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ROBERT M. C. ROSE
DAREN L. SHIPPY
WILLIAM E. SUNDBSTROM, P.A.
DIANE D. TREMBOR, P.A.
JOHN L. WHARTON

April 11, 1997

VIA HAND DELIVERY

RECEIVED

APR 11 1997

Florida Public Service Commission
Division of Water and Wastewater

Tim Vaccaro, Esquire
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida

Re: Forest Hills Utilities, Inc.; Docket No. 961475-SU
Application for Limited Proceeding
Our File No. 29062.02

Dear Tim:

I am writing in response to your inquiry of March 21, 1997. I have outlined below the answers to each of your questions separately:

1. Regarding the \$100,000 Pasco County fee, provide an explanation as to what the fee pertains to.

Answer: The \$100,000 fee paid to Pasco County represents Forest Hills Utilities' proportionate share of the cost for work performed by Pasco County to extend its line and construction of a lift station. This fee paid to Pasco County for the work related to the interconnection was a prerequisite to Pasco County's willingness to provide bulk wastewater service.

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 (i.e. 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?

Answer: The street light and garbage services are wholly contracted out to Florida Power Corporation and BFI Waste Systems. All but a very minor amount of customer relations type work are performed by those entities rather than Forest Hills. The Utility serves primarily as a customer contact related to such service, which customer contact is minimal. The billing for these services is included in the monthly bill in a

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- ROH _____
- SEC I
- WAS _____
- OTH _____

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Tim Vaccaro, Esquire
April 11, 1997
Page 2

flat fee on the customer's water and wastewater bills and requires no action on the part of our billing or clerical personnel. Our billing clerk is responsible for adding or deleting garbage customers from the billing, and calling the garbage company should they miss picking up a customer's garbage, both of which are relatively rare occurrences. The billing clerk is also responsible for calling in any street lights that are reported burned out. The Utility estimates that the time spent on these matters is approximately 2 hours a month at \$9.36 per hour for the billing clerk. Lynn Davis of the Utility is responsible for paying the bills to Florida Power and BFI each month. The Utility estimates that the time spent on this is about 1/4 hour a month at \$11.67 per hour.

3. Does the Utility charge anything for water and/or wastewater to Forest Hills Golf and Country Club? If not, why?

Answer: Forest Hills Utilities charges Forest Hills Golf and Country Club for both water and wastewater service in conformance with its tariff rates.

4. What is the Utility's best estimate of the salvage value for the plant retirement? If this amount can not be determined by the Utility, then ask H2O Utility Services, Inc. to provide an estimated value.

Answer: The Utility has consulted with its outside professional engineering firm concerning the market for such used and older equipment and has been advised that while that equipment may have some value and some remaining usefulness, the likelihood of finding a buyer in need of that specific size and type of equipment is so small as to render that equipment most likely unsalable. As such, no salvage value was utilized in the Utility's application and none is anticipated. See attached letter from Sandy Lloveras, P.E., dated 4/10/97.

5. Who owns the land and land rights associated with the wastewater treatment plant and are these costs included in current rates? If so, how much? What type of arrangement or contract agreement (i.e. lease) does the Utility have with the landowner? Provide a copy of the agreement or contract.

Answer: The land and land rights are owned by Robert L. and Diane Dreher, individually. The land itself has never been included in the current rates for the Utility. The Utility is

Tim Vaccaro, Esquire
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Page 3

charged rent of \$8,000 per year for use of this land. There is no lease for this land.

6. On Page 9 of 19 of Exhibit C, the long-term debt has a cost of 12%. Provide justification as to why this should continue at this rate and not at a lower rate. Has the Utility taken steps to renegotiate this cost?

Answer: The interest rate on this long-term debt was changed to 8% on June 1, 1995. This change in interest rate somehow missed inclusion in the 1995 annual report for the Utility.

7. Does the Utility have any contributions-in-aid-of-construction (CIAC) for wastewater? If so, provide the amount.

Answer: At December 31, 1996, the Utility had \$410,732 of sewer CIAC in accumulated amortization on that CIAC of \$192,254. Thus, net sewer CIAC, as of that date, is \$218,478. The Utility has previously provided Staff with a response concerning the Utility's existing \$300 connection fee in answer to Question 22 of the Staff's January 7, 1997, inquiry. Based on the facts as outlined therein, the Utility has not reflected any retirement of CIAC with the retirement of the sewage treatment plant.

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.

Overview Answer: These questions from the Commission Staff in conjunction with that posed under Question 10 hereof indicate that the Commission Staff is trying to verify the reasonableness of the charges imposed by the related party. These questions under No. 8 deal with review of the details charged by the related party, and Question No. 10 deals with the overall analysis of the contract cost compared to cost which would be charged by an outside contractor.

