ORIGINAL

Timolyn Henry

From: Trina Collins [TCollins@RSBattorneys.com]

Sent: Friday, May 25, 2007 3:38 PM

To: Filings@psc.state.fl.us

Cc: Trina Collins; Martin Friedman

Subject: Filing in Docket No.: 060726-WS; Application of Silver Lake Utilities, Inc. to Operate a Water and Wastewater Utility

Importance: High

Attachments: PSC Clerk 10 (Response to Data Request 1) 05-25-2007.pdf

a. Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
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Longwood, FL 32779
PHONE: (407) 830-6331
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b. In re: Application of Silver Lake Utilities, Inc., to Operate a Water Utility in Glades and Highlands Counties, Florida, and a Wastewater Utility in Glades County, Florida. Docket No.: 060726-WS

c. Silver Lake Utilities, Inc.

d. 18 pages

e. 6 page cover letter to PSC Clerk, 12 pages of Schedules.

ORIGINAL

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May 25, 2007

E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No.: 060726-WS; Application of Silver Lake Utilities, Inc., to Operate a Water Utility in Glades and Highlands Counties, Florida, and a Wastewater Utility in Glades County, Florida
Our File No.: 40001.01

Dear Ms. Cole:

The following are the Utility's responses to Staff's First Data Request dated May 9, 2007:

Existing Water System

1. Can the utility provide evidence to show that the existing facilities were not costed off on the Lykes Bros. income tax?

RESPONSE: The Utility cannot provide evidence to show that the existing facilities were not costed off on the Lykes Bros. tax returns. The Utility cannot specifically identify any of the water assets since they are a part of larger projects. It is Lykes Bros.' policy to capitalize such fixed assets.

2. Staff cannot determine the reasonableness of the plant items in the format given. For each system, can the utility provide a schedule which identifies plant items by NARUC account number, short description, type of unit, number of units, cost per unit, and total costs? For instance:

Acct. No.	Description	Unit	No. of Units	Unit Cost	Total Cost
370	Lift Station	Each	20	$20,000	$400,000
xxxx	3" Lateral	Linear Ft.	2,000	$ 100	$ 20,000

(Note: The data needed is similar to that provided on Schedule F-5. However, staff could not verify the unit cost from that or any other schedule).

RESPONSE: The cost estimates are preliminary and based on a conceptual design at a planning level, and as such, it is difficult to provide a detailed estimate. However, Johnson Engineering, Inc. has attempted to provide further detail of the estimates. While revisiting the cost estimates, five items were found in need of revised cost estimates based on current trends and additional evaluation performed since the original estimate was prepared, as reflected in the original submittal to the PSC. Please see Schedule 2 attached hereto for revised and more detailed cost estimates. See, Note below regarding rate impact.

Injection Wells

3. Can the utility provide recent water quality analysis for the Muse which includes the mg/1 of total dissolved solids (TDS)?

RESPONSE: In 2006, a suite of water quality analyses was performed on two wells open to the Floridan aquifer located less than a mile from the proposed Muse Village utility site. Results from these analyses showed TDS of 920 and 956 mg/L and specific conductance values of 1,632 and 1,754 umohs/cm, respectively. Other Floridan aquifer wells in the area report similar ratios of TDS to specific conductance. Specific conductance value measured at the Muse Village Floridan aquifer test well was 1,749 umohs/cm following the completion of a 72-hour aquifer performance test. Based on the relationship between specific conductance and TDS established for this site, the Floridan aquifer test well has a TDS concentration of approximately 960 mg/L.

4. Can the utility provide information, such as engineering analysis, that shows that deep well injection is the least-cost alternative for disposal of brine concentrate and excess effluent?

RESPONSE: An engineering analysis of least-cost alternatives for disposal of brine concentrate and excess effluent has not been performed. Deep well injection is common practice. North Fort Myers Utility, City of Clewiston, Bonita Springs Utilities, Island Water Association, Greater Pine Island Water Association and Lee County Utilities have one or more injection wells in operation. Additionally, the City of LaBelle's Capital Improvement Plan includes an injection well and Town and County Utilities Company proposes to use a deep injection well as described in the publicly available Application for Master

Development Approval for the Babcock Ranch Community. The deep injection well method of disposal was not chosen on the basis of cost, but rather on the provision of permitting ability. Deep injection wells are favorably looked upon by FDEP rather than surface water, land application or shallow aquifer disposal mechanisms.

5. As staff understands it, the utility intends to construct two deep injection wells. One for bulk treated water and one for the Muse Development treated water and excess wastewater effluent disposal. Staff can see some breakdown in injection well costs in wastewater and bulk water. However, it is not broken out for potable water. Can the utility provide a complete breakdown of costs for the injection wells and the percentage assigned to each system?

