

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 24, 2015
TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Kelley F. Corbari, Senior Attorney, Office of the General Counsel *KFC*
RE: **Docket No. 140219-WU** – Application for staff-assisted rate case in Polk County by Alturas Utilities, LLC.

Attached please find Alturas Utilities, LLC's responses to Staff's Third Data Requests in the above-referenced docket. Please file the attached documents in the above-referenced docket file.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

KFC

From: [L SZABO](#)
To: [Kelley Corbari](#)
Cc: l.szabo@rogers.com
Subject: questioner completed
Date: Wednesday, June 24, 2015 10:32:47 AM
Attachments: [140219 Staff'sThirdDataRequest. KFC\[1\].docx](#)
[2014 CCR Approval - Alturas.doc](#)
[Wiley Alturus52015\(1\).xls](#)
[Wiley Alturas march.xls](#)
[Wily Alturus May Inv.xls](#)

Dear Ms Corbari,

We are returning the STAFF'S THIRD DATA REQUEST

Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

Wiley Pratt is still waiting to get more price proposal for the must repairs.

Please call me if you have any questions.

Yours truly,

Leslie Szabo

STATE OF FLORIDA

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
RONALD A. BRISÉ
JULIE I. BROWN
JIMMY PATRONIS



GENERAL COUNSEL
CHARLIE BECK
(850) 413-6199

Public Service Commission

June 9, 2015

Mr. Leslie Szabo
ALTURAS UTILITIES, L.L.C.
P. O. Box 2608
Eaton Park, FL 33840-2608
Email: l.szabo@rogers.com

STAFF'S THIRD DATA REQUEST

RE: Docket No. 140219-WU – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

Dear Mr. Szabo:

By this letter, the Commission staff requests that Alturas Utilities, L.L.C (Alturas or Utility) provide responses to the following data requests.

Staff has completed the preliminary review of Alturas Utilities, LLC's staff-assisted rate case (SARC) application, which included performing a site inspection of the Utility and hosting a customer meeting in Bartow, Florida on May 19, 2015. In order to fully complete its analysis of Alturas' SARC application and make an appropriate recommendation to the Commission, staff requires additional information and requests Alturas respond to the following questions by **June 24, 2015**. Please provide as much detail as possible in your responses to staff's questions.

Utility Operation & Maintenance

As reflected in the Staff Report filed on May 1, 2015, Commission staff included several preliminary pro forma plant and expense adjustments pending additional information from Alturas. The information requested below is necessary in order for staff to finalize those adjustments in staff's recommendation. Please note that if Alturas is not able to provide sufficient information to support the pro forma plant and expense items, staff will need to remove the pro forma adjustments from its recommendation to the Commission.

1. **Polk County Business License Renewal.** Polk County requires water utilities to obtain a business license and pay an annual renewal fee. The Utility's test year did not include payment of the business license renewal fee, however, staff included a preliminary adjustment of \$58 for the renewal fee pending additional information from Alturas. Please provide documentation showing that Alturas:
 - a. Obtained or renewed its business license with Polk County;
 - b. *Yes Alturas paid for the Annual Drinking Water License Fee the amount of \$600.00 for the period of July 1 2014 through June 30 2015 and our permit No PWS ID # 6530057*
 - a.
 - b. Was been granted an exemption from the licensing requirement by Polk County. *No*

2. **Officer's Salaries and Wages.** The Utility's test year did not include any officer's salaries and wages expense for the primary officer/owner responsible for Administration. Please provide:
 - a. A description of the Administration Officer's current duties related to the administration of Alturas;
 - b. *Whatever needed to be looked after from repairs to Banking. Checking and paying for all the invoices received, checking Alturas customer payments, but most of all managing to be able to stay in business by paying for the carry forward liabilities including running the daily operation with the existing current revenue. It is an ongoing responsibilities and not a 9-5 job from Monday to Friday.*
 - c. Specific examples of work performed and the number of hours (either per day, week, or month as applicable) spent on each activity;
 - d. *The average hours spent in a monthly basis 40 - 45 hours without adding the additional work of the last 7 months of preparing and answering for all the issues involved with the rate case application.*
 - e.
 - a. The percentage of the Administration Officer's total hours spent performing work related to Alturas versus work performed for Alturas' sister utility, Sunrise Utilities, LLC (Sunrise).).
 - b. *The issues are the very same for Sunrise Utilities, but having a larger customer base it takes 100 - 120 hours in a monthly bases to look after the responsibilities.*
 - f.

