



## Silver Lake Utilities

106 SW County Road 721 Okeechobee, FL 34974  
PH 863.763.3041 FAX 863.763.3178  
chris.shoemaker@lykesranch.com

May 27, 2016

Mr. Adam Hill  
Division of Engineering  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

RE: Exhibit 2  
Docket No. 150149-WS  
Staff Assisted Rate Case by Silver Lake Utilities, Inc.

Dear Mr. Hill:

Silver Lake Utilities is providing the responses below to your letter of May 5, requesting additional information based on a letter from the Office of Public Council. **Please see the attached Exhibit 2 to support the Response to No.4**

- 4** Original Costs: Please refer to Audit Finding 1 (Utility Plant in Service). Please provide original cost amounts for Brighton Ranch, Brighton Grove, lake Placid, Dinner Lake water treatment plants, along with their age and accumulated depreciation at time of acquisition.

Brighton Water Plant	\$	349,621.82	New Construction
Brighton Grove Plant	\$	153,239.28	New Construction
Lake Placid Water Plant	\$	45,115.36	1992 - \$ 25,901.67
Dinner Lake Water Plant	\$	2,885.00	1992 - \$ 1,358.08

**EXHIBIT 2  
REQUEST FOR INFORMATION  
MAY 5, 2016  
DOCKET 150149-WS**

<b>Silver Lake Utilities, Inc.</b>		
<b>Water Treatment</b>		
<b>Plant Purchases</b>		
<b>Plant</b>	<b>From Division</b>	<b>Amount</b>
Brighton Water Treatment Plant	Ranch	349,621.82
Brighton Grove Water Treatment Plant	Ranch	153,239.28
Lake Placid Water Treatment Plant	LCMD	45,115.36
Dinner Lake Water Treatment Plant	LCMD	1,526.92
Mulch Plant	7L Brands	61,344.28
		<b>\$ 610,847.66</b>

## BILL OF SALE

**KNOW ALL MEN BY THESE PRESENTS:** that LYKES BROS. INC. ("Seller") for and in consideration of the sum of FIVE HUNDRED FORTY NINE THOUSAND FIVE HUNDRED THREE AND 38/100s (\$549,503.38) DOLLARS and for other good and valuable consideration paid by SILVER LAKE UTILITIES, INC. ("Buyer"), at or before the sealing and delivery of these presents, the receipt and sufficiency of whereof is hereby acknowledged;

Has granted, bargained, sold, conveyed, transferred and delivered, and by these presents does grant, bargain, sell, convey, transfer and deliver, unto Buyer, its successors and assigns, with all rights and privileges of ownership thereof, free and clear of all liens, claims, security interests and encumbrances:

All of Seller's right, title, and interest in and to all of its fixtures, machinery, equipment and each and every other item of personal property listed and described on Schedule "A" attached hereto and incorporated herein, all sold "as is" as of the date of the transfer (the "Assets).

**TO HAVE AND TO HOLD** the same unto Buyer, its successors and assigns forever and Seller does hereby covenant and agree that it will from time to time, if requested by Buyer or its successors and assigns, (a) do and perform such other acts and things, sign or make such other agreements, certificates, instruments and other documents, and take such other actions as may be necessary or proper to vest title to the Assets in Buyer, its successor and assigns, and (b) warrant and defend the sale of the Assets to Buyer, its successors and assigns, forever against all claims and demands whatsoever.

**IN WITNESS WHEREOF**, Seller has caused this Bill of Sale to be executed by its duly authorized officer this 9th day of May, 2009.

LYKES BROS. INC.