RESPONSE: As originally submitted, the injection well cost was associated with the wastewater treatment facility. Both the water and wastewater facilities need the deep injection well on an equal basis to meet regulatory requirements so therefore cost has now been allocated on a 50/50 basis. See, Schedule 2 attached hereto. See, Note below regarding rate impact.

Reuse Irrigation

It is staff's understanding that the utility is using 250 gpd for water usage because irrigation from reuse will be available. As such, the utility is constructing facilities capable of providing high quality reuse and storage. It is also staff's understand that irrigation services are not included in the application because the service will be provided by the parent as an exempt service.

5. Please provide the rate the utility intends to charge the parent to purchase reuse from its facilities. Also, please provide a schedule which shows how the customers' rates have been offset by the proceeds from those sales.

RESPONSE: The Utility intends to charge $0.05 per thousand for reuse water. See, Note below regarding rate impact.

Rate Structure

6. The utility has requested a two-tiered gallonage rate for potable water for the Muse Development. Since there is no historical data, what is the basis of the

utility's request and how was the 5kgal break point selected?

RESPONSE: Using 250 gpd average monthly usage equals 7,604 gallons per month. Using a 5,000 gallon breakpoint represents approximately 70% of the usage to be included in the first block.

7. If the rate structure was recommended by the local WMD, did the utility request a temporary pass on the IBRS for 12 to 24 months in favor of a uniform gallonage charge until historical data can be obtained?

RESPONSE: No. The Utility has requested an inclining block rate structure consistent with conservation goals in rate making.

Leases and Royalties

The application contains a proposed lease with Lykes Bros., Inc. for royalties of $.20 per kgal for water withdrawn and $1,000 per year rental for each lease site. It is staff's understanding that this was based on the amount approved for Town and Country in 1998. However, the most recent royalties approved for inclusion in rate base by the Commission were $.10 for Farmton in 2002 and D & E in 2006.

8. The details in Appendix A to the engineering report, appear to be for 22 existing wells and 7 wells owned by the Seminole Indians. Please confirm the total number of well sites, both existing and proposed.

RESPONSE: Silver Lake Utilities currently has 22 existing wells and uses water from 7 bulk water connections with the Seminole Tribe potable water system. The bulk water connections are not well sites; they are tie-in points to the Seminole Tribe mainline running parallel with CR-721.

The Utility proposes a total of 7 new wells: 3 potable supply wells to serve the Muse Village development, 2 proposed wells to provide raw bulk water service, and 2 proposed wells to provide treated bulk water service.

9. Given the poor quality of water, can the utility justify the amount of the proposed royalty?

RESPONSE: Water quality data submitted in support of a South Florida Water Management District (SFWMD) water use permit application for Town and Country Utilities Company (SFWMD #060724-8) show similar water quality for the Floridan aquifer as that encountered at Muse Village. The PSC approved a rate based on a $0.20/1,000 gallon royalty for Town and Country Utilities Company. Please refer to the Town and Country Utilities Company water quality data, which is attached hereto as Schedule 9. Additional information will be forthcoming.

10. The most recently approved well site leases for the Farmton and D&E were for $100 per year, which is $900 less than Lykes Bros., Inc. is proposing to charge. As such, leases are over 20% of the O&M for the existing systems. Can the utility justify the proposed lease cost?

RESPONSE: Yes, additional information will be forthcoming.

Salaries and Wages

11. Since the Utility is proposing to contract out some of its duties, can the utility provide a schedule for each service which shows the duties that are intended to be performed under salary and wages, verses contract costs, along with the total man-hours and hourly rate?

RESPONSE: See Schedule 11 attached hereto.

Meters

12. Can the utility provide the justification for the $300 cost for 5/8" x 3/4" meter?

RESPONSE: Schedule C-6 (P.19) of the Special Report attached to the Application as Exhibit "E" provides that cost breakdown. The Utility will be installing electronic meters similar to those being utilized by O & S Water Company, Inc. A $300.00 meter installation fee was approved for that type of meter in Order No. PSC-03-1474-TRF-WU. The cost breakdown for the meters the Utility proposes to install are substantially the same as those approved in that Order.

13. Can the utility provide cost justification for the other meter sizes?

RESPONSE: As is commonplace, the cost for meters larger than 5/8" x 3/4" will be actual cost.

14. Have the existing customers paid for meters?

RESPONSE: No. There are no existing meters.

Customer Deposits

15. Deposits. Since the utility has requested a late payment fee, can it provide the reason it did not request customer deposits?