3. **Utility Requested Pro Forma Plant and Expense Items.** Attachment A contains the pro forma projects that were proposed by Alturas during the Commission's audit or in response to staff's second data request. Staff notes that there are few inconsistencies between the two lists of pro forma projects. Therefore, staff requests that Alturas provide additional information to clarify which projects Alturas plans to begin and complete in the near future. Section 367.081(2)(a)(2), Florida Statutes, allows the Commission to consider in a rate proceeding any utility facilities that will be constructed in a reasonable time, not to exceed 24 months after the end of the historic test year used in the rate case. Based upon the test year ended December 31, 2014, any pro forma items considered in this case must be completed by December 31, 2016. Please provide the following information regarding the Utility's requested pro forma projects:
 - a. Please provide the remaining information requested on the chart shown in Attachment A and state:

- (1) If any of the projects or cost estimates provided in the chart are no longer applicable, please indicate which projects and/or estimates should be removed from consideration in this case;
- (2) Verify which projects Alturas plans to complete prior to December 31, 2016; and
 - If any of the projects have already been completed, please provide the date the projects were completed, the invoices for the completed work, and proof of payment.
 - **See Attached Sheets**

- It is Commission practice for staff to review multiple bids for any pro forma projects requested by a utility in order to determine if the proposed costs are reasonable and should be included in the Utility's rates charged to its customers. The information previously provided by Alturas does not include sufficient cost justification for any of the requested projects. Please provide a minimum of three (3) detailed bids, quotes, or cost estimates for each project shown on the chart below. If it is not possible to obtain additional bids, please explain why Alturas is unable to obtain additional bids.

- **I have attempted to get additional bids, but the following companies have declined to provide a quote for the scope of work:**

- 1. Tyler Well & Pump**
- 2. Spivey Well Drilling**
- 3. Fussell Well Drilling**
- 4. Crowley Well Drilling**
- 5. Polk Pump**
- 6. Hill Well Drilling**
- 7. Atlantic Well Drilling**

- The Utility's response to staff's second data request included a proposal from Dunham Well Drilling, Inc. (Dunham), dated March 11, 2015, that provided a combined estimated cost of \$35,000 for several repairs. A revised bid dated May 28, 2015, provided a breakdown of the \$35,000 estimate that included \$18,500 to paint the tank and replace the tank saddles, \$11,500 to replace the electric panel and repair service, and \$5,000 to repair and replace valves and piping. The combined estimates are not sufficient for staff to determine the reasonableness of the proposed cost. Please request that Dunham provide as much detail as possible. For example, the work to replace the existing piping and valves should include details such as:

- **This type of information that the PSS is requesting is unknown due to the not knowing what is in the ground.**

b.

- the location of the pipe to be replaced;
- the number of feet of pipe to be replaced;

- the type and size of the pipe;
- the price of the pipe;
- the labor costs to replace the pipe;
- the number of valves to be replaced;
- the type of valves being installed;
- the cost of the valves; and
- the labor costs to replace the valves.

- c. Alturas has requested consideration of a 5-Year Capital Improvement Plan to replace the Utility's piping, at a cost of \$5,000 per year for 5 years. Please provide additional information regarding the Utility's plan, such as:
- (1) A project schedule showing which sections of pipe will be replaced and when;
 - (2) How many feet of piping will be replaced each year;
 - (3) The size and type of piping;
 - (4) The cost of the piping and supplies;
 - (5) The labor cost to replace the piping;
 - (6) Any additional costs expected to be incurred for the project; and
 - Any expected salvage value for the replaced piping, if any.
 - **Unknown**
 - (7)

4. **Effect of Pro Forma Plant Items on Expenses.** Upon completion of the pro forma plant items, does Alturas anticipate that there will be any increases or decreases in expenses (e.g., purchased power, chemicals, operator expenses, or repairs)? If yes, please provide:

- a. A description of the expenses that are expected to increase or decrease;
- b. *The purchased power or chemical expenses should be the same as our customer base remains the same, but must take into consideration the national inflation factor the electric power company or the chemical company might will charge.*
- a. The anticipated annual amount of the increases or decreases; and
- b. *The same rules should apply for the operator expenses. We hope by making the improvements, the repair expenses will be less, but with the aging system we are having it could go the other way*
- c.
- c. Supporting documentation to show how the estimated increases or decreases were calculated.
- d. *Based on the above assumption there are no figures to provide.*

d.

5. **Pro Forma Plant Items – Retirements.** Please provide a list of the items that will be replaced and retired as a result of the pro forma plant replacements and the original cost of each item if available. Please note that it is Commission practice to retire 75 percent of the value of the new item if the original cost of the retired item is not available.

