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ROBERT M C. ROSE
OF COUNSEL

ORIGINAL

March 14, 2002
VIA HAND DELIVERY

Jason Fudge, Esquire
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0873

Re: Sun Communities Finance LLC d/b/a Water Oak Utility; PSC Docket No. 010087-WS
Our File No. 33013.01

Dear Jason:

Attached are the responses of the Utility to the Staff's First Data Request. I apologize for the delay in getting you this information. However, hopefully this short delay will not create any problems, especially given the fact that we have granted a several week extension of time for the Commission to process this case.

As we have noted in my previous letters, there are still closing entries to be completed by the outside accountants and while we have tried to update the figures from the original Reuse Project Plan filing for updated cost information in the last couple of weeks in response to this request, there will still be some changes that may very possibly occur to the figures provided in these responses due to adjustments and allocations from the outside accountants.

If you or any members of the staff have any questions in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding
For The Firm

AUS ____
CAF ____
CMP FMD/tms
COM cc Ms. Gabriel Umbel
CTR ____ Ms. Lori Rumer
ECR ____ Gary Morse, P.E.
GCL ____ Julian Coto, P.E.
OPC ____ Mr. Jim Hoekstra
MMS ____ Mr. Brian W. Fannon
SEC 1 waterоak\4fudge.ltr
OTH ____

Docket No. 010087-WS
Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

1. Does the utility have an agreement or contract with the golf course to provide reclaimed water for irrigation? If so, please submit a copy.

Answer: The utility does not currently have a written agreement with the golf course for the provision of irrigation water. However, informally, the golf course has agreed to accept all irrigation water produced by the wastewater treatment plant and the new reuse process, and the Utility has agreed to provide all such water produced. The golf course has agreed to accept all of the reuse water under condition that they will receive It permanently, and at a rate not materially different than that proposed in the Reuse Project Plan filed by the Utility.

Prepared by: Gary S. Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

2. Have the modification components and costs listed on page 6 of the study changed since the study was completed? If so, please provide an update.

Answer: **The engineer's opinion of costs has been adjusted by a factor of 2.33% to account for annual inflation per the PSC price index in Docket No. 020005-WS.**

Table III
Proposed Expansion Requirements

Item	Component	Cost
1.00	Two new clarifiers and digesters	150,000
2.00	Dosing Tanks	20,000
3.00	Pressure sand filter	25,000
4.00	Chlorine contact tank	7,500
5.00	Effluent Monitoring Equipment	15,000
6.00	Irrigation Pumping Station and Transmission Main	80,000
7.00	Emergency Generator	45,000
8.00	Retrofit / repair existing WWTP	25,000
9.00	Backflow preventers	20,000
10.00	24-hour reject holding pond	15,000
11.00	Sub-total:	402,500
12.00	Engineering, Surveying and Permitting	35,000
13.00	Contingency Allowance: 15% + 4.66% inflation (2 yrs.)	86,013
14.00	Total:	523,513

Prepared by: Julian Coto

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

3. Have the operating cost components and costs listed on page 8 of the study changed since the study was completed? If so, please provide an update.

Answer: The projected operating costs have been revised to account for inflation.
MARTY: THESE NUMBERS TO CHANGE!!

Table IV
Operating Costs

Item	Component	Cost
1.00	Cost of Contract Operator	76,440
2.00	Power Costs	25,929
3.00	Chemical Costs	3,137
4.00	Repair/Maintenance/Lab/Billing	39,125
5.00	Sludge Removal	22,134
6.00	Other Operating Costs	53,573
7.00	Sub-total:	220,338
8.00	Adjustment for inflation 2.33%	5,134
9.00	Total	$225,472

Prepared by: Julian Coto

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

4. Has the utility changed its assumptions regarding the financing for the project as described on page 8 of the study? If so, please provide an update.

Answer: No change in has occurred in the financing assumptions.

Prepared by: Gary S. Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

5. What is the total amount of wastewater revenue deferred pursuant to Order No. PSC-00-1165-PAA-WS, from July 2000 to a current date?

Answer: The total amount of wastewater revenue billed through December 2001 per the J&B Quarterly Billing Reports submitted to the Commission is $259,581. Based upon the deferral required by the last order (23.07%), the deferred wastewater revenue is $59,885.

Prepared by: Gary S. Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

6. What is the estimated amount of deferred wastewater revenue the utility will have collected by the time construction begins and by the time the facility is on line?

Answer: Based upon Commission approval of the reuse plan in August 2002, construction could begin around July 31, 2003 with operation to begin around April 30, 2004 per the engineer's revised project schedule delineated in the answer to question no. 7 herein. That is a total of 28 months from the end of 2001. Assuming wastewater revenue remain fairly level (based on historical data) at $14,000 per month, then the amount deferred each month is approximately $3,230 at 23.07%. The estimated amount of wastewater revenue deferred for the 28-month period is $90,434.

Based upon the deferred revenue stated in the answer to question 5 of $59,885 and the estimated data here, total deferred revenue is approximately $150,319 at the time the facility is placed in service.

Prepared by: Gary S. Morse

Estimated Sewer Revenue Until Plant On Line
Workpaper Only

	Actuals	Estimated	Total Rev		
July-Sept 00	41,171	-	41,171		
Oct-Dec 00	44,288	-	44,288		
Jan-March 01	42,991	-	42,991		
April-June 01	44,965	-	44,965		
July-Sept 01	41,434	-	41,434		
Oct-Dec 01	44,732	-	44,732	174,122	7835.49
Jan-02		14,000	14,000		
Feb-02		14,000	14,000		
Mar-02		14,000	14,000		
Apr-02		14,000	14,000		
May-02		14,000	14,000		
Jun-02		14,000	14,000		
Jul-02		14,000	14,000		
Aug-02		14,000	14,000		
Sep-02		14,000	14,000		
Oct-02		14,000	14,000		
Nov-02		14,000	14,000		
Dec-02		14,000	14,000		
Jan-03		14,000	14,000		
Feb-03		14,000	14,000		
Mar-03		14,000	14,000		
Apr-03		14,000	14,000		
May-03		14,000	14,000		
Jun-03		14,000	14,000		
Jul-03		14,000	14,000		
Aug-03		14,000	14,000		
Sep-03		14,000	14,000		
Oct-03		14,000	14,000		
Nov-03		14,000	14,000		
Dec-03		14,000	14,000		
Jan-04		14,000	14,000		
Feb-04		14,000	14,000		
Mar-04		14,000	14,000		
Apr-04		14,000	14,000		
Totals	259,581	392,000	651,581		
Total Est. Deferred as CIAC @ 23.07%			150,320		
Net Loan amount(Project Cost Less Deferrec			373,193		
Principal/Interest on Loan			**43,731**	@ 8% for 15 years	

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

7. Please update the project schedule as shown on page 9 of the study.

Answer: Below is an updated project schedule. The project schedule assumes that the Reuse Plan will be approved by August 30, 2002.