RESPONSE: The Utility will amend its Application to include a request for customer deposits of twice an average monthly bill, once the initial rates have been established.

NOTE: The Utility next week will file revised revenue requirements and rates incorporating the more updated information provided herein.

Please contact me if you have any questions.

Very truly yours,

MARTIN S. FRIEDMAN
For the Firm

MSF/tlc
Enclosures

cc: Charles P. Lykes, Jr., Executive Vice President (w/enclosures - via U.S. Mail)
Frederick J. Bennett, Vice President & CFO (w/enclosures - via U.S. Mail)
Mr. Joe Collins (w/enclosures - via U.S. Mail)
Cari Lynn Roth, Esquire (w/enclosures - via U.S.Mail)
Lonnie Howard, P.E. (w/enclosures - via U.S. Mail)
Robert C. Nixon, CPA (w/enclosures - via U.S. Mail)
Ms. Patti Daniel, Division of Economic Regulation (w/enclosures - via U.S. Mail)
Mr. Richard Redemann, Division of Economic Regulation (w/enc. - via U.S. Mail)
Ms. Pat Brady, Division of Economic Regulation (w/enclosures - via U.S. Mail)

Schedule 2
Supplemental Cost Estimate Information

Johnson Engineering, Inc. has prepared a brief cost estimate for the utility systems described within Exhibit B, Application For An Initial Certification Of Authorization Before the Florida Public Service Commission Engineering Report, to provide further detail of the cost estimates. Five costs have been revised since the original application and are noted along side the revised cost estimate.

The cost estimates are based on conceptual planning level design. The costs are based on local knowledge and experience in Southwest Florida.

	Item		Quantity	Unit Cost	Extended Cost
Muse Village Wastewater					
	Wastewater Treatment Plant				
380	Headworks - Structure & Mechanical Bar Screen				$767,724
354	Flow Equalization Facilities				$1,011,194
380	Closed Loop Reactor/Clarifier w/ tanks, walkway, equipment				$3,252,799
380	Aerobic Digestors				$365,672
380	ABW Effluent Polishing Filters				$1,565,299
380	Chlorination Facilities, Tanks, Equipment				$629,664
370	Plant Site Lift Station				$430,037
354	Site Work				$298,974
380	Substandard Storage Pond				$298,974
380	Wet Weather Storage Pond				$573,694
354	Miscellaneous, Driveway, Fence, Seeding, Monitoring Wells, Control/Lab Building, Site Lighting, Engine-Gen, etc				$1,805,970
		Total			$11,000,000
	Master Wastewater Pump Stations - each				
371	Pumps (2 - 700gpm pumps and one low flow jockey pump)		3	$187,500	$562,500
354	Concrete Wetwell		3	$437,500	$1,312,500
380	Odor Control System		3	$187,500	$562,500
355	Generator		3	$187,500	$562,500
381	Piping		3	$125,000	$375,000
339	Telemetry / SCADA Controls		3	$125,000	$375,000
354	Electrical		3	$125,000	$375,000
		Total		$1,375,000	$4,125,000
360	Spine Wastewater Force Mains - LF		27,000	$69	$1,866,400

	Item		Quantity	Unit Cost	Extended Cost
Muse Village Injection Well					
	Deep Injection Well				
380/339	Tubing & Packer Injection Well				$3,875,000
380/339	Monitor Well				$1,000,000
380/339	Well Heads, Piping, Monitoring Equipment				$125,000
		Total			$5,000,000

339 Percent of cost associated with Potable Water - 50%
380 Percent of cost associated with Wastewater - 50%

	Item	Quantity	Unit Cost	Extended Cost
Muse Village Potable Water				
Water Treatment Plant				
309	Raw Water Main/Yard Appurtenances			$222,531
320	Pretreatment Facilities - Mixer, Micron Filters			$257,302
309	RO Trains w/ Feed Pump Unit			$1,466,968
320	Chemical Feed Facilities, Caustic, Anti-scalant			$260,779
320	Post Treatment - Clearwell, Degasifier, Transfer Pumps, Electrical			$1,049,896
311	High Service Pumping Units			$232,962
310	Miscellaneous Electrical Power, Instrumentation, Lighting, HVAC, Engine-Gen, CIP Tanks			$785,814
320	Hypochlorite Storage Feed Systems			$90,403
330	Water Storage Tanks			$1,157,858
309	Yard Piping, Valves, etc.			$295,376
304	Building - Process Office, Lab			$1,161,335
304	Outside Electrical			$69,541
304	Injection Pump Station, Surface Facilities, Controls and Valves			$177,330
304	Site Work			$271,905
	Total			$7,500,000
			Previously Submitted	$10,500,000
Potable Wells				
307	Well - each	3	$312,500	$937,500
311	Pump/Controls - each	3	$81,250	$243,750
309	Discharge Head/Piping - each	3	$31,250	$93,750
310	Backup Power - each	3	$50,000	$150,000
339	SCADA - each	3	$25,000	$75,000
	Total		$500,000	$1,500,000
309	Potable Raw Water Transmission Pipeline - LF	5,000	$37	$183,750
331	Spine Potable Water Mains - LF	46,000	$86	$3,942,038