6. **Pro Forma Plant Items – Salvage Value.** Does Alturas anticipate any salvage value for any plant items replaced with the pro forma additions? If yes, please describe the parts that may have salvage value and provide an estimate of the expected salvage value.
7. **No items will be salvage**
- 8.
9. **Financing for Pro Forma Plant and Expense Items.** Although the Commission may include pro forma items in the Utility's revenue requirement, the resulting rates will not yield sufficient revenues to cover the costs associated with the pro forma projects in the short term. Please provide the following information:
 - a. State how Alturas will finance the requested pro forma plant and expense items, such as a bank loan, letter of credit, or the owner's equity investment in the Utility;
 - b. *It will be done partially by extended credit from the supplier after 50 % of agreed amount is paid for the repairs or improvement.*
 - a.
 - b. Provide any available supporting documentation related to that financing, such as a loan agreement or letter of credit from a bank. In the absence of an executed loan agreement, please provide any other available documentation, such as a letter from a bank that includes an estimate of the amount of the loan, term of the loan, and interest rate.
 - c. *In today strict financial regulation Bank's will not get involved. However as in the past we have individual investors to loan funds at a 6 % higher rate than the Bank prime lending rates but not exciding 10 % on a revolving credit bases for a maximum of 3 years. They will only come forward once the rate case approved and in force. In the meantime they are looking at our current status as a hypothetical situation from there end,, but also eager to earn a higher interest on their money having previous and personal experience with us and they realize the stability of the yearly income of the utility companies*
 - d.
10. **Rate Case Expense.** Pursuant to Rule 25-30.455, Florida Administrative Code (F.A.C.), "If a utility that chooses to utilize the staff assistance option employs outside experts to assist in developing information for staff or to assist in evaluating staff's schedules and conclusions, the reasonable and prudent expenses will be recoverable through the rates developed by staff." Commission audit staff determined that Alturas has already incurred rate case expense of \$225 for work performed by the Utility's CPA. Has the Utility employed any other outside experts, such as an attorney or engineer, to assist with this rate case as described above? If yes, please provide:

An estimate of total rate case expense for this case, both to date and through the PAA phase;
\$ 1,900 including the Application fee.

 - a. A detailed breakdown of all costs, along with any available supporting documentation, such as invoices or receipts.
 - b. *Wily Pratt up to present \$ 525.00*
11. **Monthly Accounting Services.** As discussed in Audit Finding 1 of the Auditor's Report issued on February 16, 2015, in this docket, Commission audit staff determined that Alturas is

not maintaining its books and records on a monthly basis as required by Commission rules. In addition, as discussed in Audit Finding 4, audit staff determined that Alturas is not correctly recording the miscellaneous revenues that Alturas receives for miscellaneous service charges, such as the initial connection fee, normal reconnection fee, violation reconnection fee, premises visit fee in lieu of disconnection, and late payment fee. Because these are charges that are assessed to customers, the charges should be recorded in the Utility's billing register, as well as recorded on the Utility's books as revenue. Alturas must address both recordkeeping issues in order to be in compliance with Commission regulations. However, audit staff also determined that Alturas does not currently have an employee or contractual service provider responsible for handling the Utility's day-to-day bookkeeping operations. As a preliminary adjustment in the Staff Report, staff included an estimated contractual service bookkeeping expense of \$200 per month or \$2,400 annually pending additional information from the Utility. Please note that staff's adjustment is only intended to serve as a placeholder until the Utility determines the actual accounting expense it will incur. Therefore, please provide the following information:

- a. Has Alturas begun maintaining its books and records on a monthly basis? If no, when does Alturas anticipate it will begin maintaining the books and records on a monthly basis?
- b. *We have all the records regarding revenues and paid out expenses and are separated by month, but not entered. Alturas already had a few discussions with various accounting firm to establish our bookkeeping system maintaining the books and records on a monthly basis as it is required by the Public Service Commission. All the accounting firm we have contacted have their own software program to accommodate our needs.*
- c.
- d. Has Alturas established a procedure to track and properly record all miscellaneous service charges assessed to customers and the resulting miscellaneous revenues collected from the customers? If no, please describe any steps taken by Alturas to begin correctly recording miscellaneous services charges and revenues, and when Alturas anticipates the new procedures will be put into effect.
- e. *Alturas always had or have all the records for miscellaneous service charges, such as the no payment disconnection fee, after payment received reconnection fee, premises visit fee in lieu of prior to disconnect. They were not recorded in the books as additional revenue besides the monthly regular usages charges due to the facts it was given directly to the person when performing those services as an additional incentives to their income. The prior managements have neglected to enforce collection therefore created a lot of uncollectable bed depths through the past years. No effort was made from their part in this area it only represented an extra work load without having any consideration to the finances of Sunrise. In reality they are about \$ 60.00 - \$ 80.00 monthly. By increasing the manager weekly salaries we will lose the effectiveness of this incentives arrangement already established with the prior manager of Sondra Myers and with current manager. To satisfy the customary rules of accounting we will show in the future those additional charges as income and will also show in our books the expenses involved. It was not done intentionally to gain extra tax benefit. Looking at the bottom line of our past 10 years financial statements would not make any difference.*
- f.

