



Wills | Trusts | Probate | Real Estate | Guardianship | Medicaid | Business Law

February 10, 2018
Via E-Filing

Carlotta S. Stauffer, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Docket No.: 20160220-WS; Application for original water and wastewater certificates in Sumter County by South Sumter Utility Company, LLC
Our File No.: 47206.01

Dear Ms. Stauffer:

The following is South Sumter Utility Company, LLC's ("SSU") responses to staff's Third Data Request dated February 2, 2018:

1. Please provide an update to the Utility's filing that assumes South Sumter owns and operates the water treatment facility that South Sumter proposes to construct. Also, please provide the basis for the estimated costs as well as an explanation of why the Utility believes the estimated costs are reasonable.

RESPONSE: After negotiations with the City of Wildwood, the only option available to SSU that would allow for the provision of service to its customers and to be able to meet the time constraints of development was for SSU to construct the Water Treatment Facility and convey it to the City. Jason McHugh, the City of Wildwood City Manager confirmed this in the recent informal meeting with staff. SSU would not be able to own and operate the Water Treatment Facility, therefore, an analysis is not relevant. The basis for the estimated costs is set forth in Attachment 1. The costs are reasonable by virtue of the fact

that they are estimates provided by the engineers for the City of Wildwood. The opinion of probable cost was prepared by Kimley Horn. Kimley Horn is a planning and design consultant with extensive experience in water plant design, cost estimating and construction administration. As in all original certificate cases, costs are the best estimate at the time. The actual costs are addressed in a rate case.

2. Page 3 of the Utility's Application for Original Water and Wastewater Certificates states that the Sumter County portion of the Service Territory will be annexed into the City of Wildwood. Has the annexation of the described territory occurred?

RESPONSE: Yes

- a. If yes, please state when the annexation occurred.

RESPONSE: According to the Wildwood City Manager, Jason McHugh, the area covered by the SSU territory was annexed into the City in 2005.

- b. If no, please state when the annexation is anticipated to occur.

RESPONSE: N/A

Should you or staff have any questions regarding this response, please do not hesitate to give me a call.

Very truly yours,

/s/ Martin S. Friedman

MARTIN S. FRIEDMAN
For the Firm

MSF/

cc: Rob Eddy (via e-mail)
Trey Arnett (via e-mail)
Jennifer Crawford, Esquire (via e-mail)
Melinda Watts (via e-mail)

ATTACHMENT 1



BUDGETARY OPINION OF PROBABLE COST FARNER-BARLEY and ASSOCIATES SOUTHERN OAKS WTP					
ITEM #	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1	MISCELLANEOUS (Includes mobilization, bonding, insurance, MOT, construction stake out, as-built survey, and construction permitting)	LS	1	\$ 180,750	\$ 180,750
2	LOWER FLORIDAN WELLS (Includes well construction, performance testing, water quality testing, performance test discharge pond construction, monitor well construction, and all other work required for construction and testing. Assumes 800 LF of 16-inch inner casing and 1,300 LF total well depth.)	EA	2	\$ 700,000	\$ 1,400,000
3	WELL PUMP ASSEMBLY (Includes pump motors, bowl assemblies, electrical disconnect, pump control panel with UPS, testing, etc. for a fully functional pumping system)	EA	2	\$ 120,000	\$ 240,000
4	WELL HEAD (includes material and labor, above ground piping, spool pieces, pipe supports, concrete slab, flow meter, air release valve, all associated fittings and valves, coatings, testing, etc. for a fully functional system)	EA	2	\$ 50,000	\$ 100,000
5	SITE CIVIL (Includes all site grading, drainage, fencing, restoration, pavement, erosion control, and landscaping)	LS	1	\$ 150,000	\$ 150,000
6	SITE PIPING (Includes material and labor, underground pipe, above grade pipe, fittings, restrained joints, caps, locate wire, detectable buried tape, disinfection, testing, coatings, valves, valve boxes, fire hydrant assemblies, service lines, etc. for completely functional piping system)	LS	1	\$ 200,000	\$ 200,000
7	HIGH SERVICE PUMP STATION (Includes HSP/Control building, MCC room, HVAC, building electrical, lighting, high service and jockey pumps, pump maintenance rail system, office equipment, etc.)	LS	1	\$ 400,000	\$ 400,000
8	DISINFECTION SYSTEM (Includes all material and labor, equipment, pumps skid, 1,000-gallon sodium hypochlorite storage tank, fill piping and equipment, suction piping and equipment, flow meter, analyzer, injection piping and equipment, integration and testing for a fully functional system as shown in the plans and as described in the specifications)	LS	1	\$ 100,000	\$ 100,000
9	HYDROGEN SULFIDE / IRON TREATMENT (Includes dual packed tower aeration systems, dual iron filtration system, pH adjustment system, and associated chemical storage, pumping, and concrete equipment pads/wetwells)	LS	1	\$ 1,885,000	\$ 1,885,000
10	1.0 MG GROUND STORAGE TANK	LS	1	\$ 750,000	\$ 750,000
11	ELECTRICAL, CONTROLS, AND INSTRUMENTATION	LS	1	\$ 800,000	\$ 800,000
CONSTRUCTION SUBTOTAL					\$ 6,205,750
ENGINEERING DESIGN, SURVEY, AND PERMITTING (10% construction cost)					\$ 620,575
BID AND CONSTRUCTION ADMINISTRATION (3% construction cost)					\$ 186,173
20% CONTINGENCY					\$ 1,402,500
PROJECT TOTAL					\$ 8,414,997

The Engineer has no control over the cost of labor, materials, equipment, or over the Contractor's methods of determining prices or over competitive bidding or market conditions. Opinions of probable costs provided herein are based on the information known to Engineer at this time and represent only the Engineer's judgment as a design professional familiar with the construction industry. The Engineer cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from its opinions of probable costs.