Preliminary Project Schedule

Project Plan Approved by FPSC ..... August 30, 2002

Start Design ..... October 1, 2002

Complete Design / Start Permitting ..... February 28, 2003

Complete Permitting ..... June 30, 2003

Start Construction ..... July 31, 2003

Complete Construction / Start-up..... April 30, 2004

Prepared by: Julian Coto

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

8. Table 1 of the study, Projected Wastewater Rate Base, does not reflect additions to utility plant from normal customer growth. What is the projected growth in utility plant in service per month for 2001, 2002, and 2003 for water and wastewater?

Answer: No major additions to utility plant in service are necessary from normal customer growth at this time or from 2001 through 2006. However, Table 1 has been revised to reflect preliminary 2001 actual balances pending the preparation of the 2001 Annual Report. The revised Table 1 is attached.

Prepared by: Gary S. Morse

Table 1
Water Oak Utilities
Summary of Utility Plant Investment
Projected Wastewater Rate Base

Line No.		Balance @ 12/31/2000	Balance @ 12/31/2001	Est Balance 12/31/2002	Est.Balance 12/31/2003	Est.Balance 12/31/2004
1	Gross Utility Plant In Service	$ 513,202	$ 517,618	$ 522,618	$ 527,618	$ 532,618
	Add:					
2	Gross Investment in Reuse Facility	-	-	-	-	523,513 (1)
	Deduct:					
3	Accumulated Depreciation	(313,657)	(334,281) (5)	(354,905) (5)	(375,529) (5)	(413,612)
4	CIAC	(207,844)	(211,822)	(211,822) (3)	(211,822) (3)	(362,142) (3)
5	Accumulated Amortization CIAC	65,639	71,997	78,355	84,713	96,084
6	Cash Working Capital (2)	15,603	18,769	19,654	20,112	29,700
7	Estimated Net Rate Base	$ 72,943	$ 62,281	$ 53,900	$ 45,092	$ 406,162
8	Required Return to Meet LTD					$ 43,731
9	Overall Rate of Return Required					10.767%

Footnotes:

(1) Assumes facility on line by 4/30/04 per project schedule.
(2) Based on 1/8 of O&M expense assuming inclusion of 12 months of estimated operating and maintenance expense associated with new facility.
(3) Reflects actual funds deferred thru 12/31/01 based on actual revenue collected. For 2002 thru 2004, deferred revs estimated based on $14,000 per month of wastewater revs.
(4) Assumes 1/2 year depreciation at an annual rate of 6.67% (service life of 15 yrs.).
(5) Reflects annual depreciation on current gross plant in service.
(6) Assumes intercompany loan at 8% for 15 years as follows:

Total Project Costs	$ 523,513
Less Cost Free Capital (Def Revs)	150,320
Net Amount Financed	$ 373,193
Annual Principal & Interest Payment	$ 43,731

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

9. Table 1 of the study, Projected Wastewater Rate Base, does not reflect additions to CIAC from normal customer growth. What is the projected growth in CIAC per month for 2001, 2002, and 2003 for water and wastewater?

Answer: At the time the study was originally prepared, no customer growth was assumed and only deferred sewer revenues were reflected as CIAC. However, based on discussions with utility personnel, we now estimate that 25 new connections per year will result. As such, Table 1 has been revised to reflect this level of growth. (See response to no. 14)

Prepared by: Gary S. Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

10. Has Table 3, Summary of Revenue Requirement and Rate Design changed since the study was filed? If so, please update the table.

Answer: Yes, based on the previous answers, Table 3 has been updated and is attached.

Prepared by: Gary S. Morse

Table 3
Water Oak Utilities
Summary of Annual Revenue Requirement
And Rate Design

Line No.		Adjusted 2004	Base Facility Charge	Gallonage Charge
1	Salaries and Wages - Employees	43,353	21,677	21,677
2	Salaries and Wages - Officers, Directors	-	-	-
3	Employee Pensions and Benefits	4,534	2,267	2,267
4	Purchased Wastewater Treatment	-	-	-
5	Sludge Removal Expense	24,337	-	24,337
6	Purchased Power	25,911	-	25,911
7	Fuel for Power Production	-	-	-
8	Chemicals	2,186	-	2,186
9	Materials and Supplies	1,190	595	595
10	Contractual Services:			
11	Professional (Contractual Services - Other)	9,609	4,804	4,804
	Professional (Contractual Services-Operator)	81,909	40,954	40,954
	Billing (J & B)	6,038	6,038	-
12	Lab Testing	6,000	3,000	3,000
13	Other (Repair and Maintenance)	21,505	10,752	10,752
14	Rents	3,066	3,066	-
15	Transportation Expense	1,158	579	579
16	Insurance Expense	-	-	-
17	Regulatory Commission Expenses	266	133	133
18	Regulatory Commission Expenses-Amortization	4,375	2,188	2,188
19	Bad Debt Expense	-	-	-
20	Miscellaneous Expenses/Conservation	2,166	1,083	1,083
21	Sub-Total Operation and Maintenance Expenses	237,602	97,136	140,466
22	Depreciation & Amortization	26,712	26,712	-
	Taxes Other Than Income Taxes:			
23	Property Tax	14,131	14,131	-
24	Regulatory Assessment Fees	15,224	7,612	7,612
25	Payroll Taxes	2,915	1,457	1,457
26	Total Taxes Other Than Income Taxes	32,270	23,201	9,069
27	Minimum Return on Investment	43,731	-	43,731
28	Total Gross Revenue Requirement	340,315	147,049	193,266
	Less:			
29	Estimated Reuse Revenue	(2,006)	-	(2,006)
30	Total Net Revenue Requirement	$ 338,310	$ 147,049	$ 191,260
31	Average No. of ERC's (estimated)	10,956		
32	Revenue Gallons 000's (estimated)	83,549		
	Proposed Rates (No Usage Cap)			
33	**Base Charge 5/8x3/4" ($/month)**		**$ 13.42**	
34	**Gallonage Charge ($/1,000 gallons)**			**$ 2.29**

	Typical Residential Bill:	Proposed	Current	Increase
35	At 5,000 gallons per month	$ 24.87	$ 18.00	$ 6.87
36	At 10,000 gallons per month	$ 36.32	$ 20.07	$ 16.25
37	At 15,000 gallons per month	$ 47.77	$ 20.07	$ 27.70

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

11. What costs has the utility incurred to date for its reuse project? Please provide the dates and amounts. Describe the construction or modification that has taken place.

Answer: The utility has not started design, permitting, or construction of the reuse project. The only costs incurred are those related to the Reuse Project Plan preparation and filing with the FPSC. The costs include consulting and legal fees as follows:

a. Excel Engineering Consultants, Inc.: **Marty: Excel To Provide**

b. Rose, Sundstrom and Bentley, LLP: $8,200.43

Prepared by: Julian Coto, Gary Morse, Marshall Deterding

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

12. On Table 3, what is the basis of the utility's estimation of ERCs for 2002 and 2003? Please provide the calculation for water and wastewater.