- (1) Has Alturas either hired an employee or contracted with a third-party vendor, such as a bookkeeping firm that has experience using the National Association of Regulatory Commissioners' Uniform System of Accounts (NARUC USOA), to handle the day-to-day bookkeeping activities for Alturas? If yes, please provide the following information:
 - (2) *As of date I am responsible to run the company on the daily bases it is necessary to have all the records. This procedure will remain the same without causing any additional expenses. Once we have hired an outside accounting firm it will be given to them in a by monthly bases*
- g.
- (3) A copy of the employment agreement or third-party vendor contract that describes the work to be performed by the employee or contractual service provider with respect to the Utility's day-to-day bookkeeping activities;
a description of the employee wage calculation, such as the hours to be worked and hourly rate, or the contractual service fees that will be charged by the third-party vendor;
We are on a process to negotiate with some firm to do the job for the monthly \$ 200.00 allowed in the rate case. However until we do not have the final approval for our rate case application we are not in the position to finalize or embark with this project.
 - (4)
 - (5) documentation showing any wages that have been already paid or contractual service fees that have already been billed and/or paid. .
We have not added any additional expenses to our already limited finances.
 - (6)
- h. If Alturas has not hired an employee or third-party vendor to handle the day-to-day bookkeeping activities, please provide the following information: *Alturas already had a few discussions with various accounting firm to establish our bookkeeping system maintaining the books and records on a monthly basis as it is required by the Public Service Commission. The accounting firms have their own software program to accommodate our needs*
- (1) A description of any steps Alturas has taken to resolve the recordkeeping issues; *We have all the paperwork to give once the project starts.*
 - .
 - (2)
 - (3) A copy of any bids or quotes that Alturas has received from any third-party vendors that have been contacted by Alturas to provide accounting services;
 - (4) A description of any additional steps the Utility must take before resolving the recordkeeping issues; and
 - (1) When Alturas anticipates it will have a new employee or third-party vendor in place to begin maintaining the Utility's books and records on a monthly basis as required by the Commission. *The moment we will have the final approval our rate case, even prior to be implemented to our new billing rate, we will hire the accounting firm to start to work on the books. We hope their existing software program is comparable with the National Association of Regulatory Commissioners' Uniform System of Accounts (NARUC USOA), without causing additional expenses to buy this program*
 - (5)

12. **Contractual Services – Legal.** The Utility's test year did not include any legal fees other than the legal fees incurred for the Blount Utilities, Inc. (Blount) case. In order to help staff determine if Alturas is expected to incur any recoverable legal fees, such as legal fees for services that will be recurring in nature, please provide the following information:
- a. Excluding any additional fees that may have resulted from the Blount case, did Alturas incur any other legal fees from January 1, 2015 through the present? If yes, please provide documentation that describes the legal services provided, the fees charged for those services, and proof of payment.
 - b. *There were no additional legal fees. The status of the already occurred bill (Blunt case) still has an outstanding balance of \$ 3.450. Regardless if it was denied in our rate case application we must pay for it and thank the Law Firm for their understanding to our financial situation*
 - c.
 - d. Does Alturas anticipate incurring any other specific legal fees during the remainder of 2015? If yes, please describe the legal services that are expected to be provided, when the legal services are due to be provided, the fees that will be charged for those legal services, and any available documentation demonstrating that Alturas has requested those legal services. *No*
13. **System Map.** In Alturas' March 25, 2015 response to staff's second data request, Alturas indicated that the Alturas system map had been updated and enlarged. Please provide an electronic copy of the new system map.
- **I cannot find any updated copies of Alturas system maps.**
- 14.
15. **Florida Rural Water Association (FRWA) Membership.** The Utility's test year did not include payment of membership dues to the FRWA. In addition, the FRWA's 2014-2015 membership directory did not list Alturas as a member. However, because Alturas' sister utility, Sunrise Utilities, LLC (Sunrise), was previously a member of the FRWA, staff included a preliminary adjustment of \$145 to cover the annual membership dues for Alturas in the event the Utility chooses to become an FRWA member. Is Alturas currently a member of the FRWA?
- a. If yes, please provide documentation showing the Utility's current membership status and proof of payment of the annual membership dues, such as a cancelled check, credit card statement showing the payment, or confirmation from the FRWA that the payment was received; received *No we are not a member.*
 - b.
 - c. If no, does Alturas plan to become a member of the FRWA? If yes, when does Alturas anticipate it will complete the membership application and pay the annual membership dues?
 - d. *We are aware it is an important part of the operation and helps to be up to date with many related subject necessary to operate a water business. Sunrise Utilities will make an application to become a member of FRWA again after the new approved rates became effective and have additional revenue. Having the same manager for both companies it would only create additional expenses without any direct benefit to Alturas.*
 - e.

16. **FRWA Leak Survey.** In the Utility's March 25, 2015 response to staff's second data request, the Utility indicated that Alturas had not conducted a leak survey because Alturas did not own any leak detection equipment, but that Sunrise was in the process of contacting the FRWA and setting up a schedule to have the whole water system inspected for leaks. With regard to only the Alturas water distribution system, has Alturas requested assistance from the FRWA or any other entity to conduct a leak survey of the Alturas water distribution system to help determine the cause of the Utility's excessive unaccounted for water?
- a. If yes, and if the survey has already occurred, please provide:
 - (1) the date(s) the leak survey was conducted;
 - (2) the results of the survey;
 - (3) documentation showing any additional costs that were incurred related to conducting the leak survey;
 - (4) documentation showing a description of any repairs that have been made as a result of the leak survey, the cost of the repairs, and proof of payment; and
 - (5) a detailed description of any future repairs that the Utility anticipates making as a result of the leak survey, including itemized bids or quotes showing the expected cost of the repairs.
 - b. If Alturas has scheduled a survey, but the leak survey has not yet occurred, please provide the date the leak survey is expected to be conducted.
 - If Alturas has not scheduled a leak survey, please describe any work Alturas has performed or plans to perform in order to isolate the cause of the excessive unaccounted for water.
 - **Alturas Utilities has not scheduled a leak survey due to scheduling conflicts**
 - c.

