

Petitioner's 1

MANCUSO INVESTMENT CORPORATION

DOCKET NO. 02-0781

DIRECT TESTIMONY OF D.J. MANCUSO

OFFICIAL FILE

I.C.C. DOCKET NO. 02-0781

Petitioner's Exhibit No. 1

Witness _____

Date 5/16/03 Reporter TR

1 Q. State your name, please.

2 A. D.J. Mancuso.

3 Q. Where do you reside?

4 A. New Millford, Illinois.

5 Q. Are you an officer of the Petitioner Mancuso Investment Corporation ("MIC")?

6 A. Yes, I am President.

7 Q. Please summarize your educational experience.

8 A. I have a Bachelor of Science degree in aeronautical engineering from the University of
9 Illinois and a Master of Science degree in aeronautical engineering from the University of
10 Michigan.

11 Q. Please summarize your professional and business experience.

12 A. From October, 1951 to October, 1967, I was employed in engineering and engineering
13 management for stability and control design, flight testing and operational integration
14 into the SAGE System (Semiautomatic Ground Environment) of an all weather Mach 2
15 interceptor (F-106) at NYADS (New York Air Defense Sector). This sector (as others)
16 tie into Cheyenne Mountain.

17 From 1967 to 1970, I was employed by, and was promoted to Corporation Executive by,
18 General Dynamics Corporation, Corporation Field Office, Los Angeles, California. I
19 coordinated new business activities with customers, reporting to Corporate Headquarters
20 in New York City and Washington D.C. I provided General Dynamics divisions with
21 customer intelligence and initiated proposal & bidding activities. I participated in

1 presentations to the customers (military, governmental, and private agencies) and other
2 contractors. In 1970, I resigned to devote full time to personal investment activities.

3 In April, 1988, I was elected President of Mancuso Investment Corporation.

4 **Q. Are you familiar with the Petition filed by MIC in this proceeding?**

5 A. Yes.

6 **Q. Is the Petition true and correct to the best of your knowledge, information and
7 belief?**

8 A. Yes.

9 **Q. What is the purpose of your testimony?**

10 A. To support that portion of the Petition which requests the Commission to enter a
11 declaratory ruling that MIC is not a public utility within the meaning of the Illinois Public
12 Utilities Act.

13 **Q. Is MIC an Illinois corporation?**

14 A. Yes.

15 **Q. What is the business address of MIC?**

16 A. 7358 Rydberg Road, Rockford, Illinois 61109.

17 **Q. Does MIC own and operate a mobile home park at that address?**

18 A. Yes. MIC owns and operates a mobile home park commonly known as Mancuso Village
19 Park ("Park"). It is located entirely within the Village of New Millford, Winnebago
20 County, Illinois.

21 **Q. Have you caused to be prepared a legal description of the Park?**

22 A. Yes. It is contained in Exhibit A.

23 **Q. Have you caused to be prepared a map of the Park?**

24 A. Yes. The map is contained in Exhibit B.

1 **Q. Please summarize the history of the Park.**

2 A. The Park initially was developed and owned by William Morris in approximately 1950.
3 MIC acquired the Park in two phases, in 1966 and 1969 respectively.

4 **Q. Please describe the Park.**

5 A. The Park presently includes approximately 150 lots owned by MIC and rented to persons,
6 or available for rent, for the purpose of placement of mobile home units on the lots. All
7 of these lots are licensed by the state of Illinois for mobile home park purposes. The
8 mobile home units are owned by the tenants or other persons, all of whom are unrelated
9 to MIC.

10 **Q. Exhibit B shows more than 150 numbered lots. Please explain.**

11 A. The Park initially had approximately 240 rental lots. Many of these lots subsequently
12 have been combined because tenants desired additional land area for their units. In
13 addition, some of the lots were sold to individual owners ("private lots").

14 **Q. How many lots are private lots?**

15 A. The Park includes 37 private lots. These are shown on Exhibit C with cross-hatching.
16 All private lots are for mobile home units, with the exception of lots B and F. Lot B is a
17 private single-family residence. Lot F has a commercial building. Lots without cross-
18 hatching are owned by MIC, including Lot E, used as the Park office and Lot 16, one of
19 MIC's well sites.

20 **Q. Please explain the history of the various private lots.**

21 A. All of the private lots originally were, or were to be, mobile home rental properties. Prior
22 to MIC's first acquisition of part of the Park in 1966, Mr. Morris sold approximately 18
23 lots to private owners in order to enable the Village of Morristown, later renamed New
24 Millford, to be incorporated. The permanent structures on private lots also existed prior
25 to 1966. Subsequent to 1966, MIC sold approximately 18 private lots in order to raise
26 cash.