Answer: As previously stated, no significant growth was assumed for the forecast period. The utility provided wastewater service to a total of 850 customers at the end of 2001 which were assumed to be 1 ERC each. Total bills (or ERCs) for rate design is 850 times 12 months or 10,200.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

13. On Table 3, what is the basis of the utility's estimation of gallons for 2002 and 2003? Please provide the calculation for water and wastewater.

Answer: Took the amount of water sold per 2000 Annual Report (93,483) and assumed 80% would be revenue gallons for wastewater.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

14. According to the utility's 2000 annual report, there were 817 water customers and 795 wastewater customers. How many water and wastewater customers did the utility service in 2001? How many water and wastewater customers are estimated for 2002 and 2003?

Answer: As previously indicated, at the end of 2001 there were 850 customers served by the utility as reported on the Quarterly Billing Summary provided to the Staff. It should be noted that there slightly fewer sewer customers as there are several irrigation meters installed to serve common areas. The original filing did not incorporate any customer growth beyond the 850 customers. However, according to conversations with the utility personnel, approximately 25 new residential water and sewer customers will be added to the system each year. This customer growth should be recognized for rate design purposes. By the end of 2003, It is estimated that the system will be serving 900 customers. At April 30, 2004, when the plant comes on line, It is estimated that 908 customers will be served by the system. At the end of 2004, It is estimated that there will be 925 customers served. For 2004, an average of 913 customers will be served.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

15. Section 367.081(3), Florida Statutes, allows the Commission to allocate the costs of a reuse project amount the utility's water. wastewater, or reuse customers, or any combination thereof. In Order No. PSC-00-1165-PAA-WS, the Commission anticipated allocated a portion of reuse cost recovery to Sun Communities water customers. Please explain why the utility did not consider allocating any of the costs to the water customers.

Answer: The Utility has allocated all of the costs of the reuse system to the wastewater system for several reasons. First, It is difficult to assess the impact that the reuse system has directly or even indirectly on water customers and the water resources in general. Any attempt to allocate a portion of the cost to water customers would be somewhat speculative as a result. In addition, these costs were primarily required to be incurred by the Utility, not because of any deminished water resource issues, but more specifically, because of concerns with effluent disposal. A reuse system is first and foremost a system for effluent disposal. The Utility has established a reuse charge in making its calculations, which directly assesses a portion of the cost to the person(s) receiving the reuse water resource. However, the utility would not object to the Commission allocating a portion of the reuse revenue requirement to the water customers.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

16. What is the status of the utility's DEP and water management districts permit applications?

Answer: The Wastewater Treatment Facility has an operating permit (FLA010529) which expires in January 15, 2004. The Water Treatment Facility has a CUP permit (No. 20-069-0161M) which expired on January 4, 2002. A permit application was filed in December, 2001 and the permitting is in process.

Since the design of the wastewater treatment facility has not been completed there are no pending permit application with FDEP for the construction of the reuse facility.

Prepared by: Julian Coto

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

17. When are the permits expected to be approved?

Answer: Please refer to question no. 16. above.

Prepared by: Julian Coto

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

18. Please provide any correspondence between the WMD's the DEP and the utility regarding the permits since the application was filed?

Answer: Attached are the copies of the correspondence.

Marty: Julian to provide.

Prepared by: Julian Coto

Florida Department of Environmental Protection
Twin Towers Office Bldg., 2600 Blair Stone Road, Tallahassee, Florida 32399-2400

ANNUAL REUSE REPORT

Part I - Instructions

1. This form is to be submitted on or before January 1 following the completion of each fiscal year (October 1 through September 30). Submittal is required by Rule 62-610.870, F.A.C. This report will be used to develop and maintain a reuse inventory. It will not be used for determination of compliance with permit limitations, other than requirements to submit this report. If flow monitoring information is not available for individual reuse types or types of users, please provide your best estimates of flows allocated to individual reuse types or types of users.

2. Submit one copy to each of the following three addresses:

   a. DEP Reuse Coordinator
   Mail Station 3540
   2600 Blair Stone Road
   Tallahassee, Florida 32399-2400

   b. The appropriate DEP district office (attention Domestic Wastewater Program).

   c. The appropriate water management district.

3. Please type or print legibly. Submit all pages of this form.

4. Completion of this report is required for all domestic wastewater facilities having permitted capacities of 0.1 mgd or larger which contribute reclaimed water to one or more reuse systems permitted under Chapter 62-610, F.A.C. This form is to be completed annually for each separate reuse system.

5. Use the units specified in the form. For flows, show annual average flows (in mgd). This can be obtained by averaging daily flows over a 365-day period, dividing the total annual volume by 365, or by averaging the 12 monthly average flow values.

6. Be sure to submit the required attachments (see Part IX on pages 7 and 8 of this form).

7. The cover sheet of your permit will identify portions of your project classified as "reuse" and portions classified as "effluent disposal." Rule 62-610.810, F.A.C., lists the criteria for classifying projects (or portions of projects) as "reuse" or "effluent disposal."

Part II - General Information

1. Reporting Period: October 1, 2000 through September 30, 2001

2. Date Submitted December 15, 2001

3. Person Completing This Form

   Name Julian R. Coto

   Title President

   Organization Excel Engineering Consultants, Inc.

   Number and Street 122 Wilshire Blvd.

   City/State/Zip Code Casselberry, FL 32707

   Telephone (407) 260-2292

4. Reuse System Name Water Oak Utilities

5. Domestic Wastewater Treatment Facilities Providing Reclaimed Water to This Reuse System

   a. Location of Facilities

      City Lady Lake County Lake

DEP District (check one):

- ☐ Northwest (Pensacola)
- ☐ Northeast (Jacksonville)
- ☒ Southwest (Tampa)
- ☒ Central (Orlando)
- ☐ Southeast (West Palm Beach)
- ☐ South (Ft. Myers)

Water Management District (check one):

- ☐ Northwest Florida (Havana)
- ☒ Suwannee River (Live Oak)
- ☐ Southwest Florida (Brooksville)
- ☒ St. Johns River (Palatka)
- ☐ South Florida (West Palm Beach)

b. Domestic Wastewater Treatment Facility Information

Enter the name of the facility, the DEP identification number, disinfection level,[a] permitted capacity, and annual average flow for each treatment facility providing reclaimed water to this reuse system.

Facility Name	DEP Identification Number	Disinfection Level [a]	Permitted Capacity (mgd)	Average Flow (mgd)
Water Oak Utilities	3035P00172	BA	0.200	0.066
Total Treated Wastewater			0.200	0.066

[a] Enter one of the following codes for disinfection level for each treatment facility:
HI = High-level disinfection, as described in Rule 62-600.440(5), F.A.C.
IM = Intermediate disinfection, as described in Rule 62-600.440(6), F.A.C.
BA = Basic disinfection, as described in Rule 62-600.440(4), F.A.C.
LL = Low-level disinfection, as described in Rule 62-600.440(7), F.A.C.
HB = High-level disinfection & basic disinfection for portions of the treated flow.

