#### BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for transfer of portion of water and wastewater facilities to Seminole County, and for amendment of Certificate Nos. 279-W and 226-S, by Florida Water Services Corporation.

DOCKET NO. 040730-WS ORDER NO. PSC-04-0949-FOF-WS ISSUED: September 28, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman J. TERRY DEASON RUDOLPH "RUDY" BRADLEY CHARLES M. DAVIDSON

#### ORDER ACKNOWLEDGING TRANSFER AND AMENDING CERTIFICATE NOS. 279-W AND 226-S

BY THE COMMISSION:

#### <u>BACKGROUND</u>

Florida Water Services Corporation (FWSC or utility) is a Class A utility providing water and wastewater service throughout Florida. Most of its systems are under our jurisdiction. FWSC serves approximately 3,748 water and 591 wastewater customers in Seminole County. The nine water and four wastewater systems in Seminole County are not in a priority water resource caution area of the St. Johns Water Management District. The utility's 2003 annual report indicates that the Seminole County systems had gross revenue of \$1,446,813 and \$713,335 and net operating income of \$210,573 and (\$134,295) for water and wastewater, respectively.

The water and wastewater systems were originally issued Certificate Nos. 279-W and 226-S pursuant to Order No. 7588, issued January 17, 1977, in Docket Nos. 750760-W and 750761-S, <u>In Re: Applications of Southern States Utilities, Inc., for a certificate to operate a water and sewer utility in Seminole County, Florida, pursuant to Section 367.171, Florida Statutes</u>. The certificated territory was amended twelve times through 2004.

FWSC and the City of Altamonte Springs (the City) entered into the Altamonte Springs Asset Purchase Agreement (Agreement) in May 2004, for the City's purchase of the Apple Valley Water and Wastewater systems, Dol Ray Manor Water System, Druid Hills Water System, Fern Park Water System, Lake Bentley Water System, Lake Harriet Estates Water System and Meredith Manor Water and Wastewater Systems (Altamonte systems). On May 18, 2004, the City and the Board of County Commissioners of Seminole County (the County)

DOCUMENT NUMBER (DATE

10459 SEP 28 3

FPSC-COMMISSION OF FRK

entered into a Memorandum of Understanding (Memorandum) concerning the Agreement in which the County could purchase the assets identified in the Agreement and the City agreed to continue and to expand its wholesale provision of water and wastewater service to the Altamonte systems. On May 27, 2004, by Resolution No. 2004-R-106, the County approved the Memorandum and authorized the Chairman to execute the Memorandum and the assignment of the Agreement.

On July 12, 2004, FWSC filed an application for the transfer of the Altamonte systems to Seminole County. In addition to the Altamonte systems, Florida Water operates the Chuluota water and wastewater systems, Florida Central Commerce Park wastewater system, and Harmony Homes water system in Seminole County.<sup>1</sup> The transfer application also requests the modification of Certificate Nos. 279-W and 226-S.

Section 367.0813, Florida Statutes, states that gains or losses from a purchase or condemnation of a utility's assets that results in the loss of customers served by such assets shall be born by the shareholders of the utility. Therefore, a docket to examine a possible gain on sale will not be opened.

We have jurisdiction pursuant to Sections 367.045, 367.071(4)(a), and 367.081, Florida Statutes.

# ACKNOWLEDGING TRANSFER AND AMENDING CERTIFICATES

On July 12, 2004, FWSC filed a completed application to transfer its Altamonte systems facilities to Seminole County pursuant to Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037(4) and (5), Florida Administrative Code. According to the application, Seminole County took over operations of the Altamonte Systems on June 30, 2004. Therefore, the effective date of the transfer is June 30, 2004.

Pursuant to Section 367.071(4)(a), Florida Statutes, the transfer of facilities to a governmental authority shall be approved as a matter of right. As such, no notice of the transfer is required and no filing fees apply. The territory being transferred is described in Attachment A.

The application contains a statement that the customer deposits and any accrued interest of the transferred customers were transferred with the individual customer accounts upon commencement of operations by Seminole County, was also included in the application.

FWSC has no outstanding regulatory assessment fees and no fines or refunds are owed. The utility has filed its 2003 annual report and paid its 2003 RAFs and there are no outstanding penalties and interest. FWSC has paid the RAFs for the period of January 1, 2004 through June 30, 2004.