Utility Billing & Customer Service

- 17. Hours of Operation.** Please provide the Utility's telephone hours for each day of the week. In addition, please state how customers get in contact with the Utility after hours and/or in the event of an emergency?
- 18.** *Our phone ours are 11am to 2pm. Melissa Owen do monitor the voice mails 24 hours a day 7 days a week for emergencies if an emergency occurs she takes appropriate actions immediately.*
- 19.**
- 20. Customer Service.** Please provide the following information:
- a. Please describe in detail, Alturas's billing practice when a payment due date is on a weekend? ? *If a payment due date falls on a weekend the payment would not be deemed late and a late fee would not be assessed until the following Tuesday.*
 - b.
 - c. How often does Alturas check its post office box?
 - d. *We go to the post office box every day Monday to Friday.*
 - e.
 - f. According to a letter by Sunrise (Alturas' sister utility) dated May 26, 2015, customers have the option to pay their utility bills in person at the home of Melissa Owen, Alturas and Sunrise's Office Manager, until 9:00 p.m. At the Sunrise customer meeting, some customers expressed they are not allowed to come to Ms. Owen's home. However, Ms. Owen offers to pick up the payment and at that time a premise visit charge is assessed. Please explain in detail whether or not customers have the option to take a payment to Ms. Owen' home and avoid paying a premise visit charge.
 - g. *As of this date customers no longer allowed to go to Melissa Owens home due to the fact some of them are disrespectful, disruptive . Alturas customers do not go to Melissa Owens home due to the distance*
 - h. Please explain in detail why non-utility personnel is collecting payments from customers.
 - i. *We have no nonutility personnel doing collections*
 - j. Prior to making collection efforts, is Alturas verifying the status of customers' accounts?
 - k. *Prior to collections all customers' accounts are verified.*
- 21. Premises Visit Fee in Lieu of Disconnection.** Please provide a list of all premises visit fees that have been charged to Alturas customers from January 1, 2015 to the present. Please include:
- a. Each customer's name and address;
 - b. The date each customer's payment was due;
 - c. The date each customer's water service was due to be disconnected for non-payment;
 - d. The date each customer's payment was received;
 - e. A copy of the disconnection notice that was sent to each customer;
 - f. The date a Utility representative visited each customer's premises; and
 - g. Whether the Alturas representative was at the customer's address to complete the scheduled disconnection or to respond to a customer's request related to a pending disconnection.

22. **Rate Reduction.** Please provide a copy of a recent customer bill showing that the rate reduction was implemented by Alturas.

140219-WU Alturas Utilities, LLC
RE: Staff's Third Data Requests
June 9, 2015

Page 12

Please file all responses electronically no later than **Wednesday, June 24, 2015**, from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. In addition, please be aware that Staff's Recommendation is scheduled to be filed on August 13, 2015, and will be presented to the Commission at the Commission Agenda Conference on August 27, 2015.

Should you have any questions, please do not hesitate to contact me at (850) 413-6234 or KCorbari@psc.state.fl.us.

Sincerely,

s/ Kelley F. Corbari

Kelley F. Corbari
Senior Attorney

KFC/dml

cc: Office of Commission Clerk

**Attachment A
 Chart of Requested Pro Forma Plant and Expense Items**

Pro Forma Project (as provided by the Utility in the audit and/or second data request response)	Regulatory Mandate or Enhancement	Description of Project Please include the reason the project is needed and/or the benefits to be gained from the project, and whether the project is needed to serve all existing customers, only some existing customers, or future customers.	Scheduled or Anticipated Project Start Date	Estimated Number of Days/Weeks/ Months Required to Complete Project Once Started	Initial Estimate (as provided by the Utility in the audit and/or second data request response)	Bid 1 Amount	Bid 2 & 3 Amounts
Drinking Water Monitoring – Triennial Tests (per audit and data request response)	Mandate (required by Polk County Health Dept. (PCHD) by end of 2015; PCHD strongly recommended that sampling be completed by 9/30/2015)				\$3,500 per audit response and data request response		

Pro Forma Project (as provided by the Utility in the audit and/or second data request response)	Regulatory Mandate or Enhancement	Description of Project Please include the reason the project is needed and/or the benefits to be gained from the project, and whether the project is needed to serve all existing customers, only some existing customers, or future customers.	Scheduled or Anticipated Project Start Date	Estimated Number of Days/Weeks/ Months Required to Complete Project Once Started	Initial Estimate (as provided by the Utility in the audit and/or second data request response)	Bid 1 Amount	Bid 2 & 3 Amounts
Hydropneu-matic tank inspection and repairs (per audit)	Mandate (required by PCHD to be completed in May 2015)				\$4,000 per audit response		
Replace existing electric panel (per audit and data request)	Enhancement				\$6,000 per audit response <i>or</i> \$6,500 per data request response	\$11,500 per Dunham Well Drilling Bid on 5/28/15	
Backflow Prevention Devices (per audit)	Enhancement				\$2,000 per audit response		