Part III - Reclaimed Water and/or Effluent Available for Reuse or Disposal

Source of Water	Average Flow (mgd)
Treated Wastewater [Enter the total from bottom of table in Part II]	0.066
Supplemental Water Supplies (Circle types of water used - Enter total flow)	0
Surface Water Ground Water	
Stormwater Drinking Water	
Water Recovered from ASR [b]	0
Total Water Available for Reuse or Disposal [Should equal the total in Part VI of this form]	0.066

[b] Aquifer Storage and Recovery (ASR) - This activity is described in Rule 62-610.466, F.A.C. If you have an ASR system included in your permit for the reuse system, please make separate entries in both Part III (for the total average flow withdrawn from the ASR well) and in Part VI (for the total average flow injected into the ASR well).

Part IV - Reuse

For each reuse activity, enter the permitted capacity, average flows, and acreage. Do not duplicate any of these entries in Part V of this form. Using available flow records, other available information, and your best judgment, please allocate the average flows for all treatment facilities among the reuse types listed in this part. Make discrete entries (do not show ranges). Show totals at the bottom of the table.

Reuse Type	Reuse Sub-Type	Part	Capacity (mgd)	Flow (mgd)	Area (acres)
Public Access Areas & Landscape Irrigation	Golf Course Irrigation	III			
	Residential Irrigation	III			
	Other Public Access Areas	III			
Agricultural Irrigation & Sprayfields	Edible Crops (Be sure to attach the inventory of edible crop irrigation. See Part IX of this form.)	III			
	Grass, Pasture, Other Crops	II	0.200	0.066	19.30
Ground Water Recharge & Indirect Potable Reuse	Rapid Infiltration Basins (Including Some Perc Ponds) [c]	IV			
	Absorption Fields [c]	IV			
	Surface Water Augmentation (Discharge to Class I Waters)	V			
	Injection to Potable Aquifers	V			
Industrial	At Treatment Plant	VII			
	At Other Facilities	VII			
Toilet Flushing		III			
Fire Protection		III			
Wetlands					
Other (Specify)					
Total Reuse [Enter total flow on Line 1 in Part VI of this form.]			0.200	0.066	19.30

[c] To be considered "reuse," either of the following conditions must exist:

* There are multiple basins or absorption fields that are routinely wetted, dried, and maintained in accord with Part IV of Chapter 62-610, F.A.C., or
* Continuously-loaded ponds must meet the higher treatment/disinfection requirements in Rule 62-610.525, F.A.C.

If neither condition is met, the perc pond or absorption field is "effluent disposal" and should be recorded in Part V in this form (under "Other").

Part V - Effluent Disposal

For each effluent disposal activity, enter the permitted capacity and average flow. Do not duplicate any of these entries in Part IV of this form. Using available flow records, other available information, and your best judgment, please allocate the average flows for all treatment facilities among the effluent disposal types listed in this part. Make discrete entries (do not show ranges) for capacity and flow. Show totals at the bottom of the table.

Disposal Type	Disposal Sub-Type	Permitted Capacity (mgd)	Average Flow (mgd)
Surface Water Discharges	Ocean Outfall		
	To Coastal or Estuarine Waters		
	To Wetlands		
	To Other Surface Waters		
Deep Well Disposal			
Other (specify)			
Total Flow Disposed [Enter total flow on Line 2 in Part VI of this form.]			0

Reuse or Disposal Activity	Average Flow (mgd)
1. **Reuse** (From bottom of Part IV of this form)	0.066
2. **Effluent Disposal** (From bottom of Part V)	0
[b]	

Total (Should equal the total in Part III of this form.) [d]	0.066

[d] The totals in Parts III and VI will not be equal if one of the following conditions exists (check as appropriate):

- ☐ The reuse system includes an ASR system and the amounts injected and withdrawn during the year differ.
- ☐ The reuse system includes one or more reuse activities in which reclaimed water is returned to the treatment facility after its use, where it is then available for reuse or disposal.

Part VII - Public Access Reuse Systems

A. Number of Customers

1. How many single-family residences have reclaimed water service? N/A

2. How many golf courses are irrigated using reclaimed water? _____

3. How many parks or playgrounds are irrigated using reclaimed water? _____

4. How many schools are irrigated using reclaimed water? _____

5. List or describe any unique or unusual uses of reclaimed water. _____

_____

_____

B. Cross-Connection Control Activities

Rule 62-610.469, F.A.C., imposes cross-connection control requirements on reuse systems permitted under Part III of Chapter 62-610, F.A.C. This includes requirements for the implementation of cross-connection control programs by all public water supply systems serving areas that are within the general reclaimed water service area. Color-coding, labeling, and separation distance requirements are included. In addition, inspections within the reclaimed water service area are required.

1. Are all public water supply systems serving areas that are within the general reuse service area actively implementing and enforcing their cross-connection control programs? ☐ Yes ☐ No

   Have all of these cross-connection control programs been accepted by the DEP or the approved county health department? ☐ Yes ☐ No

2. How many illegal cross-connections have been identified during the reporting period? _____

   How many of these cross-connections have been eliminated? _____

   Please, attached a description of identified cross-connections and efforts taken to eliminate them.

3. How many new connections were made to the reclaimed water system during the reporting period? _____

   How many inspections of new reclaimed water connections were made at the time of initial connection? _____

4. How often are the reclaimed water facilities owned/operated by existing reclaimed water customers inspected? _____

5. In addition to the new customer inspections reported in Item 3 above, how many routine or periodic inspections of existing customers were conducted during the reporting period? _____

Part VIII - Charges for the Use of Reclaimed Water (Optional)

Completion of this part of the form is optional. Data on charges for the use of reclaimed water is valuable to utilities and agencies involved in reuse. This type of information is particularly valuable to utilities that are in the process of developing reuse programs. It is hoped that you will share your experience with others by completing this part.

Please, list the fees charged for the use of reclaimed water. Please do not enter wastewater or sewer charges. If reclaimed water is provided at no cost, enter zeroes in both blanks. If the fee structure includes both flat rate and gallonage charge components, make a positive entry in both spaces. Make all entries in the units shown.

1. How much do you charge a single-family residential customer (assume a 0.2-acre lot) for the use of reclaimed water?

   Flat rate ($/month/connection) _____

   Gallonage charge (cents/1000 gal.) _____

2. How much do you charge non-residential customers, such as golf courses, (assume 0.1 mgd on a 50-acre site) for the use of reclaimed water?

   Flat rate ($/month/connection) _____

   Gallonage charge (cents/1000 gal.) _____

Part IX - Required Attachments

Check, as appropriate, and attach the required documentation.