Several general factors need to be considered. First, it is extremely difficult for a utility to obtain information from a general contractor on a bid for a project when the contractor is well aware that the Utility is not likely to actually accept any of the bids, but instead intends to do the work in-house because it is cheaper. In addition, component costs as requested herein, are not accurate measures

for comparing what a third party would have charged to do this work. Both from the labor and equipment usage standpoint, outside entities would charge minimums and set-up charges in addition to having labor and equipment charges substantially in excess of those which were charged by the related party. The only way that the Commission can reasonably review and analyze related party construction contracts is to generally review an estimate from an outside engineer as to the cost that should be incurred and to ensure that the Utility obtains that work at or below that cost. Fortunately, in this case, the Utility was able to obtain outside bids which are reflected in Exhibit 10. However, as noted above, the responses to the individual component questions hereunder can not fairly be compared to third party costs since they would have to include required minimum charges and set-up fees as well as what we believe would be higher component costs.

a) Provide actual time sheets for the golf course personnel showing the actual time worked on the project.

Answer: See attached payroll attendance sheets.

b) For the personnel indicated, provide hourly rate.

Answer: Ron Johnson - \$9.72 per hour
Chris Condento - \$5.25 per hour
Chris Elder - \$9.00 per hour
Joe Buchanan - \$6.25 per hour

c) For the personnel indicated, provide the dates they worked on the project.

Answer: The employees worked at various times throughout the project construction dates from April 30, 1996 through June 24, 1996. This information is further elaborated on the attached payroll attendance sheets by week for each employee.

d) Why did the Utility choose to use golf course personnel for the Flora Avenue pipeline?

Answer: The golf course maintenance building is located very close to the job-site and it was very convenient to pull related party employees and use them on the job as needed. Their hourly rates were much more reasonable than hiring outside contractors and their availability was also much better. In addition, an outside contractor would have charged set-up charges each time their personnel worked on these

matters, the cost would have been many times higher, and the work could not have been performed as quickly or efficiently.

e) What is the relationship between R.L. Dreher Construction, Inc. and the Utility owner?

Answer: Robert L. Dreher is President of R.L. Dreher Construction, Inc. and Forest Hills Utilities, Inc.

f) Why did the Utility choose to use the equipment from R.L. Dreher Construction, Inc. for the Flora Avenue pipeline?

Answer: All equipment for R.L. Dreher Construction, Inc. is kept and maintained at the golf course maintenance building. Again, this location makes access to the Flora Avenue job-site far better than any that could have been provided by an outside contractor and at substantial savings to the Utility company, both in time and costs required.

g) Provide the actual amount of time, dates and hourly rate for each piece of equipment rented from R.L. Dreher Construction, Inc.

Answer: The backhoe was used from May 15 through May 30 and from July 1 through July 20 at a weekly rate of \$601.25. The forklift was used for the months of May, June, and July at a monthly rate of \$1,050. The grading tractor was used from May 15 through July 20 at a weekly rate of \$355. The Utility did not keep track of the actual time each piece of equipment was used on the job because it is readily available and did not have to be returned at any specific time. We calculated these rents based on prices charged by other rental companies in the area for similar equipment usage.

In addition, any rental equipment company charges minimums and charges set-up fees. The Utility was able to avoid these charges and to avoid the higher cost per time of usage for this equipment by using the related party's on-site and available equipment.

9. Does the Utility owner or any of his family members have any ownership rights with H2O Utility Services, Inc.?

Answer: Neither Robert L. Dreher or any of his family members have any ownership rights in H2O Utility Services, Inc.

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 these bids.

Answer: The Utility obtained two bids from an unaffiliated company regarding the cost of the force main, flow meter and pumping equipment installation, one dated April 20, 1996, from Southern Bay Corporation, and one dated April 22, 1996, from H2O Utility Services. These are attached. There is no further correspondence concerning these bids. The Utility ultimately decided to use related party labor and equipment and to utilize the services of H2O Utility Services for oversight rather than "turnkey" contracting with that entity. As is apparent from these two bids, the overall cost of the facilities when contracted through the related party labor and use of related party equipment was substantially less than that which the Utility would have incurred had it used outside contracts instead (\$140,410 and \$159,077 versus \$103,000).

11. Regarding the H2O Utility Services, Inc. invoices and 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.

Answer: Attached are job descriptions, duties and qualifications information on the three persons providing services through H2O Utility Services.

12. Regarding Attachment IX 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.

Answer: These checks were for casual labor associated with grading, sod preparation, sod laying, watering sod, repair of mailboxes and fences. John Koulias was paid \$7 per hour. Bobby Koulias was paid \$6.50 per hour and Hugh Sexton was paid \$7 per hour for this work related to the construction of the Flora Avenue pipeline.

13. Provide the final refund report pursuant to the Rule 25-30.360(7), Florida Administrative Code, that the Utility completed around September 11, 1995, regarding the customer deposit refund plan.

Tim Vaccaro, Esquire
April 11, 1997
Page 7

Answer: Customer deposit refund reports are specifically excluded from those covered by this rule. Instead, refunds of customer deposits are covered by Rule 25-30.311(5). The Utility is making refunds in conformance with that rule now. As a result of informal discussions with the Staff in 1995, a total of \$19,793.22 has been refunded to date, and the Utility is continuing to refund deposits monthly.

14. Regarding Staff 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.

Answer: The Utility has not provided an estimated market value for the wastewater treatment plant property because the property does not belong to the Utility nor has it ever been included on the Utility's books or in rate setting for this Utility. That land and all related land rights are now and have always been owned by Robert and Diane Dreher, individually.

