

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 23, 2007
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: Thomas J. Walden, Utilities System/Engineering Specialist, Division of Economic Regulation
RE: Docket No. 060536-WS; Town and Country Utilities Company

Please include the attached documents in the docket file.

Attached are an e-mail from the law firm representing the utility in this proceeding providing some additional detail for the filing, a letter from the utility's consultant, CDM discussing engineering fees, and a map which is Figure 3-1 for the filing. This map depicts the layout of some of the components of the water and wastewater system.

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FPSC-COMMISSION CLERK

Tom Walden

From: Katie Murphy [KMurphy@RSBattorneys.com]
Sent: Monday, October 22, 2007 10:45 AM
To: Tom Walden
Cc: Neal Blacketter; Bob Nixon
Subject: Town and Country Utilities Company; Engineering issues
Attachments: Conceptual Layout Transmission Mains map.pdf; Similar Projects letter for PSC.pdf

Tom, the following is provided in response to our recent discussion regarding the T&C Application:

1. CDM Master Plan: Attached please find Figure 3-1, the conceptual layout of the reclaimed water distribution system.
2. CDM Master Plan, Table 5-1: First, the Design/Engineering/Permitting figure of \$18,960,000 in this schedule is incorrect. This fee estimate was based on work related to later phases of the project, which the Company now intends to defer until after the initial phases are under way. The correct figure should be \$14,220,000, based on 12% (rather than 16%) of the project cost. You will note that this is consistent with the Cost of Service Study accompanying the Application which used an estimate of 12% of the capital costs for engineering fees. Attached please find a letter dated October 19, 2007 from Jason Gorrie P.E. of CDM, the project engineer, with regard to the reasonableness of this fee.
3. Cost of Service Study, Schedule No. A-3: Each year, or line item, in this schedule reflects a projected capacity for that particular year. The line items are not cumulative. Line no. 10 provides a total for the 9 years identified. Therefore, although the commercial flows identified in year 3 are less than year 2, these are individual annual projections.

Should you have any other question or comments, please feel free to call.

John R. Jenkins, Esq.
Rose, Sundstrom & Bentley, LLP
 2548 Blairstone Pines Drive
 Tallahassee, Florida 32301
 (850) 877-6555
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10/23/2007



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tel: 813 281-2900
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October 19, 2007

Mr. Neal Blacketter
Director of Land Development
Kitson Babcock
17837 Murdock Circle
Port Charlotte, FL 33948

Subject: Engineering Fee Estimates

Dear Mr. Blacketter:

As requested, CDM is providing the following summary of engineering fees as relates to total construction costs for water and wastewater projects that we have worked on in the Southeast. The projects listed below were chosen because they are recent and similar in size and scope to the Town and Country project.

Project	Total Construction Cost	Engineering Cost	Engineering Ratio
City of Kingsport, Tennessee - Wastewater Treatment Plant Improvements	\$18,504,398	\$1,602,875	8.6%
City of Valdosta, Georgia - Water Treatment Plant Expansion	\$9,991,926	\$1,215,017	12.1%
Okaloosa County, Florida - Wastewater Treatment Plant Expansion	\$39,444,344	\$4,831,672	12.2%

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Mr. Neal Blackketter
October 19, 2007
Page 2