By:   
Name: Frederick Bennett  
Title: Executive Vice President

**Silver Lake Utilities, Inc.  
Purchase of Brighton Ranch Facility from  
Ranch Division**

NARUC Acct. No.	Description	Purchase Price	PSC Depreciation Rate	Monthly Depreciation Rate	Accumulated Depreciation Through 04/30/09
304-200-0000	Structures & Improvements Supply Plant-Water	63,240.45	3.70%	0.308%	776.37
307-200-0000	Wells & Springs Supply Plant	39,295.09	3.70%	0.308%	482.40
310-200-0000	Power Generation Equipment - Water	40,155.14	5.88%	0.490%	781.27
311-200-0000	Pumping Equip Supply Plant	8,207.65	5.88%	0.490%	159.69
320-300-0000	Water Treat Equip-Water Treat Plant	172,297.97	5.88%	0.490%	3,352.30
331-400-0000	Trans/Distribution Mains-Trans/Dist Plant	24,930.12	2.63%	0.219%	217.84
334-400-0000	Meters/Meter Installations-Trans/Dist Plant-Water	1,495.40	5.88%	0.490%	29.10
		<b>349,621.82</b>			<b>5,798.97</b>

Purchase Entry		Entry For Accumulated Depreciation (from 01/01/09 thru 04/30/09)			
	Debit	Credit	Deprec Expense		
304-200-0000 Structures & Improvements - Supply Plant-Water	63,240.45		403-304-2000 Structures & Improvements - Supply Plant-Water	Debit	Credit
307-200-0000 Wells & Springs-Supply Plant-Water	39,295.09		403-307-2000 Wells & Springs-Supply Plant-Water	776.37	
310-200-0000 Power Generation Equipment - Water	40,155.14		403-310-2000 Power Generation Equipment - Water	482.40	
311-200-0000 Pumping Equip-Supply Plant-Water	8,207.65		403-311-2000 Pumping Equip-Supply Plant-Water	781.27	
320-300-0000 Water Treat Equip-Water Treat Plant	172,297.97		403-320-3000 Water Treat Equip-Water Treat Plant	159.69	
331-400-0000 Trans/Distribution Mains-Trans/Dist Plant-Water	24,930.12		403-331-4000 Trans/Distribution Mains-Trans/Dist Plant-Water	3,352.30	
334-400-0000 Meters/Meter Installations-Trans/Dist Plant-Water	1,495.40		403-334-4000 Meters/Meter Installations-Trans/Dist Plant-Water	217.84	
				29.10	
108-304-2000 A/D Structures & Improvements - Supply Plant-Water			108-304-2000 A/D Structures & Improvements - Supply Plant-Water		776.37
108-307-2000 A/D Wells & Springs-Supply Plant-Water			108-307-2000 A/D Wells & Springs-Supply Plant-Water		482.40
108-310-2000 A/D Power Generation Equipment - Water			108-310-2000 A/D Power Generation Equipment - Water		781.27
108-311-2000 A/D Pumping Equip-Supply Plant-Water			108-311-2000 A/D Pumping Equip-Supply Plant-Water		159.69
108-320-3000 A/D Water Treat Equip-Water Treat Plant			108-320-3000 A/D Water Treat Equip-Water Treat Plant		3,352.30
108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water			108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water		217.84
108-334-4000 A/D Meters/Meter Installations-Trans/Dist Plant-Water			108-334-4000 A/D Meters/Meter Installations-Trans/Dist Plant-Water		29.10
231-000-0000 Accounts Payable to Ranch		349,621.82			
	349,621.82	349,621.82		5,798.97	5,798.97

**Silver Lake Utilities, Inc.  
Purchase of Brighton Grove Facility from  
Ranch Division**

NARUC Acct. No.	Description	Purchase Price	PSC Depreciation Rate	Monthly Depreciation Rate	Accumulated Depreciation Through 04/30/09
304-200-0000	Structures & Improvements Supply Plant-Water	41,717.78	3.70%	0.308%	512.14
307-200-0000	Wells & Springs: Supply Plant	23,419.17	3.70%	0.308%	287.50
310-200-0000	Power Generation Equipment - Water	10,763.03	5.88%	0.490%	209.41
311-200-0000	Pumping Equip: Supply Plant	8,790.22	5.88%	0.490%	171.03
320-300-0000	Water Treat Equip: Water Treat Plant	58,641.75	5.88%	0.490%	1,140.96
330-400-0000	Distribution Reservoirs-Trans/Dist Plant -Water	7,461.56	3.03%	0.253%	75.08
331-400-0000	Trans/Distribution Mains: Trans/Dist Plant	2,048.40	2.63%	0.219%	17.90
334-400-0000	Meters/Meter Installations-Trans/Dist Plant-Water	397.37	5.88%	0.490%	7.73
		<u>153,239.28</u>			<u>2,421.75</u>

