

ORIGINAL

M E M O R A N D U M

September 16, 1999

TO : DIVISION OF LEGAL SERVICES (FUDGE)
 DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN)

RE : DOCKET NO. 990940-WS - APPLICATION FOR AMENDMENT OF
 CERTIFICATES NOS. 136-W AND 97-S TO ADD AND DELETE
 TERRITORY IN PASCO COUNTY BY ALOHA UTILITIES, INC.

RRR *BSM* *RDW*

Aloha Utilities, Inc. (Aloha or utility) is a class A water and wastewater utility located in Pasco County. The utility consists of two divisions (Aloha Gardens and Seven Springs). Both divisions have water and wastewater systems. At the end of the year 1998, the utility served a total of 11,432 water customers, and 10,892 wastewater customers. According to the utility's 1998 annual report, its total annual revenues were \$5,387,217 and the net operating income was \$351,009.

On July 19, 1999, Aloha applied for an amendment of Certificates Nos. 136-W and 97-S to add and delete territory in Pasco County. The utility is exchanging territory with Pasco County (County), so that Aloha and the County can better serve a planned unit development in Pasco County. This amendment will add 113 equivalent residential connections (ERC's) for water and wastewater and delete about 98 ERC's for water and wastewater. The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. On July 19, 1999, the law firm which represents the utility paid a filing fee of \$4,500 for the filing of the amendment and deletion application. On August 6, 1999, and August 12, 1999 the firm filed letters requesting a refund of \$3,900. According to Rule 25-30.020, Florida Administrative Code, a separate fee shall apply for water and wastewater service. The correct filing fee for the additional area is \$200 for water, and \$200 for wastewater, and the correct filing fee for the deletion of the water area is \$100, and \$100 for wastewater. At the August 31, 1999 Agenda Conference staff recommended and the commission agreed to refund \$3,900 to the law firm representing the utility.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(3)(e), (f) and (i), Florida Administrative Code. A description of the territory to be added and deleted by the utility is appended to this memorandum as Attachment A. It is the Division

- AFA _____
- APP _____
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- CTR _____
- EAG _____
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DOCUMENT NUMBER-DATE

11284 SEP 20 99

FPSC-RECORDS/REPORTING

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of Water and Wastewater's practice to bring all deletions of territory to the Commission for decision, mainly because they are unusual. However, in this case, there does not appear to be any controversy in the exchange of territory, and no customers will be without service. Staff was given the authority by the commission at the August 31, 1999 Agenda Conference to process the utility's application administratively when it is complete unless an objection is received or the Department of Community Affairs (DCA) submits comments that need to be addressed. No objections were filed and the time for filing such has expired. The local planning agency was provided notice of the application and did not file a protest to the amendment. The Department of Community Affairs has identified no growth management concerns with the proposed exchange of territory with Pasco County. The utility has submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission.

In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code, and as just stated no objections were filed and the time for filing such has expired. The utility states that the provision of service will be consistent with the utility section of the local comprehensive plan.

The Seven Springs Water System consists of 8 well/treatment facilities and one 500,000 gallon ground storage and pumping facility. Water is also obtained through an interconnect with Pasco County Utilities. The system maintains the pressure of approximately 52 pounds per square inch. The current limiting factor with regard to the water system is the Southwest Florida Water Management District (SWFWMD) Water Use Permit capacity of 2.04 million gallons per day. The current flows at the Seven Springs wastewater plant is approximately 1,150,000 gallons per day. The utility is currently building additional plant and effluent disposal. The projected water flows from the additional area is 40,950 gallons per day. The projected wastewater flows from the additional area is 32,175 gallons per day. However, when the territory being deleted from the Aloha service area is also considered, the net effect will result in almost not impact on the water and wastewater systems. Therefore, the system has adequate water and wastewater capacity.

Regarding the financial impact of these customers to the utility, according to the utility's tariff and service availability policy, developers of the property will be required to construct all on-site facilities and convey those to the utility at no cost in exchange for service. The developers will also pay the standard

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system capacity fees to offset a portion of the cost of the transmission, treatment and disposal facilities in order to serve the properties. Consequently, staff believes the utility has demonstrated the financial ability to provide quality service to these customers.

Staff has contacted the Department of Environmental Protection (DEP) and learned that there are no outstanding notices of violation issued for the water system. The Public Service Commission currently has Docket No. 960545-WS open to address a water quality issue. Some residents have been having quality water concerns. In essence it is generally believed that hydrogen sulfide that is naturally occurring in the water reacts with the residents copper pipes. The result is Copper sulfide. In the above docket Order No. PSC-99-0061-FOF-WS was issued on January 7, 1999 stating no action should be taken in regards to the quality of water service. The order has been protested and the case set for hearing.

Staff has contacted the DEP and learned that there is a amended and restated consent final judgement (judgement) for the wastewater system. The utility is expanding the wastewater treatment plant, conducting a infiltration/inflow study on the collection system and is in the process of expanding the reuse system. According to the DEP the utility is on schedule to meet the time frames in the judgement.