In addition, this land owned by the Utility's president is low-lying property and is undevelopable. Its low-lying character is one of the primary reasons why the Florida Department of Environmental Protection has pursued attempting to have Mr. Dreher change the location of the treatment facility or tie into the County system as has been done in this case. Because it is low-lying and undevelopable, there are no anticipated sale or development plans by Mr. and Mrs. Dreher.

The Staff's question, states that the cost of this land is included in the Utility's rates, the Utility has reviewed previous rate orders and its records to determine whether there is any support for such a contention. We have reviewed the old orders back to the Utility's original rate application and find no indication whatsoever that the cost of this property has ever been included in rate setting for the Utility and, in fact, it could not have been since it has never been owned by the Utility. The fact that the Utility may have used the land for some extended period of time in its sewer operations does not in any way grant to the Utility any long-term ownership rights in property held and titled in

Tim Vaccaro, Esquire
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Page 8

another name. It should also be noted that the Utility has continuously paid rent on this property to Mr. Dreher.

I trust that these answer all of your questions. Should you need anything further, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD/lts

Enclosures

cc: Blanca Bayo, Clerk
Mr. Eric Groom
Ms. Shannon Austin
Mr. Lee Munroe
Kathy Johnson, Esquire
Mr. Robert Dreher
Michael Allen, Esquire
Robert C. Nixon, CPA
Mr. Gary Deremer
Sandy Lloveras, P.E.

FOREST HILLS UTILITIES, INC.

Docket No. 961475-SU

RESPONSE TO QUESTION NO. 4



Loveras, Baur and Stevens
 Engineers - Surveyors - Planners

April 10, 1997

VIA FAX

Various Society
 of
 Professional Engineers
 Florida Engineering
 Society

American Society
 of
 Civil Engineers

Florida Surveying
 and
 Mapping Society

American Company
 of
 Surveying and Mapping
 Institute

Institute
 of
 Transportation Engineers

Florida Planning
 and
 Zoning Association

National Association
 of
 Environmental Planners

P. Marshall Downing, Register
 Room, Sanderson & Bowley, LLP
 P.O. Box 1567
 Tallahassee, Florida 32302
 Re: Forest Hills Utilities, Inc.; Docket No. 961475-SU
 Application for Limited Proceeding
 Your File No. 29062.02

Dear Mr. Downing:

As requested, the following is an engineering response to Question No. 4 of the Inquiry Letter that was submitted to you by the Public Service Commission regarding the captioned case.

Question No. 4: What is the Utility's best estimate of the salvage value for the plant retirement? If this amount can not be determined by the Utility, then ask HSD Utility Services, Inc. to provide an estimated value.

Response:

I have been engineering wastewater treatment plants for more than 35 years, and based on our experience, we find that the salvage value of used equipment, such as blowers, pumps, piping, valves, diffusers, etc. is virtually zero. The problem is that the equipment at wastewater treatment plants, such as Forest Hills Utilities, has been utilized and operated for an extended period of time and, therefore, it is unknown whether the mechanical value of the equipment is acceptable for re-use. In addition, in order to relocate this mechanical equipment the new site must be a compatible type wastewater treatment plant, which is virtually impossible to find. On the contrary, we find that mechanical equipment that is attempted to be salvaged and sold generally sits in the salvage company's yard for a very long period of time and in many cases it is given away for free in order to remove and discard it from the site. In our opinion, this used equipment has absolutely no value and it is actually a detriment to the utility which is required to dispose of it.

Please let us know if you need additional information regarding this case.

Very truly yours,

LOVERAS, BAUR AND STEVENS

[Signature]
 P. Sandy Loveras, P.E.

SL:jam/forewds3

cc: Robert Dwyer

FOREST HILLS UTILITIES, INC.

Docket No. 961475-SU

RESPONSE TO QUESTION NO. 8

DATE: 04-01-97 FOREST HILLS COUNTRY CLUB PAGE 071

PAYROLL ATTENDANCE REGISTER

FOR THE PAY PERIOD ENDING 03/08/96

NO	NAME	EMPLOYEE TYPE	BASE PAY	REG HOURS	OT HOURS	VACATION HOURS	HOLIDAY HOURS	TRAVEL	MISC DOLLARS	RES VAC
3128	DIANE K. WHEELER	M	6.358	21.00	.00	.00	.00	.00	.00	.00
3197	RONALD A. JOHNSON	M	9.723	41.25	.00	.00	.30	.00	.00	.00
3233	S J BUZZEL	S	160.00	.00	.00	.00	.00	.00	.00	.00
3286	WILLIAM PAWS	M	8.393	39.00	.00	.00	.00	.00	.00	.00
3200	CHRISTOPHER SLIER	M	9.000	44.75	.00	.00	.00	.00	.00	.00
3210	LARSON BEATTY	M	7.500	24.50	.00	.00	.00	.00	.00	.00
3351	ERLEY HOFF	M	5.007	33.00	.00	.00	.00	.00	.00	.00
3361	CARL BORTON	M	3.750	23.50	.00	.00	.00	.00	.00	.00
3367	CHRISTOPHER W. CONDINTO	M	3.250	24.00	.00	.00	.00	.00	.00	.00
3382	JOHN KUBLYK	M	4.250	24.00	.00	.00	.00	.00	.00	.00
3383	TRISHA TROTTER	M	4.500	25.00	.00	.00	.00	.00	.00	.00
TOTALS				203.50	.00	.00	.00	.00	.00	.00
SEVEN DAYS OF EMPLOYEES										
SALARIED EMPLOYEES										
NON-SALARIED EMPLOYEES										