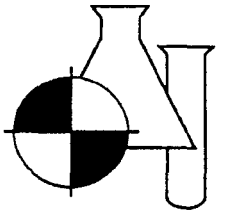
	Item	Quantity	Unit Cost	Extended Cost
0.5 MGD Bulk Raw Water				
Potable Wells				
307	Well - each	2	$343,750	$687,500
311	Pump/Controls - each	2	$81,250	$162,500
309	Discharge Head/Piping - each	2	$31,250	$62,500
310	Backup Power - each	2	$50,000	$100,000
339	SCADA - each	2	$25,000	$50,000
	Total		$531,250	$1,062,500
309	Raw Water Supply Line - LF	17,633	$38	$661,250
304	Access Road (Limerock Road) - LF	4,752	$28	$130,680
			Previously Submitted	$59,400

	Item	Quantity	Unit Cost	Extended Cost
0.35 MGD Bulk Treated Water				
0.35 MGD Bulk Water Treatment Plant				
309	Raw Water Main/Yard Appurtenances			$79,696
320	Pretreatment Facilities - Mixer, Micron Filters			$92,149
309	RO Trains w/ Feed Pump Unit			$498,340
320	Chemical Feed Facilities, Caustic, Anti-scalant			$93,394
320	Post Treatment - Clearwell, Degasifier, Transfer Pumps, Electrical			$331,238
311	High Service Pumping Units			$270,932
310	Miscellaneous Electrical Power, Instrumentation, Lighting, HVAC, Engine-Gen, CIP Tanks			$281,428
320	Hypochlorite Storage Feed Systems			$32,377
309	Yard Piping, Valves, etc.			$164,670
304	Building - Process Office, Lab			$415,916
304	Outside Electrical			$24,905
304	Injection Pump Station, Surface Facilities, Controls and Valves			$63,508
304	Site Work			$276,447
	Total			$2,625,000
			Previously Submitted	$5,625,000
Storage and pump station				
330	0.175 Above Ground Storage Reservoir	1	$437,500	$437,500
311	Pump Station	1	$125,000	$125,000
	Total		$562,500	$562,500
			Previously Submitted	$1,468,750
Deep Injection Well				
307	Tubing & Packer Injection Well			$3,875,000
339	Monitor Well			$1,000,000
307	Well Heads, Piping, Monitoring Equipment			$125,000
	Total			$5,000,000
Potable Wells				
307	Well - each	2	$343,750	$687,500
311	Pump/Controls - each	2	$81,250	$162,500
309	Discharge Head/Piping - each	2	$31,250	$62,500
310	Backup Power - each	2	$50,000	$100,000
339	SCADA - each	2	$25,000	$50,000
	Total		$531,250	$1,062,500
309	Raw Water Supply Line - LF	2,640	$31	$82,500
304	Access Road (Limerock Road) - LF	4,752	$28	$130,680
			Previously Submitted	$59,400
331	Treated Water Distribution Line - LF	15,000	$31	$468,750

All costs presented above are in 2006 dollars and include 25% contingency. The costs do not include engineering and permitting fees. Engineering, design, and permitting fees are estimated to be 12% of construction costs, not including construction services.

SCHEDULE 9

BENCHMARK
EnviroAnalytical Inc.



NELAC Certification # E84167

ANALYTICAL TEST REPORT
THESE RESULTS MEET NELAC STANDARDS

Submission Number : 6090160

Johnson Engineering, Inc.
2158 Johnson Street
Fort Myers, Fl 33901

Tim Denison

Project Name : 20066400-01
Date Received : 09/07/2006
Time Received : 1430

Submission Number 6090160

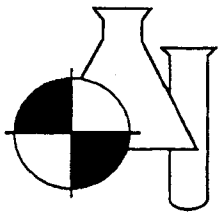
Sample Number: 1A
Sample Date: 09/06/2006
Sample Time: 1033
Sample Description: S P L H / Field
Sample Method: Grab