<sup>&</sup>lt;sup>1</sup> Docket Nos. 040951-WS and 040952-WS have been opened to address the sale of those systems to Aqua Utilities Florida, Inc.

We find that the application is in compliance with all provisions of Rule 25-30.037, Florida Administrative Code. Pursuant to Section 367.071(4)(a), Florida Statutes, the transfer of facilities to a governmental authority shall be approved as a matter of right. Therefore, the transfer of FWSC's Altamonte systems to Seminole County is hereby approved as a matter of right, and Certificate Nos. 279-W and 226-S shall be amended to reflect the deleted territory described in Attachment A, effective June 30, 2004.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Certificate Nos. 279-W and 226 S shall be amended to reflect the deleted territory described in Attachment A, effective June 30, 2004. It is further

ORDERED that the transfer of Florida Water Service Corporation's Altamonte system facilities to Seminole County is hereby approved, as a matter of right, pursuant to Section 367.071(4)(a), Florida Statutes. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 28th day of September, 2004.

BLANCA S. BAYO, Director () Division of the Commission Clerk and Administrative Services

(SEAL)

JSB

#### NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

Attachment A

# Florida Water Services Corporation

### Altamonte Water and Wastewater Territory Deleted

### **Description Of Water Territory**

### **APPLE VALLEY**

Township 21 South, Range 29 East, Seminole County, Florida.

#### Section 1

The West 1/2 of the Southwest 1/4 of Section 1, less the North 175.00 feet of the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4 of said Section 1, and also less the North 50.00 feet of the Northwest 1/4 of the Northwest 1/4 of the Southwest 1/4 of said Section 1.

#### Section 2

The Southeast 1/4 of Section 2, less the North 650.00 feet of the Northwest 1/4 of the Southeast 1/4 of said Section 2, and also less the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section 2; together with that portion of the South 3/4 of the Southwest 1/4 of said Section 2 lying East of Interstate Highway No. 4.

### Section 10

The West 1/2 of the Northeast 1/4 of the Southeast 1/4; together with the North 1/2 of the East 1/2 of the Northeast 1/4 of the Southeast 1/4 of Section 10.

### Section 11

That portion of the North 3/4 of Section 11, lying West of Interstate Highway No. 4, less the South 700.00 feet of the Northwest 1/4 of the Southwest 1/4 of said Section 11, also less the South 365.00 feet of the West 220.00 feet of the Northwest 1/4 of the Southwest 1/4 of said Section 11, also less the East 1/2 of the Northwest 1/4 of the Northwest 1/4 of said Section 11; also less that portion of the Northwest 1/4 of the Northwest 1/4 of the Northwest 1/4 of Section 11, lying West of Interstate Highway No. 4, also less the North 165.00 feet of the East 200.00 feet of the Southwest 1/4 of the Northwest 1/4 of the Northwest 1/4 of said Section 11, lying West of Interstate Highway No. 4, also less the North 165.00 feet of the East 200.00 feet of the Southwest 1/4 of the Northwest 1/4 of the Northwest 1/4 of said Section 11; together with that portion of the North 1/2 of said Section 11 lying East of Interstate Highway No. 4; together with the West 1/2 of the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4 of the Southeast 1/4 of the So

said Section 11; together with the Northeast 1/4 of the Southwest 1/4 of Section 11, lying East of Interstate 4.

#### Section 12

The North 3/4 of the West 1/4 of Section 12; together with the North 180.00 feet of the Southwest 1/4 of the Southwest 1/4 of said Section 12; together with the North 480.00 feet of the Southeast 1/4 of the Northwest 1/4 of said Section 12, less the North 185.00 feet of the West 182.11 feet of the Southwest 1/4 of the Southwest 1/4 of said Section 12, also less the North 185.00 feet of the East 129.74 feet of the Southwest 1/4 of the Southwest 1/4 of said Section 12, also less the North 185.00 feet of the East 275.96 feet of the North 473.15 feet of the Southwest 1/4 of said Section 12, also less the East 275.96 feet of the North 473.15 feet of the Southwest 1/4 of said Section 12; together with the Southwest 1/4 of said Section 12, also less the East 87.63 feet of the North 141.05 feet of the South 971.30 feet of the North 496.50 feet of the Southwest 1/4 of the Northeast 1/4 of said Section 12; together with the West 88.00 feet of the North 496.50 feet of the Southwest 1/4 of the Northeast 1/4 of the Northeast 1/4 of said Section 12; together with the West 88.00 feet of the North 496.50 feet of the Southwest 1/4 of the Northeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of said Section 12; together with beginning at the Southwest corner of the Northwest 1/4 of the Northeast 1/4 of the South 64°55'14" East 165.31 feet; thence North 76°11'40" East 127.46 feet; thence South 19°08'12" East 609.14 feet; thence West 431.52 feet; thence South 25.00 feet; thence West 427.01 feet; thence North 01°23'39" West 27.63 feet; to the Point of Beginning.