Christy
8 hrs
17 hrs

04 MAY 15-MAY-96

FRESH HILLS COUNTRY CLUB

PAGE 001

REGULAR ATTENDANCE REGISTER

FOR THE PAY PERIOD ENDING 05/15/96

NO	NAME	EMPLOYEE	TYPE	RATE	REG HOURS	OVERTIME HOURS	VACATION HOURS	HOLIDAY HOURS	YEAR-PAY	MISC DOLLARS	REG VAC
1120	DEAN ALMSTED			8.553	36.50	.00	.00	.00	.00	.00	.00
1197	ROGALD G. JOHNSON			9.723	37.75	.00	.00	.00	.00	.00	.00
1222	R. J. BROWN			103.00	.00	.00	.00	.00	.00	.00	.00
1195	WILLIAM HARRIS			8.500	44.50	.00	.00	.00	.00	.00	.00
1209	CHRISTOPHER BLOOM			9.000	44.75	.00	.00	.00	.00	.00	.00
1210	ANDREW BEATTY			7.000	32.25	.00	.00	.00	.00	.00	.00
1333	KALY MITT			8.000	34.50	.00	.00	.00	.00	.00	.00
1303	CARL HERTON			8.750	23.50	.00	.00	.00	.00	.00	.00
1247	CHRISTOPHER M. COMPTON			8.250	20.00	.00	.00	.00	.00	.00	.00
1303	TRISSA YOSTER			8.500	31.50	.00	.00	.00	.00	.00	.00
10 ENTRIES			TOTALS:	3	222.75	.00	.00	.00	.00	.00	.00

REGULAR BASH OF EMPLOYEES 03

1 SALARIED EMPLOYEES

9 HOURLY EMPLOYEES

Check for 12 hrs.

Flow

FROM DATE: 22-MAY-96 FOREST HILLS COUNTRY CLUB PAGE 002

PAYROLL ATTENDANCE REGISTER

FOR THE PAY PERIOD ENDING 05/22/96

NO	NAME	EMPLOYEE TYPE	BASE PAY	REG HOURS	OVERTIME HOURS	VACATION HOURS	HOLIDAY HOURS	TRAV-PAY	MISC DOLLARS	WKS TMC
1128	SIAMK KLINGBERG	M	8.353	23.50	.00	.00	.00	.00	.00	.00
1137	EDWARD A. JOHNSON	M	9.720	40.00	.00	.00	.00	.00	.00	.00
1203	R J DODD	S	100.000	.00	.00	.00	.00	.00	.00	.00
1204	WILLIAM HANS	M	8.300	42.00	.00	.00	.00	.00	.00	.00
1209	CHRISTOPHER BLADE	M	8.000	43.75	.00	.00	.00	.00	.00	.00
1219	CHRISTOPH STAFF	M	7.500	30.00	.00	.00	.00	.00	.00	.00
1257	KALLY BUTT	M	8.000	36.00	.00	.00	.00	.00	.00	.00
1341	CARRI BERTON	M	3.750	21.30	.00	.00	.00	.00	.00	.00
1357	CHRISTOPHER W. CONCENTO	M	3.230	30.00	.00	.00	.00	.00	.00	.00
1383	TRISHA TOUTER	M	4.000	37.00	.00	.00	.00	.00	.00	.00
10	TOTALS:			229.75	.00	.00	.00	.00	.00	.00
GROSS WAGE OF EMPLOYEES			1	229.75						
DEDUCTIONS			1							

Christopher
Ph...
AT

FROM DATES 29-MAY-96 PINEY HILLS COUNTRY CLUB PAGE 001

PAYROLL ATTENDANCE REGISTER

FOR THE PAY PERIOD ENDING 05/29/96

NO	NAME	EMPLOYEE	TYPE	RATE PAY	REG- HOURS	EXEMPT HOURS	VACATION HOURS	HOLIDAY HOURS	TRAV-PAY	RISC DOLLARS	MS VAC
3120	JANE KLINGBECK		M	8.350	38.00	.00	.00	.00	.00	.00	.00
3197	RONALD A. JOHNSON		M	9.120	33.75	.00	.00	.00	.00	.00	.00
3203	E. J. GARDEN		J	100.000	.00	.00	.00	.00	.00	.00	.00
3206	WILLIAM GAMB		M	9.300	42.00	.00	.00	.00	.00	.00	.00
3209	CHRISTOPHER ELDER		M	9.000	47.25	.00	.00	.00	.00	.00	.00
3233	ROBERT WATT		M	9.000	28.75	.00	.00	.00	.00	.00	.00
3361	CARI MERTON		M	3.150	28.50	.00	.00	.00	.00	.00	.00
3367	CHRISTOPHER H. CHASENTE		M	5.250	38.00	.00	.00	.00	.00	.00	.00
3383	THELMA THURTON		J	4.500	28.00	.00	.00	.00	.00	.00	.00
3384	STELLA SCHLADKE		M	7.500	38.00	.00	.00	.00	.00	.00	.00
10	ENTRIES	TOTALS			292.00	.00	.00	.00	.00	.00	.00

