

Brevard Waterworks, Inc.

December 9, 2014

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

*Re: Docket No. 140186-WU - Application of Brevard Waterworks, Inc. for Staff Assisted
Rate Case in Brevard County – Staff Second Data Request Response*

Dear Commission Clerk,

Please find attached for submission and consideration, Brevard Waterworks, Inc. response to Staff's Second Data Request dated December 3, 2014.

1. For each subdivision (Kingswood and Oakwood) please identify how many fire hydrants are in service.

Response: There are no fire hydrants. In addition, the minimum size line required for fire service is a 6" line. The largest water main for Brevard is 4".

2. Unaccounted For Water (EUW)

Response: Concerning the 2013 Annual report, it was discovered that the 2013 Annual Report submitted by Brevard Waterworks erroneously only included the information for the Kingswood system only and not for the combined both systems. Please find attached a Revised Schedule W-4 for both combined systems. In addition, please find attached a copy of the Monthly Unaccounted For Water report by system and combined for Brevard Waterworks for 2013 and 2014.

Concerning the request on the purchased water invoices, the information contained on the monthly invoices is for purchased water for the previous month. For example, the purchased water amount on the October 2013 invoice is for the previous month, September 2013. This is true for each invoice. So the table contained in Staff's Data Request is off by one month. Again, see attached copy of the Monthly Unaccounted For Water report. The county (Brevard County) misread the meter in November 2013 and there were errors in both the November and December 2013 invoices for Oakwood. Beginning in January 2014, Brevard County began issuing two separate bills for the compound meter. Previously, Brevard County added the reads of the two meters of the compound meter together. See attached e-mail and schedule from Brevard County. In addition, see attached schedule compiled by Brevard Waterworks for the monthly meter readings and consumption which equate to the amounts billed by Brevard County.

The information contained in Schedule F-1 is correct and no revisions are necessary.

3. EUW – Pro Forma: The Utility's response to staff's first data request, Number 15 indicates that the estimated cost to replace all the water mains and distribution system is approximately \$1 million.

5320 Captains Court, New Port Richey, Florida 34652
Mailing: C/O 4939 Cross Bayou Boulevard, New Port Richey, Florida 34652
Tel: 727-848-8292

Brevard Waterworks, Inc.
Staff's Second Data Request
December 9, 2014

Please provide details (e.g. pipe size, length of pipe, price per pipe size) regarding the estimated cost and provide any bids that were utilized in developing the estimated cost.

Response The pipe sizes and lengths are contained in Brevard's response to Staff's First Data Request. See attached cost estimate for the replacement. The total cost for replacement is \$835,437 which includes:

Materials	\$132,560
Directional Boring	\$627,877
Engineering	\$ 50,000
Pavement/asphalt	\$ 25,000

The directional boring is required for two reasons. First, the current mains and distribution system is located primarily at the back of the customers homes. This system was installed decades ago and the customers' properties have fences, sheds, trees, and numerous encumbrances which currently make it extremely difficult to access for meter checks, turn offs, turn ons, etc. The second reason relates to the shallow water table in the area. The water table is approximately 2 – 3 feet below the ground surface.

The replacement would involve moving the mains and distribution system to the front of the houses within the road right-of-ways. However, this would involve requiring the customers and homeowners to install new service lines from the house to the new meters. This has the potential of placing additional financial burden on the customers. This replacement to the front of customer homes has previously been approved by the Commission in Order No. PSC-06-1027-PAA-WS, issued December 11, 2006. Due to the cost to replace the aging infrastructure and the financial burden it would place on the customers, Brevard Waterworks believes the most reasonable alternative at this point is to not make an unaccounted for water adjustment in the SARC. When it becomes necessary to replace the infrastructure, Brevard Waterworks will file a subsequent rate case to address the replacement costs.