#### **DOL RAY MANOR**

Township 21 South, Range 29 East, Seminole County, Florida.

Section 14

The East 1/2 of the Northwest 1/4 of the Southeast 1/4, less the North 145.33 feet thereof, also less the West 50.75 feet of the East 250.75 feet of the South 125 feet of the Northwest 1/4 of the Southeast 1/4 of said Section 14; together with the North 55.0 feet of the East 200.0 feet of the Southwest 1/4 of the Southeast 1/4 of said Section 14; together with, commencing from a concrete monument marking the Northeast corner of the West 1/2 of the Southwest 1/4 of the Northeast 1/4 of Section 14, run South 00°32'50" East along the East line of said West 1/2 of the Southwest 1/4 of the Northeast 1/4 181.02 feet to Point of Beginning. Thence continue South 00°32'50" East along said East line 998.31 feet to the North right-of-way line of State Road 436, said right-of-way line being on a curve concave Northerly and having a radius of 2,764.93 feet, thence from a tangent bearing of South 86°15'24" West, run Westerly along said right-of-way and along the arc of said curve an arc distance of 183.08 feet, through a central angle of 03°47'38", thence North 00°32'50" West 779.60 feet, thence South 89°52'46" East 283.00 feet to the Point of Beginning.

LESS:

Beginning at the previously described Point of Beginning, run South  $00^{\circ}32'50''$  East, a distance of 491.98 feet; thence North 89°14'45'' West a distance of 283.05 feet to a point on the West line of the previously described parcel; thence North  $00^{\circ}32'50''$  West along said West line, a distance of 488.85 feet; thence South 89°52'46'' East, a distance of 283.00 feet to the Point of Beginning.

# **DRUID HILLS**

Township 21 South, Range 29 East, Seminole County, Florida.

Section 23

Hidden Estates

The Northwest <sup>1</sup>/<sub>4</sub> of the Southeast <sup>1</sup>/<sub>4</sub> of said Section 23 and that portion of the Northeast <sup>1</sup>/<sub>4</sub> of the Southwest <sup>1</sup>/<sub>4</sub> lying East of Interstate Highway No. 4 as it is now constructed. Also, that portion of the Southeast <sup>1</sup>/<sub>4</sub> of the Southwest <sup>1</sup>/<sub>4</sub> lying East of Interstate Highway No. 4.

Bretton Woods The Southwest ¼ of the Southeast ¼ of said Section 23. Druid Hills

The Southeast 1/4 of the Southeast 1/4 of said Section 23.

## FERN PARK

Township 21 South, Range 30 East, Seminole County, Florida.

Section 18

Commencing at the Southwest corner of the Southeast <sup>1</sup>/<sub>4</sub> of the Southwest <sup>1</sup>/<sub>4</sub> of Section 18, run Easterly along the South line of said Section 18 a distance of 245.27 feet to the Point of Beginning; thence run North 130 feet more or less to the South edge of Prairie Lake; thence meander Easterly along said South edge 225 feet; thence run South 200 feet more or less to aforementioned South line of Section 18; thence run Westerly along said South line 225 feet to the Point of Beginning.

## Section 19

The West 800 feet of the Northeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 19; together with the North  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of said Section 19; LESS the West 125 feet thereof; together with the North 250 feet of the South  $\frac{1}{2}$  of the Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$ 

of said Section 19; together with that portion of the Southwest <sup>1</sup>/<sub>4</sub> of the Northeast <sup>1</sup>/<sub>4</sub> of Section 19, lying Westerly of U.S. Highway No. 17-92; LESS the South 550 feet thereof; and also LESS the North 391 feet thereof.

#### LAKE BRANTLEY

Township 21 South, Range 29 East, Seminole County, Florida.