Purchase Entry		Entry For Accumulated Depreciation (from 01/01/09 thru 04/30/09)			
	Debit	Credit			
304-200-0000 Structures & Improvements - Supply Plant-Water	41,717.78		Depreciation Expense		
307-200-0000 Wells & Springs-Supply Plant-Water	23,419.17		403-304-2000 Structures & Improvements - Supply Plant-Water	Debit	Credit
310-200-0000 Power Generation Equipment - Water	10,763.03		403-307-2000 Wells & Springs-Supply Plant-Water	512.14	
311-200-0000 Pumping Equip-Supply Plant-Water	8,790.22		403-310-2000 Power Generation Equipment - Water	287.50	
320-300-0000 Water Treat Equip-Water Treat Plant	8,790.22		403-311-2000 Pumping Equip-Supply Plant-Water	209.41	
330-400-0000 Distribution Reservoirs-Trans/Dist Plant -Water	58,641.75		403-320-3000 Water Treat Equip-Water Treat Plant	171.03	
331-400-0000 Trans/Distribution Mains-Trans/Dist Plant-Water	7,461.56		403-320-3000 Water Treat Equip-Water Treat Plant	1,140.96	
334-400-0000 Meters/Meter Installations-Trans/Dist Plant-Water	2,048.40		403-330-4000 Distribution Reservoirs-Trans/Dist Plant -Water	75.08	
	397.37		403-331-4000 Trans/Distribution Mains-Trans/Dist Plant-Water	17.90	
			403-334-4000 Meters/Meter Installations-Trans/Dist Plant-Water	7.73	
108-304-2000 A/D Structures & Improvements - Supply Plant-Water			108-304-2000 A/D Structures & Improvements - Supply Plant-Water		512.14
108-307-2000 A/D Wells & Springs-Supply Plant-Water			108-307-2000 A/D Wells & Springs-Supply Plant-Water		287.50
108-310-2000 A/D Power Generation Equipment - Water			108-310-2000 A/D Power Generation Equipment - Water		209.41
108-311-2000 A/D Pumping Equip-Supply Plant-Water			108-311-2000 A/D Pumping Equip-Supply Plant-Water		171.03
108-320-3000 A/D Water Treat Equip-Water Treat Plant			108-320-3000 A/D Water Treat Equip-Water Treat Plant		1,140.96
108-330-4000 A/D Distribution Reservoirs-Trans/Dist Plant -Water			108-330-4000 A/D Distribution Reservoirs-Trans/Dist Plant -Water		75.08
108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water			108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water		17.90
108-334-4000 A/D Meters/Meter Installations-Trans/Dist Plant-Water			108-334-4000 A/D Meters/Meter Installations-Trans/Dist Plant-Water		7.73
231-000-0000 Accounts Payable to Ranch		153,239.28			
	153,239.28	153,239.28		2,421.75	2,421.75

Schedule "A"

**Silver Lake Utilities, Inc.  
Purchase of Lake Placid Facility from LCMD**

**Entry For Accumulated Depreciation  
(from 01/01/09 thru 04/30/09)**

NARUC Acct. No.	Description	Original Purchase Price	PSC Depreciation Rate	Additions 12/19/2007	Accumulated Depreciation Through 12/31/08	Purchase Price as of 12/31/08
304-200-0000	Structures & Improvements Supply Plant-Water	02/17/1992				
307-200-0000	Wells & Springs: Supply Plant	5,400.00	3.70%		2,537.06	2,862.94
311-200-0000	Pumping Equip: Supply Plant	24,734.76	3.70%		11,621.01	13,113.76
320-300-0000	Water Treat Equip: Water Treat Plant	10,300.00	5.88%	19,577.27	7,736.40	22,140.87
331-400-0000	Trans/Distribution Mains: Trans/Dist Plant	105.00	5.88%		67.13	37.87
		10,900.00	2.63%		3,940.07	6,959.93
		51,439.76		19,577.27	25,901.67	45,115.36

