

*FLORIDA UTILITY SERVICES 1, LLC
1902 BARTON PARK RD #201
AUBURNDALE, FL. 33823
863-904-5574*

10/7/14

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL. 32399

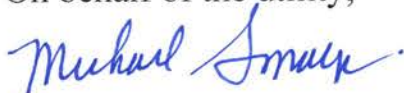
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COMMISSION
CLERK

rE: Docket # 140175-WU

Dear Commission Clerk:

For the above referenced docket file is a copy of the Remedial Action Plan for Crestridge Utilities along with a copy of the letter of acknowledgement from the Southwest Florida Water Management District.

On behalf of the utility,



Mike Smallridge



An Equal
Opportunity
Employer

Southwest Florida Water Management District

Bartow Service Office
170 Century Boulevard
Bartow, Florida 33830-7700
(863) 534-1448 or
1-800-492-7862 (FL only)

Sarasota Service Office
6750 Fruitville Road
Sarasota, Florida 34240-9711
(941) 377-3722 or
1-800-320-3503 (FL only)

2379 Broad Street, Brooksville, Florida 34604-6899

(352) 796-7211 or 1-800-423-1476 (FL only)

TDD only: 1-800-231-6103 (FL only)

On the internet at WaterMatters.org

Tampa Service Office
7601 Highway 301 North
Tampa, Florida 33637-6759
(813) 985-7481 or
1-800-836-0797 (FL only)

October 02, 2014

Mike Smallridge
Crestridge Utilities, LLC
4804 Mile Stretch Drive
Holiday, Florida 34690

Subject: **Water Use Permit Reports - Water Audit - Acknowledgement**
Project Name: Crestridge Utility
Permit No.: 20000543.005
Compliance No.: 374219
County: Pasco

Dear Mr. Smallridge:

The District received the Water Loss Remedial Action Plan for the referenced project on September 25, 2014. The report was reviewed by District staff, and is acceptable as submitted.

Please note, should the 2014 Public Supply Annual Report unaccounted for loss exceed ten percent, a Water Audit will be due by **October 1, 2015** as defined in Section 4.4.8 of 40D-2, Part B – Applicants Handbook.

Thank you for your timely submittals. If you have questions, please contact me at (813) 985-7481, extension 2085 in the Tampa Service Office.

Sincerely,

Sara Cole, P.G.
Water Use Permit Bureau
Regulation Division

cc: File of Record
Joe Carlson, P.E., Water Resources Water Supply Engineer

CRESTRIDGE UTILITIES, LLC
4804 MILE STRETCH DRIVE
HOLIDAY, FL. 34690
863-904-5574

Crestridge Utilities Remedial Action Plan
Submitted September 2014

Crestridge Utilities was purchased by me on August 22, 2014.

Crestridge Utilities was originally built in the early 1970's. The system is water only consisting of three wells that supply potable drinking water to around 620 Customers. The well water is treated with chlorine.

The current condition of the system is fair in that there are no outstanding issues with any regulatory agencies. The utility has filed a staff assisted rate case with the Florida Public Service Commission (Docket #140175) and an application for transfer (Docket# 140174). The system has not had much maintenance and upkeep done from the previous owners. The previous owners did replace the hydro tank at well #2. Currently, Well # 3 is off line because of a failed hydro tank. Well # 4 is operational.

Limited amount of customer meters where replaced but there are still about 147 unregistering meters.

I estimate the potential contributing factors to overall water loss are as follows:

1. Old equipment at the well sites which include, old well flow meters, old check valves and leaking connections.
2. Lack of an updated billing program that will give accurate data as to potential system water loss.
3. Lack of a customer meter replacement program.
4. Lack of record keeping for fire hydrant flushing.
5. Lack of record keeping for tank flushing.
6. Long lag times between when a system leak is discovered and repaired.
7. Poorly operating check valves at the well sites.
8. Leaking packing around well pumps.
9. Leaking shut-off valves on customer service lines on the utility side of the customer meter.
10. Lack of chlorine residual tests to determine if customers have illegally tied into the utility system for irrigation purposes.

The recent efforts the utility has made to reduce water loss, since I have owned the utility is:

1. Started immediately replace non registering customer meters.
2. Started replace leaking customer shut-off valves and leaking service lines.
3. Implemented new policies on tank flushing and fire hydrant flushing.
4. Securing bids to replace old turbine well, pump and plumbing from well to distribution system at well # 4 with Variable frequency drives (VFD'S) that would drastically reduce the amount of water needed for tank flushing. I will be keeping hydro tank at well # 2 but re-plumbing from well to tank.
5. New billing program will allow utility to send "high usage" letters to customers at the time of the monthly bills are produced.
6. Switching from billing the customers on a postcard to the envelopes so that we may better communicate with customers on any issue.

To reduce water loss below 10%, the utility intends to do or has already done:

1. Implement a customer meter replacement program. We plan on replacing 12 meters per month for 18 months. This will replace all non registering meters and then begin a regular customer meter replacement program that would replace any meter registering over 1,000,000 gallons. Given the amount of meters in the system, this would be an on going program.
2. Replace Customer service Lines. This would be an on going program to replace the galvanized customer service lines with poly or PVC from the transmission line to the customer meter. This would include installing a new lockable curb stop and new meter with box, as applicable. This is ongoing.
3. Rehab well # 4. Utility is securing bids to rebuild well #4 with VFD's. This would include installing a new submersible well motor, well pump, upgrading electrical, replacing all plumbing from the well to the distribution system and eliminating the tank. This is expected to be completed with 24 months.

4. Purchase fire hydrant meter. I will purchase a portable fire hydrant meter that can be used to accurately account for water used in flushing fire hydrants and implement a record keeping policy. This will be completed within 60 days.
5. Leak detection program. The utility will seek assistance from the district and the Florida Rural Water Association to assist the utility in finding undetectable leaks. This will occur immediately
6. Hire Full time Service Technician. This will allow the utility to respond to line breaks faster and speed up the time to do as needed repairs and replacements. This to be done within 6 months.
7. Partial rehab well # 2. This will include replacing check valve, replacing piping from well to tank and repairing well building. To be completed within 1 year.
8. New billing program. Utility is in the process of using a new billing program that gives better data in order to address issues. To be completed within 30 days.
9. System Survey. This will include leak detection done between 2:00 am and 4:00 am to determine any leaks and conducting Chlorine residual tests on customer irrigation. This to be on going with first tests being done in 30 days.

10. Develop hydro tank flushing program This is to better account for gallons used and keeping on site log book. This to be done within 30 days
11. Isolation valves. Begin an ongoing program of finding and replacing system Isolation Valves.
12. Complete repair of Well # 3. This would include installing VFD'S and installing new pump motor, new pump, upgrade electrical and re-plumbing from well to distribution system. This expected to be completed in 36 months.
13. Additional. Anything else that maybe recommended by the district and Florida Rural Water Association.

On behalf of the utility,


Mike Smallridge.