## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint application for transfer of water and wastewater facilities of Mink Associates II, LLC d/b/a Crystal Lake Club Utilities to City of Avon Park, Florida in Highlands County and request for cancellation of Certificates 525-W and 454-S.

DOCKET NO. 120021-WS ORDER NO. PSC-12-0134-FOF-WS ISSUED: March 21, 2012

## ORDER APPROVING TRANSFER AND CANCELLATION OF CERTIFICATES

## BY THE COMMISSION:

Mink Associates II, LLC d/b/a Crystal Lake Club Utilities (Crystal Lake or Utility) is a Class C water and wastewater utility located in northwest Highlands County in the Southwest Florida Water Management District. The Utility serves approximately 519 residential water and wastewater customers. Crystal Lake's 2010 annual report indicates that the Utility had gross operating revenues of \$185,850 and a net operating loss of \$36,517.

The Utility became certificated in 1989<sup>1</sup> and was subsequently transferred four times, most recently from CWS Communities LP d/b/a Crystal Lake Club.<sup>2</sup> Certificate Nos. 525-W and 454-S were also transferred to the Utility at that time.

On January 18, 2012, Crystal Lake applied for the transfer of its water and wastewater facilities and territory to the City of Avon Park (City) and cancellation of its Certificate Nos. 525-W and 454-S.

Pursuant to Section 367.071(4), Florida Statutes (F.S.), the sale 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.

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<sup>&</sup>lt;sup>1</sup> See Order No. 21515, issued July 7, 1989, in Docket No. 881002-SU, <u>In re: Application of Century Group, Inc. for a sewer certificate in Highlands County;</u> Order No. 22300, issued December 12, 1989, in Docket No. 891011-WU, <u>In re: Application of Century Group, Inc. for original water certificate in Highlands County.</u>

<sup>&</sup>lt;sup>2</sup> See Order No. 23974, issued January 9, 1991, in Docket No. 900527-WS, In re: Application for transfer of Certificates Nos. 525-W and 454-S from Century Group, Inc. to Crystal Lake Community, Limited Partnership, Diamond Valley Associates, Ltd., Friendly Village Lancaster Associates, Ltd. d/b/a Crystal Lake Club in Highlands County; Order No. PSC-01-0428-PAA-WS, issued February 22, 2001, in Docket No. 991889-WS, In re: Application for transfer of Certificates Nos. 525-W and 454-S in Highlands County from Crystal Lake Club to CWS Communities LP d/b/a Crystal Lake Club; Order No. PSC-02-1027-FOF-WS, issued July 29, 2002, in Docket No. 020101-WS, In re: Request for approval of transfer of majority organizational control of CWS Communities LP d/b/a Crystal Lake Club, holder of Certificate Nos. 525-W and 454-S in Highlands County, from CWS Communities Trust to CP Limited Partnership, known in Florida as Chateau Communities Limited Partnership; Order No. PSC-05-0428-FOF-WS, issued April 20, 2005, in Docket No. 041394-WS, In re: Joint application for transfer of CWS Communities LP d/b/a Crystal Lake Club, holder of Certificate Nos. 525-W and 454-S in Highlands County, to Mink Associates II, LLC d/b/a Crystal Lake Club Utilities.

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The application included a copy of the Asset Purchase Agreement Between Mink Associates I, LLC and Mink Associates II, LLC and the City of Avon Park, Florida (Agreement), dated as of November 4, 2010. The effective date of the sale and transfer of the Utility's facilities was September 29, 2011.

The application contained a statement that the City obtained a copy of the Utility's most recent available income and expense statement, balance sheet listing assets and liabilities and clearly showing the amount of contributions-in-aid-of-construction and the related accumulated amortization, and a statement of the current rate base for regulatory purposes, as required by Section 367.071(4)(a), F.S., and Rule 25-30.037(4)(e), Florida Administrative Code (F.A.C.). In accordance with Rule 25-30.037(4)(g), F.A.C., the application specified that there were no customer deposits; therefore, no transfer or refunds of deposits were required.

Crystal Lake has paid regulatory assessment fees (RAFs) for January 1 through September 29, 2011, and all prior years, pursuant to Rule 25-30.120, F.A.C. Since the closing and transfer of the Utility occurred on September 29, 2011, no RAFs were accrued or due from that time forward. In accordance with Rule 25-30.110, F.A.C., Crystal Lake has filed annual reports for 2010 and prior years. Pursuant to Rule 25-30.110(3), F.A.C., the Utility shall not be required to file a 2011 annual report. No penalties or interest are outstanding for annual reports or RAF payments.

The Commission has jurisdiction over this matter pursuant to Sections 367.071 and 367.022(2), F.S., and Rule 25-30.037(4), F.A.C. In addition, pursuant to Section 2.07(C)(4)d of the Administrative Procedures Manual, Commission staff has been given administrative authority to approve transfers to governmental entities that are in compliance with Section 367.071(4)(a), F.S., and are not controversial in nature.

Based on all of the above, the Commission acknowledges the transfer of Crystal Lake's water and wastewater facilities and territory to the City of Avon Park pursuant to 367.071(4), Florida Statutes (F.S.) and cancellation of its Certificate Nos. 525-W and 454-S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of Crystal Lake's water and wastewater facilities and territory to the City as a matter of right, pursuant to Section 367.071(4)(a), F.S., is hereby acknowledged.

ORDERED by the Florida Public Service Commission that Certificate Nos. 525-W and 454-S are hereby cancelled effective September 29, 2011.

ORDERED that no further action is necessary and this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 21st day of March, 2012.

HONGWANG

Chief Deputy Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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## 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 Office of Commission Clerk, 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 Office of Commission Clerk, 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.