NARUC Acct. No.	Description	Accumulated Depreciation Through 04/30/09
403-304-2000	Structures & Improvements Supply Plant-Water	35.15
403-307-2000	Wells & Springs: Supply Plant	160.99
403-311-2000	Pumping Equip: Supply Plant	430.78
403-320-3000	Water Treat Equip: Water Treat Plant	0.74
403-331-4000	Trans/Distribution Mains: Trans/Dist Plant	60.82
		688.47

Pumping Equip: Supply Plant	
Depreciation from 03/1992 to 12/31/08 on Original Purchase	6,585
Depreciation on Addition for 12 months (2008)	1,151
	7,736

**Purchase Entry**

	Debit	Credit
304-200-0000 Structures & Improvements - Supply Plant-Water	5,400.00	
307-200-0000 Wells & Springs-Supply Plant-Water	24,734.76	
311-200-0000 Pumping Equip-Supply Plant-Water	29,877.27	
320-300-0000 Water Treat Equip-Water Treat Plant	105.00	
331-400-0000 Trans/Distribution Mains-Trans/Dist Plant-Water	10,900.00	
108-304-2000 A/D Structures & Improvements - Supply Plant-Water		2,537.06
108-307-2000 A/D Wells & Springs-Supply Plant-Water		11,621.01
108-311-2000 A/D Pumping Equip-Supply Plant-Water		7,736.40
106-320-3000 A/D Water Treat Equip-Water Treat Plant		67.13
108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water		3,940.07
231-000-0000 Accounts Payable to LCMD		45,115.36
	71,017.03	71,017.03

	Debit	Credit
403-304-2000 Structures & Improvements - Supply Plant-Water	35.15	
403-307-2000 Wells & Springs-Supply Plant-Water	160.99	
403-311-2000 Pumping Equip-Supply Plant-Water	430.78	
403-320-3000 Water Treat Equip-Water Treat Plant	0.74	
403-331-4000 Trans/Distribution Mains-Trans/Dist Plant-Water	60.82	
108-304-2000 A/D Structures & Improvements - Supply Plant-Water		35.15
108-307-2000 A/D Wells & Springs-Supply Plant-Water		160.99
108-311-2000 A/D Pumping Equip-Supply Plant-Water		430.78
108-320-3000 A/D Water Treat Equip-Water Treat Plant		0.74
108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water		60.82
	688.47	688.47

**Silver Lake Utilities, Inc.  
Purchase of Dinner Lake Facility from LCMD**

**Entry For Accumulated Depreciation  
(from 01/01/09 thru 04/30/09)**

NARUC Acct. No.	Description	Original Purchase Price 01/01/92	PSC Depreciated on Rate	ed Depreciated Through 12/31/08	Purchase Price as of 12/31/08	NARUC Acct. No.	Description	Accumulated Depreciation Through 04/30/09
304-200-0000	Structures & Improvements Supply Plant-Water	250.00	3.70%	118.30	131.70	403-304-2000	Structures & Improvements Supply Plant-Water	1.62
307-200-0000	Wells & Springs: Supply Plant	1,200.00	3.70%	567.84	632.16	403-307-2000	Wells & Springs: Supply Plant	7.76
311-200-0000	Pumping Equip: Supply Plant	350.00	5.88%	225.07	124.93	403-311-2000	Pumping Equip: Supply Plant	2.43
320-300-0000	Water Treat Equip: Water Treat Plant	185.00	5.88%	118.97	66.03	403-320-3000	Water Treat Equip: Water Treat Plant	1.28
331-400-0000	Trans/Distribution Mains: Trans/Dist Plant	900.00	2.63%	327.90	572.10	403-331-4000	Trans/Distribution Mains: Trans/Dist Plant	5.00
		2,885.00		1,358.08	1,526.92			18.09