However, if the Commission determines that an unaccounted for water adjustment is necessary, Brevard Waterworks may have no alternative then to proceed with the replacement of its infrastructure due to the financial burden the adjustment would place on this small Class C utility. Brevard Waterworks still will be required to pay the purchased water costs to the County with no means of recovery. Brevard Waterworks respectfully requests that the costs of replacement be taken into consideration when analyzing the unaccounted for water. Brevard continues to work diligently to locate any probably water leaks. In addition, the majority of the service lines are galvanized metal which has caused sediment build up in the customers' service lines.

Respectfully Submitted,



Troy Rendell
Manager of Regulated Utilities
// for Brevard Waterworks, Inc.

UTILITY NAME: BREVARD WATERWORKS, INC.

YEAR OF REPORT DECEMBER 31, 2013

SYSTEM NAME: OAKWOOD / KINGSWOOD

REVISED

PUMPING AND PURCHASED WATER STATISTICS

(a)	(b)	(c)	(d)	(e)	(f)
	Water Purchased For Resale (Omit 000's)	Finished Water From Wells (Omit 000's)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)]	Water Sold To Customers (Omit 000's)
January	-	-	-	-	-
February	-	-	-	-	-
March	-	-	-	-	-
April	811,500	-	40,575	770,925	818,000
May	1,002,800	-	50,140	952,660	839,000
June	1,157,000	-	57,850	1,099,150	865,000
July	896,100	-	44,805	851,295	796,000
August	920,000	-	46,000	874,000	651,000
September	1,052,300	-	52,615	999,685	675,000
October	1,898,900	-	94,945	1,803,955	653,000
November	940,500	-	47,025	893,475	754,000
December	855,900	-	42,795	813,105	645,000
Total for Year	9,535,000	-	476,750	9,058,250	6,696,000

If water is purchased for resale, indicate the following:

Vendor Brevard County Utility Works

Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

N/A

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	4"	17,929	-	-	17,929
PVC	3"	779	-	-	779
PVC	2"	548	-	-	548

Brevard Waterworks, Inc. (Kingswood)

USAGE AND BILLING REPORT

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14		
Read Period	12/18-1/16	1/16-2/18	2/18-3/17	3/17-4/16	4/16-5/16	5/16-6/17	6/17-7/17	7/17-8/18	8/18-9/17					
Billed	1/22/14	2/21/14	3/21/14	4/22/14	5/22/14	6/23/14	7/22/14	8/21/14	9/23/14				Annual Totals	Annual Averages
Total Well Withdrawal Per Calendar Month	0	0	0	0	0	0	0	0	0				0	0
Purchased Water	119,400	116,700	126,300	133,900	146,900	177,600	127,600	125,800	142,800				1,217,000	135,222
Total Gross Source	119,400	116,700	126,300	133,900	146,900	177,600	127,600	125,800	142,800				1,217,000	135,222
Monthly Water Revenue	\$1,713	\$1,484	\$1,480	\$1,755	\$1,667	\$1,749	\$1,652	\$1,624	\$2,089				\$15,213	1,690
Water Gallons Used/Billed	119,000	90,000	91,000	122,000	118,000	132,000	117,000	112,000	136,000				1,037,000	115,222
Water Gallons Flushing/Maint	0	0	0	0	0	0	0	0	0				0	0
Estimated Use - Water Breaks	0	0	0	0	0	0	0	0	0				0	0
Total Use	119,000	90,000	91,000	122,000	118,000	132,000	117,000	112,000	136,000				1,037,000	115,222
Percentage Unaccounted For	0.34%	22.88%	27.95%	8.89%	19.67%	25.68%	8.31%	10.97%	4.76%				14.79%	14.79%
Water Gallons Unaccounted	400	26,700	35,300	11,900	28,900	45,600	10,600	13,800	6,800				180,000	20,000
Monthly Sewer Revenue														
Sewer Gallons Used/Billed														
	29	33	27	30	30	32	30	32	30					

Brevard Waterworks, Inc. (Oakwood)