Parameter	Result	Units	MDL	PQL	Procedure	Analysis Date	Analysis Time	Analyst
PH	7.55	UNITS	0.1	0.4	150.1	09/06/2006	10:33	JOHN INC
TEMPERATURE	29.0	DEG C.	0.1	0.4	170.1	09/06/2006	10:33	JOHN INC
SPECIFIC CONDUCTANCE, FIELD	1619	UMHOS	1.24	4.96	SM2510B	09/06/2006	10:33	JOHN INC
DISSOLVED OXYGEN	3.75	MG/L	0.05	0.20	SM4500 OC	09/06/2006	10:33	JOHN INC

Submission Number 6090160

Sample Number: 1B
Sample Date: 09/06/2006
Sample Time: 1040
Sample Description: S P L H / Lab
Sample Method: Grab

Parameter	Result	Units	MDL	PQL	Procedure	Analysis Date	Analysis Time	Analyst
COLOR	5 U	PCU	5	20	110.2	09/07/2006	10:00	JS
PH	7.94	UNITS	0.1	0.4	150.1	09/07/2006	17:00	JSM
TOTAL DISSOLVED SOLIDS	916	MG/L	7.26	29.04	160.1	09/12/2006		CB
TURBIDITY	0.05 U	NTU	0.05	0.20	180.1	09/08/2006	14:25	DS
BARIUM	11.7	UG/L	2	8	200.7	09/11/2006		RCB
CALCIUM	38.5	MG/L	0.03	0.12	200.7	09/11/2006		RCB
IRON	29 U	UG/L	29	116	200.7	09/11/2006		RCB
MAGNESIUM	42.0	MG/L	0.006	0.024	200.7	09/11/2006		RCB



NELAC Certification # E84167

MANGANESE	0.98 U	UG/L	0.98	3.92	200.7	09/11/2006		RCB
POTASSIUM	13.0	MG/L	0.169	0.676	200.7	09/11/2006		RCB
SODIUM	194	MG/L	0.034	0.136	200.7	09/11/2006		RCB
STRONTIUM	3.98	MG/L	0.001	0.004	200.7	09/11/2006		RCB
CHLORIDE	229	MG/L	0.353	1.412	300.0	09/12/2006		TDT
FLUORIDE	1.90	MG/L	0.030	0.120	300.0	09/12/2006		TDT
SULFATE	247	MG/L	0.339	1.356	300.0	09/13/2006		TDT
AMMONIA NITROGEN	0.006 U	MG/L	0.006	0.024	350.2			
NITRATE NITROGEN	0.004 U	MG/L	0.004	0.016	353.2	09/07/2006	17:33	JSM
NITRATE+NITRITE	0.004 U	MG/L	0.004	0.016	353.2	09/08/2006		CB
TOTAL PHOSPHORUS	0.002 U	MG/L	0.002	0.008	365.3			
SILICA	14.3	MG/L	0.044	0.176	370.1	09/22/2006		YW
UNIONIZED HYDROGEN SULFIDE	0.328	MG/L	0.005	0.020	CALC.	09/28/2006		RBK
BICARBONATE ALKALINITY	144	MG/L	0.594	2.376	SM2320B	09/08/2006		DS
CARBONATE ALKALINITY	0.594 U	MG/L	0.594	2.376	SM2320B	09/08/2006		DS
TOTAL ALKALINITY	144	MG/L	0.594	2.376	SM2320B	09/08/2006		DS
SPECIFIC CONDUCTANCE	1571	UMHOS/CM	1.24	4.96	SM2510B	09/08/2006		DS
NITRITE NITROGEN	0.003 U	MG/L	0.003	0.012	SM4500NO2B	09/07/2006	17:33	JSM
SULFIDE	1.91	MG/L	0.028	0.112	SM4500S2D	09/08/2006		RCB
TOTAL ORGANIC CARBON	0.271 U	MG/L	0.271	1.084	SM5310B	09/12/2006		TDT

Submission Number 6090160

Sample Number: 2A
Sample Date: 09/06/2006
Sample Time: N/A
Sample Description: H Q L H / Field
Sample Method: Grab

Parameter	Result	Units	MDL	PQL	Procedure	Analysis Date	Analysis Time	Analyst
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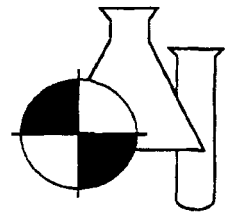
TEMPERATURE	28.4	DEG C.	0.1	0.4	170.1	09/06/2006		JOHN INC
SPECIFIC CONDUCTANCE, FIELD	858	UMHOS	1.24	4.96	SM2510B	09/06/2006		JOHN INC
DISSOLVED OXYGEN	5.89	MG/L	0.05	0.20	SM4500 OC	09/06/2006		JONH INC

BENCHMARK
EnviroAnalytical Inc.