**Purchase Entry**

	Debit	Credit		Debit	Credit
304-200-0000 Structures & Improvements - Supply Plant-Water	250.00		403-304-2000 Structures & Improvements - Supply Plant-Water	1.62	
307-200-0000 Wells & Springs-Supply Plant-Water	1,200.00		403-307-2000 Wells & Springs-Supply Plant-Water	7.76	
311-200-0000 Pumping Equip-Supply Plant-Water	350.00		403-311-2000 Pumping Equip-Supply Plant-Water	2.43	
320-300-0000 Water Treat Equip-Water Treat Plant	185.00		403-320-3000 Water Treat Equip-Water Treat Plant	1.28	
331-400-0000 Trans/Distribution Mains-Trans/Dist Plant-Water	900.00		403-331-4000 Trans/Distribution Mains-Trans/Dist Plant-Water	5.00	
108-304-2000 A/D Structures & Improvements - Supply Plant-Water		118.30	108-304-2000 A/D Structures & Improvements - Supply Plant-Water		1.62
108-307-2000 A/D Wells & Springs-Supply Plant-Water		567.84	108-307-2000 A/D Wells & Springs-Supply Plant-Water		7.76
108-311-2000 A/D Pumping Equip-Supply Plant-Water		225.07	108-311-2000 A/D Pumping Equip-Supply Plant-Water		2.43
108-320-3000 A/D Water Treat Equip-Water Treat Plant		118.97	108-320-3000 A/D Water Treat Equip-Water Treat Plant		1.28
108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water		327.90	108-331-4000 A/D Trans/Distribution Mains-Trans/Dist Plant-Water		5.00
231-000-0000 Accounts Payable to LCMD		1,526.92		18.09	18.09
	2,885.00	2,885.00			

## BILL OF SALE

**KNOW ALL MEN BY THESE PRESENTS:** that 7L BRANDS, LLC ("Seller") for and in consideration of the sum of SIXTY ONE THOUSAND THREE HUNDRED FORTY FOUR AND 28/100S (\$61,344.28) DOLLARS and for other good and valuable consideration paid by SILVER LAKE UTILITIES, INC. ("Buyer"), at or before the sealing and delivery of these presents, the receipt and sufficiency of whereof is hereby acknowledged;

Has granted, bargained, sold, conveyed, transferred and delivered, and by these presents does grant, bargain, sell, convey, transfer and deliver, unto Buyer, its successors and assigns, with all rights and privileges of ownership thereof, free and clear of all liens, claims, security interests and encumbrances:

All of Seller's right, title, and interest in and to all of its fixtures, machinery, equipment and each and every other item of personal property listed and described on Schedule "A" attached hereto and incorporated herein, all sold "as is" as of the date of the transfer (the "Assets").

**TO HAVE AND TO HOLD** the same unto Buyer, its successors and assigns forever and Seller does hereby covenant and agree that it will from time to time, if requested by Buyer or its successors and assigns, (a) do and perform such other acts and things, sign or make such other agreements, certificates, instruments and other documents, and take such other actions as may be necessary or proper to vest title to the Assets in Buyer, its successor and assigns, and (b) warrant and defend the sale of the Assets to Buyer, its successors and assigns, forever against all claims and demands whatsoever.

**IN WITNESS WHEREOF**, Seller has caused this Bill of Sale to be executed by its duly authorized officer this 9th day of May, 2009.