Pro Forma Project (as provided by the Utility in the audit and/or second data request response)	Regulatory Mandate or Enhancement	Description of Project Please include the reason the project is needed and/or the benefits to be gained from the project, and whether the project is needed to serve all existing customers, only some existing customers, or future customers.	Scheduled or Anticipated Project Start Date	Estimated Number of Days/Weeks/ Months Required to Complete Project Once Started	Initial Estimate (as provided by the Utility in the audit and/or second data request response)	Bid 1 Amount	Bid 2 & 3 Amounts
Replace water tank saddles (per data request response)	Mandate				\$10,400 per data request response <i>or</i> \$17,500 per data request response	\$18,500 per Dunham Well Drilling Bid on 5/28/15 (includes painting the tank)	
Replace water plant piping (per data request response)	Enhancement				\$4,500 per data request response	\$5,000 per Dunham Well Drilling Bid on 5/28/15 (includes repairs and replacing valves)	

Pro Forma Project (as provided by the Utility in the audit and/or second data request response)	Regulatory Mandate or Enhancement	Description of Project Please include the reason the project is needed and/or the benefits to be gained from the project, and whether the project is needed to serve all existing customers, only some existing customers, or future customers.	Scheduled or Anticipated Project Start Date	Estimated Number of Days/Weeks/ Months Required to Complete Project Once Started	Initial Estimate (as provided by the Utility in the audit and/or second data request response)	Bid 1 Amount	Bid 2 & 3 Amounts
Repair and replace existing piping (per data request response)	Enhancement				\$9,500 per data request response		
Paint interior of tank (per data request response)	Mandate and Enhancement				\$4,100 per data request response		
5-Year Capital Improvement Plan to replace piping					\$25,000 (\$5,000 per year for 5 years)		

Remit To:

WILEY PRATT
513 TERRANOVA CIRCLE
WINTER HAVEN, FLORIDA 33884
863-698-6207 fax

Invoice No.

27

INVOICE

Customer

Name Alturas Utilities
Owner Leslie Szabo
Phone (954) 455-0026

Date 4/1/2015
Order No. _____
Rep _____
FOB _____

Date	Description	Hours	Total
	<u>MARCH 2015</u>		
	MONTHLY SAMPLES(3 @ \$15.00)		\$45.00
	FLUSHED SYSTEM		\$50.00
	PSC WORK		\$100.00
	CHLORINE		\$90.00

Subtotal \$285.00

Payment Details

- Cash
- Check
- Credit Card

TOTAL \$285.00

Office Use Only

CUSTOMIZE YOUR INVOICE

Hover Your Pointer
HERE for a Useful Tip!

Type Company Information Here...

Company Name	WILEY PRATT	Phone	863-698-6207
Address	513 TERRANOVA CIRCLE	Fax	
City	WINTER HAVEN		
State	FLORIDA		
ZIP Code	33884		

Specify Default Invoice Information Here...

1st Tax Name	State	Credit Cards Accepted	
Rate	5.00%	Credit Card #1	
<input checked="" type="checkbox"/>	Apply tax on local purchases only.	Credit Card #2	
2nd Tax Name		Credit Card #3	
Rate		Shipping Charge	\$7.00
<input type="checkbox"/>	Apply tax on local purchases only.	Counter Location	
<input type="checkbox"/>	Share invoice numbers on network.	Template Wizard Database	c:\program files\microsoft office\office\library\invdb.xls

Formatted Information

WILEY PRATT 513 TERRANOVA CIRCLE WINTER HAVEN, FLORIDA 33884 863-698-6207 fax

Remit To:

WILEY PRATT
513 TERRANOVA CIRCLE
WINTER HAVEN, FLORIDA 33884
863-698-6207 fax

Invoice No.

28

INVOICE

Customer

Name Alturas Utilities
Owner Leslie Szabo
Phone (954) 455-0026

Date 5/1/2015
Order No. _____
Rep _____
FOB _____

Date	Description	Hours	Total
	APRIL 2015		
	MONTHLY SAMPLES(3 @ \$15.00)		\$45.00
	FLUSHED SYSTEM		\$50.00
	PSC WORK		\$100.00
	CHLORINE		\$67.50

Subtotal \$262.50

Payment Details

- Cash
- Check
- Credit Card

TOTAL \$262.50

Office Use Only

Office Use Only

CUSTOMIZE YOUR INVOICE

Hover Your Pointer
HERE for a Useful Tip!

Type Company Information Here...

Company Name	WILEY PRATT	Phone	863-698-6207
Address	513 TERRANOVA CIRCLE	Fax	
City	WINTER HAVEN		
State	FLORIDA		
ZIP Code	33884		

Specify Default Invoice Information Here...

