

State of Florida



# Public Service Commission

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

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**DATE:** October 5, 2000  
**TO:** Division of Records and Reporting  
**FROM:** Division of Legal Services (Van Leuven) *DTV*  
**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.

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Please file the attached letter concerning RealNor Hallandale, Inc.'s responsibility for the past obligations of Bonita Country Club Utilities, Inc., dated October 2, 2000, in the docket file for the above-referenced docket.

DTV/dm

cc: Division of Regulatory Oversight (Johnson, Redemann, Welch)

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- CAF \_\_\_\_\_
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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

**PLATINUM COAST FINANCIAL CORP.**  
**9517 GULF SHORE DRIVE #201**  
**NAPLES, FLORIDA 34108**  
**(941) 596-9603 FAX (941) 566-7955**

October 2, 2000

Tyler Van Leuven  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

OCT - 4 2000

Re: Outstanding Invoices

Dear Mr. Van Leuven;

On September 8, 2000, I sent a letter along with billings of outstanding invoices due from Bonita Country Club Utilities to RealNor Hallandale for payment. RealNor Hallandale evidently forwarded my correspondence to Keith Wickenden the attorney for Northern Trust. I have enclosed a copy of his response to my request.

Your "Order Approving Transfer and Initiating Show Cause", page seven (7) paragraph two (2) of this order states, "Based on the application, RealNor will fulfill all commitments, obligations, and representations of the prior owner with respect to utility matters". This to me means RealNor is responsible for the utility obligations...i.e. outstanding invoices. As you can tell from Mr. Wickenden's letter, he is not in agreement with my interpretation. I am requesting clarification from the Florida Public Service Commission as to the meaning of this order.

Thank you in advance for your attention into this matter.

Sincerely,



Michael Miceli

Encl.

D. KEITH WICKENDEN  
Attorney at Law

941.514.1000 Ext. 229  
kwickenden@gfpac.com

September 28, 2000

Mr. Michael Miceli  
9517 Gulf Shore Drive  
Suite 201  
Naples, FL 34108

**Re: Northern Trust v. BCCU  
Case No. 98-6169-CA-WCM  
Circuit Court, Lee County, Florida**

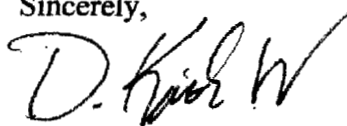
Dear Mr. Miceli:

Your letter dated 8 September 2000 addressed to RealNor Hallandale, Inc. was forwarded to this law firm. Your letter asserts that the Florida Public Service Commission Order issued 22 March 2000 ("PSC Order") requires RealNor Hallandale to assume responsibility to pay outstanding invoices allegedly owed by Bonita Country Club Utilities, Inc. ("BCCU") The invoices are dated 1 September 2000. The invoices are from Platinum Coast Financial Corporation. As I recall, you testified under oath that Platinum Coast Financial Corporation acquired all of the stock of BCCU.

We disagree that the PSC Order requires RealNor Hallandale to pay outstanding invoices allegedly owed by BCCU. Indeed, your assertion that it does is frivolous. The PSC Order does nothing more than transfer a PSC Certificate of Service from BCCU to RealNor Hallandale. The language of the PSC Order you quoted in your letter means only that RealNor Hallandale must continue to provide utility service. Please be advised that any litigation filed by Platinum Coast against RealNor Hallandale regarding this issue will be frivolous and will entitle RealNor Hallandale to recover attorneys' fees and costs pursuant to Fla. Stat. § 57.105.

I trust my position in this matter is clear.

Sincerely,



D. Keith Wickenden

DKW/ean

cc: Jeffrey D. Fridkin, Esq.  
G. Helen Athan, Esq.  
Lloyd Liggett  
Wayde P. Seidensticker, Jr., Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer  
of Certificate No. 281-S in Lee  
County from Bonita Country Club  
Utilities, Inc. to RealNor  
Hallandale, Inc.

