



February 11, 2016

**VIA E-FILING**

Carlotta S. Stauffer, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

RE: Docket No. 110200-WU; In re: Application for increase in water rates in Franklin County by  
Water Management Services, Inc.  
Our File No. 46023.01

Dear Ms. Stauffer:

Water Management Services, Inc. ("WMSI" or "Utility") submits the following in response to Staff's Seventh Data Request dated January 22, 2016:

1. In the application filed with the Commission on September 21, 2012, Document No. 06374 stated, "WMSI located 24 bank-owned lots which were obtained through foreclosure and which can be purchased for \$190,000." The application also states that 12 of the 24 lots were not needed for this project. Please identify which of the 24 lots are being utilized by the utility and the assessed value for each of the 24 lots.

**Response:** The following eight lots are being utilized by the Utility: Lots 12-19, Unit 1, Block 3 West. Each of the 24 lots is assessed at \$22,000 in 2015.

2. Since the filing of the above-referenced application, have any of the 24 lots been sold? If so, for each lot sold, please provide the date of sale, the buyer, and the sales price. Please provide any legal documents associated with each sale.

**Response:** Yes, the remaining sixteen lots were sold to Brown Management Group, Inc. on October 28, 2013 for \$30,000. Most of these lots were low and thus unbuildable. See attached Deed.

3. Since the filing of the above-referenced application, has the utility transferred ownership of any of these lots? If so, for each lot transferred, please provide the date of transfer, the transferee, and any legal documents associated with / related to the transfer.

**Response:** See response to #2.

4. When does the utility anticipate DEP will issue its approval of the pro forma projects included in Order No. PSC-12-0435-PAA-WU, issued August 22, 2012?

**Response:** WMSI anticipates that DEP will issue its approval of the pro forma projects on or before April 1, 2016. The Utility expects the certificate of Occupancy to be issued by the County within the next few days.

Since the construction is completed, and the costs finalized, also attached is the True-Up Schedule, competing the portions requested by the staff.

Should you or Staff have any questions concerning this filing, please do not hesitate to give me a call.

Very truly yours,



MARTIN S. FRIEDMAN  
For the Firm

MSF/

cc: Gene Brown (via e-mail)  
Sandy Chase (via e-mail)  
Martha Barrera, Esquire (via e-mail)  
John Truitt, Esquire (via e-mail)  
Amber Norris (via e-mail)

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Prepared by:  
Gene D. Brown  
250 John Knox Road  
Suite 4  
Tallahassee, FL 32303

Inst:201319007722 Date:10/31/2013 Time:9:48 AM  
Doc Stamp-Deed:210.00  
SM DC, Marcia Johnson, Franklin County B:1106 P:751

Parcel ID Nos.  
29-09S-06W-7311-003W-0010  
29-09S-06W-7311-003W-0030  
29-09S-06W-7311-003W-0050  
29-09S-06W-7311-003W-0060  
29-09S-06W-7311-003W-0220  
29-09S-05W-7311-003W-0010

**WARRANTY DEED**

Made this 28<sup>th</sup> day of October, 2013, between WATER MANAGEMENT SERVICES, INC., a Florida corporation, whose address is 250 John Knox Road, Suite 4, Tallahassee, FL 32303, hereinafter called Grantor, and BROWN MANAGEMENT GROUP, INC., a Florida corporation, whose address is 250 John Knox Road, Suite 4, Tallahassee, FL 32303, hereinafter called Grantee.

WITNESSETH: That the Grantor, for and in consideration of the sum of Ten and no/100 Dollars (\$10.00), and other good and valuable consideration, to it in hand paid by the Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold to the Grantee, its heirs successors and assigns forever, the following described land, situate and being in the County of Franklin, State of Florida, to-wit:

Lots 1, 2, 3, 4, 5, 6, 7, 22, 23, 24, 25, 26, 27, 28, 29, 30, Block 3 West of ST. GEORGE ISLAND GULF BEACHES UNIT NO. 1, ACCORDING TO THE Plat thereof as recorded in Plat Book 2, Page 7 of the Public Records of Franklin County, Florida.

SUBJECT TO ad valorem taxes for the year 2013 and subsequent years, easements and restrictive covenants of record, if any, which specifically are not reimposed or extended hereby; and any outstanding mortgages.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, to have and to hold, the same in fee simple forever.

And the Grantor covenants with the Grantee that it is lawfully seized of the property in fee simple; that it has good right and lawful authority to sell and convey the property; and it hereby fully warrants the title to the property, and will defend the same against the lawful claims of all persons whomsoever, except as stated above.

IN WITNESS WHEREOF, the Grantor has hereunto set its hand and seal the day and year first above written.

Witnesses:

WATER MANAGEMENT SERVICES, INC.,  
a Florida corporation

Sandra M. Chase

By: Gene D. Brown  
Gene D. Brown, President

Print Name: Sandra M. Chase

Bobby Mitchell, Jr.

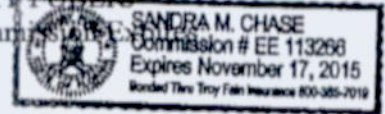
Print Name: Bobby Mitchell, Jr.

STATE OF FLORIDA  
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of October, 2013 by Gene D. Brown, President of Water Management Services, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me and did not take an oath.

Sandra M. Chase

NOTARY PUBLIC  
My Comm. # EE 113266



**Sample WMSI True-Up Schedule**

Line No.	Acct. No.	Account Name	A	B	C =	D	E	F
			Proforma Plant Approved Amount (1)	Proforma Plant Actual Amount (2)	Plant True-Up Difference	Service Life	Accum Depr True-Up Difference	Depr Exp True-Up Difference
1	303	Land	\$443,432	\$ 160,000		N/A	\$0	\$0
2	304	Structures and Improvements	336,085	\$ 753,484		33	0	0
3	309	Supply Mains	164,690	\$ 330,079		35	0	0
4	310	Power Generation Equipment	141,951	\$ 170,349		20	0	0
5	311	Pumping Equipment	655,150	\$ 556,066		20	0	0
6	320	Water Treatment Plant	63,261	\$ 50,664		22	0	0
7	330	Distribution Reservoirs and Standing pipes	831,246	\$ 835,812		37	0	0
8	331	Transmission and Distribution Mains	811,282	\$1,027,485		43	0	0
9	346	Communication Equipment	43,520	\$ 75,831		10	0	0
10		Total Approved Pro Form Land & Plant	<u>\$3,490,617</u>	<u>\$3,959,770</u>	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>
11								
12		<u>Calculation of Revenue Requirement True-Up Difference</u>						
13		Land and Net Plant True-Up Difference			\$0			
14		Approved Overall Cost of Capital			5.61%			
15		Land and Net Plant True-Up Return Difference			\$0			
16		Plus: Depreciation Expense			0			
17		Revenue Requirement True-Up Difference with RAFs			\$0			
18								
19		<u>Calculation of Across-the-Board Rate Percentage Change</u>						
20		Revenue Requirement True-Up Difference with RAFs			\$0			
21		Revenue requirement per Order No. PSC-13-0197-FOF-WU			\$1,905,203			
22		Across-the-Board Rate Percentage Increase/(Decrease)			0.00%			
23								

**Notes:**

(1) Plant Approved Amounts found in Order No. PSC-13-0197-FOF-WU, issued on May 16, 2013 and Order No. PSC-12-0435-PAA-WU, issued on August 22, 2012.

(2) Plant Actual Amounts column and following calculations to be input & provided by WMSI.

27  
28  
29