NELAC Certification # E84167

Submission Number 6090160

Sample Number: 2B
Sample Description: H Q L H / Lab
Sample Date: 09/06/2006
Sample Method: Grab
Sample Time: 1500

Parameter	Result	Units	MDL	PQL	Procedure	Analysis Date	Analysis Time	Analyst
COLOR	5 U	PCU	5	20	110.2	09/07/2006	10:00	JS
PH	7.70	UNITS	0.1	0.4	150.1	09/07/2006	17:00	JSM
TOTAL DISSOLVED SOLIDS	512	MG/L	7.26	29.04	160.1	09/12/2006		CB
TURBIDITY	0.05 U	NTU	0.05	0.20	180.1	09/08/2006	14:25	DS
BARIUM	19.3	UG/L	2	8	200.7	09/11/2006		RCB
CALCIUM	43.5	MG/L	0.03	0.12	200.7	09/11/2006		RCB
IRON	29 U	UG/L	29	116	200.7	09/11/2006		RCB
MAGNESIUM	31.1	MG/L	0.006	0.024	200.7	09/11/2006		RCB
MANGANESE	0.98 U	UG/L	0.98	3.92	200.7	09/11/2006		RCB
POTASSIUM	7.03	MG/L	0.169	0.676	200.7	09/11/2006		RCB
SODIUM	79.4	MG/L	0.034	0.136	200.7	09/11/2006		RCB
STRONTIUM	3.94	UG/L	0.001	0.004	200.7	09/11/2006		RCB
CHLORIDE	71.6	MG/L	0.353	1.412	300.0	09/12/2006		TDT
FLUORIDE	1.30	MG/L	0.030	0.120	300.0	09/12/2006		TDT
SULFATE	66.4	MG/L	0.339	1.356	300.0	09/13/2006		TDT
AMMONIA NITROGEN	0.006 U	MG/L	0.006	0.024	350.2			
NITRATE NITROGEN	0.004 U	MG/L	0.004	0.016	353.2	09/07/2006	17:33	JSM
NITRATE+NITRITE	0.004 U	MG/L	0.004	0.016	353.2	09/08/2006		CB
TOTAL PHOSPHORUS	0.002 U	MG/L	0.002	0.008	365.3			
SILICA	39.1	MG/L	0.044	0.176	370.1	09/22/2006		YW
UNIONIZED HYDROGEN SULFIDE	1.79	MG/L	0.008	0.032	CALC.	09/28/2006		RBK
BICARBONATE ALKALINITY	230	MG/L	0.594	2.376	SM2320B	09/08/2006		DS
CARBONATE ALKALINITY	0.594 U	MG/L	0.594	2.376	SM2320B	09/08/2006		DS
TOTAL ALKALINITY	230	MG/L	0.594	2.376	SM2320B	09/08/2006		DS
SPECIFIC CONDUCTANCE	832	UMHOS/CM	1.24	4.96	SM2510B	09/08/2006		DS
NITRITE NITROGEN	0.003 U	MG/L	0.003	0.012	SM4500NO2B	09/07/2006	17:33	JSM
SULFIDE	6.20	MG/L	0.028	0.112	SM4500S2D	09/08/2006		RCB
TOTAL ORGANIC CARBON	2.76	MG/L	0.271	1.084	SM5310B	09/12/2006		TDT

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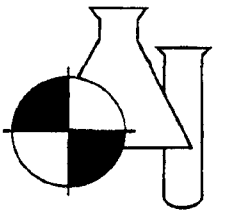

NELAC Certification # E84167

09/28/2006

Dale D. Dixon / Laboratory Director — Date
Robert L. Sullivan/ Laboratory Manager

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* = Not reported due to interference.

NOTES:

PQL = 4xMDL.

MBAS calculated as LAS; molecular weight = 348.

X = Value exceed MCL.

G = CBOD accuracy standard does not meet method QC criteria, but does not meet lab control limits that are in agreement with USEPA generated data. USEPA letter available upon request.

