

State of Florida

Commissioners:  
JULIA L. JOHNSON, CHAIRMAN  
SUSAN F. CLARK  
J. TERRY DEASON  
JOE GARCIA  
DIANE K. KIESLING



DIVISION OF WATER & WASTEWATER  
CHARLES HILL  
DIRECTOR  
(904) 413-6900

FILE COPY

Public Service Commission

August 6, 1997

Mr. James C. McClendon II  
1339 West State Road 434  
Longwood, Florida 32750

Re: Docket No. ~~961331~~-WU, Application for transfer of Certificate No. 324-W in Lake County from Glenn's Cove Central Water System to Cove Water System, Inc.

Dear Mr. McClendon:

Attached is a copy of Order No. PSC-97-0830-FOF-WU, issued July 11, 1997, which approved the transfer of Glenn's Cove Central Water System to Cove Water System, Inc. As you will note at page 3 of the order, Certificate No. 324-W will be cancelled and the docket closed upon verification that the sale has actually occurred.

Please ensure that the Commission receives formal notification of the sale closing as soon as it has occurred. Notification should be sent in an original and three copies to:

The Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

If you have any questions regarding the attached order, you may call either myself at (904) 413-6686 or Ms. Alice Crosby in Legal Services at (904) 413-6222.

Sincerely,

*Patricia Brady*

Patricia Brady  
Regulatory Analyst IV  
Bureau of Policy Development  
and Industry Structure

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

PLB:plb  
Attachment

DOCUMENT NUMBER - DATE  
08042 AUG-7 97  
FPSC-RECORDS/REPORTING

Letter to Mr. McClendon  
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cc: Mr. Glenn Little  
Cove Water System  
P.O. Box 545  
Tavares, Florida 32778-0545

Alice Crosby, Division of Legal Services  
Division of Records and Reporting

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 Records and Reporting, 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 Records and Reporting 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.

In re: Application for transfer of Certificate No. 324-W in Lake County from Glenn's Cove Central Water System to Cove Water System, Inc.

DOCKET NO. 961331-WU  
ORDER NO. PSC-97-0830-POF-WU  
ISSUED: July 11, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
DIANE K. KIESLING  
JOE GARCIA

ORDER APPROVING TRANSFER AND CANCELLING  
CERTIFICATE NO. 324-W

BY THE COMMISSION:

Background

Glenn's Cove Central Water System (Glenn's Cove or utility) is a Class C utility, which provides water service to approximately 58 customers in the community known as Glenn's Cove. The community is located in Lake County, just outside of the city limits of the City of Tavares. Wastewater service is provided by septic tanks.

The current owners of the utility have provided water service to the Glenn's Cove community since 1978 when they purchased the utility from the developer-owner. In 1996, the current owners entered into a contract to sell the utility to the City of Tavares, with the closing date scheduled to be June 4, 1996. An application was filed with the Commission on March 29, 1996, requesting acknowledgment of the sale of the utility to the City of Tavares. On June 17, 1996, the Commission issued Order No. PSC-96-0782-POF-WU, in Docket No. 960394-WU, acknowledging the transfer of the water system to the City of Tavares.

On or about June 26, 1996, the City notified the Commission that it had exercised its option under the feasibility clause in the sales contract to rescind the sale. By Order No. PSC-96-1101-

DOCUMENT NUMBER-DATE

06957 JUL 11 97

FLORIDA PUBLIC SERVICE COMMISSION

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DOCKET NO. 961331-WU  
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FOF-WU, issued on August 28, 1996, the Commission vacated Order No. PSC-96-0782-FOF-WU, and reinstated the utility's certificate.

On November 6, 1996, Glenn's Cove Central Water System (Glenn's Cove or utility) filed an application with this Commission for approval of the transfer of the utility to Cove Water System, Inc. (Cove). Cove is a non-profit organization established by the customers of the utility in order to own and control the water facilities.

Cove provided a statement certifying that it will provide service solely to its members. A copy of Cove's Articles of Incorporation and By-Laws have also been provided. From our review of the information, we believe Cove meets the requirements of Section 367.022(7), Florida Statutes.

#### Application

The application is in compliance with Section 367.071, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. In particular, the application contains a filing fee in the amount of \$750, as required by Rule 25-30.020, Florida Administrative Code. Glenn's Cove provided a copy of a warranty deed as evidence that the utility owns the land upon which its facilities are located, pursuant to Rule 25-30.037 (2)(g), Florida Administrative Code.

Glenn's Cove provided proof of compliance with the noticing provisions of Rule 25-30.030, Florida Administrative Code. No objections to the application have been received and the time for filing such has expired.

Although a signed copy of the sales agreement was provided with the application, the agreement indicates that the closing is contingent upon Commission approval and authorization of the sale. The purchase is being financed through the collection of membership fees. Each member of Cove is required to pay a membership fee of \$600.

With regard to technical ability, because Cove does not have any prior utility experience, it has retained the services of Mr. S.E. Gene Croyle. Mr. Croyle holds a Class C water license issued by the Florida Department of Environmental Protection (DEP).

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Glenn's Cove does not hold any customer deposits or prepaid water bills. The utility has filed its 1996 Annual Report and paid regulatory assessment fees for 1996. In addition, Glenn's Cove shall remain responsible for any outstanding regulatory assessment fees up to the actual closing date.

Based on the foregoing, we find that it is in the public interest to approve the transfer of the water system from Glenn's Cove to Cove. Docket shall remain open pending receipt of verification that the sale has closed. Upon receipt of such verification, Certificate No. 324-W shall be cancelled and Docket No. 961331-WU shall be closed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of Glenn's Cove Central Water System, 30932 Circle Drive, Tavares, Florida 32778, to Cove Water System, Inc., 30741 Glenn Drive, Tavares, Florida 32778, is hereby approved. It is further

ORDERED that Glenn's Cove Central Water System shall remain responsible for any outstanding regulatory assessment fees. It is further

ORDERED that upon verification that the sale has closed, Certificate No. 324-W shall be cancelled. It is further

ORDERED that Docket No. 961331-WU shall remain open pending receipt of verification of the sale. Upon receipt of such verification, the Docket shall be administratively closed.

By ORDER of the Florida Public Service Commission, this 11th day of July, 1997.

  
BLANCA S. BAYO, Director  
Division of Records and Reporting

( S E A L )

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