

FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

APPLICATION FOR A  
STAFF ASSISTED RATE CASE

020439-SU

I. General Data

A. Name of utility SANIBEL BAYOUS UTILITY CORPORATION

B. Address 5325 SANIBEL CAPTIVA DR.  
SANIBEL, FL 33957

1. Telephone Nos. ( ) 941-482-3711

2. County LEE Nearest city FT. MYERS

3. General area served SANIBEL BAYOUS SUBDIVISION,  
HERON'S LANDING SUBDIVISION, BLIND PASS COND.

C. Authority:

1. Water Certificate No. N/A Date received \_\_\_\_\_

2. Sewer Certificate No. SU 331-01-A2 Date received \_\_\_\_\_

3. Date utility started operations: Water \_\_\_\_\_ Sewer 1-31-75

D. How system was acquired \_\_\_\_\_

If utility was purchased, give date \_\_\_\_\_ Amount Paid \_\_\_\_\_

1. Name of Seller \_\_\_\_\_

2. Was seller affiliated with present owners? \_\_\_\_\_

3. Did you purchase: Stock \_\_\_\_\_ or assets only \_\_\_\_\_

E. Type of legal entity: Corporation, Partnership or Sole  
Proprietorship \_\_\_\_\_

F. Ownership & Officers:

	Name	Title	Percent Ownership
1.	<u>BILL BROEDER</u>	<u>PRESIDENT</u>	<u>50</u>
2.	<u>GARY WINBOW</u>	<u>V.P.</u>	<u>50</u>
3.	_____	_____	_____
4.	_____	_____	_____

G. List of Associated Companies and Addresses:

1. NONE
2. \_\_\_\_\_
3. \_\_\_\_\_

H. If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

GUASTELLA ASSOC. INC  
100 BOLLSTON ST SUITE 800  
BOSTON MA 02116  
ATTN: JOHN GUASTELLA

II. Accounting Data

A. Outside Accountant

1. Name: VIRGIL JUDAH
2. Firm VIRGIL JUDAH, CPA, PA.
3. Address 3949 EVANS AVE, # 105, FT. MYERS, FL 33901
4. Telephone ( ) 941-275-3405

B. Individual to contact on accounting matters:

1. Name JOHN GUASTELLA
2. Telephone ( ) 561-747-9867

C. Location of books and records VIRGIL JUDAH, CPA

D. Have you filed an Annual Report with the Commission? YES

Date last filed MAY 02.

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? YES

F. Basic Rate Base Data (Most recent two years)

1. Water	<u>N/A</u>	19__	19__
Cost of Plant In Service:		\$ _____	\$ _____
Less Accumulated Depreciation:		_____	_____
Less Contributed Plant:		_____	_____
Net Owner's Investment:		\$ _____	\$ _____

	2001 (A) <u>19</u>	2000 <u>19</u>
2. Sewer		
Cost of Plant In Service:	\$ 364,662	\$ 364,662
Less Accumulated Depreciation:	<u>217,253</u>	<u>283,115</u>
Less Contributed Plant:	<u>157,086</u>	<u>62,248</u>
Net Owner's Investment:	\$ <u>(9677)</u>	\$ <u>18,949</u>

G. Basic Income Statement (Most recent two years):

	19__	19__
1. Water <b>N/A</b>		
Revenues (By Class):		
a. _____	\$ _____	\$ _____
b. _____	_____	_____
c. _____	_____	_____
Total Operating Revenues:	\$ _____	\$ _____
Less Expenses:		
a. Salaries & Wages - Employees	\$ _____	\$ _____
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
c. Employee Pensions & Benefits	_____	_____
d. Purchased Water	_____	_____
e. Purchased Power	_____	_____
f. Fuel for Power Production	_____	_____
g. Chemicals	_____	_____
h. Materials & Supplies	_____	_____
i. Contractual Services	_____	_____
j. Rents	_____	_____
k. Transportation Expenses	_____	_____
l. Insurance Expense	_____	_____
m. Regulatory Commission Expense	_____	_____
n. Bad Debt Expense	_____	_____
o. Miscellaneous Expense	_____	_____
p. Depreciation Expense	_____	_____
q. Property Taxes	_____	_____
r. Other Taxes	_____	_____
s. Income Taxes	_____	_____
Operating Income (Loss)	\$ _____	\$ _____

(A) NOTE: THE ABOVE RATE BASE FIGURES REFLECT ADJUSTMENTS MADE BY GUARSTELLA ASSOCIATES. THEY INCLUDE THE RECALCULATION OF ACC. DEPRECIATION, USING FPSC GUIDELINE LIVES INSTEAD OF TAX DEPRECIATION, AND ALSO THE IMPUTATION OF CIAC (NET) FOR ALL ESTIMATED CONNECTION FEES. ALSO, DOES NOT INCLUDE \$47,000 OF IMPROVEMENTS.