1st Tax Name	State	Credit Cards Accepted	
Rate	5.00%	Credit Card #1	
<input checked="" type="checkbox"/>	Apply tax on local purchases only.	Credit Card #2	
		Credit Card #3	
2nd Tax Name		Shipping Charge	\$7.00
Rate		Counter Location	
<input type="checkbox"/>	Apply tax on local purchases only.		
<input type="checkbox"/>	Share invoice numbers on network.		
Template Wizard Database	c:\program files\microsoft office\office\library\invdb.xls		

Formatted Information

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Customer

Name Alturas Utilities
Owner Leslie Szabo
Phone (954) 455-0026

Date 6/1/2015
Order No. _____
Rep _____
FOB _____

Date	Description	Hours		Total
	<u>MAY 2015</u>			
	MONTHLY SAMPLES(3 @ \$15.00)		\$45.00	
	CALLED OUT PRESSURE SWITCH		\$75.00	
	ALTURAS PAPERWORK BEFORE MEETING		\$75.00	
	ALTURAS PSC MEETING PSC EMPLOYEES 2HR		\$150.00	
	ALTURAS PSC MEETING CITIZENS 1HR		\$75.00	
	ALTURAS PAPERWORK AFTER MEETING 1HR		\$75.00	
	ALTURAS BOIL WATER SAMPLES (4@ 30)		\$120.00	
	ALTURAS BOIL WATER SAMPLES (4@ 30)		\$120.00	
	MOWED PLANT SITE		\$75.00	
	FLUSHED SYSTEM(2) DUE TO BOIL WATER		\$100.00	
	NOTE: STAGE 2 SAMPLING DUE 7/1/2014 IS \$395			
			Subtotal	\$910.00

Payment Details

- Cash
- Check
- Credit Card

TOTAL **\$910.00**

Office Use Only

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Address	513 TERRANOVA CIRCLE	Fax	
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		Credit Card #3	
2nd Tax Name		Shipping Charge	\$7.00
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2014 Water Quality Report

Alturas Utilities
Florida Public Water System ID # 6530057

We're pleased to present to you this year's Annual Quality Water Report. This report wants to keep you informed about the good quality water it has delivered to its customers over the past year. We want you to understand the efforts we make to continually improve the water treatment process and protect our water resources. We are committed to ensuring the quality of your water. Our water source is a well that draws water from the Floridian aquifer. This water is disinfected with chlorine and delivered to your tap.

If you have any questions about this report or concerning your water utility, or want to obtain a copy of this report, please contact Alturas Utilities at (863) 510-1318.

We want our valued customers to be informed about their water utility.

Alturas Utilities (863) 510-1318 routinely monitors for contaminants in your drinking water according to Federal and State laws, rules and regulations. Except where indicated otherwise, this report is based on the results of our monitoring for the period of January 1st to December 31st, 2014. Also included are test results in earlier years for contaminants sampled less often than annually, for contaminants not required to be tested for in 2010, test results are for the most recent testing done in accordance with regulations authorized by the state and approved by the United States Environmental Protection Agency (EPA).

As water travels over the land or underground it can pick up substances or contaminants such as microbes, inorganic and organic chemicals, and radioactive substances. All drinking water, including bottled drinking water, may be reasonably expected to contain at least small amounts of some contaminants. It's important to remember that the presence of these contaminants does not necessarily pose a health risk. The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water, which must provide the same protection for public health. Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that the water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the [Environmental Protection Agency's Safe Drinking Water Hotline at 1-800-426-4791](tel:1-800-426-4791).

Contaminants that may be present in source water include:

Microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.

Inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.

Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.

Organic chemical contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can, also come from gas stations, urban storm water runoff, and septic systems.

Radioactive contaminants, which can be naturally occurring, or be the result of oil and gas production or mining activities.

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Alturas Utilities is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline ([1-800-426-4791](tel:1-800-426-4791)) or at <http://www.epa.gov/safewater/lead>.

Infants and young children are typically more vulnerable to lead in drinking water than the general population. It is possible that lead levels at your home may be higher than at other homes in the community as a result of materials used *in* your home's plumbing. If you are concerned about elevated lead levels in your home's water, you may wish to have your water tested and flush your tap for 30 seconds to 2 minutes before using tap water. Additional information is available from the [Safe Drinking Water Hotline \(1-800-426-4791\)](tel:1-800-426-4791).

Lead in drinking water is rarely the sole cause of lead poisoning, but it can add to a person's total lead exposure. All potential sources of lead in the household should be identified and removed, replaced or reduced. Some people may be more vulnerable to contaminants in drinking water than the general population. Immune-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers.

EPA/ CDC guidelines on appropriate means to lessen the risk of infection by cryptosporidium and other microbiological contaminants are available from the [Safe Drinking Water Hotline \(800-426-4791\)](http://www.epa.gov/safewater/lead/faq.html).

Florida's Department of Environmental Protection has conducted Source Water Assessment (SWA), for all public water systems in Florida, to identify and assess any potential sources of contamination in the vicinity of your water supply wells.

