

STATE OF FLORIDA

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DIVISION OF LEGAL SERVICES  
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FILE COPY

Public Service Commission

March 21, 1997

F. Marshall Deterding, Esquire  
Rose, Sundstrom & Bentley  
2548 Blairstone Pines Drive  
Tallahassee, FL 32301

Re: Docket No. ~~90075~~-SU - Application for limited proceeding increase in wastewater rates by Forest Hills Utilities, Inc. In Pasco County.

Dear Mr. Deterding:

Staff has reviewed Forest Hills Utilities, Inc.'s filing and believes it reasonable and necessary to require further amplification and explanation regarding the utility's rate request, and to require production of additional and/or corroborative data. Please respond to the following by April 9, 1997:

1. Regarding the \$100,000 Pasco County fee, provide an explanation as to what the fee pertains to.
2. Regarding the utility's response to question No. 7 of staff's first data request, are any of the utility's personnel involved in any aspect (ie. billing, bookkeeping) of the street lights and/or garbage/trash service and, if so, provide the amount of time allocated to these services by each employee and describe the utility's role in providing those services?
  - A. If not, who provides these services for the utility?
3. Does the utility charge anything for water and/or wastewater to the Forest Hills Golf and Country Club? If not, why?
4. What is the utility's best estimate of the salvage value from the plant retirement?
  - A. If this amount can not be determined by the utility, then ask H20 Utility Services, Inc. to provide an estimated value.

ACK \_\_\_\_\_  
 AFA \_\_\_\_\_  
 AFP \_\_\_\_\_  
 CAF \_\_\_\_\_  
 CMA \_\_\_\_\_  
 CTR \_\_\_\_\_  
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5. Who owns the land and land rights associated with the wastewater treatment plant, and are these costs included in the current rates? If so, how much?
  - A. What type of arrangement or contract agreement (ie. Lease) does the utility have with the land owner? Provide a copy of the agreement or contract.
6. On page 19 of 19 of Exhibit C, the long term debt has a cost of 12%.
  - A. Provide justification as to why this should continue at this rate and not at a lower rate.
  - B. Has Forest Hills taken steps to renegotiate this cost?
7. Does the utility have any contributions-in-aid-of-construction (CIAC) for wastewater? If so, provide the amount.
8. Regarding the utility's response to question No. 10 of staff's first data request, the submitted invoices indicate that Forest Hills golf course personnel were used for labor, and that equipment was provided by R.L. Dreher Construction, Inc. for the Flora Avenue pipeline.
  - A. Provide actual time-sheets for the golf course personnel showing the actual amount of time worked on the project.
  - B. For the personnel indicated, provide hourly rate.
  - C. For the personnel indicated, provide the dates they worked on the project.
  - D. Why did the utility choose to use golf course personnel for the Flora Avenue pipeline?
  - E. What is the relationship between the R.L. Dreher Construction, Inc. and the utility owner?
  - F. Why did the utility choose to use the equipment from R.L. Dreher Construction, Inc. for the Flora Avenue pipeline?
  - G. Provide the actual amount of time, dates and the hourly rate for each piece of equipment rented from R.L. Dreher Construction, Inc.
9. Does the utility owner or any of his family members have any ownership rights with H2O Utility Services, Inc.?

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10. Provide at least two other bids from unaffiliated companies regarding the total cost of the force main, flow meter and the pumping equipment installation. Provide all correspondence from those bids.
11. Regarding the H2O Utility Services Inc. invoices in Attachments II and V of the utility's response to staff's first data request, provide a job description and duties of the following employees: Project Coordinator, Tradesman and Maintenance Mechanic.
12. Regarding Attachment II of the utility's response to staff's first data request, explain the following checks made payable to John Koulias for \$68.25, \$222.25, \$206.50 and \$206.50; Bobby Koulias for \$107.25 and \$240.50; and Hugh Sexton for \$280.00.
13. Provide the final refund report pursuant to Rule 25-30.360(7), Florida Administrative Code, that the utility completed around September 11, 1995 regarding the customer deposit refund plan.
14. Regarding staff's question No. 15 of the first data request, the utility did not provide the estimated market value of the land upon which the retired wastewater treatment plant currently sits. Staff believes that this question should be answered since the cost of this land is included in the utility's rates; therefore, provide the estimated market value of the land associated with the wastewater treatment plant.

If you have any questions, please feel free to contact me at (904) 413-6181.

Sincerely,

  
Tim Vaccaro  
Senior Attorney

TV:mw

cc: Division of Records & Reporting ✓  
Division of Water & Wastewater (Groom, Austin)