	2001	19__
2. Sewer	<u>19</u>	19__
Revenues (By Class):		
a. <u>RESIDENTIAL</u>	\$ 21,954	\$ _____
b. <u>MULTI-FAMILY</u>	15,552	_____
c. <u>OTHER - ESTIM. UNCOLLECTED</u>	8,733	_____
Total Operating Revenues:	\$ 46,239	\$ _____
Less Expenses:		
a. Salaries & Wages - Employees	\$ -	\$ _____
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	20,575	_____
c. Employee Pensions & Benefits	-	_____
d. Purchased Sewage Treatment	-	_____
e. Sludge Removal Expense	3,618	_____
f. Purchased Power	7,381	_____
g. <del>Fuel for Power Production</del> <u>TESTING</u>	7,200	_____
h. Chemicals	4,603	_____
i. <del>Materials &amp; Supplies</del> <u>REPAIRS by MAINT.</u>	23,100	_____
j. Contractual Services	-	_____
k. Rents	3,000	_____
l. Transportation Expenses	-	_____
m. Insurance Expense	-	_____
n. Regulatory Commission Expense	-	_____
o. Bad Debt Expense	4,892	_____
p. Miscellaneous Expense	10,538	_____
q. Depreciation Expense	- 0 - (*)	_____
r. Property Taxes	4,485	_____
s. Other Taxes	4,039	_____
t. Income Taxes	-	_____
Operating Income (Loss)	\$ <47,192>	\$ _____

H. Outstanding Debt:

	<u>Creditor</u>	<u>Date Borrowed</u>	<u>Balance Due</u>	<u>Interest Rate</u>	<u>Expiration Date</u>
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____

I. Indicate Type of Tax Return Filed:

\_\_\_\_\_ Form 1120 - Corporation

\_\_\_\_\_ Form 1120S - Subchapter S Corporation

\_\_\_\_\_ Form 1065 - Partnership

\_\_\_\_\_ Form 1040 - Schedule C - Individual (Proprietorship)

(\* ) DOES NOT INCLUDE DEPRECIATION OF \$47,000 PLANT IMPROVEMENTS

III. Engineering Data

A. Outside Engineering Consultant:

1. Name JOHNSON ENGINEERING
2. Firm \_\_\_\_\_
3. Address PO BOX 1550, FT. MYERS, FL 33902
4. Telephone 941) 334-0046

B. Individual to contact on engineering matters:

1. Name STEVE MORRISON, P.E.
2. Telephone 941) 334-0046

C. Is the utility under citation by the Department of Environmental Regulation (DER) or county health department? If yes, explain. \_\_\_\_\_

SEE JOHNSON ENGINEERING LETTER OF 4.4.02

D. List any known service deficiencies and steps taken to remedy problems. SEE JOHNSON ENGINEERING LETTER OF 4.4.02

E. Name of plant operator(s) and DER operator certificate number(s) held. JOHN KUCKER, 012 PELICAN UTILITY,  
JERRY C. MAY, CERTIFICATE # 4976

F. Is the utility serving customers outside of its certificated area? No If yes, explain. \_\_\_\_\_

G. Wastewater:

1. Gallons per day capacity of treatment facilities existing 80000 under construction \_\_\_\_\_ proposed \_\_\_\_\_

2. Type and make of present treatment facilities CONTACT STABILIZATION

3. Approximate average daily flow of treatment plant effluent 1 MGD

4. Approximate length of sewer mains:

Size (diameter)	<u>8"</u>	<u>4"</u>	<u>3"</u>	_____	_____
Linear feet	<u>15000</u>	<u>1100</u>	<u>300</u>	_____	_____

5. Number of manholes 52+

6. Number of liftstations 3

7. How do you measure treatment plant effluent? \_\_\_\_\_

8. Is the treatment plant effluent chlorinated? YES If yes, what is the normal dosage rate? \_\_\_\_\_

9. Tap in fees - Sewer \$       —
10. Service availability fees - Sewer \$ 2667.
11. Note DER Treatment Plant Certificate Number and date of expiration: Number FLA 0H576 Expiration Date FALL '02
12. Total gallons treated during most recent twelve months 17.53
13. Sewage treatment purchased during most recent twelve months   
N/A

H. Water

1. Gallons per day capacity of treatment facilities existing \_\_\_\_\_  
\_\_\_\_\_ under construction \_\_\_\_\_ proposed \_\_\_\_\_
2. Type of treatment \_\_\_\_\_
3. Approximate average daily flow of treated water \_\_\_\_\_
4. Source of water supply \_\_\_\_\_
5. Types of chemicals used and their normal dosage rates \_\_\_\_\_
6. Number of wells in service \_\_\_\_\_ Total capacity in gallons per  
minute (gpm) \_\_\_\_\_  
  
Diameter/Depth \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Motor horsepower \_\_\_\_\_  
Pump capacity (gpm) \_\_\_\_\_
7. Reservoirs and/or hydropneumatic tanks:  
  
Description \_\_\_\_\_  
Capacity \_\_\_\_\_
8. High service pumping:  
  
Motor horsepower \_\_\_\_\_  
Pump capacity (gpm) \_\_\_\_\_
9. How do you measure treatment plant production? \_\_\_\_\_
10. Approximate feet of water mains:  
  