DETAILS FROM SP EMPLOYEE *S S SALARIED EMPLOYEES S HOURLY EMPLOYEES

Christoph 12 hrs FHY

DATE: 11-JUN-94

FIRST HILLS COUNTRY CLUB

PAGE 033

MONTHLY ATTENDANCE REGISTER
FOR THE PAY PERIOD ENDING 06/12/94

NO	EMPLOYEE NAME	TYPE	BASE PAY	REG HOURS	OVERTIME HOURS	VACATION HOURS	HOLIDAY HOURS	TRAV-PAY	MISC DOLLARS	RES PAY
3220	MIAMI KLEISSMIDEC	A	9-350	25.00	.00	.00	.00	.00	.00	.00
3297	RONALD A. JOHNSON	B	9-720	26.00	.00	.00	.00	.00	.00	.00
3283	E J JUREK	S	150.00	.00	.00	.00	.00	.00	.00	.00
3286	WILLIAM BASS	A	8-300	43.00	.00	.00	.00	.00	.00	.00
3289	CHRISTOPHER ALDER	A	8-800	47.50	.00	.00	.00	.01	.00	.00
3353	KALEY BENT	A	8-000	23.00	.00	.00	.00	.00	.00	.00
3361	CARI BERTON	A	3-750	23.00	.00	.00	.00	.00	.00	.00
3367	CHRISTOPHER M. COUCHYD	A	8-250	29.00	.00	.00	.00	.00	.00	.00
3389	TRIXIE YOSTER	A	4-300	30.00	.00	.00	.00	.00	.00	.00
3386	STELLA KOULIANDIS	A	2-500	22.50	.00	.00	.00	.00	.00	.00
3397	JOE SUCARAW	A	8-250	29.00	.00	.00	.00	.00	.00	.00
11	ENTRIES	TOTALS:		320.50	.00	.00	.00	.00	.00	.00

36178 CASES OF EMPLOYER *S 1 SALARIED EMPLOYEES 10 UNPAID EMPLOYEES

Handwritten notes:
 Christopher 20 hrs.
 Ron 18 hrs.
 Chris Enders 40 hrs.
 18 hrs.
 18 hrs.
 18 hrs.
 18 hrs.

11-20-96

FIREST HILLS COUNTRY CLUB

PAGE 031

ALL ATTENDANCE REGISTERED

FOR THE PAY PERIOD ENDING 11/20/96

EMPLOYEE	DATE	TIME	REG	INVERTING	VACATION	HOLIDAY	TRAV-PAY	MISC	45
NAME	TYPE	ACT	HOURS	ACTUAL	HOURS	HOURS		DOLLARS	RAC
3110 DIANE KLINGEMAN	H	8.350	39.00	.00	.00	.00	.00	.00	
3120 DIANE KLINGEMAN	H	8.350	42.00	.00	.00	.00	.00	.00	
3128 DIANE KLINGEMAN	H	8.350	48.00	.00	.00	.00	.00	.00	
3137 RONALD S. JOHNSON	H	8.723	41.25	.00	.00	.00	.00	.00	
3203 J. A. JOHNSON	H	8.000	38.00	.00	.00	.00	.00	.00	
3206 JILLIAN GARD	H	8.303	46.00	.00	.00	.00	.00	.00	
3209 CHRISTOPHER SLOAN	H	8.000	47.00	.00	.00	.00	.00	.00	
3203 GARY WATT	H	8.000	38.00	.00	.00	.00	.00	.00	
3301 GARY WATT	H	8.750	27.50	.00	.00	.00	.00	.00	
3307 CHRISTOPHER W. CONNERTY	H	8.293	35.50	.00	.00	.00	.00	.00	
3303 TERRY TERRY	H	8.000	38.00	.00	.00	.00	.00	.00	
3307 JOE SACHARAN	H	8.250	40.50	.00	.00	.00	.00	.00	
13 TOTALS	TOTALS		428.75	.00	.00	.00	.00	.00	
1307A MAKE TO EMPLOYEE #1	1 SALARIED EMPLOYEES								
	13 HOURLY EMPLOYEES								

Charlyne 16 hrs
Ron 9 hrs
Cheri 30 hrs
Joe 12 hrs

FOREST HILLS UTILITIES, INC.