☐ **Inventory of Edible Crop Irrigation** - If reclaimed water is used to irrigate edible crops at commercial agricultural sites, attach a copy of the current edible crop irrigation inventory as required by Rules 62-610.475 and 62-610.870, F.A.C. The inventory shall include the following information:

a. Name of the agricultural operation.
b. Name and telephone number of the owner or operator of the agricultural operation.
c. Address of the agricultural operation.
d. Edible crops irrigated using reclaimed water.
e. Type of application (irrigation) method used.
f. Approximate area (acres) under irrigation using reclaimed water on which edible crops are grown.

☐ **Inventory of Storage Facilities** - If this reuse system was permitted under Part III of Chapter 62-610, F.A.C., attach a copy of the current inventory of storage facilities, as required by Rules 62-610.464, 62-610.830, and 62-610.870, F.A.C. The inventory shall include the following information:

a. Name or identifier for the storage system.
b. Location.
c. Function of the storage system (system storage or reject storage).
d. Type of facility (covered tank, uncovered tank, lined pond, unlined pond).
e. Indication of whether or not the storage facility is a water of the state or discharges to a water of the state.
f. Distance to the nearest public water supply well.
g. Distance to the nearest potable water supply well, which is not a public water supply well.

☐ **Summary of Public Notification Program** - If this reuse system was permitted under Part III of Chapter 62-610, F.A.C., attach a summary of the public notification program activities during the reporting period, as required by Rule 62-610.468(6), F.A.C. The summary shall include the following:

a. Details of written public notification activities (include copies of written notices).
b. Summary of activities involving the news media.
c. Use of advisory signs.
d. Other public notification activities.

☒ **None of these items are required for this reuse system.**

Part X - Permittee's Certification

I certify that the statements made in this report of reclaimed water utilization are true, correct, and complete to the best of my knowledge and belief.

Date: 12·10·01 K Bennett /pb.
Signature

Phone: (248) 932-9675 Kevin Bennett, Vice President of Sun Communities, Inc.
Name and Title (please type)

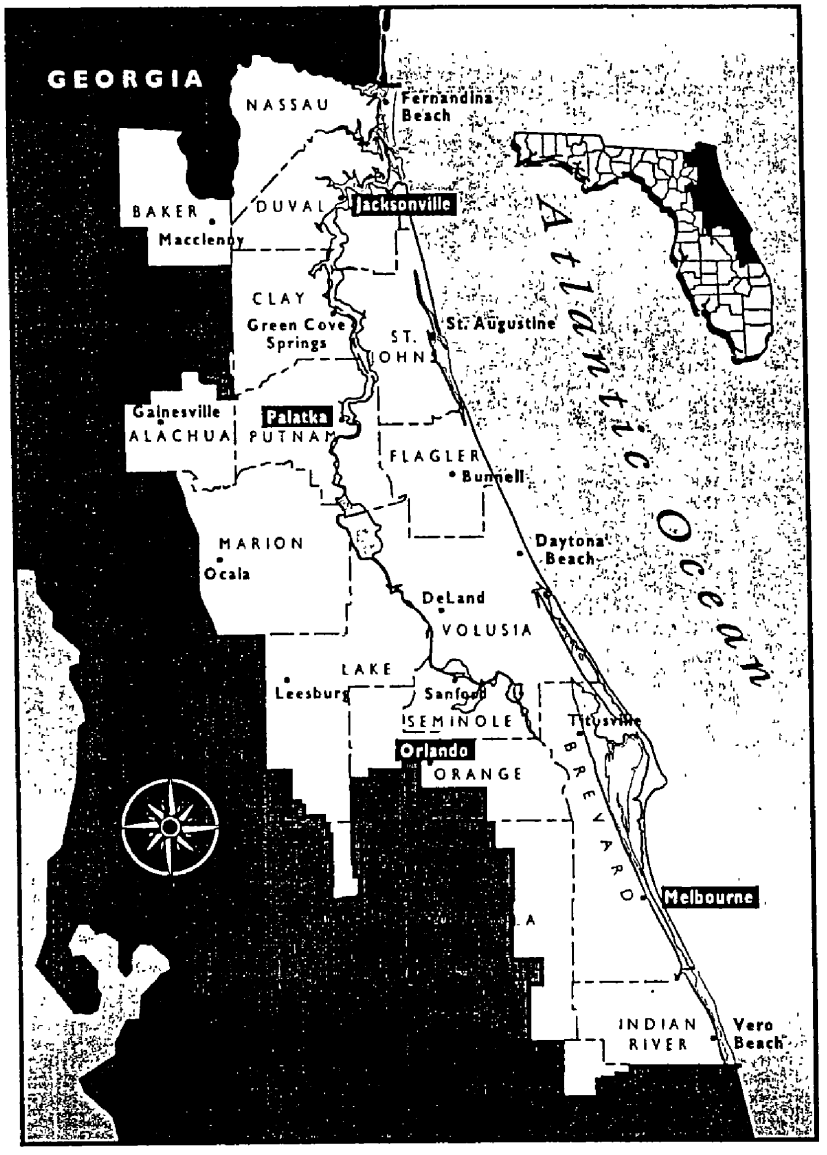
Company Name: Sun Communities, Inc. dba Water Oak Utilities

Address: 106 Evergreen Lane

City/State/Zip Code: Lady Lake, FL 32159

St. Johns River Water Management District

PERMIT APPLICATION
FOR CONSUMPTIVE USES OF WATER



Please mail to the nearest District Service Center:
St. Johns River Water Management District

District Headquarters:

P. O. Box 1429
Highway 100 West
Palatka, Florida 32178
FAX: 904-329-4490

Jacksonville Service Center:

7775 Baymeadows Way
Suite 102
Jacksonville, Florida 32256
FAX: 904-730-6267

Orlando Service Center:

618 East South Street
Suite 200
Orlando, Florida 32801
FAX: 407-897-4354

Melbourne Service Center:

305 East Drive
Melbourne, Florida 32904
FAX: 407-722-5357

Form: 40C-2-1082-1; effective April 25, 1996

INTRODUCTION

Unless expressly exempted by law or District regulation, a consumptive use permit is required for any use, diversion or withdrawal of surface or ground water which meets any of the following criteria:

1. Average annual daily withdrawal exceeding one hundred thousand (100,000) gallons average per day on an annual basis.
2. Withdrawal equipment or other facility which have a capacity of more than one million (1,000,000) gallons per day.
3. Withdrawals from a combination of wells or of other facilities, having a combined capacity of more than one million (1,000, 000) gallons per day.
4. Withdrawals from a well in which the outside diameter of the largest permanent water bearing casing is six inches or greater. For purposes of this paragraph, the diameter of the well at ground surface will be presumed to be the diameter of the well for the entire length unless the well owner or well contractor can demonstrate that the well has a smaller diameter water bearing casing below ground surface.
5. Within the Delineated Area as set forth in 6.7.1.6, Applicant's Handbook: Consumptive Uses of Water, withdrawals from a well in which the inside diameter of the largest permanent water bearing casing is five inches or greater. For purposes of this paragraph, the diameter of the well at ground surface will be presumed to be the diameter of the well for the entire length unless the well owner or well contractor can demonstrate that the well has a smaller diameter water bearing casing below ground surface.
6. Within the Delineated Area as set forth in 6.7.1.6, Applicant's Handbook: Consumptive Uses of Water, for freeze protection uses of water on agricultural and nursery property greater than 5 acres in size.
7. Any secondary use, as defined in paragraph 2.0(v) of the Applicant's Handbook: Consumptive Uses of Water, which exceeds 100,000 gallons per day estimated on an average annual basis.