A SWA conducted for this system in 2008 found that the system's wells are susceptible to moderate risk of contamination from petroleum storage tanks. The assessment results are available on the FDEP Source Water Assessment and Protection Program web site: www.dep.state.fl.us/ or they can be obtained from David Stewart at (863) 665-3855. swapp

In the data table you will find many terms you might not be familiar with. To help you better understand these terms we've provided the following key to these terms' abbreviations and definitions:

TERMS APPEARING IN TABLE		DEFINITION
Action Level	AL	The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow
Not Applicable	N/A	Does not apply
Not-Detected	ND	Means not detected and indicates that the substance was not found by laboratory analysis.
Parts per million	ppm	One part by weight of analyze to one million parts by weight of the water sample.
Parts per billion	ppb	One part by weight of analyze to one billion parts by weight of the water sample.
Picocuries per liter	pCi/L	- <i>picocuries per liter</i> is a measure of the radioactivity in water,
Maximum Contaminant Level	MCL	The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology. Maximum Contaminant Levels (MCL) is set at very stringent levels. To understand the possible health effects described for many regulated constituents, a person would have to drink 2 liters of water every day at the MCL level for a lifetime to have a one-in-a-million chance of having the described health effect.
Maximum Contaminant Level Goal	MCLG	The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Maximum residual disinfectant level or MRDL: The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum residual disinfectant level goal or MRDLG: The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLG does not reflect the benefits of the use of disinfectants to control microbial contaminants.

State violations specified in the state CCR rules. If your system was in violation of any of the following during the year covered by the report, the report must describe the violation and its duration.

Disinfectant Residual. Systems that treat their water and that have disinfectant concentrations of less than 0.2 ppm free chlorine or its equivalent at the entry points to their distribution systems in routine monitoring as recorded on their monthly operation reports for the calendar year previous to the year in which the CCR is due were in violation.

No chlorine found on the following dated during site visits: 03/06/2013

TEST TABLE RESULTS

Results in the Level Detected column for radioactive contaminants, inorganic contaminants, synthetic organic contaminants including pesticides and herbicides, and volatile organic contaminants are the highest average at any of the sampling points or the highest detected level at any sampling point, depending on the sampling frequency.

Radiological Contaminants							
Contaminant and Unit of Measurement	Dates of sampling (mo./yr.)	MCL Violation Y/N	Level Detected	Range of Results	MCLG	MCL	Likely Source of Contamination
Radium 226 + Radium 228 or Combined Radium (pCi/L)	1/09 – 12/09	No	2.1	0.3– 2.1	0	5	Erosion of natural deposits
Uranium (µg/L)	1/09 – 12/09	No	0.04	1.5 (1 samples)	0	30	Erosion of natural deposits

TEST TABLE RESULTS

Inorganic Contaminants							
Contaminant and Unit of Measurement	Dates of Sampling (MO. /YR.)	MCL Violation YES/NO	Level Detected	MCLG	MCL	Likely Source of Contamination	
Fluoride (ppm)	1/12 – 12/12	No	0.10	4	4	Erosion of natural deposits; discharge from fertilizer and aluminum factories. Water additive which promotes strong teeth when at optimum levels between 0.7 and 1.3 ppm	
Sodium (ppm)	1/12 – 12/12	No	14.0	NA	160	Salt water intrusion, leaching from soil	
Barium (ppm)	1/12 – 12/12	No	0.014	NA	2.0	Natural occurrence from soil leaching	
Chromium (ppb)	1/12 – 12/12	No	2.5	NA	100	Natural occurrence from soil leaching	
Nickel (ppb)	1/12 – 12/12	No	0.68	NA	100	Natural occurrence from soil leaching	
Nitrate (ppm)	1/14 – 12/14	No	2.17	10	10	Runoff from fertilizer, leaching from septic tanks, sewage, Erosion of natural deposits	

Lead and Copper (Tap Water)							
Contaminant and Unit of Measurement	Dates of Sampling (mo. /yr.)	AL Violation Y/N	90th Percentile Result	No. of sampling sites exceeding the AL	MCLG	AL (Action Level)	Likely Source of Contamination
Copper (ppm) (tap water)	06/13 – 09/13	N	0.110	0	0.016	1.3	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives
Lead (ppb) (tap water)	06/13 – 09/13	N	0.6	0	0	15	Corrosion of household plumbing systems, erosion of natural deposits

TTHM s and Stage 2 Disinfectant/Disinfection By-Product (D/DBP) Parameters							
Contaminant and Unit of Measurement	Dates of Sampling (MO. /YR.)	MCL Violation YES/NO	Level Detected	Range of Results	MCLG or MRDLG	MCL or MRDL	Likely Source of Contamination
Chlorine: Level Detected is the 2014 monthly average for residual Chlorine; Range of Results is the range of 2014 monthly Chlorine residual level results (lowest to highest) at the individual sampling sites. TTHMs and HAASs: Level Detected is a 2014 DBP2 highest result as the level detected and the range of individual sample results as the range of results. Single sample test result							
Chlorine (ppm)	1/1/14-12/31/14	N	1.3	0.5	MRDLG = 4.0	MRDL = 4.0	Water additive used to control microbes