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March 17, 2026

Via E-Mail

Major Thompson, Esq.
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: In re: Application for transfer of CPI Citrus Park Utility TRS, L.L.C.'s water and wastewater facilities, in Lee County, to Bonita Springs Utilities, Inc., an exempt entity under Section 367.022(7), F.S., and cancellation of Certificate Nos. 675-W and 576-S, Docket No. 20260027-WS

Dear Mr. Thompson:

This follows up on our March 5, 2026, conference call regarding the referenced docket. Specifically, this explains how water and wastewater service will be provided to residents of Citrus Park Mobile Home and RV Park (the “Mobile Home Park”), and how water service will be provided to the Bell Villa Property Owners Association (“Bell Villa POA”), after CPI Citrus Park Utility TRS, LLC (“Citrus Park Utility”) is transferred to Bonita Springs Utilities, Inc. (“BSU”).

As we discussed, Citrus Park Utility has two customers. It provides water and wastewater service to the Mobile Home Park whose tenants receive water and wastewater service as part of their rent without specific compensation for the service. Citrus Park Utility also provides water service via master meter to the Bell Villa POA, which in turn provides water to approximately 126 residential lot owners in the Bell Villa subdivision who are members of the Bell Villa POA.

After the transfer, the Mobile Home Park will retain the distribution system and provide water and wastewater service to its tenants at a price that does not exceed the actual purchase price of the water and wastewater service, plus the actual cost for metering and billing not to exceed 9% of the actual cost of service. This structure will be exempt from PSC regulation under section 367.022(9), Florida Statutes, which provides:

“Any person who resells water service to his or her tenants or to individually metered residents for a fee that does not exceed the actual purchase price of the

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water and wastewater service plus the actual cost of meter reading and billing, not to exceed 9 percent of the actual cost of service.”

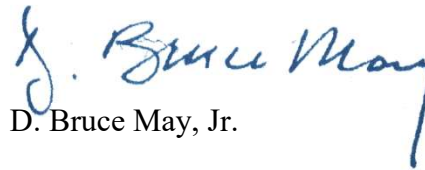
As I explained on our conference call, section 367.022(9) was amended by the Florida Legislature in 2020 for the specific purpose of including the resale of “wastewater services” within the exemption in 367.022(9). *See* Ch. 2020-27, §12, Laws of Fla. *See also* page 22 of the Florida House of Representatives Staff Final Bill Analysis of HB 1339 dated June 11, 2020 (“The bill includes the reselling of ‘wastewater service’ within the current exemption from regulation by the PSC.”)

With respect to Bell Villa POA, after the transfer of Citrus Park Utility to BSU, water service will be provided to the Bell Villa subdivision by BSU as explained in the attached statement of BSU.

I hope this information is helpful. Of course, if you have questions please do not hesitate to contact me.

Sincerely,

HOLLAND & KNIGHT LLP

A handwritten signature in blue ink that reads "D. Bruce May, Jr." with a stylized flourish at the end.

D. Bruce May, Jr.

DBM:kjg

Enclosure

cc: Adam J. Teitzman, Commission Clerk (via E-File w/Encl.)
Jennifer Crawford, Esq.
Mr. Pierre Molster
Mr. Andrew Koebel
Mr. Steve Richards
Mr. John R. Jenkins

Bonita Springs Utilities, Inc.
Statement Regarding Water Service to Bell Villa

Bell Villa is a community of approximately 126 single family homes currently receiving master metered water service from CPI Citrus Park Utility TRS, L.L.C. (“Citrus Park”) through the Bell Villa Property Owners Association (“POA”). The POA has expressed an interest in transitioning from master metered service to individual metered service for each homeowner. Bonita Springs Utilities, Inc. (“BSU”) is in ongoing communication with the POA and its members regarding such transition.

The transition will take a little time following closing on the Citrus Park acquisition. A bill of sale will be prepared to convey the on-site distribution system to BSU. In addition, a standard utility easement for the water distribution facilities will be required. Property rights within Bell Villa including the covenants and restrictions, a possible unrecorded plat and interim deeds must be researched. It is anticipated that when these real estate issues are resolved, the on-site system will be conveyed to BSU. Thereafter, BSU will install individual water meters, which is expected to take approximately ninety days. Residents will be responsible for the cost to install the meter, meter box, backflow preventer and related equipment, but will have the option to pay over a twelve-month period. During that period, BSU may bill both the POA and individually metered customers. The POA invoice will be adjusted to provide a credit to the POA for water use billed through individual customer meters.

The POA recognizes the benefits of utility ownership and maintenance of the water distribution facilities, and the more equitable allocation of water service costs to POA members through individual metering. BSU in turn is comfortable with owning and maintaining the local distribution system and billing individual homeowners, which is standard operating procedure in single family subdivisions like Bell Villa throughout its service area.