For questions and comments regarding these results, please contact Katharine Dixon at (941) 723-9986

Benchmark EnviroAnalytical, Inc.
1711 Twelfth Street East
Palmetto, FL 34221
(941) 723-986
(941) 723-6061 fax
BenchmarkEA@earthlink.net

Client: **Johnson Engineering, Inc.**
2158 Johnson Street
Fort Myers, Fl 33901
(239) 461-2458 (Tim Denison)
(239) 334-3661

Chain of Custody Form: 20066400-01
Matrix: Groundwater

Laboratory Submission #: 60901600

Station ID	TDS SO_4 Cl F T/B/C Alkalinity pH Cond. Color ntu Silica NO_2	Total Fe *(EPA 200.7)* Ca, Mg, Na, K, Mn, Sr, Ba	TOC, NO_3-NO_2, NO_3,	Hydrogen Sulfide	Field Parameters Time: 1033 - SPLH							Laboratory Sample #
	(1)	(2)	(3)	(4)	Temp (° C)	Specific Conductance (µmhos)	pH (s.u.)	D.O. (mg/L)	H_2S	Turbidity (ntu)	T/B/C Alkalinity	
	Plain	1:4 HNO_3 pH<2 □	1:4 H_2SO_4 pH<2 □	ZnOAc NaOH								
	1 x 2 Quart	1x 1 Pint Plastic	1 x 1 Quart	1x1 Pint								
SPLH	Time 1040	Time 1040	Time 1040	1040	29.0	1.619	7.55	3.75				1 A/B
HQLH	Time 1500	Time 1500	Time 1500	1500	28.40	0.858	7.28	5.89				2 A/B
	Time	Time	Time									3 A/B

1. Sample must be refrigerated or stored in wet ice after collection. The maximum temperature during storage should be 4°C (39.2°F).

Instructions:
1. Each bottle has a label identifying sample ID, premeasured preservative contained in the bottle, sample type, client ID, and parameters for analysis. The following information should be added to each bottle label after collection with permanent black ink: date and time of collection, sampler's name or initials, and any field number or ID.
2. All bottles not containing preservative may be rinsed with appropriate sample prior to collection.
3. The client is responsible for documentation of the sampling event. Please note special sampling events on the sample custody form.

Laboratory Sample Acceptability
Temperature: 4
pH<2: ☐ HCl

1	Collector: Wesley Williams, Darren Howard	Date: 9/6/06	Time: 1640	Received By:	Date:	Time:
2	Relinquished by:	Date: 9/6/06	Time: 1700	Received By: Roger Brown	Date: 9/7/06	Time: 1220
3	Relinquished by: Roger Brown	Date: 9/7/06	Time: 1430	Received By:	Date:	Time:
4	Relinquished by:	Date:	Time:	Received By: SBe	Date: 9/7/06	Time: 1430

Plant City

Ion Balance Sample 20066400-01SPLH

CATIONS	MG/L	FACTOR	MILLIEQUIVALENTS	ANIONS	MG/L	FACTOR	MILLIEQUIVALENTS
BARIUM	11.7	0.014	0.1638	CHLORIDE	229	0.028	6.412
CALCIUM	38.5	0.049	1.8865	FLUORIDE	1.9	0.052	0.0988
IRON	29	0.053	1.537	SULFATE	247	0.02	4.94
MAGNESIUM	42	0.082	3.444	NITRATE as NO3	0.004	0.016	0.000064
MANGANESE	0.98	0.036	0.03528	PHOSPHORUS as PO4	0.025	0.031	0.000775
POTASSIUM	13	0.025	0.325	SILICA as SO3	14.3	0.026	0.3718
SODIUM	194	0.043	8.342	BICARBONATE	144	0.033	4.752
STRONTIUM	3.98	0.022	0.08756	CARBONATE	0.594	0.016	0.009504
AMMONIUM	0.347	0.055	0.019085				
TOTAL CATION MILLIEQUIVALENT			15.840225	TOTAL ANION MILLIEQUIVALENT			16.584943

ion balance =100 (sum cations-sum anions)/(sum cations +sum anions)

Ion Balance= -2.29672827

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NELAC Certification # E84167

ANALYTICAL TEST REPORT
THESE RESULTS MEET NELAC STANDARDS

Submission Number : 7030158

Johnson Engineering, Inc.
2158 Johnson Street
Fort Myers, Fl 33901

Project Name : 20066400-01
Date Received : 03/06/2007
Time Received : 1510

Submission Number 7030158

Sample Number: 1
Sample Date: 03/05/2007
Sample Time: 0900
Sample Description: J E - 900
Sample Method: Grab