USAGE AND BILLING REPORT

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14		
Read Period	12/18-1/16	1/16-2/18	2/18-3/17	3/17-4/16	4/16-5/16	5/16-6/17	6/17-7/17	7/17-8/18	8/18-9/17					
Billed	1/22/14	2/21/14	3/21/14	4/22/14	5/22/14	6/23/14	7/22/14	8/21/14	9/23/14				Annual Totals	Annual Averages
Total Well Withdrawal Per Calendar Month	0	0	0	0	0	0	0	0	0				0	0
Purchased Water	909,900	960,900	923,300	982,200	1,034,200	1,216,100	1,046,400	926,200	1,089,400				9,088,600	1,009,844
Total Gross Source	909,900	960,900	923,300	982,200	1,034,200	1,216,100	1,046,400	926,200	1,089,400				9,088,600	1,009,844
Monthly Water Revenue	\$6,870	\$7,020	\$6,876	\$7,108	\$8,336	\$7,179	\$7,955	\$7,588	\$8,936				\$67,868	7,541
Water Gallons Used/Billed	502,000	541,000	494,000	531,000	639,000	558,000	594,000	575,000	613,000				5,047,000	560,778
Water Gallons Flushing/Maint	45,495	48,045	46,165	49,110	51,710	60,805	52,320	46,310	54,470				454,430	50,492
Estimated Use - Water Breaks	0	0	0	0	0	0	0	0	0				0	0
Total Use	547,495	589,045	540,165	580,110	690,710	618,805	646,320	621,310	667,470				5,501,430	611,270
Percentage Unaccounted For	39.83%	38.70%	41.50%	40.94%	33.21%	49.12%	38.23%	32.92%	38.73%				39.47%	39.47%
Water Gallons Unaccounted	362,405	371,855	383,135	402,090	343,490	597,295	400,080	304,890	421,930				3,587,170	398,574
Monthly Sewer Revenue														
Sewer Gallons Used/Billed														
OPUS Billed/Brevard Water Bill														
	29	33	27	30	30	32	30	32	30					

Brevard Waterworks
Purchased Water Analysis

Account # **901335234**

Oakwood - 3525 Brocket Rd.

4" Compound Base Charge \$ 197.15

Statement

Date	Previous Read	Current Read	Calc Usage	Billed Usage
May-13	26,952.00	27,652.20	700.20	700.20
Jun-13	27,652.20	28,486.50	834.30	834.30
Jul-13	28,486.50	29,473.90	987.40	987.40
Aug-13	29,473.90	30,231.80	757.90	757.90
Sep-13	30,231.80	31,038.60	806.80	806.80
Oct-13	31,038.60	31,038.60	-	-
Nov-13	31,038.60	32,796.50	1,757.90	1,757.90
May through November			5,844.50	5,844.50

Account # **901335343**

Oakwood - 3525 Brocket Rd.

3/4" Compound Base Charge \$ 13.43

Previous

Read Current Read Calc Usage Billed Usage

Switched
to 2 bills

Date	Previous Read	Current Read	Calc Usage	Billed Usage	combined	Calc usage	billed usage
Dec-13	8,285.60	8,814.50	528.90	817.90			
Jan-14	18,814.50	19,300.70	486.20	486.20	14,799.90	15,055.70	255.80
Feb-14	19,300.70	19,862.90	562.20	562.20	15,055.70	15,403.40	347.70
Mar-14	19,862.90	20,416.90	554.00	554.00	15,403.40	15,810.30	406.90
Apr-14	20,416.90	20,945.70	528.80	528.80	15,810.30	16,204.80	394.50
May-14	20,945.70	21,464.90	519.20	519.20	16,204.80	16,667.80	463.00
Jun-14	21,464.90	21,981.00	516.10	516.10	16,667.80	17,185.90	518.10
Jul-14	21,981.00	22,598.00	617.00	617.00	17,185.90	17,785.00	599.10
Aug-14	22,598.00	23,144.10	546.10	546.10	17,785.00	18,285.30	500.30
Sep-14	23,144.10	23,655.60	511.50	511.50	18,285.30	18,700.00	414.70
Oct-14	23,655.60	24,241.90	586.30	586.30	18,700.00	19,203.10	503.10
Nov-14	24,241.90	24,713.80	471.90	471.90	19,203.10	19,608.20	405.10
Overall Totals			<u>Calculated</u> 17,370.00	<u>Billed</u> 17,370.00		19,644.00	440.90
	24764.07						
	522.17						