Size (diameter) \_\_\_\_\_  
Linear feet \_\_\_\_\_

11. Note any fire flow requirements and imposing government agency \_\_\_\_\_
12. Number of fire hydrants in service \_\_\_\_\_
13. Do you have a meter change out program? \_\_\_\_\_
14. Meter installation or tap in fees - Water \$ \_\_\_\_\_
15. Service availability fees - Water \$ \_\_\_\_\_
16. Has the existing treatment facility been approved by DER? \_\_\_\_\_
17. Total gallons pumped during most recent twelve months \_\_\_\_\_
18. Total gallons sold during most recent twelve months \_\_\_\_\_
19. Gallons unaccounted for during most recent twelve months \_\_\_\_\_
20. Gallons purchased during most recent twelve months \_\_\_\_\_

IV. Rate Data

A. Individual to contact on tariff matters:

1. Name JOHN F. GUASTELLA
2. Telephone Number 561 747-9867

B. Schedule of present rates (Attach additional sheet if more space is needed):

1. Water:

- a. Residential Water \_\_\_\_\_
- b. General Service \_\_\_\_\_
- c. Special Contract \_\_\_\_\_
- d. Other \_\_\_\_\_

2. Sewer:

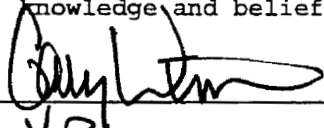
- |                                |                     |                   |
|--------------------------------|---------------------|-------------------|
| a. Residential Sewer           | _____               | \$ 14 / MO        |
| b. <del>General Service</del>  | <u>MULTI-FAMILY</u> | <u>\$ 13 / MO</u> |
| c. <del>Special Contract</del> | <u>COMMERCIAL</u>   | <u>\$ 25 / MO</u> |
| d. Other                       | _____               | _____             |

C. Number of Customers (Most recent two years):

1. Water Metered	19__	19__
a. Residential	_____	_____
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - specify	_____	_____
2. Water Unmetered	19__	19__
a. Residential	_____	_____
b. General Service	_____	_____
c. Special Contract	_____	_____
d. Other - specify	_____	_____
3. Sewer	<del>19</del> 2001	19__
a. Residential	150	_____
b. General Service	100	_____
c. Special Contract	3	_____
d. Other - specify	_____	_____

V Affirmation

I, GARY WINROW the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge and belief.

Signed   
 Title VP

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.



# JOHNSON ENGINEERING

SINCE 1946

April 4, 2002

Mr. Gary Winrow  
c/o Sanibel Bayous Utility Co., Inc.  
15560 McGregor Boulevard, Suite 8  
Fort Myers, Florida 33908

Re: Sanibel Bayous (Wastewater Treatment Facility)

Dear Gary:

As requested, I wanted to provide the following information concerning improvements that have been made, or will be made, to the existing wastewater treatment plant and collection system as a result of FDEP requirements and the upcoming Operational Permit renewal process.

This information is based upon costs provided by you and estimates of the future improvements that need to be made. It is my understanding that you will utilize this information as part of the Public Service Commission (PSC) rate increase matter that you are involved in. Please be advised of the following:

1. Demolition Of Existing Building - FDEP requested that the existing building housing the plant be removed for safety, operational and maintenance reasons. - Cost of \$7,200.
2. Electrical Service Changes - As part of the building demolition, the electrical service needed to be retrofitted for the wastewater treatment plant. - Cost of \$2,500.
3. Lift Stations - The submersible lift station pumps had to be replaced in both collection system lift stations. - Cost of \$5,200.
4. Miscellaneous Improvements To WWTP - FDEP requested that baffles be added in the chlorine contact chamber and new diffusers be added in some of the aeration tanks. - Estimated cost of \$2,000.
5. Surge Tank - Due to the seasonal flows, FDEP has suggested an equalization or surge tank be added to the system. It is estimated that a 15,000 gallon tank (minimum) be added with an estimated cost of \$25,000 which includes the associated piping, blowers and other equipment.

5-1302  
Gary

STANDS

COMPLETED

COMPLETED

COMPLETED

COMPLETED

No

Gary Winrow  
April 4, 2002  
Page 2

6. Pond Maintenance - FDEP has repeatedly requested that all vegetation be removed on the existing evaporation/percolation pond berms. It is our understanding that you are currently working with the City of Sanibel and other environmental agencies due to the fact that those agencies do not want the vegetation removed because of the environmental and wildlife attributes of keeping it in place. - Estimated cost to achieve this removal would be \$5,000.

PROGRESS BUT  
NOT DONE

Gary, as you know, we are currently involved in renewing the Operational Permit through the FDEP. As part of this renewal, it is anticipated that the above changes, and possibly some others, will be requested as a condition of permit issuance. At this time, the above is our best "guesstimate" of those items that will be involved.

If you have any questions, please let me know.

Very truly yours,

JOHNSON ENGINEERING, INC.



Steven K. Morrison, P. E.

SKM/jag  
16208