

FLORIDA UTILITY SERVICES 1, LLC
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NEW PORT RICHEY, FL. 34652
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January 5, 2020

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL. 32399

RE: Application for a staff assisted rate case for Lake Yale Utilities
Docket # 20200169

Dear Commission Clerk:

Please find below the utility response to staff's 4th data request.

1. In response to staff's first data request the Utility indicated it would like to purchase a lawn mower and accompanying trailer and have the costs split between its East Marion and Lake Yale Utilities.

a. Did the Utility purchase a lawn mower and trailer?

Company Response- No. Since this is a requested pro-forma Item, I am awaiting commission approval.

b. If so, is this equipment to replace existing equipment?

Company response- No.

c. Please explain why the Utility is only requesting to spread the costs between its East Marion and Lake Yale Utilities.

Company Response- Taking into consideration maintenance personnel safety, this mower is designed to mow slopes or increasing grades such as the slopes of wastewater ponds and is commonly used in this industry for this purpose. The cost sharing is because both systems have wastewater ponds that are required to be maintained. With regard to Lake Yale, I have taken into consideration the amount of customer complaints concerning the mowing of the ponds. The purpose of the trailer is so that the mower can be hauled between the locations.

2. Please refer to the Utility's response to staff's first data request (Document No. 05043-2020). The response indicated that the cost of the vinyl fence around the Sandpiper well was shared between the HOA and the Utility.

a. Please explain why the Utility replaced the Lake Yale Estates water and wastewater plant fences with chain link instead of vinyl.

Company response- Chain Link fencing around these facilities is the common material used. At the time I was under DEP investigation because the old wooden fence I inherited from the previous owner had been damaged in a storm, so the time frame to make repairs was short.

b. Was the same opportunity to share the fencing costs offered to the Lake Yale Estates customers or their HOA for the facilities located within the Lake Yale Estates area of the system?

Company response- The Sandpiper HOA contacted me directly and asked if a vinyl fence could be put up and I agreed because the water plant is in the neighborhood as opposed to the Lake Yale people, where the wastewater plant sits in the back of the subdivision. I was never contacted about the fence choices in Lake Yale until after the chain link fence was installed.

3. Please reference the Utility's response to staff's second data request (Document No. 11552-2020). On page 45, the Bad Debt Expense is split evenly between water and wastewater for years 2017, 2018, and 2019. For Jan.-Sept. 2020 and the 2020 estimate, there is only one expense each in the amount of \$28.78. Should the amount of \$28.78 be split evenly between water and wastewater (\$14.39 for water and \$14.39 for wastewater); or should the \$28.78 be allocated entirely to either water or wastewater, and if so, which one?

Company response- This cost should be evenly split between water and wastewater.

The following questions are in reference to the customer comments provided at the December 16, 2020, customer meeting and other comments filed electronically in the docket file.

4. Noise - Please indicate if the Utility installed baffles or implemented any other measures to mitigate the pump noise of the wastewater treatment plant.

Company response- The wastewater plant is situated in the middle of an open space which tends to make noise travel better. When I took over the utility only one blower was operational. Once we had brought the plant back into compliance and returned all three blowers back into service the noise level naturally increased. We have done extensive work to reduce the noise level. What you are calling baffles, we call silencers. All three silencers were inspected, cleaned and found to be in good working order. We inspected all of the piping to insure there were no air leaks and none were found. We inspected all of the check valves and found two not working and they were replaced. We built insulated fiberglass covers to go over the blower pumps and installed metal filter housing covers. Keeping in mind these blowers are designed to feed air to the wastewater plant as part of the treatment process, they will make noise. Short of constructing a building to put the blowers in, we have done what is possible to reduce the noise.

5. Odor - Please describe what actions, if any, the Utility has taken to address odor issues associated with the wastewater treatment plant. Please include as part of your response if you have met with your customers to discuss this issue and any possible solutions.

Company response- Neither utility personnel, contract operators or DEP inspectors have noted an odor issue with this plant. I have not heard of a customer complaint concerning odor before this rate case was filed.

6. Retention Pond Maintenance - Please describe what maintenance is performed by the Utility to its retention ponds, if any, in addition to the services performed by Aquatic Services.

Company response- Ponds are required by DEP regulations to be maintained. The Lake Yale HOA is demanding the ponds be maintained at a higher level than DEP requirements, hence the request for a mower that can safely mow the slopes. Solitude Lake Management is properly licensed and performs chemical treatment on the bottom of the ponds where percolation is needed and no grass can hinder the percolation process. The ponds are rotated every 7 days and utility maintenance staff has a rotor-tiller that hooks up to the back of our tractor. The ponds are tilled quarterly.

7. Low Water Pressure - Please describe what actions, if any, were taken to address low water pressure. Please include as part of your response if you have met with your customers to discuss this issue and any possible solutions.

Company Response- Other than times of routine maintenance, such as tank flushing, fire hydrant flushing, etc., neither the utility, contract operator or DEP inspectors has noted times of low pressure. Before this rate case was filed, there was only one case of low pressure customer calls which was the result of a leak which was repaired. When I first purchased the utility, I met with the Lake Yale HOA and advised them I would be happy to attend any meeting they had. I have not been invited to attend a meeting. When I first purchased the utility, I met with Sandpiper HOA and advised them I would be happy to attend a meeting. Since then I have meet with the Sandpiper HOA 3 times.

8. Secondary Water Quality - Please describe what actions, if any, were taken to address customer complaints regarding secondary water quality standards. Please specify if the Utility has looked into any additional treatment options and their associated costs and if you have met with your customers to discuss this issue and any possible solutions.

Company response- Before the filing of this rate case, the utility, contract operator or water quality reports have not indicated any secondary water quality issues, therefore the utility has not explored any additional treatment options. The utility does perform routine flushing of the distribution system and regularly checks for chlorine levels. Some of this may be related to the change of disinfection treatment at the Lake Yale water treatment plant which was converted from gas chlorine to liquid chlorine.

Since I have purchased the utility, I have made no changes to the water distribution process. The main well for the entire community is produced from the Sandpiper well. The Lake Yale well is used as a backup well to supplement periods of high demand and for fire flow, since only Lake Yale has fire hydrants. The same operator and water treatment process has been in place for over 25 years according to the previous owner.

9. Emergency Contact - Please identify the Utility's procedure for receiving and responding to customer's emergency calls outside of normal business hours. If there is not a procedure currently in place, please explain why.

Company Response- The afterhour's emergency phone number is the same as the regular hours office number that is printed on the customers bills each month. The utility employs an afterhours call center to take emergency calls and those messages are relayed to the office manager and to the maintenance technician on call. Going forward, we will change the message on the customer bill to reflect the phone number is the same for regular and after hour situations.

10. Plant Operator - Please indicate the days and times of the week the Utility's plant operator is typically scheduled to visit the Lake Yale Estates and Sandpiper water treatment plants and the Lake Yale Estates wastewater treatment plant. For example, the plant operator is scheduled to visit the Lake Yale Estates wastewater treatment plant Monday, Wednesday, and Friday from 8:00 A.M. until 1:00 P.M.

Company response- The operator is required to visit as follows:

Lake Yale Water Treatment Plant- 5 days a week plus one weekend visit

Lake Yale WW Treatment Plant- 5 days a week plus one weekend visit.

Sandpiper Water Treatment plant- 5 days a week plus one weekend visit.

On behalf of the company,



Mike Smallridge.