Section 5

The Southwest 1/4 of the Northeast 1/4 of Section 5; together with, beginning at the Southwest corner of the Northeast 1/4 of the Northeast 1/4 of said Section 5, thence run North 271.57 feet; thence North 89°21'45" East 165.05 feet; thence South 0°26'15" East 48.97 feet to a point on a curve concave Southeasterly, having a radius of 149.50 feet, a central angle of 36°17'24", and a chord bearing of South 17°42'27" West; thence Southerly along the arc of said curve an arc distance of 94.69 feet to the point of tangency; thence South 0°26'15" East 195.00 feet; thence South 89°21'45" West 138.58 feet; thence North 60.85 feet to the Point of Beginning; together with, commence at the Southwest corner of the Northeast 1/4 of the Northeast 1/4 of said Section 5, run South 60.85 feet to the Point of Beginning; thence North 89°40'45" East 144.95 feet; thence North 0°09'15" West 184 feet; thence South 89°40'45" West 144.49 feet to the Point of Beginning.

#### LAKE HARRIET ESTATES

Township 21 South, Range 29 East, Seminole County, Florida.

Section 8

The Southeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of Section 8.

Section 9

The Southwest  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$  of Section 9.

Section 16

That portion of the Northwest ¼ of the Northwest ¼ of Section 16, lying North of State Road 436 as it is now constructed.

Section 17

That portion of the Northeast ¼ of the Northeast ¼ of Section 17, lying Northerly of State Road No. 436 (Semoran Blvd.).

#### **MEREDITH MANOR**

Township 21 South, Range 29 East, Seminole County, Florida.

Section 3

That portion of the Southwest 1/4 of said Section 3 lying South of State Road No. 434.

LESS the following:

Begin at the Southeast corner of the Southwest 1/4 corner of said Section 3; thence run West along the South line of said Section 3 a distance of 660.11 feet; thence North  $00^{\circ}07'50''$ West a distance of 150.00 feet; thence West a distance of 88.02 feet; thence North  $00^{\circ}02'20''$ West a distance of 200.00 feet; thence East a distance of 87.70 feet; thence North  $00^{\circ}07'50''$ West a distance of 835.00 feet; thence West a distance of 86.36 feet; thence North  $00^{\circ}02'20''$ West a distance of 135.88 feet; thence South  $89^{\circ}52'11''$  East a distance of 746.24 feet; thence South  $00^{\circ}07'50''$  East a distance of 1,319.19 feet to the Point of Beginning.

Together with:

That portion of the North 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 3 lying South of State Road No. 434 (LESS the West 33.00 feet).

Also LESS the following:

The East 100.00 feet of the West 166.82 feet of the South 100.00 feet of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of the Southeast 1/4 of said Section 3.

Together with:

The West 3/4 of the South 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 3 (LESS the West 25.00 feet).

Also LESS the following:

Commence at the Northwest corner of the Southwest 1/4 of the Southwest 1/4 of the Southeast 1/4 of said Section 3; thence run South 88°38'41" East 25.00 feet to the Northwest corner of Block "A", Tract 47, Sanlando Springs, as recorded in Plat Book 7, Page 4, of the Public Records of Seminole County, Florida, said point also being the Point of Beginning; thence continue South 88°88'41" East along the North line of said Block "A" a distance of 305.80 feet; thence South 00°32'58" West along the East line of said Block "A" a distance of 284.45 feet; thence North 89°12'58" West a distance of 151.13 feet; thence North 01°02'44" East a distance of 85.55 feet to a point of curvature of a curve to the left having a radius of 25.00 feet and a central angle of 90°00'00"; thence along the arc of said curve an arc distance of 39.27 feet;

thence North 01°02'44" East a distance of 25.00 feet; thence North 88°24'54" West a distance of 130.80 feet to a point on the West line of aforementioned Block "A"; thence North 00°32'02" East along said West line a distance of 150.00 feet to the Point of Beginning.