Docket No. 961475-SU

RESPONSE TO QUESTION NO. 10




FOREST HILLS UTILITIES, INC.
FLORA FORCE MAIN and PLUMBTREE LIFT STATION PROPOSAL
as per
Leverus, Bour & Stevens, Dated 08/23/95
APRIL 22, 1996

Plumbtree Lift Station Rehabilitation	\$38,000.00
"Existing Subdivision Retro Fit"	
1,760 ft. of 6" DR 18 force main @ \$18.00 per ft	\$31,680.00
660 ft of 8" DR 18 force main @ \$23.00 per ft.	\$15,180.00
60 ft of 6" Ductile Iron Pipe Bridge Crossing	\$6,800.00
Installation of a 8" Mag flow meter.	\$12,000.00
Jack and bore on Grand Blvd.	\$5,000.00
Jack and bore on Basswood Dr.	\$5,000.00
Open cut on Flora Ave.	\$3,500.00
Removal and replacement of 19 concrete drives @ \$450.00 per drive.	\$8,550.00
Removal and replacement of 1,860 sq. ft of concrete sidewalk @ \$3.50 per sq. ft.	\$6,300.00
Replacement of 12,000 sq. ft of sod @ \$.70 per sq. ft.	\$8,400.00
Total	<u>\$149,410.00</u>

Note: *Does not include rock excavation, tree removal, dewatering or permitting.

Accepted by:

Robert L. Dreher, President
Forest Hills Utilities, Inc.


Gary Beremer, President,
H₂O Utility Services, Inc.

Date: April 20, 1996
 Quotation No.: 4001-FH11

Water Distribution Lines
 Sanitary Sewage Lines
 Storm Drain Lines & Structures
 Modifications and Repairs
 Backflow Device Testing & Repair

SOUTHERN BAY CORPORATION
 19092 Angler Street
 Spring Hill, FL 34609
 (352) 886-1014

Name: Forest Hills Utilities, Inc.
 Address: 1518 U.S. HWY. 19
 City, State: Holiday, FL 34691

Description: Flora Force Main and Plumtree Lift Station Proposal

Item #	Description	Quantity	Unit	Unit Price	Amount
FORCE MAIN:					
1	8" PVC DR-18	660	L.F.	\$ 21.25	\$ 14,025.00
2	6" PVC DR-18	1,760	L.F.	21.75	38,280.00
3	Bridge crossing per plans.	1	L.S.	10,200.00	10,200.00
4	8" Mag meter per plans.	1	L.S.	10,785.00	10,785.00
5	Grand Blvd. Jack & Bore per plans.	1	L.S.	6,200.00	6,200.00
6	Basswood Dr. Jack & Bore per plans.	1	L.S.	6,200.00	6,200.00
7	Open road cut per plans. (Flora Ave.)	1	L.S.	2,800.00	2,800.00
8	Concrete driveway removal and restoration.	19	EA.	575.00	10,925.00
9	Concrete sidewalk removal and replacement.	207	SQ. YD	637.50	7,761.50
10	Flortan sod restoration.	1,300	SQ YD	7.00	9,100.00
	TOTAL:				\$116,277.50
LIFT STATION REHABILITATION:					
1	Rehab. per plans.	1	L.S.	\$42,800.00	\$ 42,800.00
	FORCE MAIN TOTAL:				\$116,277.50
	LIFT STATION REHABILITATION TOTAL:				\$ 42,800.00
	TOTAL QUOTATION:				\$159,077.50

NOT INCLUDED IN QUOTE: Engineering, permits, fees, survey, dewatering, rock excavation, unsuitable material excavation or removal, special backfill and/or bedding material other than excavated material, Flortan sod restoration. (Flortan sod will be placed at \$8.50 per SQ YD.)

TERMS: Net cash, ten days from date of invoice. In the event subject work requires more than thirty days to complete, we will invoice at the end of each month for all work performed during that month and will be entitled to receive payment of said invoice within ten days from date of invoice, less a retainer of five percent to be held until completion. Final billing payable ten days from date of invoice.

QUANTITIES: It is understood that the quantities stated are approximate only and that final payments will be in accordance with actual quantities of work performed.

Respectfully submitted,

Accepted by: _____

Date: _____

FOREST HILLS UTILITIES, INC.

Docket No. 961475-SU

RESPONSE TO QUESTION NO. 11



**JOB DESCRIPTION OF DUTIES PERFORMED AT
FOREST HILLS UTILITIES, INC.
FLORA AVE. FORCE MAIN INSTALLATION
and
FLUMBTREE LIFT STATION REHABILITATION
and
FORCE MAIN INSTALLATION**

Project Coordinator

- (1) Evaluated plans and job site.
- (2) Met with Pasco County Utilities for the start up of the project.
- (3) Coordinated with Engineer on various aspects of the project.
- (4) Priced and ordered material.
- (5) Secured and scheduled delivery of rental equipment.
- (6) Coordinated and scheduled road boring subcontractor.
- (7) Made various daily site inspections to assure job efficiency.
- (8) Assisted in carrying out Engineering change orders.
- (9) Coordinated delivery of materials and equipment to job site.
- (10) Made various field decisions to assure the proper retrofit to the existing system.
- (11) Performed "final walk through" with the Engineer.
- (12) Met on site with Pasco County Utilities to put the new system in service.

Tradesmen

- (1) Equipment operator, including backhoe, dump truck and box blade.
- (2) Communicated with Project Coordinator on status of project.
- (3) Delegated work assignments for maintenance mechanics.
- (4) Responsible for lift station rehabilitation including pipe fitting and electrical.
- (5) Supervised installation of pipe.