- 1 **Q. Exhibit B shows two areas designated as Village of New Millford park property.**
2 **How are these areas developed?**
- 3 A. These areas are open parks. They have some playground equipment and no water or
4 wastewater uses.
- 5 **Q. Exhibit B shows a large undeveloped area, not otherwise designated. Please**
6 **describe this area and who owns it.**
- 7 A. These are open areas owned by MIC and zoned Mobile Home District. There are no
8 current plans to develop these areas.
- 9 **Q. How is the Park zoned?**
- 10 A. All lots within the Park, with two minor exceptions, are located within the Mobile Home
11 zoning district of the Village of New Millford. That zoning district is limited to the
12 boundaries of the Park, as shown on Exhibit B. The two minor exceptions are: private
13 lot F shown on Exhibit C, which is located within the Commercial Community zoning
14 district, and private lot B, which is located within the Rural Residential zoning district.
- 15 **Q. Does MIC own and operate a water supply and distribution system within the Park?**
- 16 A. Yes. MIC's water system serves only the mobile home rental lots and other lots owned
17 by MIC and 37 private lots within the Park.
- 18 **Q. Does MIC provide water to any property outside of the Park?**
- 19 A. No, and it never has. Further, MIC has no intention to serve any users outside of the
20 Park.
- 21 **Q. How do properties outside the Park presently receive water?**
- 22 A. They are served by individual wells owned by the respective property owners.
- 23 **Q. Please describe MIC's water system.**
- 24 A. The water system consists of two wells, one located on lot 16 and the other on a portion
25 of lot B, a 6,500 gallon pneumatic tank, fluoridation treatment, and a system of mains.

1 Exhibit D shows the water system. All the users of the system are unmetered. MIC
2 presently charges each user a flat rate of \$9.50 per month for water service. This charge
3 is included in the rent charged tenants of the rented lots and is separately billed to users
4 on the private lots.

5 **Q. Please explain the history of MIC and its predecessors providing water to private**
6 **lots.**

7 A. All of the private lots were being served with water by the Park system prior to the
8 acquisition of the Park and the system by MIC beginning in 1966. MIC has not extended
9 water to any properties not already being served as of the time of its acquisition of the
10 Park beginning in 1966.

11 **Q. Does MIC own and operate a wastewater collection and disposal system in the**
12 **Park?**

13 A. Yes. MIC's wastewater system serves only the rental lots and other lots in the Park
14 owned by MIC and 12 private lots within the Park.

15 **Q. Does MIC provide wastewater service to any properties outside of the Park?**

16 A. No, and it never has. Further, it has no intention to provide wastewater service to users
17 outside of the Park.

18 **Q. How do the private lots within the Park which do not receive wastewater service**
19 **from MIC obtain wastewater service?**

20 A. They have septic systems owned by each respective lot owner, or the lots are
21 unimproved.

22 **Q. How do properties outside of the Park receive wastewater service?**

23 A. By septic systems owned by the respective property owners.

1 **Q. Please describe MIC's wastewater system.**

2 A. The system consists of mains. All wastewater collected by MIC is discharged to the
3 Rockford Water Reclamation District for treatment. Exhibit E shows the wastewater
4 system. MIC presently charges each user a flat rate of \$8.50 per month for wastewater
5 service. This charge is included in the rent charged tenants of MIC's rented lots and is
6 separately billed to users on the private lots.

7 **Q. Please explain the history of MIC and its predecessors providing wastewater service**
8 **to the private lots.**

9 A. At the time of MIC's initial acquisition in 1966 of a portion of the Park, wastewater
10 service was being provided to 5 lots in that portion: lots 94-95, 104-105, 91-92, 89-90,
11 and 46. At the time of MIC's acquisition of the remaining portion of the Park,
12 wastewater service also was being provided to lot F in that portion. Subsequent to
13 acquisition, prior management of MIC connected 6 private lots to the wastewater system:
14 lots 267-270, 23, 24, 25, 26 and 21. For clarification, as I previously mentioned, many
15 lots have been combined for one mobile home unit. For example, lots 267-270 have one
16 wastewater connection.

17 **Q. Has MIC limited itself to delivering water and wastewater service only to the Mobile**
18 **Home zoning district?**

19 A. Yes, except for private lots E and B. These two lots are within other limited zoning
20 districts adjacent to the Mobile Home zoning district. Moreover, the service connections
21 to these two lots are located within the Mobile Home zoning district.