PROCESSING

Processing of permit applications is in accordance with provisions of the Water Resources Act, Chapter 373, Florida Statutes, Chapter 120, Florida Statutes , Chapters 40C-1, 40C-2 and 40C-20, Florida Administrative Code and the Applicant's Handbook: Consumptive Uses of Water

The District will notify an applicant if an application is incomplete within 30 days of receipt and will inform the applicant of what additional information is required to make the application complete. For those permits processed as individual permits, the Board will issue or deny permits within 90 days of receipt of the completed application. Those permits processed as general permits will be issued within 30 days of receipt of a completed application.

Failure to obtain a permit prior to undertaking a regulated activity is a violation of District requirements, even if the project would receive a favorable review in a standard permitting process. The District may initiate administrative, civil or criminal actions against violators, and may require restorative steps.

PERMIT APPLICATION FOR CONSUMPTIVE USES OF WATER

Permit Type:	Individual CUP ☐ Secondary Use ☐ Standard General CUP ☐
Application is for:	New use ☐ Renewal ☐ Modification of Existing Permit ☐

APPLICANT INFORMATION

ORGANIZATION NAME (please print all responses)
WATER OAK UTILITIES

LAST NAME (please print all responses)
BENNETT

FIRST NAME
KEVIN

STREET NO. STREET NAME
106 EVERGREEN LANE

CITY
LADY LAKE

STATE
FL

ZIP
32159

PHONE
2489329675

☐ Same as above — AGENT OR CONSULTANT

ORGANIZATION NAME (please print all responses)
EXCEL ENGINEERING CONSULTANT

LAST NAME (please print all responses)
COTO, PE, DEE

FIRST NAME
JULIAN

STREET NO. STREET NAME
122 WILSHIRE BLVD

CITY
CASSELBERRY

STATE
FL

ZIP
32707

PHONE
4072602292

KEVIN BENNETT — APPLICANT'S NAME (Please print)

KBennett/pb — APPLICANT'S SIGNATURE

12·10·01 — DATE

If a person other than applicant has completed this form, that person certifies by his signature below that he is acting as an authorized agent of the applicant and his signature will be certification that he is in fact the authorized agent.

AGENTS NAME (Please print)

AGENTS SIGNATURE

DATE

O Same as applicant

OWNER INFORMATION

LAST NAME (please print all responses): SUN COMMUNITIES, FIRST NAME: KEVIN BENNETT

STREET NO.: 106 STREET NAME: EVERGREEN TYPE: LN CITY: LADY LAKE

STATE: FL ZIP: 32159 PHONE: 2489329675

SITE INFORMATION

COUNTY: LAKE ACRES OWNED: 728

SECTION: 9,16 TOWNSHIP: 18S RANGE: 24E

PROJ. NAME: PROJECT ACRES:

COUNTY PARCEL NO.:

TYPE OF USE

DARKEN ALL THAT APPLY

AESTHETIC O AGRICULTURAL O AQUACULTURAL O COOLING AND AIR CONDITIONING O

DEWATERING O COMMERCIAL AND INDUSTRIAL O ESSENTIAL O FREEZE PROTECTION O

GOLF COURSE ● RECREATION AREA O HOUSEHOLD TYPE ● LIVESTOCK O

NURSERY O URBAN LANDSCAPE IRRIGATION ● WATER BASED RECREATION O

UNACCOUNTED FOR WATER ● OTHER O

Permit No: 02 - 069 - 0295 ANFM

AMOUNT REQUESTED

INCHES PER YEAR:

MILLION GALLONS PER YEAR: 190.17 MGY

MILLION GALLONS PER DAY: 0.521 MGD

DATE OF START OF USE: CONTINUOUS

WATER USE MONITORING

All permittees are required to measure their water usage on a continuous basis. All users must report their use using form EN-50 to the District at the intervals specified in their permit. If used, meters must be 95% accurate, verifiable and installed according to manufacturers' specifications. Meters or alternative methods utilized by the water supplier to charge for the water may suffice as a water use monitoring tool.

Alternative methods must be 90% accurate and verifiable. All alternative methods must be approved in advance and in writing by District staff.

O Same as applicant	COMPLIANCE ENTITY

Consumptive Use Permits require the periodic submittal of data to the District. Please provide the name, address and phone number of the person who will be responsible for ensuring that the permitted conditions are met. Submittal of this information does not relieve the permit holder from the responsibility for compliance.

Name: KEVIN BENNETT, VICE PRESIDENT
Address: 106 EVERGREEN LANE
LADY LAKE, FL 32159

Phone Number: (248) - 932-9675

SECONDARY TYPE USE

Please supply information regarding the source(s) of water for your activities.

1. The name of the supplier of water. WATER OAK UTILITY CO., INC.
2. Is this source of water potable or non-potable? (circle one)
3. What percentage of your total water use is from this supplier? 100%
4. If 100% of your water use is not provided from the supplier, please indicate what uses are self supplied. N/A
5. The applicant must also complete other packages which address the requested consumptive use identifed in question 4.

Description of Use Classes: Each permit shall be identified with one or more of the following use classifications:

(a) **Aesthetic use** - the use of water for fountains, waterfalls, and landscape lakes and ponds where such uses are entirely ornamental and decorative.

(b) **Agricultural use** - use of water for the commercial production of crops or the growing of farm products including, but not limited to, vegetables, citrus and other fruits, pasture, rice and sod.

(c) **Aquacultural use** - the use or withdrawal of water for cultivation of animal and plant life in a water environment, including but not limited to food fish, aquatic bait, game fish, aquatic plants (i.e. watercress), alligators, tropical fish, shellfish, and turtles.

(d) **Commercial and industrial process use** - the use of water essential to the production of the goods or services provided by a business establishment.

(e) **Cooling and air conditioning use** - the use of water for heating or cooling, or for air conditioning.

(f) **Dewatering use** - the removal of water from a specific area to facilitate mining or construction.

(g) **Essential use** - the use of water strictly for fire fighting purposes, health and medical purposes and the use of water to satisfy federal, state or local public health and safety requirements.