#### Together with:

Begin at the West 1/4 corner of said Section 3; thence run North along the West line of the Northwest 1/4 of said Section 3 a distance of 792.20 feet more or less to a point on the Westerly right-of-way line of Wekiva Springs Road; thence South 39°11'05" East along the said Westerly right-of-way line of Wekiva Springs Road a distance of 1,546.90 feet; thence South 50°48'55" West 15.00 feet to a point on the Westerly right-of-way line of Wekiva Springs Lane; thence South 39°11'05" East along said Westerly right-of-way line (Wekiva Springs Lane) a distance of 212.37 feet to the point of curvature of a curve to the right having a radius of 1,670.61 feet and a central angle of 19°41'45"; thence run along the arc of said curve an arc distance of 574.28 feet; thence South 44°58'43" West a distance of 16.57 feet to a point on the Northerly right-of-way line of State Road No. 434; thence North 70°52'46" West along said Northerly right-of-way a distance of 124.56 feet to the point of curvature of a curve to the left having a radius of 1,482.29 feet and a central angle of 35°32'00"; thence run along the arc of said curve an arc distance of 919.28 feet to the point of tangency of said curve; thence South 73°35'14" West a distance of 360.84 feet more or less to a point on the West line of the Southwest 1/4 of said Section 3; thence North along said West line a distance of 1,130.60 feet more or less to the Point of Beginning.

#### Section 4

Begin at the Northeast corner of Section 4; thence run South along the East line of Section 4 a distance of 1,670.00 feet to the Point of Beginning. From the Point of Beginning run North 39°50'05" West a distance of 910.00 feet; thence South 00°01'02" West a distance of 855.00 feet; thence South 89°47'25" West a distance of 876.00 feet; thence South 12°56'57" West a distance of 488.00 feet; thence South 56°18'37" West a distance of 358.50 feet; thence South 56°39'60" West a distance of 561.00 feet; thence South 52°49'18" West a distance of 139.00 feet; thence South 64°31'47" West a distance of 642.00 feet; thence South 84°01'51" West a distance of 349.00 feet; thence South 43°07'53" West a distance of 269.50 feet; thence South 07°24'46" West a distance of 507.00 feet; thence South 03°10'21" East a distance of 206.00 feet; thence South 14°16'41" East a distance of 180.00 feet; thence South 62°21'59" West a distance of 776.00 feet; thence South 00°02'09" East a distance of 365.00 feet; thence South 89°57'34" East a distance of 289.50 feet; thence South 00°14'35" East a distance of 55.60 feet; thence South 89°57'53" East a distance of 1,416.00 feet; thence North 27°36'52" East a distance of 298.00 feet; thence North 38°04'59" East a distance of 446.00 feet; thence North 54°09'59" East a distance of 362.00 feet; thence North 74°13'28" East a distance of 962.17 feet; thence South 18°46'38" East a distance of 348.00 feet; thence South 44°36'18" West a distance of 600.00 feet; thence South a distance of 529.80 feet; thence North 89°58'25" East a distance approximately 1,175.00 feet to the East line of Section 4; thence proceed North along the East

line of Section 4 a distance of approximately 3,658.00 feet to the Point of Beginning less any road right-of-ways.

Section 9

The West 1/2 of the Northeast 1/4 of the Northeast 1/4 of the Northwest 1/4 of said Section 9.

## **Description Of Wastewater Territory**

## APPLE VALLEY

Township 21 South, Range 29 East, Seminole County, Florida.

Section 11

All of Section 11 lying West of Interstate 4 (State Road 400), less and except, the East  $\frac{1}{2}$  of the Northwest  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  lying West of Interstate 4 (State Road 400) of said section, less and except, the South 700 feet of the Northwest  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$  of the North 165 feet of the East 200 feet of the West 390 feet of the Southwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of said section.

## MEREDITH MANOR

Township 21 South, Range 29 East, Seminole County, Florida

Section 4

That portion of the West ¼ of the Southeast ¼ of Section 4 lying Northerly of State Road No. 434 and South of Susie Channel and Lake Rena.

And:

Commencing at the Southeast corner of the Northeast quarter of the Southwest quarter of Section 4, proceed N 00°13'51" E a distance of 509.29 feet, more or less; thence proceed N 89°35'10" W a distance of 223.65 feet, more or less, to the Point of Beginning; thence proceed N 84°15'00" E a distance of 110.00 feet; thence proceed N 05°52'16" W a distance of 228.00 feet; thence proceed S 24°07'21" W a distance of 22.00 feet; thence proceed S 74°30'34" W a distance of 100.00 feet; thence proceed S 05°45'00" E a distance of 192.00 feet to the Point of Beginning, containing 0.51 acre, more or less.