required to file closing documents that contain evidence of the date of closing within 90 days of the date of the closing. CPI is responsible for regulatory assessment fees (RAFs) through the closing date. (Wooten)

### **Staff Analysis:**

#### **Legal Standard**

Transfers of certificates are governed by Section 367.071, F.S., and by Rule 25-30.037, Florida Administrative Code (F.A.C.). The statute provides that the Commission may approve the transfer if it is in the public interest and the transferee will fulfill the commitments, obligations, and representations of the utility. To demonstrate that the transferee can do so, the rule requires the transferee to show the financial and technical ability to operate the utility.

#### **Analysis**

On February 19, 2026, CPI filed an application for the transfer of its water and wastewater facilities to BSU, an exempt entity, and the cancellation of Certificate Nos. 675-W and 576-S.

Pursuant to Section 367.022(7), F.S., the Buyer is an exempt entity that is not subject to Commission regulation, as BSU is a nonprofit cooperative providing service solely to members who own and control the cooperative. Following the transfer to BSU, Citrus Park will retain the local distribution system and provide water and wastewater services to tenants of the mobile home park. Pursuant to Section 367.022(9), F.S., Citrus Park would provide these services at a price that does not exceed the actual purchase price of the water and wastewater service, plus the actual cost for metering and billing not to exceed 9% of the actual cost of service and would therefore be considered exempt from Commission regulation. Staff reviewed the application and determined that it is in compliance with Section 367.071, F.S., and Rule 25-30.037(5), F.A.C., concerning applications for transfer of a regulated utility to an exempt entity other than a governmental authority.

BSU and Citrus Park should be put on notice that, if there is a change in circumstance or method of operation or billing practices which causes either utility to no longer qualify for exemption, pursuant to Section 367.022, F.S., they should inform the Commission within 90 days. CPI's territory description and Certificate Nos. 675-W and 576-S are contained in Attachment A.

### **Application and Noticing**

In accordance with Rule 25-30.037(5), F.A.C., CPI provided a filing fee of \$3,000 with its application and provided notice of the application in compliance with Rule 25-30.030, F.A.C.<sup>4</sup> The initial application also included the purchase agreement, which provides that a transfer is contingent upon Commission approval and that closing will occur within 30 days of such approval. However, the Utility filed an addendum to the purchase agreement revising the closing date to occur within three days of Commission approval.<sup>5</sup> The application stated that the Seller did not maintain customer deposits; therefore, no refunds of customer deposits are required. The application also contained statements regarding the Utility's compliance in filing RAFs, and annual reports, as well as an explanation of the Buyer's exempt status in accordance with Section 367.022, F.S. No objections to the transfer were filed, and the time for doing so has expired.

### **Facility Description and Compliance**

The water system includes three wells with capacities of 200, 197, and 50 gallons per minute, using chlorination and reverse osmosis treatment. The wastewater treatment plant is an extended aeration activated sludge plant with a design capacity of 199,000 gallons per day and includes five rapid infiltration basins, two clarifiers, one surge tank, one chlorine contact chamber and 11 lift stations.

Staff reviewed the most recent Department of Environmental Protection (DEP) sanitary survey, issued on March 19, 2026, which identified eight deficiencies, six of which were minor non-compliance deficiencies, while the remaining two issues were significant non-compliance (SNC) deficiencies. The Utility corrected all six minor deficiencies and one SNC deficiency; the remaining SNC deficiency relates to exceeding the plant's permitted capacity in 2025 and 2026.

Staff also reviewed the Utility's 2025 water quality results. The Utility exceeded the DEP limits for haloacetic acids and total trihalomethanes, and total dissolved solids exceeded the secondary standard. The Utility issued the required public notices and is working with DEP to address the violations. Additionally, the October 23, 2025, DEP Compliance Inspection Report identified that the Utility failed to submit annual Reclaimed Water/Effluent Analysis Reports for 2022 through 2024 but identified no other compliance issues.

### **Technical and Financial Ability**

Pursuant to Rule 25-30.037(2)(m), F.A.C., the application contained an explanation of the Buyer's experience in the water and wastewater industry and the Buyer's plans for ensuring continued operation of the utility. Pursuant to Rule 25-30.037(2)(l), F.A.C., the application contained a detailed financial statement and a statement that the Buyer is not relying on any other entities or affiliates for funding the purchase.

### **Regulatory Assessment Fees and Annual Report**

Staff has verified that the Utility is current on the filing of annual reports and RAFs through December 31, 2026. The Utility will continue to be responsible for paying RAFs, until the closing of the sale has been approved by the Commission.

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<sup>4</sup> Document Nos. 01246-2026, filed February 23, 2026, and 03306-2026, filed June 2, 2026.