Mark Mickshaw

From: Mark Mickshaw
Sent: Tuesday, December 09, 2014 11:30 AM
To: Ron Derossett
Cc: Keith Keegan
Subject: Oakwood Water 4" water install
Attachments: doc02180920141209104620.pdf

Ron,

Attached are quotes for material (Ferguson) \$132,560 and install (S&S Directional) \$627,877. Total is \$760,437.

In addition I would add

Engineering / plan prep / permits \$50,000
Pavement/asphalt replac \$ 25,000

Total \$835,437 for budget cost

Thanks

Mark



FEI-TAMPA, FL WATERWORKS #044
 8008 E. SLIGH AVE.
 TAMPA, FL 33610-0000

Deliver To: chad.wandall@ferguson.com
 From: Chad Wandall
 Comments:

10:20:02 DEC 08 2014

FEI-TAMPA, FL WATERWORKS #044
 Price Quotation
 Phone : 813-627-1240
 Fax : 813-627-1299

Page # 1

Bid No.....: B300109

Bid Date....: 12/08/14

Quoted By.: CHW

Cust 727-848-8292

Terms.....: NET 10TH PROX

Customer: US WATER SERVICES
 4939 CROSS BAYOU BLVD
 NEW PORT RICHEY, FL 34652

Ship To: US WATER SERVICES
 4939 CROSS BAYOU BLVD
 NEW PORT RICHEY, FL 34652

Cust PO#...: MARKS LIST BUDGET \$\$

Job Name: OAKWOOD WATER

Item	Description	Quantity	Net Price	UM	Total
PED11BP40	4X40 DIPS SDR11 HDPE PIPE BLUE	14800	400.000	C	59200.00
DR18BPP	4 C900 DR18 PVC GJ BLUE PIPE	100	2.750	FT	275.00
PED11HMJP	4 DIPS SDR11 MJ ADPT ONLY	80	80.000	EA	6400.00
IMJAPHDIP	4 HDPE DIPS IPS ACCY MJ PK W/GLND	80	24.600	EA	1968.00
C1030BSF500	10GA 30MM 500 FT COP TRCR WIRE BLUE	30	149.200	EA	4476.00
FFC202480IP3	4X3/4 IP DBL SS EPOX SDL PVC DI	253	63.600	EA	16090.80
PEC9BF300	3/4X300 CTS SDR9 HDPE BLUE 200#	2500	35.000	C	875.00
MJTLAP	4 MJ C153 TEE L/A	16	59.800	EA	956.80
MJ4LAP	4 MJ C153 45 BEND L/A	20	37.700	EA	754.00
SSLCE4AP	4 PVC WDG REST *ONELOK W/A	100	32.900	EA	3290.00
AFC2504MMLAOL	4 MJ RW DI OL GATE VLV L/A	30	395.100	EA	11853.00
D461AW	2PC SLIP CI VLV BX 19-22 WTR	30	100.000	EA	3000.00
FFC202480IP7	4X2 IP DBL SS EPOX SDL PVC DI	10	67.300	EA	673.00
FFB11007NL	LF 2 MIP X CTS PJ BALL CORP	10	230.000	EA	2300.00
IBR9K	*NP 2 BRS 90 ELL	20	30.500	EA	610.00
PEC9BK100	2X100 CTS SDR9 HDPE PIPE BLUE 200#	100	155.000	C	155.00
GBRNKP	LF 2X4 BRS NIP GBL	40	19.600	EA	784.00
FC8477NL	LF 2 MIP X CTS PJ COUP	20	69.200	EA	1384.00
D461AW	2PC SLIP CI VLV BX 19-22 WTR	10	100.000	EA	1000.00
	IF NEEDED				
FF11003NL	LF 3/4 MIP X CTS PJ CORP	253	31.900	EA	8070.70
FINSERT51	3/4 CTS PET / HDPE DR9 INS STFNR	506	1.600	EA	809.60
FINSERT55	2 CTS PET INS STFNR	20	2.250	EA	45.00
MJLSLAP	4X12 MJ C153 LONG SLV L/A	1	40.300	EA	40.30