(h) **Freeze protection** - the periodic and infrequent use of water to protect agricultural and nursery crops from damage due to low temperatures.

(i) **Golf course use** - water used to irrigate an establishment designed and used for playing golf.

(j) **Household use** - the use of water for personal needs or for household purposes such as drinking, bathing, heating, cooking, sanitation or cleaning, whether the use occurs in a residence or in a business or industrial establishment.

(k) **Livestock use** - the use of water for watering or washing of livestock.

(l) **Nursery use** - the use of water on premises on or in which nursery stock is grown, propagated or held for sale or distribution or sold or reshipped.

(m) **Recreation area use** - the use of water for the maintenance and support of intensive recreational areas such as, but not limited to, playgrounds, football, baseball, and soccer fields.

(n) **Urban landscape irrigation** - the outside watering or sprinkling of shrubbery, trees, lawns, grass, ground covers, plants, vines, gardens and other such flora which are situated in such diverse locations as residential landscaping, recreational areas, cemeteries, public, commercial and industrial establishments, public medians and rights of way.

(o) **Water based recreation use** - water used for public or private swimming and wading pools, including water slides. This term does not include pools specifically maintained to provide habitat for aquatic life.

(p) **Water utility use** - water used for withdrawal, treatment, transmission and distribution by potable water systems.

SOURCES OF WATER
(Summary Data Sheet)

Please supply information regarding the source(s) of water for your activities. Include information regarding **all** wells/pumps on the property.

Table 1.
SUMMARY OF GROUND WATER SOURCES

Well or Pump Number	Wellfield or Facility Name	Casing Dia. (in)	Casing Depth (ft)	Total Depth (ft)	Operation Hrs/wk	Pump Capacity (in gpm)	Date Drilled	Existing or proposed (date)	Type of Use*
1	WATER OAK	6"	138'-367'	700'		840	10/80	EXIST.	j
		10"	0'-159'						
2	WATER OAK	10"	0'-143'	270'		900	8/82	EXIST.	i
3	WATER OAK	8"	117'-154'	270'		730	4/85	EXIST.	j
		10"	0'-138'						
4	WATER OAK	4"	100'	150'			UNK.	EXIST.	AUGMENT

* - See use descriptions on page 4. If more than one use type, show predominate use

Table 2
SUMMARY OF SURFACE WATER SOURCES N/A

Pump Number	Pump Capacity (gpm)	Operation Hrs/wk	Acreage of Surface Water Body	Name of Source	Status (date if proposed)	Type of Use

PROPERTY CONTROL AND LOCATION

I. PROPERTY CONTROL

1. Property Ownership - Provide a copy of the excuted deed indicating the current owner of the property which is the subject of this application. SEE ATTACHED.

2. Leased Property - Provide a copy of the current lease, or a letter signed by the property owner describing the lease arrangement and the duration of the lease. N/A

II. LOCATION MAPS

Provide a recent map (preferably a USGS topographic quadrangle, a map from a county plat directory, or survey map) indicating the following:

(a) property boundaries (include approximate lengths of boundaries in feet); (public supply water uses please show service areas)
(b) All existing and proposed withdrawal point locations. Indicate well number and casing size for ground water withdrawals, and pump number and maximum pump capacity for surface water withdrawals;
(c) a north arrow;
(d) a scale designation - all maps should have a minimum scale of 1 inch = 2,000 feet; and
(e) labeled landmarks such as roads and political boundaries.

Please provide identification numbers and date permitted if you obtained or are in the process of obtaining any of the following permits for this project

Environmental Resource Permit (ERP)	N/A
EPA Ordered Environmental Impact Statements	N/A
Agricultural Discharge	N/A
FDEP Wastewater Site Identification No.	FLA010529
FDEP Public Water Supply (PWS) Identification No.	3354010

III. ADJACENT PROPERTY OWNERS
(not applicable to Secondary Users Permits)

Provide a complete list of adjacent property owners and mailing address as prescribed in Tables #3 and 4. Attach additional sheets as needed.

Name	Address	City	State	Zip Code
SEE ATTACHED.				

USE OF LOWEST ACCEPTABLE QUALITY WATER SOURCE

1. Are you proposing to use the most appropriate (lowest quality) source of water?
   YES.
2. Is reclaimed water readily available as a source of water?
   No.

WATER CONSERVATION PLAN

A water conservation plan must be submitted with this application. Please refer to Section 12.0 and Appendix I, Applicant's Handbook, Consumptive Uses of Water, for information on how to prepare a plan and the plan components.

SEE ATTACHED.

Table 3 - Ground Water Withdrawals

Withdrawal Amount	Property Owners to be Listed
less than 1,000,000 gallons maximum per day -and- less than 100,000 gallons per day annual average	None required
max day is between 1 and 5 million gallons -or- average day is between 100,000 and 500,000 gallons	All property owners within 600 feet of well or 100 feet of property boundary.
max day is between 5 and 10 million gallons -or- average day between 500,000 and 1,000,000 gallons	All property owners within 1,320 feet of each well or 200 feet of the property boundary.
max day exceeding 10 million gallons -or- average day exceeds 1,000,000 gallons	All property owners within 2,640 feet of the well, or 400 feet of the property boundary.

Table 4 - Surface Water Withdrawals

Withdrawal Amount	Property Owners to be Listed
surface area of the withdrawal lake is less than 80 acres	All riparian land owners on lake and those up to 600 feet downstream if the lake has an outlet
surface area of the withdrawal lake is greater than 80 acres	All riparian land owners up to 600 feet from the withdrawal point
Withdrawals from a stream and average daily pumpage is less than 5 million gallons	All riparian land owners up to 600 feet upstream and 1,320 feet downstream from the withdrawal point
Withdrawals from a stream and average daily pumpage is greater than 5 million gallons	All riparian land owners up to 1,320 feet upstream and 2,640 downstream from the withdrawal point

SECTION III

Applicant Checklist

Please verify that the following information has been provided as part of this application package:

			Attached
1.	Appropriate Fee	$	200
2.	Signature of Applicant and/or Agent		YES
3.	Authorization from Owner for Agent (if Agent is listed on application)		YES
4.	Copy of Executed Deed or Lease Agreement		YES
5.	Location Map		YES
6.	List of adjacent land owners		YES
7.	Completed Water Use Type Package*		YES
8.	Water Conservation Plan		YES

*NOTE: Applications for Public Supply, Commercial/Industrial, Agricultural, Aquacultural, Nursery/Fern, Golf Course Irrigation, Dewatering, and Landscape Irrigation water uses must also include the supplemental water use package specific to each use type. Those applying for a **Secondary Use Permit** must complete and submit each of the supplemenal water use packages that applies to their type use.

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

19. Has the utility applied for any funding (WMD or other) for the reuse project? If so, please respond to the following:
(a) Please provide a copy of the application for funding.
(b) Who is the entity providing the funding.
(c) What is the amount of the funding that was requested?
(d) How much does the utility expect to receive?
(e) What is the status of the utility's application?