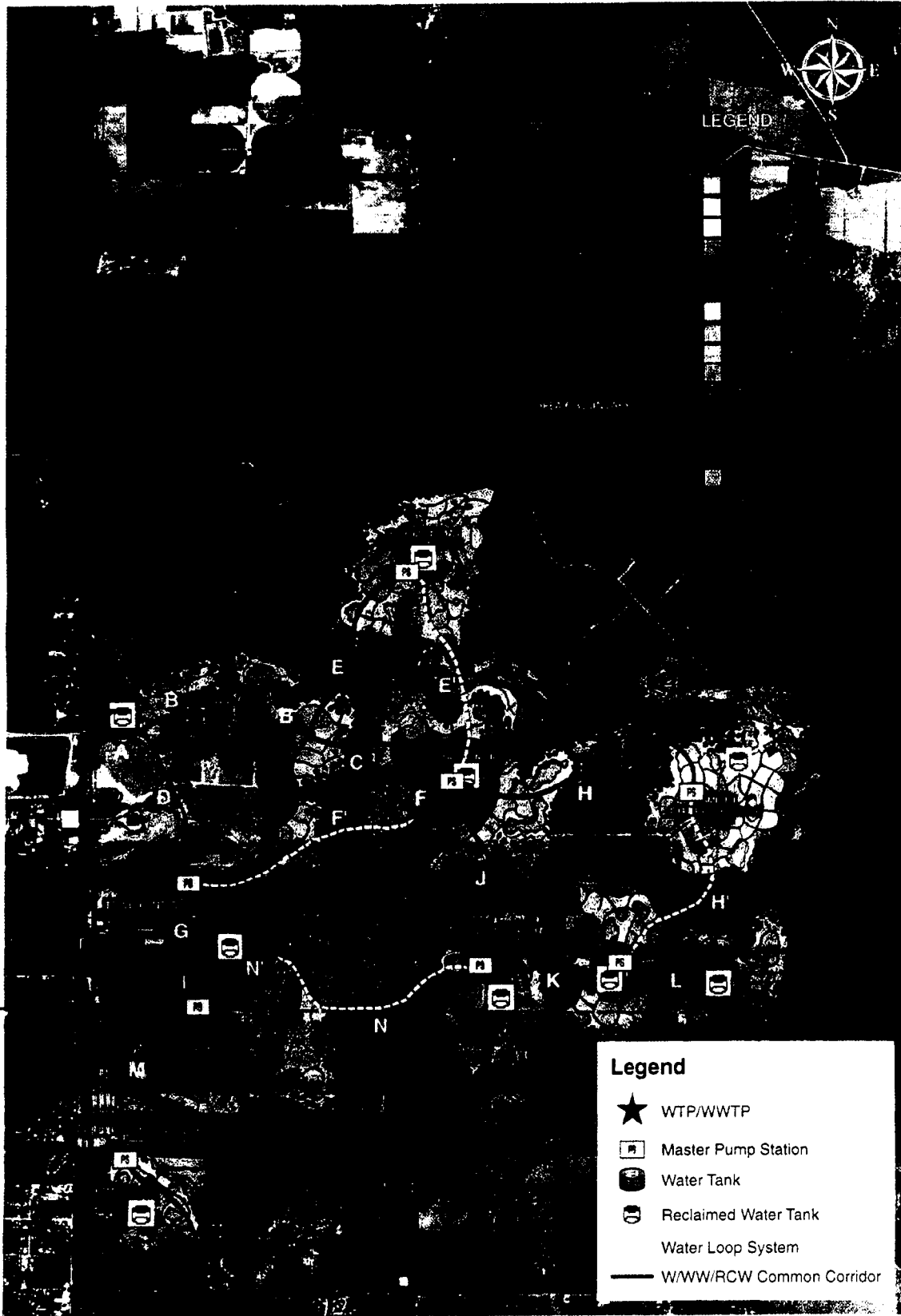
I hope that the information presented herein satisfactorily answers any questions that you or the Public Service Commission may have. Please do not hesitate to contact me if you have any questions

Very truly yours,

A handwritten signature in black ink, appearing to read 'Jason M. Gorrie', written over a horizontal line.

Jason M. Gorrie, P.E.
Principal
Camp Dresser & McKee Inc.

c: Richard Moore
Alex Makled
Michael Edgar
Kirk Martin



LEGEND

Legend

- ★ WTP/WWTP
- P Master Pump Station
- T Water Tank
- R Reclaimed Water Tank
- - - Water Loop System
- W/WW/RCW Common Corridor

Babcock Ranch

CONCEPTUAL MASTER PLAN v.6