Maintenance Mechanics

- (1) Removed concrete sidewalk, driveways.
- (2) Installed 6" and 8" pipe.
- (3) Installed valves and various fittings for connection to the existing system.
- (4) Performed various manual labor tasks such as hand digging and raking.

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Job Description

Job Title: Maintenance Mechanic

Department: Maintenance

GENERAL DESCRIPTION:

Skilled work in maintaining, repairing and installing water and wastewater mains, hydrants, backflow devices, lift stations, water and wastewater plants, etc. Work is performed under the supervision of a tradesman.

ESSENTIAL JOB FUNCTIONS:

1. Installs and changes out water meters. Installs, relocates and repairs fire hydrants. Installs, repairs, locates and exercises valves. Installs water service, taps, meter sets.
2. Repairs water and sewer service leaks and main breaks.
3. Replaces meter boxes.
4. Checks low water pressure.
5. Checks lift stations. Cleans lift stations.
6. Assists in the repair of pumps, controls and other equipment.
7. Provides water main and service locations.
8. Repairs various water and sewer pumping equipment.

(These essential job functions are not to be construed as a complete statement of all duties performed. Employees will be required to perform other job related assigned duties as necessary.)

MINIMUM QUALIFICATIONS:

KNOWLEDGE, ABILITIES AND SKILLS:

- Knowledge of the materials, methods, practices and equipment used in the water and wastewater field.
- Ability to work from sketches, maps, blueprints.
- Ability to work during off time when called for emergencies.
- Ability to establish working relationships with other employees and the general public.
- Ability to communicate verbally and in writing.

- Basic mathematical skills.
- Skill in reading and comprehending operations and maintenance manuals, utility policy and procedures, etc.

EDUCATION AND EXPERIENCE:

High school graduation or possession of an acceptable equivalency diploma. One (1) year experience in water and wastewater field.

(A acceptable amount of training, education or experience can be substituted for the minimum qualifications.)

LICENSES, CERTIFICATIONS OR REGISTRATIONS:

Class "C" Level Wastewater Collection Technician.
 Class "C" Level Water Distribution System Technician Certificate desirable.
 Valid Florida Driver's License.

ESSENTIAL PHYSICAL SKILLS:

- Lifting and carrying heavy equipment (45 pounds and over.)
- Acceptable eyesight (with or without correction.)
- Ability to communicate both orally and in writing.
- Acceptance hearing (with or without hearing aid.)
- Walking, standing, kneeling, bending, stooping, climbing, running.
- Driving.
- Reaching

ENVIRONMENTAL CONDITIONS:

- Works inside.
- Works outside in various weather conditions with: Chemicals, electricity, odors.
- Slippery surfaces.
- Below ground level.

(Reasonable accommodations will be made for otherwise qualified individuals with a disability.)

Jobline



Job Description

Job Title: Maintenance Manager

Department: Maintenance

GENERAL DESCRIPTION:

Lead work in maintaining and repairing the water mains, backflow preventers and water meters and other utility projects. Skilled work in maintaining, repairing and installing water and wastewater mains, hydrants, backflow devices, lift stations, water and wastewater plants, etc. Work is performed under the supervision of the Company President.

ESSENTIAL JOB FUNCTIONS:

1. Overall responsibility for the efficient function of the Maintenance Department.
2. Acts as Project Coordinator on various construction projects.
3. Assigns and coordinates work for multiple repair and construction work crews.
4. Prepares various cost estimate proposals.
5. Procures work through various bids.
6. Inspects and reviews new construction plans.
7. Orders various pieces of equipment and materials for repairs and construction projects.
8. Coordinates on site meetings with customers and potential new clients.
9. Responsible for reporting to State Agencies equipment failures, hazard material spills, and cleanups.
10. Responsible for Safety Training Classes and all new aspects of OSHA standards.
11. Coordinates with Engineering Department for project equipment selection, preparation of plans and specifications and conducts field investigations necessary for design.

(These essential job functions are not to be construed as a complete statement of all duties performed. Employees will be required to perform other job related marginal duties as necessary.)

MINIMUM QUALIFICATIONS:

KNOWLEDGE, ABILITIES AND SKILLS:

- Knowledge of department methods, operating rules and equipment of construction and maintenance of the water/sewer network. Knowledge of the materials, methods, practices and equipment used in the water and wastewater field.
- Knowledge of occupational hazards as well as safety precautions of the work place.
- Ability to work from sketches, maps, blueprints.
- Ability to plan, direct and lead the work crew.
- Ability to have an effective relationship with the public.
- Ability to supervise.
- Ability to prepare written reports and keep records.
- Ability to do manual work under various weather conditions.
- Skill in the use of hand and power tools
- Skill in communications both verbally and in writing.
- Skill in operating light to heavy equipment.
- Ability to work during off time when called for emergencies.
- Ability to establish working relationships with other employees and the general public.
- Ability to communicate verbally and in writing.
- Basic mathematical skills.
- Skill in reading and comprehending operations and maintenance manuals, utility policy and procedures, etc.

EDUCATION AND EXPERIENCE:

High school graduation or possession of an acceptable equivalency diploma. Five (5) years experience in operating heavy construction equipment and construction and distribution maintenance experience.

(A comparable amount of training, education or experience can be substituted for the minimum qualifications.)