DOCKET NO. 990975-SU  
ORDER NO. PSC-00-0579-PAA-SU  
ISSUED: March 22, 2000

The following Commissioners participated in the disposition of  
this matter:

JOE GARCIA, Chairman  
J. TERRY DEASON  
E. LEON JACOBS, JR.

ORDER APPROVING TRANSFER AND INITIATING SHOW CAUSE  
AND  
NOTICE OF PROPOSED AGENCY ACTION  
ORDER ESTABLISHING RATE BASE, DECLINING TO INCLUDE A NEGATIVE  
ACQUISITION ADJUSTMENT IN THE CALCULATION OF RATE BASE FOR  
TRANSFER PURPOSES, AND CLOSING ESCROW ACCOUNT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service  
Commission that the actions discussed herein establishing rate  
base, declining to include a negative acquisition adjustment in the  
calculation of rate base for transfer purposes, and closing escrow  
account are preliminary in nature and will become final unless a  
person whose interests are substantially affected files a petition  
for a formal proceeding, pursuant to Rule 25-22.029, Florida  
Administrative Code.

CASE BACKGROUND

Bonita County Club Utilities, Inc. (BCCU or utility) is a  
Class B utility which provides wastewater service in Lee County to  
859 customers. According to the BCCU's 1997 annual report, its  
operating revenues were \$209,946, with a net operating loss of  
\$50,184. The utility's facilities consist of a wastewater  
collection system and a treatment plant.

DOCUMENT NUMBER-DATE

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Bank of Florida N.A. which is financially capable of providing the utility service.

RealNor's application states that its representative performed a reasonable investigation of BCCU. According to the application, the wastewater treatment plant appears to be in satisfactory condition and in compliance with all applicable standards set by the Florida Department of Environmental Protection (FDEP). However, according to the affidavit of Mr. Michael Angel the treatment plant and lift stations are in need of numerous repairs. A list of emergency repairs totaling over \$155,300 was included in Mr. Angel's affidavit. According to Mr. Angel's affidavit, the needed repairs are due to the prior owner's neglect for general maintenance. We contacted FDEP and learned that there are numerous outstanding Notices of Violation against the utility. RealNor has agreed to make the necessary repairs to bring the utility in compliance with FDEP once the transfer is complete. Currently, only the emergency items have been repaired. However, RealNor believes that most of the needed repairs will be completed within two to six months of the transfer, but some items will require more time because they require engineer drawings and approval by the FDEP to construct the necessary repairs.

Based on the application, RealNor will fulfill all commitments, obligations, and representations of the prior owner with respect to utility matters. There are no customer deposits or guaranteed revenues. However, BCCU remains responsible for the penalties and interest associated with the untimely payment of its 1998 regulatory assessment fees and to file the 1998 annual report as required in the show cause portion of this Order. According to RealNor's application, it will pay the outstanding regulatory assessment fees if required to do so, in order to facilitate the transfer. On May 13, 1999, RealNor foreclosed on the utility's assets and became the owner of the utility. Pursuant to Rule 25-30.120(2), F.A.C., RealNor is responsible for remitting regulatory assessment fees for the year that it took possession of the facilities.

We next must address a potential dispute over whether individuals who had prepaid CIAC to BCCU would be recognized as having paid this money to the appropriate entity and receive service upon request. The obligation to provide services to customers that prepaid CIAC is an obligation that comes with owning the system. To assist in establishing who the customers are, we informally requested that a listing of such persons be made by both

**PLATINUM COAST FINANCIAL CORP.**

**9517 GULF SHORE DIVE #201**

**NAPLES, FLORIDA 34108**

**(941) 596-9603 FAX (941) 566-7955**

**September 8, 2000**

**Accounts Payable  
Realnor Hallandale, Inc.  
7401 College parkway  
Fort Myers, Florida 33907-5548**

**Re: Past due invoices**

**Accounts Payable:**

**The Florida Public Service Commission issued Notice on March 22, 2000 of an "Order Approving Transfer and Initiating Show Cause". Page seven (7), paragraph two (2) of this order states, "Based on the application, Realnor will fulfill all commitments, obligations, and representations of the prior owner with respect to utility matters". Therefore I am forwarding copies of the outstanding invoices due from Bonita Country Club Utilities, Inc.**