Net Total: \$125010.20
Tax: \$7550.62
Freight: \$0.00



FEI-TAMPA, FL WATERWORKS #044

Price Quotation

Page # 2

10:20:02 DEC 08 2014

Phone : 813-627-1240

Fax : 813-627-1299

Reference No: B300109

Total: \$132560.82

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This quote is offered contingent upon the buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at http://wolseley.com/terms_conditionsSale.html.
Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with "NP" in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.

S & S DIRECTIONAL BORING

1508 E. DR. MARTIN LUTHER KING BLVD.
 SEFFNER, FL 33584
 OFFICE: 813-684-2272
 FAX: 813-684-2350

Estimate

Date	Estimate #
12/9/2014	2411

Name / Address
U.S. WATER CORP 4939 CROSS BAYOU BLVD. NEW PORT RICHEY, FL 34652

Description	Qty	Rate	Total
PROJECT NAME: OAKWOOD M H P			
S & S Directional Boring proposes to furnish labor and material to directionally bore the following:			
DIRECTIONAL DRILL 4" HDPE WATERMAIN	14,800	22.50	333,000.00
DIRECTIONAL DRILL 2" CASING PIPE	1,920	12.10	23,232.00
3/4' SINGLE SERVICE	127	450.00	57,150.00
3/4' DOUBLE SERVICE	127	650.00	82,550.00
FUSION CONNECTION	80	125.00	10,000.00
4" GATE VALVE	30	410.00	12,300.00
MISC BENDS	1	6,000.00	6,000.00
2" BLOW-OFF ASSEMBLY	10	750.00	7,500.00
SOD RESTORATION	32,300	0.85	27,455.00
GRADING SILT FENCE - MISC CLEAN - UP	1	15,000.00	15,000.00
TESTING	1	10,700.00	10,700.00
REDLINE DRAWING / FIELD AS - BUILTS	1	2,100.00	2,100.00
GROUT PIPE	1	8,000.00	8,000.00
RELOCATE METERS	253	130.00	32,890.00
<p>AGREEMENT:</p> <p>1. Pricing EXCLUDES any and all permits, bonds, shoring, surveys, dewatering, M.O.T. setups, restoration of sod, concrete and/or asphalt, restoration of landscaping and replacement of shrubs, plants, ect., also irrigation systems and any vacuum locating and/or GPR Locates of existing utilities under concrete or asphalt and/or locating of unknown utilities and damages to unknown utilities.</p> <p>2. Terms: Net 30 days. Unpaid balances will be subject to an additional 1.5% monthly interest charge.</p> <p>3. Returned check are subjected to a \$50.00 Return Fee</p> <p>I UNDERSTAND THAT BY SIGNING THIS PROPOSAL I AM STATING THAT I AM A LEGAL AGENT FOR THE ABOVE MENTIONED COMPANY AND THAT I HAVE THE AUTHORITY TO REPRESENT THE COMPANY IN THIS MATTER. BY SIGNING THIS PROPOSAL I AGREE TO ALL TERMS AND CONDITIONS AS STATED. SHOULD LEGAL ACTION BE REQUIRED TO RECOVER ANY PAST DUE AMOUNT, IT IS FURTHERED AGREED THAT ALL REASONABLE COLLECTION COSTS, LEGAL COSTS AND/OR ATTORNEY FEES WILL BE ADDED TO THE UNPAID BALANCE AND DUE AT TIME OF COLLECTION AND/OR LEGAL PURSUIT.</p>			

BY SIGNING THIS DOCUMENT YOU ARE AGREEING TO ALL THE TERMS AND CONDITIONS AS STATED.	Total	\$627,877.00
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Signature _____