Answer: No outside funding has been sought.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

20. In Order No. PSC-00-1165-PAA-WS, the Commission approved salaries and wages of $19,221. In the utility's reuse project plan and 2000 Annual Report, the utility shows salaries expense of $31,411. Please explain and/or justify the difference.

Answer: The Order considered a 1998 Test Year in that case with minor adjustments for allocation of administrative and support staff from the parent company. Actual salaries expense booked for 2001 is $40,259 which reflects the allocation of time for the on-site maintenance crew and the allocation of management fees for several people of Sun Communities.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

21. In Order No. PSC-00-1165-PAA-WS, the Commission approved sludge removal expense of $12,006. In the utility's reuse project plan and 2000 Annual Report, the utility shows sludge removal expense of $20,554. Please explain and/or justify the difference.

Answer: The Order considered a 1998 Test Year in that case. Actual sludge removal expense booked for 2001 was $22,712. The reason for the increased cost is the cost of hauling sludge has increased and the amount of sludge hauled was increased to improve plant efficiency.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

22. In its 2000 Annual Report, the utility reported $18,521 for purchased power. Please provide the utility's calculation and basis for the $25,929 estimated for 2003 to reflect reuse.

Answer: It was estimated that power costs associated with operating the reuse facility would increase by 30% over projected 2004 costs.

Prepared by: Julian Coto

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

23. In Order No. PSC-00-1165-PAA-WS, the Commission approved Contractual Services Other Repair and Maintenance Expense of $18,988. In the utility reuse project plan and 2000 Annual Report, the utility shows repair and maintenance expense of $30,760. Please explain and/or justify the difference.

Answer: The Order considered a 1998 Test Year in that case. Actual repairs and maintenance expenses for 2001 is $20,069 which consists of repairs to the wastewater system ($15,454) and spray field mowing ($4,615).

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

24. In the utility's reuse project plan, there is an incremental increase of $3,272 for rents from the 203 estimate and the 2003 estimate adjusted for reuse. Why have rents increased due to the fact that the utility will be providing reuse.

Answer: There is a computation error in the model. The number should be 3,355 and not 6627 for rents. This error has been corrected on the revised Tables 2 and 3.

Prepared by: Gary Morse

Table 2
Water Oak Utilities
Estimated O & M Expense Associated
With First Year Operation of Reuse Facility

Line No.		Actual 2001 (1)	Estimated 2002 (2)	Estimated 2003 (2)	Estimated 2004 (2)	Adjusted 2004 to Reflect Reuse	
1	Salaries and Wages - Employees	40,459	41,402	42,366	43,353	43,353	
2	Salaries and Wages - Officers, Directors	-	-	-	-	-	
3	Employee Pensions and Benefits	4,231	4,330	4,430	4,534	4,534	
4	Purchased Wastewater Treatment	-	-	-	-	-	
5	Sludge Removal Expense	22,712	23,241	23,783	24,337	24,337	
6	Purchased Power	18,601	19,034	19,478	19,932	25,911	(4)
7	Fuel for Power Production	-	-	-	-	-	
8	Chemicals	2,040	2,088	2,136	2,186	2,186	
9	Materials and Supplies	1,111	1,137	1,163	1,190	1,190	
10	Contractual Services:						
11	Professional (Contractual Services Other)	8,967	9,176	9,390	9,609	9,609	
12	Professional (Contractual Services-Operator)	17,029	17,426	17,832	18,247	81,909	(3)
13	Billing (J & B)	5,635	5,766	5,901	6,038	6,038	
14	Lab Testing	3,090	3,162	3,236	3,311	6,000	
15	Other (Repair/Maintenance)	20,069	20,537	21,015	21,505	21,505	
16	Rents	2,861	2,928	2,996	3,066	3,066	
17	Transportation Expense	1,081	1,106	1,132	1,158	1,158	
18	Insurance Expense	-	-	-	-	-	
19	Regulatory Commission Expenses	248	254	260	266	266	
20	Regulatory Commission Expenses-Amortization	-	-	-	-	4,375	(5)
21	Bad Debt Expense	-	-	-	-	-	
22	Miscellaneous Expenses & Conservation	2,021	2,068	2,116	2,166	2,166	
23	Sub-Total Operation and Maintenance Expenses	150,155	153,654	157,234	160,897	237,602	
24	Depreciation & Amortization	14,266	14,266	14,266	14,266	26,712	
	Taxes Other Than Income Taxes:						
25	Property Tax	5,858	5,994	6,134	6,277	14,131	(6)
26	Regulatory Assessment Fees	6,004	6,000	6,000	6,000	6,000	
27	Payroll Taxes	2,720	2,783	2,848	2,915	2,915	
28	Total Taxes Other Than Income Taxes	14,582	14,778	14,982	15,192	23,046	
29	Total Operation and Maintenance Expenses	$ 179,003	$ 182,697	$ 186,482	$ 190,355	$ 287,360	

Footnotes:

(1) Based on preliminary data contained in the FPSC 2001 Annual Report. Subject to further adjustments.

(2) Expenses escalated by 2.33% per year

(3) Assumes 6 hours/day, 7 days/week and $35 per hour for contract operation on an annualized basis (2001 dollars adjusted by 2.33% per year)

(4) Assumes power costs increase by 30% for additional reuse pumping requirements on an annualized basis.

(5) Estimated expense associated with this filing through PAA as follows:

Legal	$ 10,000
Engineering/Rate Consultant	$ 7,500
Total	$ 17,500

Annual Amortization Over Four Years: $ 4,375

(6) Estimated property tax reflecting additional gross plant investment based on same ratio as 2001.
The 2001 gross plant balance was reduced by land and land rights of $120,500, Structures and Improvements of $11,515
Special Collecting Structures of $3,578, and Transportation Equipment of $734 as these are considered intangible assets for property taxes.

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

25. In the utility's reuse project plan, there is an incremental increase of $1,325 for transportation expense from the 2003 estimate and the 2003 estimate adjusted for reuse. Why has transportation expense increased due to the fact that the utility will be providing reuse.

Answer: There is a computation error in the model. The number should be 1,358 and not 2,683 for transportation. The error has been corrected on the revised Tables 2 and 3.

Prepared by: Gary Morse

Docket No. 010087-WS

Sun Communities Finance, LLC d/b/a/ Water Oak Utility

Staff's First Data Request

26. Has the utility considered reclaimed water for its common areas? If not, why not?

Answer: The most cost effective alternative for reuse is golf course irrigation. The golf course will be able to take all of the flow generated by the WWTF. The cost of providing reuse to other common areas would require the construction of a new distribution system, which is extremely expensive. In contrast the golf course already has an irrigation system and only a relatively short run of force main needs to be constructed to connect to the existing irrigation system.

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