<sup>5</sup> Document No. 04384-2026, filed July 15, 2026

Date: July 23, 2026

### **Conclusion**

Based on the foregoing, staff recommends that the transfer of the water and wastewater systems is in the public interest and should be approved effective the date of the Commission's vote, and Certificate Nos. 675-W and 576-S should be cancelled administratively upon receipt of the executed agreement confirming the actual date of closing, which is scheduled to take place within three days after the Commission's approval of the transfer. CPI should be required to file closing documents that contain evidence of the date of closing within 90 days of the date of the closing. CPI is responsible for RAFs through the closing date.

Date: July 23, 2026

**Issue 2:** Should this docket be closed?

**Recommendation:** No. This docket should remain open until the executed purchase agreement has been filed confirming the actual date of closing. Upon receipt, the docket should be closed administratively. (Thompson)

**Staff Analysis:** This docket should remain open until the executed purchase agreement has been filed confirming the actual date of closing. Upon receipt, the docket should be closed administratively.

**CPI Citrus Park Utility TRS, L.L.C.**

**Water Service Territory Legal Description**

**Lee County**

THE EAST 150 FEET OF THE WEST 1,120 FEET OF THE NORTH 260 FEET OF SECTION 19, TOWNSHIP 47 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT NORTHWEST CORNER OF SAID SECTION 19 RUN N89°16'57"E ALONG THE NORTH LINE OF SAID SECTION 19 FOR A DISTANCE OF 970.01 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N89°16'57"E ALONG SAID NORTH LINE FOR A DISTANCE OF 150.00 FEET; THENCE LEAVING SAID NORTH LINE RUN S01°00'52"E ALONG A LINE 1,120 FEET EAST OF AND PARALLEL TO THE WEST LINE OF SAID SECTION 19 FOR A DISTANCE OF 260.00 FEET; THENCE RUN S89°16'57"W ALONG A LINE 260 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID SECTION 19 FOR A DISTANCE OF 150.00 FEET; THENCE RUN N01°00'52"W ALONG A LINE 970 FEET EAST OF AND PARALLEL TO THE WEST LINE OF SAID SECTION 19 FOR A DISTANCE OF 260.00 FEET TO THE POINT OF BEGINNING.

SAID LAND CONTAINING 39,000.52 SQUARE FEET OR 0.90 ACRES MORE OR LESS.

**Wastewater Service Territory Legal Description**

**Lee County**

THE WEST 440 FEET OF THE SOUTH 1,070 FEET OF THE NORTH 1,310 FEET OF SECTION 19, TOWNSHIP 47 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT NORTHWEST CORNER OF SAID SECTION 19 RUN S01°00'52"E ALONG THE WEST LINE OF SAID SECTION 19 FOR A DISTANCE OF 240.00 FEET TO THE POINT OF BEGINNING; THENCE LEAVING SAID WEST LINE RUN N89°16'57"E ALONG A LINE 240 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID SECTION 19 FOR A DISTANCE OF 440.01 FEET; THENCE RUN S01°00'52"E ALONG A LINE 440 FEET EAST OF AND PARALLEL TO THE SAID WEST LINE FOR A DISTANCE OF 1,070.01 FEET; THENCE RUN S89°16'57"W ALONG A LINE 1,370 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID SECTION 19 FOR A DISTANCE OF 440.01 FEET; THENCE RUN N01°00'52"W ALONG SAID WEST LINE FOR A DISTANCE OF 1,070.01 FEET TO THE POINT OF BEGINNING.

SAID LAND CONTAINING 470,806.33 SQUARE FEET OR 10.81 ACRES MORE OR LESS.

**FLORIDA PUBLIC SERVICE COMMISSION**

**Authorizes**

**CPI Citrus Park Utility TRS, L.L.C.**

**pursuant to**

**Certificate Number 675–W**

to provide water service in Lee County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rule, regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

| <u>Order Number</u>  | <u>Date Issued</u> | <u>Docket Number</u> | <u>Filing Type</u>       |
|----------------------|--------------------|----------------------|--------------------------|
| PSC-2020-0263-PAA-WS | 07/27/2020         | 20190194-WS          | Original Certificate     |
| *                    | *                  | 20260027-WS          | Certificate Cancellation |

\* Order Number and date to be provided at time of issuance.

**FLORIDA PUBLIC SERVICE COMMISSION**

**Authorizes**

**CPI Citrus Park Utility TRS, L.L.C.**

**pursuant to**

**Certificate Number 576-S**

to provide wastewater service in Lee County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rule, regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

| <u>Order Number</u>  | <u>Date Issued</u> | <u>Docket Number</u> | <u>Filing Type</u>       |
|----------------------|--------------------|----------------------|--------------------------|
| PSC-2020-0263-PAA-WS | 07/27/2020         | 20190194-WS          | Original Certificate     |
| *                    | *                  | 20260027-WS          | Certificate Cancellation |

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