22 **Q. Has MIC ever offered water or wastewater service to any properties outside of the**
23 **Park?**

24 A. No, and MIC has no intention to do so.

25 **Q. Has MIC ever held itself out to provide water or wastewater service to the public?**

26 A. No.

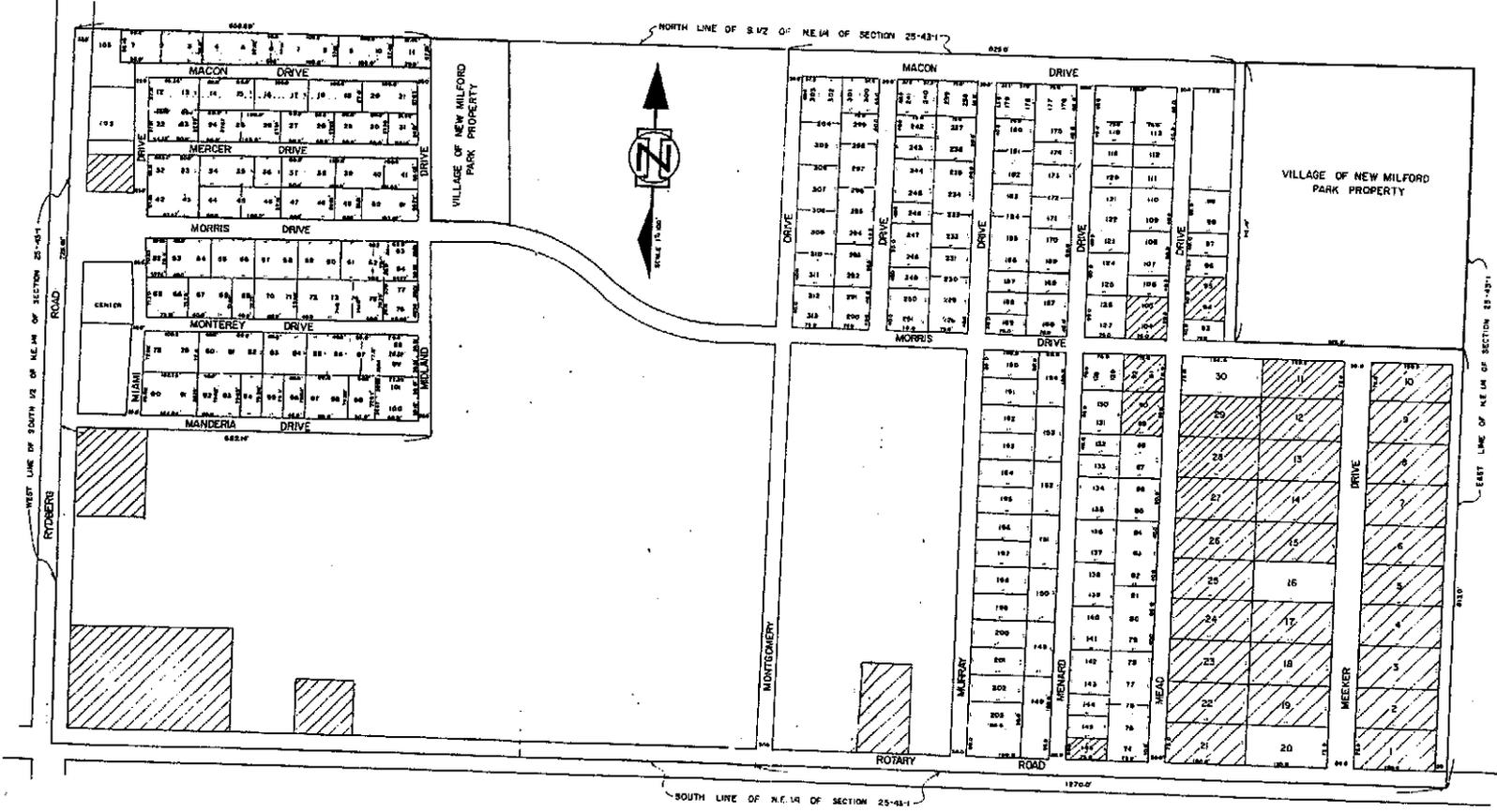
- 1 **Q. Is MIC organized to be a water and wastewater public utility?**
- 2 A. No. MIC's Articles of Incorporation provide that its corporate purpose is "to conduct a
3 general mercantile business."
- 4 **Q. Is the Village of New Millford in the process of developing a municipal-owned water
5 system?**
- 6 A. Yes. The Village has had engineers design such a system and has pending an application
7 for state grant funds for the cost of construction of the system. I am informed that the
8 Village expects to receive a grant shortly and plans to begin construction in the spring
9 after such grant funds are received.
- 10 **Q. What will be the effect on MIC if the Village constructs its own water system?**
- 11 A. The Village plans to extend its system to serve all of the private lots within the Park. As
12 a result, MIC will provide water service only to the rented lots owned by MIC within the
13 Park.
- 14 **Q. Does this conclude your testimony?**
- 15 A. Yes.