7L BRANDS, LLC  
By: LYKES BROS. INC., its sole  
Member and Manager

By:   
Name: Frederick Bennett  
Title: Executive Vice President

**Silver Lake Utilities, Inc.**  
**Purchase of the Mulch Plant from Ranch**

NARUC Acct. No.	Description	Original Purchase Price 12/31/08	PSC Depreciation Rate	Monthly Depreciation Rate	Accumulated Depreciation Through 04/30/09
304-200-0000	Structures & Improvements Supply Plant-Water	3,439.63	3.70%	0.308%	42.23
307-200-0000	Wells & Springs: Supply Plant	3,435.81	3.70%	0.308%	42.18
309-200-0000	Supply Mains - Supply Plant - Water	2,639.23	3.13%	0.260%	27.38
310-200-0000	Power Generation Equipment - Water	24,164.99	5.88%	0.490%	470.16
311-200-0000	Pumping Equip: Supply Plant	13,005.21	5.88%	0.490%	253.03
320-300-0000	Water Treat Equip: Water Treat Plant	2,360.73	5.88%	0.490%	45.93
330-400-0000	Distribution Reservoirs - Trans/Dist Plant	5,159.45	3.03%	0.253%	51.91
331-400-0000	Trans/Distribution Mains: Trans/Dist Plant	6,427.80	2.63%	0.219%	56.17
334-400-0000	Meters/meter Installations: Trans/Dist Plant	711.43	5.88%	0.490%	13.84
		<b>61,344.28</b>			<b>1,002.84</b>

**Entry For The Purchase**

NARUC Acct. No.	Description	Debit	Credit
304-200-0000	Structures & Improvements Supply Plant-Water	3,439.63	
307-200-0000	Wells & Springs: Supply Plant	3,435.81	
309-200-0000	Supply Mains - Supply Plant - Water	2,639.23	
310-200-0000	Power Generation Equipment - Water	24,164.99	
311-200-0000	Pumping Equip: Supply Plant	13,005.21	
320-300-0000	Water Treat Equip: Water Treat Plant	2,360.73	
330-400-0000	Distribution Reservoirs - Trans/Dist Plant	5,159.45	
331-400-0000	Trans/Distribution Mains: Trans/Dist Plant	6,427.80	
334-400-0000	Meters/meter Installations: Trans/Dist Plant	711.43	
108-304-2000	A/D Structures & Improvements - Supply Plant-Water		
108-307-2000	A/D Wells & Springs-Supply Plant-Water		
108-309-2000	A/D Supply Mains - Supply Plant - Water		
108-310-2000	A/D Power Generation Equipment - Water		
108-311-2000	A/D Pumping Equip-Supply Plant-Water		
108-320-3000	A/D Water Treat Equip-Water Treat Plant		
108-330-4000	A/D Distribution Reservoirs - Trans/Dist Plant		
108-331-4000	A/D Trans/Distribution Mains-Trans/Dist Plant-Water		
108-334-4000	A/D Meters/meter Installations: Trans/Dist Plant		
231-000-0000	Accounts Payable to Ranch		61,344.28
		<b>61,344.28</b>	<b>61,344.28</b>

**Entry For Accumulated Depreciation (from 01/01/09 thru 04/30/09)**

NARUC Acct. No.	Description	Debit	Credit
403-304-2000	Structures & Improvements Supply Plant-Water	42.23	
403-307-2000	Wells & Springs: Supply Plant	42.18	
403-309-2000	Supply Mains - Supply Plant - Water	27.38	
403-310-2000	Power Generation Equipment - Water	470.16	
403-311-2000	Pumping Equip: Supply Plant	253.03	
403-320-3000	Water Treat Equip: Water Treat Plant	45.93	
403-330-4000	Distribution Reservoirs - Trans/Dist Plant	51.91	
403-331-4000	Trans/Distribution Mains: Trans/Dist Plant	56.17	
403-334-4000	Meters/meter Installations: Trans/Dist Plant	13.84	
108-304-2000	A/D Structures & Improvements - Supply Plant-Water		42.23
108-307-2000	A/D Wells & Springs-Supply Plant-Water		42.18
108-309-2000	A/D Supply Mains - Supply Plant - Water		27.38
108-310-2000	A/D Power Generation Equipment - Water		470.16
108-311-2000	A/D Pumping Equip-Supply Plant-Water		253.03
108-320-3000	A/D Water Treat Equip-Water Treat Plant		45.93
108-330-4000	A/D Distribution Reservoirs - Trans/Dist Plant		51.91
108-331-4000	A/D Trans/Distribution Mains-Trans/Dist Plant-Water		56.17
108-334-4000	A/D Meters/meter Installations: Trans/Dist Plant		13.84
		<b>1,002.84</b>	<b>1,002.84</b>