LICENSES, CERTIFICATIONS OR REGISTRATIONS:

Class "C" Water Distribution Certificate.

Class "C" Commercial Florida Driver's License with hazard endorsement.

Backflow tester prevention and repair certificate.

Class "C" level Distribution System Operator (Field Technician) certificate desirable.

Valid Florida Driver's License.

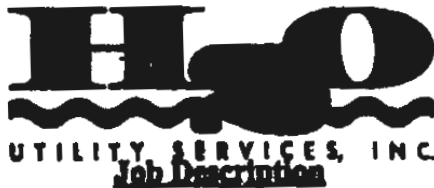
ESSENTIAL PHYSICAL SKILLS:

- Acceptable eyesight (with or without correction.)
- Acceptance hearing (with or without hearing aid.)
- Ability to communicate both orally and in writing.
- Ability to lift and carry heavy equipment (45 pounds and over).
- Pulling, pushing, reaching.
- Depth perception.
- Driving and operating equipment.
- Acceptance hearing (with or without hearing aid.)
- Walking, standing, kneeling, bending, stooping, climbing, running, climbing.

ENVIRONMENTAL CONDITIONS:

- Works inside and outside in various weather conditions with noise, dust chemicals, electricity, and odors.
- In or with moving vehicles.
- Below ground level.
- Slippery surfaces.

(Reasonable accommodations will be made for otherwise qualified individuals with a disability.)



Job Title: Tradesman

Department: Maintenance

GENERAL DESCRIPTION:

Lead work in maintaining, installing and repairing the water mains, backflow preventers, water meters, lift stations and other related utility projects. Skilled work in maintaining, repairing and installing water and wastewater mains, hydrants, backflow devices, lift stations, water and wastewater plants, etc. Work is performed under the supervision of the Maintenance Supervisor.

ESSENTIAL JOB FUNCTIONS:

1. Supervises and participates in the tasks and work of utility crews engaged in the repair, rework, maintenance of the water mains and meters. Installs and changes out water meters. Installs, relocates and repairs fire hydrants. Installs, repairs, locates and exercises valves. Installs water service, taps, meter sets.
2. Operates utility equipment that pertains to tasks assigned, i.e. backhoe, dump truck, etc.
3. Installs new water mains. Repairs water and sewer service leaks and main breaks.
4. Replaces meter boxes. Repairs meters and changes out broken meters.
5. Checks low water pressure. Tests, installs and repairs backflow preventers.
6. Performs preventative and corrective lift station maintenance. Constructs new lift stations.
7. Assists in the repair of pumps, controls and other equipment. Responsible for job site logistics and operations, traffic controls, discipline, record keeping and assigns individual tasks at job site.
8. Provides water main and service locations. Flushes and repairs fire hydrants.
9. Repairs various water and sewer pumping equipment. Assists with department budget presentation.
10. Inspects and reviews new construction plans.

(These essential job functions are not to be construed as a complete statement of all duties performed. Employees will be required to perform other job related important duties as necessary.)

MINIMUM QUALIFICATIONS:

KNOWLEDGE, ABILITIES AND SKILLS:

- Knowledge of department methods, operating rules and equipment of construction and maintenance of the water/sewer network. Knowledge of the materials, methods, practices and equipment used in the water and wastewater field.
- Knowledge of occupational hazards as well as safety precautions of the work place.
- Ability to work from sketches, maps, blueprints.
- Ability to plan, direct and lead the work crew.
- Ability to have an effective relationship with the public.
- Ability to supervise.
- Ability to prepare written reports and keep records.
- Ability to do manual work under various weather conditions.
- Skill in the use of hand and power tools
- Skill in communications both verbally and in writing.
- Skill in operating light to heavy equipment.
- Ability to work during off time when called for emergencies.
- Ability to establish working relationships with other employees and the general public.
- Ability to communicate verbally and in writing.
- Basic mathematical skills.
- Skill in reading and comprehending operations and maintenance manuals, utility policy and procedures, etc.

EDUCATION AND EXPERIENCE:

High school graduation or possession of an acceptable equivalency diploma. Two (2) years experience in operating heavy construction equipment and construction and distribution maintenance experience.

(A comparable amount of training, education or experience may be substituted for the minimum qualifications.)

LICENSES, CERTIFICATIONS OR REGISTRATIONS:

Class "C" Wastewater Collection Technician.
Class "C" Water Distribution Technician.
Class "C" Commercial Florida Driver's license with hazard endorsement.
Backflow prevention tester and repair certificate.
Valid Florida Driver's License.

ESSENTIAL PHYSICAL SKILLS:

- Acceptable eyesight (with or without correction.)
- Acceptance hearing (with or without hearing aid.)
- Ability to communicate both orally and in writing.
- Ability to lift and carry heavy equipment (45 pounds and over).
- Pulling, pushing, reaching.
- Walking, standing, bending, stooping.
- Kneeling, climbing, running.
- Depth perception.
- Driving and operating equipment.

ENVIRONMENTAL CONDITIONS:

- Works inside and outside in various weather conditions with noise, dust chemicals, electricity, and odors.
- In or with moving vehicles.
- Below ground level.
- Slippery surfaces.

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