EXHIBIT A

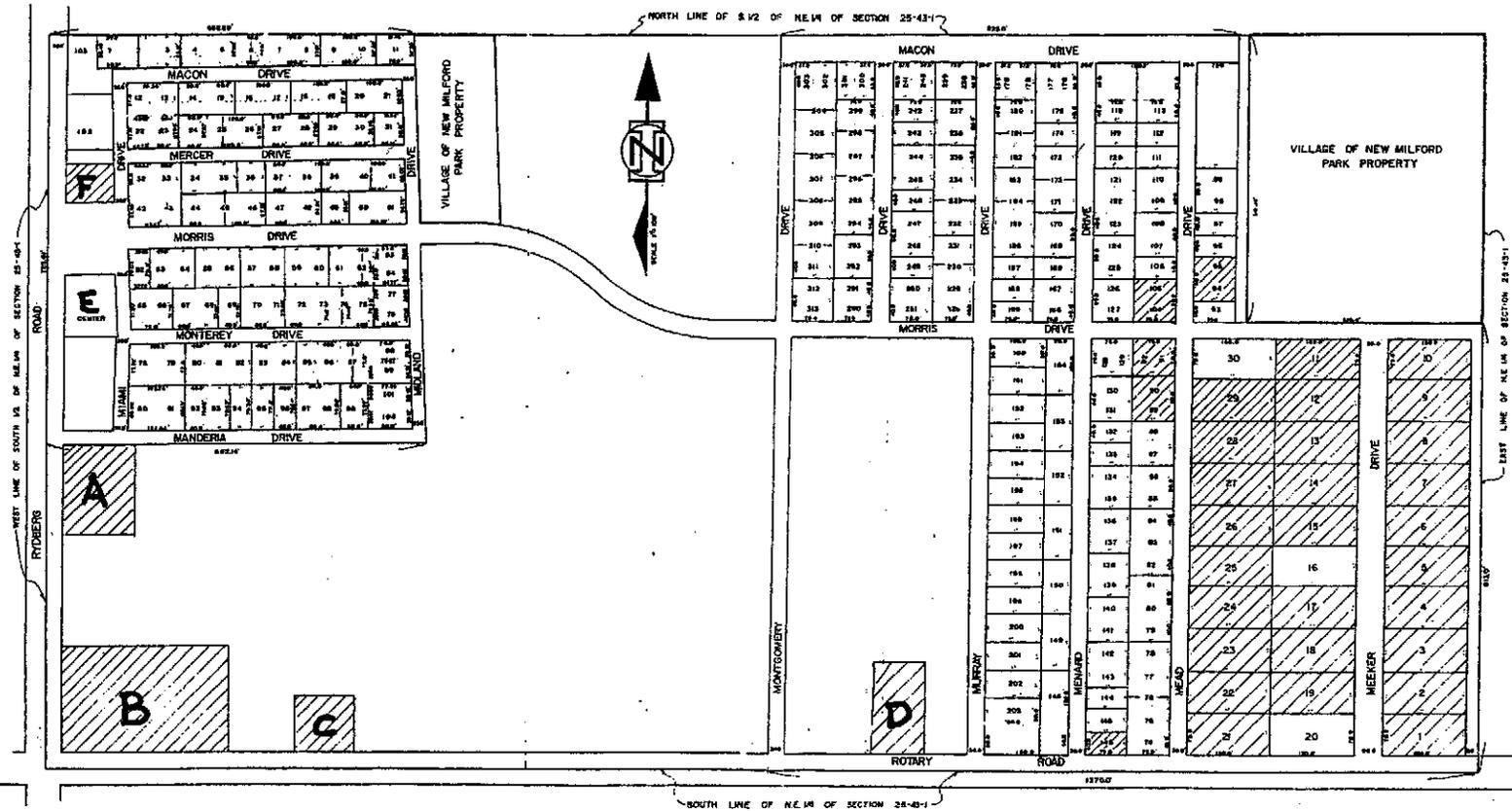
Legal Description

The South Half (1/2) of the Northeast Quarter (1/4) of Section 25, Township 43 North, Range 1 East of the Third Principal Meridian, in Winnebago County, Illinois.

MANCUSO VILLAGE PARK



MANCUSO VILLAGE PARK



ATTACHMENT/EXHIBIT

ITEM TOO LARGE TO SCAN

COPY AVAILABLE IN CHIEF CLERK'S OFFICE