Parameter	Result	Units	MDL	PQL	Procedure	Analysis Date	Analysis Time	Analyst
COLOR	5 U	PCU	5	20	110.2	03/08/2007	16:50	JS
PH	7.72	UNITS	0.1	0.4	150.1	03/06/2007	17:10	RCB
TOTAL DISSOLVED SOLIDS	932	MG/L	7.26	29.04	160.1	03/07/2007	15:45	CB
TURBIDITY	16.4	NTU	0.05	0.20	180.1	03/06/2007	17:10	DS
BARIUM	44.1	UG/L	2	8	200.7	03/08/2007	12:00	RCB
CALCIUM	58.8	MG/L	0.03	0.12	200.7	03/08/2007	12:00	RCB
DISSOLVED IRON	29 U	UG/L	29	116	200.7	03/29/2007	16:00	RCB/RLS
MAGNESIUM	60.7	MG/L	0.006	0.024	200.7	03/08/2007	12:00	RCB
MANGANESE	55.1	UG/L	0.98	3.92	200.7	03/08/2007	12:00	RCB
POTASSIUM	13.6	MG/L	0.169	0.676	200.7	03/08/2007	12:00	RCB
SODIUM	196	MG/L	0.034	0.136	200.7	03/08/2007	12:00	RCB
STRONTIUM	5516	UG/L	1	4	200.7	03/08/2007	12:00	RCB
CHLORIDE	324	MG/L	0.353	1.412	300.0	03/08/2007	17:20	JSM
FLUORIDE	1.29	MG/L	0.030	0.120	300.0	03/08/2007	17:20	JSM
SULFATE	204	MG/L	0.339	1.356	300.0	03/08/2007	17:20	JSM
NITRATE NITROGEN	0.004 U	MG/L	0.004	0.016	353.2	03/07/2007	08:52	TDT
NITRATE+NITRITE	0.050 U	MG/L	0.050	0.200	353.2	03/07/2007	10:30	CB
SILICA	18.9	MG/L	0.044	0.176	370.1	03/15/2007	10:20	TDT
BICARBONATE ALKALINITY	170	MG/L	0.594	2.376	SM2320B	03/08/2007	10:30	DS
CARBONATE ALKALINITY	0.594 U	MG/L	0.594	2.376	SM2320B	03/08/2007	10:30	DS
TOTAL ALKALINITY	170	MG/L	0.594	2.376	SM2320B	03/08/2007	10:30	DS
SPECIFIC CONDUCTANCE	1573	UMHOS/CM	1.24	4.96	SM2510B	03/07/2007	16:30	DS

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EnviroAnalytical Inc.

NELAC Certification # E84167

NITRITE NITROGEN	0.003 I	MG/L	0.003	0.012	SM4500NO2B	03/07/2007	00:52	TDT
TOTAL SULFIDE	3.34	UG/L	0.028	0.112	SM4500S2D	03/07/2007	14:18	RCB
TOTAL ORGANIC CARBON	0.570 I	MG/L	0.271	1.084	SM5310B	03/11/2007	14:00	JS

03/30/2007

Dale D. Dixon / Laboratory Director — Date

Robert L. Sullivan/ Laboratory Manager

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G = CBOD accuracy standard does not meet method QC criteria, but does not meet lab control limits that are in agreement with USEPA generated data. USEPA letter available upon request

For questions and comments regarding these results, please contact Katharine Dixon at (941) 723-9986

Silver Lake Utilities
Analysis of Plant Operating Expenses - Salaries & Wages Component SCHEDULE 11
****Based on FDEP Plant Staffing Requirements****

Personnel Type	Existing Facilities	Muse Potable (phase II)	Bulk Raw	Bulk Treated	Muse Wastewater (phase II)
Initial salary/wage estimates (annual):	**$ 33,600**	**$ 300,000**	**$ 25,000**	**$ 180,000**	**$ 130,000**
Plant avg daily flow operating at capacity (GPD):	**57,000**	**466,667**	**500,000**	**350,000**	**615,385**
Full-time Class C certified operator					
40 hours/week @ $40/hour		83,200			83,200
+ 40% fringe benefit rate		33,280			33,280
Sub-total:		116,480			116,480
Part-time Class C certified operator					
20 hours/week @ $40/hour				41,600	
8 hours/week @ $40/hour	16,640		16,640		
+ 40% fringe benefit rate	6,656		6,656	16,640	
Sub-total:	23,296		23,296	58,240	
Full-time utility maintenance worker					
40 hours/week @ $20/hour		41,600		41,600	
+ 40% fringe benefit rate		16,640		16,640	
Sub-total:		58,240		58,240	
Full-time general labor					
40 hours/week @ $15/hour		31,200		31,200	
+ 40% fringe benefit rate		12,480		12,480	
Sub-total:		43,680		43,680	
Part-time general labor					
8 hours/week @ $15/hour	6,240				6,240
+ 40% fringe benefit rate	2,496				2,496
Sub-total:	8,736				8,736
Revised Estimate - Salaries/Wages:	**$ 32,032**	**$ 218,400**	**$ 23,296**	**$ 160,160**	**$ 125,216**
Employee Count:	2	3	1	3	2