**Your prompt attention into this matter will be appreciated.**

**Sincerely,**

**Michael Miceli**

PLATINUM COAST FINANCIAL

1400 GULF SHORE BLVD., #224  
NAPLES, FLORIDA 34102

# Invoice

DATE	INVOICE #
9/1/00	1075

<b>BILL TO</b>
REALNOR HALLANDALE, INC. 7401 COLLEGE PARKWAY FORT MYERS, FLORIDA 33907-5548

P.O. NO.	TERMS	PROJECT

QUANTITY	DESCRIPTION	RATE	AMOUNT
	NEW PLANT CONSTRUCTION - BALANCE DUE	111,683.36	111,683.36
	BONITA COUNTRY CLUB UTILITIES		
		<b>Total</b>	\$111,683.36

PLATINUM COAST FINANCIAL

1400 GULF SHORE BLVD., #224  
NAPLES, FLORIDA 34102

# Invoice

DATE	INVOICE #
9/1/00	1076

BILL TO
REALNOR HALLANDALE, INC. 7401 COLLEGE PARKWAY FORT MYERS, FLORIDA 33907-5548

P.O. NO.	TERMS	PROJECT

QUANTITY	DESCRIPTION	RATE	AMOUNT
	LAND PURCHASE	60,000.00	60,000.00
	INTEREST @ 8% 2000 (9 MONTHS)	3,600.00	3,600.00
	INTEREST @ 8% 1999	4,800.00	4,800.00
	INTEREST @ 8% 1998	4,800.00	4,800.00
	INTEREST @ 8% 1997	4,800.00	4,800.00
	INTEREST @ 8% 1996	4,800.00	4,800.00
	BONITA COUNTRY CLUB UTILITIES, INC.		
		<b>Total</b>	<b>\$82,800.00</b>



PLATINUM COAST FINANCIAL  
 1400 GULF SHORE BLVD., #224  
 NAPLES, FLORIDA 34102

# Invoice

DATE	INVOICE #
9/1/00	8691

<b>BILL TO</b>
REALNOR HALLANDALE, INC. 7401 COLLEGE PARKWAY FORT MYERS, FLORIDA 33907-5548

P.O. NO.	TERMS	PROJECT

QUANTITY	DESCRIPTION	RATE	AMOUNT
1	LAND LEASE 1995	1,060.00	1,060.00
10	LAND LEASE 1996	1,060.00	10,600.00
2	LAND LEASE 1996	1,086.50	2,173.00
10	LAND LEASE 1997	1,086.50	10,865.00
2	LAND LEASE 1997	1,113.65	2,227.30
10	LAND LEASE 1998	1,113.65	11,136.50
2	LAND LEASE 1998	1,141.49	2,282.98
10	LAND LEASE 1999	1,141.49	11,414.90
-4	JULY - OCTOBER 1999	1,141.49	-4,565.96
2	LAND LEASE 1999	1,170.03	2,340.06
9	LAND LEASE 2000	1,170.03	10,530.27
BONTA COUNTRY CLUB UTILITIES, INC.			
<b>Total</b>			\$60,064.05

JOSEPH MICELI

1400 GULF SHORE BLVD., #224  
NAPLES, FLORIDA 34102

# Invoice

DATE	INVOICE #
9/1/00	2045

BILL TO
REALNOR HALLANDALE, INC. 7401 COLLEGE PARKWAY FORT MYERS, FLORIDA 33907-5548

P.O. NO.	TERMS	PROJECT

QUANTITY	DESCRIPTION	RATE	AMOUNT
	LOAN  BONITA COUNTRY CLUB UTILITIES, INC.	150,000.00	150,000.00
		<b>Total</b>	\$150,000.00