Staff recommends the rates and charges approved by the Commission be applied to customers in the new service territory. The utility has filed revised tariff sheets incorporating the additional territory into its tariff and returned its certificate for entry reflecting the additional territory.

Based on the above information, staff believes it is in the public interest to grant the application of Aloha Utilities, Inc. for amendment of Water Certificate No. 136-W and Wastewater Certificate No. 97-S for the territory described in Attachment A. An administrative order should be issued approving the application and closing the docket.

If you have any questions, please contact me.

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cc: Division of Record and Reporting (Security File)

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ATTACHMENT A

Aloha Utilities, Inc.
Pasco County - Seven Springs Area
Water and Wastewater Service Area

The territory proposed to be added is described as follows:

A tract of land lying within Section 32, Township 26 South, Range 17 East, Pasco County, Florida and being more particularly described as follows:

Commence at the Southwest corner of said Section 32; thence along the West line of said Section 32, N00°05'44"E, for 1773.20 feet to the POINT OF BEGINNING "A"; thence continue along said West line, N00°05'44"W, for 264.42 feet; thence leaving said West line, S48°37'00"E, for 41.48 feet; thence S19°18'54"E, for 67.62 feet; thence S12°21'43"E, for 46.63 feet; thence S13°37'13"W, for 72.24 feet; thence S38°31'25"W, for 72.24 feet; thence S64°30'15"W, for 2.11 feet to the POINT OF BEGINNING.

TOGETHER WITH THE FOLLOWING:

A tract of land lying within Section 32, Township 26 South, Range 17 East, Pasco County, Florida and being more particularly described as follows:

Commence at the Southwest corner of said Section 32; thence along the West line of said Section 32, N00°05'44"E, for 2517.36 feet to the POINT OF BEGINNING "B"; thence continue along said West line, N00°05'44"E, for 526.71 feet; thence leaving said West line, S71°32'08"E, for 2.17 feet; thence S43°53'50"E, for 38.67 feet; thence S18°27'52"W, for 24.03 feet to the point of intersection with a non-tangent curve concave to the West; thence easterly along the arc of said curve with a radial bearing S18°27'52"W, and having a radius of 50.00 feet, a central angle of 104°48'21", an arc length of 91.46 feet and a chord bearing S19°07'58"E, for 79.23 feet to the point of intersection with a non-tangent line; thence S71°32'08"E, for 108.54 feet; thence S05°12'49"W, for 66.78 feet; thence N82°59'01"E, for 65.61 feet; thence S89°10'12"E, for 65.57 feet to the point of intersection with a non-tangent curve concave to the East; thence southerly along the arc of said curve with a radial bearing S87°37'09"E, and having a radius of 1560.00 feet, a

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central angle of $10^{\circ}58'42''$, an arc length of 298.91 feet and a chord bearing $S03^{\circ}06'30''E$, for 298.45 feet to the point of intersection with a non-tangent line; thence $N89^{\circ}10'12''W$, for 77.60 feet; thence $N80^{\circ}41'04''W$, for 65.72 feet; thence $N89^{\circ}10'12''W$, for 133.79 feet; thence $S34^{\circ}58'01''W$, for 27.31 feet to the POINT OF BEGINNING.

ALSO TOGETHER WITH THE FOLLOWING:

A tract of land lying within Section 32, Township 26 South, Range 17 East, Pasco County, Florida and being more particularly described as follows:

Commence at the Southwest corner of said Section 32; thence along the West line of said Section 32, $N00^{\circ}05'44''E$, for 3440.63 feet to the POINT OF BEGINNING "C"; thence continue along said West line, $N00^{\circ}05'44''E$, for 320.82 feet; thence leaving said West line, $S71^{\circ}50'07''E$, for 42.52 feet; thence $S18^{\circ}09'53''W$, for 112.99 feet to the point of intersection with a non-tangent curve concave to the West; thence southeasterly along the arc of said curve with a radial bearing $S34^{\circ}23'35''W$, and having a radius of 75.00 feet, a central angle of $73^{\circ}46'18''$, an arc length of 96.57 feet and a chord bearing $S18^{\circ}43'16''E$, for 90.03 feet to the point of tangency; thence $S18^{\circ}09'53''W$, for 15.40 feet to the point of curvature of a curve concave to the East; thence southerly along the arc of said curve, having a radius of 86.00 feet, a central angle of $20^{\circ}21'51''$, an arc length of 30.57 feet and a chord bearing $S07^{\circ}58'58''W$, for 30.41 feet to the point of reverse curvature with a curve concave to the West; thence southerly along the arc of said curve, having a radius of 114.00 feet, a central angle of $20^{\circ}21'51''$, an arc length of 40.52 feet and a chord bearing $S07^{\circ}58'58''W$, for 40.31 feet to the point of tangency; thence $S18^{\circ}09'53''W$, for 15.00 feet to the point of curvature of a curve concave to the Northeast; thence southerly along the arc of said curve, having a radius of 20.00 feet, a central angle of $90^{\circ}00'00''$, an arc length of 31.42 feet and a chord bearing $S26^{\circ}50'07''E$, for 28.28 feet to the point of tangency; thence $N71^{\circ}50'07''W$, for 29.55 feet to the POINT OF BEGINNING.

Having a total of 2.68 acres, more or less.

Parcels A1 & A2

A parcel of land lying within Section 25, Township 26 South, Range 16 East and Section 30, Township 26 South, Range 17 East, of Pasco County, Florida being more particularly described as follows:

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BEGIN at the Southeast corner of said Section 25, also being the Southwest corner of said Section 30, and run N 89°45'40"W along the South line of said Section 25, a distance of 820.33 feet to a point on the easterly line of a 295 Foot Florida Power Corporation Right-Of-Way; thence run N 34°09'26"E along said easterly line, a distance of 2096.02 feet; thence leaving said easterly line of a 295 Foot Florida Power Corporation Right-of-Way run S 58°42'07" E, a distance of 1014.06 feet; thence run S 10°27'32"W, a distance of 1154.94 feet; thence run S 40°41'40" W, a distance of 39.62 feet; thence run S49°18'20" E, a distance of 98.36 feet to a point on the South line of said Section 30; thence run N 88°59'03" W along said South line, a distance of 1062.26 feet to the POINT OF BEGINNING. Containing 49.491 acres more or less.

together with

A parcel of land lying within Section 30, Township 26 South, Range 17 East of Pasco County, Florida being more particularly described as follows:

COMMENCE at the Southwest corner of said Section 30 and run S 88°59'03"E along the South line of said Section 30, a distance of 3879.95 feet to the POINT OF BEGINNING; thence run N 36°53'25"E, a distance of 154.34 feet; thence run N 60°19'09"E, a distance of 172.44 feet; thence run S12°37'19"E, a distance of 219.27 feet to a point on the South line of said Section 30; thence run N 88°59'03"W along said South line, a distance of 290.42 feet to the POINT OF BEGINNING. Containing 0.832 acres more or less.

The territory to be deleted is described as follows:

A tract of land lying within Section 31, Township 26 South, Range 17 East, Pasco County, Florida and being more particularly described as follows:

Commence at Southeast corner of said Section 31, thence along the East line of said Section 31, N00°05'44"E, for 874.30 feet to the POINT OF BEGINNING "A"; thence leaving said East line, N29°36'07"W, for 75.90 feet; thence N17°10'50"W, for 94.68 feet; thence N04°45'33" W for 94.68 feet; thence N05°42'10"W, for 70.89 feet; thence N13°24'11"W, for 74.56 feet; thence N01°10'13"W, for 110.02 feet; thence N16°00'25"E, for 95.71 feet; thence S67°28'52"E, for 80.59 feet to said East line of said Section 31; thence along said East line, S00°05'44"W, for 565.00 feet to the POINT OF BEGINNING.

TOGETHER WITH THE FOLLOWING:

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A tract of land lying within Section 31, Township 26 South, Range 17 East, Pasco County, Florida and being more particularly described as follows:

Commence at the Southeast corner of said Section 31; thence along the East line of said Section 31, N00°05'44"E, for 1595.46 feet to the POINT OF BEGINNING "B"; thence leaving said East line, N67°28'52"W, for 23.97 feet; thence N22°31'08"E, for 58.08 feet to said East line of said Section 31; thence along said East line, S00°05'44"W, for 62.84 feet to the POINT OF BEGINNING.

ALSO TOGETHER WITH THE FOLLOWING:

A tract of land lying within Section 31, Township 26 South, Range 17 East, Pasco County, Florida and being more particularly described as follows:

Commence at the Southeast corner of said Section 31; thence along the East line of said Section 31, N00°05'44"E, for 2143.79 feet to the POINT OF BEGINNING "C"; thence leaving said East line, N21°38'50"W, for 29.20 feet; thence North, for 85.53 feet; thence N07°58'27"E, for 79.96 feet to said East line of said Section 31; thence S00°05'44"W, for 191.86 feet to the POINT OF BEGINNING.

Having a total of 1.02 acres, more or less.

Parcel B

A parcel of land lying within Section 31, Township 26 South, Range 17 East of Pasco County, Florida being more particularly described as follows:

COMMENCE at the Northwest corner of said Section 31 and run S 88°59'03"E along the North line of said Section 31, a distance of 1062.26 feet to the POINT OF BEGINNING; thence continue to run S. 88°59'03"E along said North line, a distance of 2817.69 feet; thence run S 36°53'25"W, a distance of 9.14 feet; thence run S 60°19'09"W, a distance of 1611.18 feet; thence run N 19°33'22"W, a distance of 260.83 feet; thence run 289.70 feet along the arc of a curve to the left, said curve having a radius of 245.00 feet, a central angle of 67°44'52", and a chord of 273.11, which bears N 53°25'51"W; thence run N 87°18'20"W, a distance of 620.66 feet; thence run N 49°18'20"W, a distance of 640.14 feet to the POINT OF BEGINNING. Containing 25.472 acres more or less.