

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase
in wastewater rates in Monroe
County by K W Resort Utilities Corp.

Docket No. 150071-SU

REBUTTAL TESTIMONY

OF

CHRISTOPHER A. JOHNSON

on behalf of

K W Resort Utilities Corp.

1 **Q. Please state your, name profession and address.**

2 A. My name is Christopher A. Johnson. I am President of K W Resort Utilities Corp. My
3 business address is 6630 Front Street, Key West, Florida 33040.

4 **Q. Have you presented direct testimony in this case.**

5 A. Yes I have.

6 **Q. What is the purpose of your rebuttal testimony?**

7 A. The purpose of my rebuttal testimony is to present information to refute some of arguments
8 presented by Intervenor witnesses.

9 **Q. Are you sponsoring any exhibits?**

10 A. Yes, I am sponsoring the following exhibits: Exhibit CAJ-8, is the change order for
11 replacement of the vacuum tank, Composite Exhibit CAJ-9, represents the total costs for
12 completion of the plant expansion and vacuum tank expansion, Exhibit CAJ-10, a spreadsheet
13 identifying CIAC collected since 2012, including CIAC that per the CRI contract with
14 Monroe County may be refunded to customers when they elect to be placed on the non-ad
15 valorem tax assessment, and Exhibit CAJ-11, an email from Bob Stone, Monroe County
16 facilities director dated November 11, 2009 from Monroe County requesting to reduce their
17 reuse to 32,000 gpd.

18 **Q. Were these Exhibits prepared by you and your staff?**

19 A. Yes they were, except the FKAA billing determinants which were obtained from the FKAA.

20 **Q. Please explain the status of the vacuum tank replacement?**

21 A. The Utility has a Contract in place for the vacuum tank replacement which is Exhibit CAJ-8,
22 which is a change order to the original contract with Wharton Smith. Because the contractor
23 selected was same contractor performing the .350 MGD treatment plant expansion, the Utility
24 was able to save on mobilization, insurance, housing, and bonding costs which is a primary
25 reason the actual cost is much less than the original estimate. The Utility would have just

1 negotiated with the treatment plant contractor for the vacuum tank replacement but we
2 understood that it was Commission policy to obtain three competitive bids on projects of this
3 magnitude. It was imperative for the Utility to include the qualified contractor performing
4 the .350 MGD expansion project in the bid process knowing how significant mobilization
5 and the other costs can be. The outcome (awarding the vacuum tank replacement project to
6 the contractor already mobilized and working on site) turned out to be a terrific value for the
7 Utility and its rate payers.

8 **Q. Ms. Merchant states that the vacuum tank should not be considered if not within 24**
9 **months, what is the estimated date the new vacuum tank will be placed into service?**

10 A. I have confirmed with the Division Manager of the contractor, Wharton Smith, that the
11 vacuum tank will be installed and treating sewerage prior to December 25, 2016. Wharton
12 Smith is already mobilized on site and is fully operational (tool trailers, office trailer, back
13 hoe, track hoe, crane, welders, and various tradesman put up in housing nearby) at the location
14 of the vacuum tank. The contractor is intimately familiar with site conditions as they have
15 drilled 67 auger cast pilings 70 feet into the earth on the site. In addition to this Wharton
16 Smith has completed 3 concrete foundations on the site (blower deck, chemical tank
17 foundation, and .350MGD WWTP foundation) since June 2016. Each of these foundations
18 were completed on schedule and to specification. The site specific knowledge of the field
19 conditions that has been gained is very useful for planning the existing vacuum tank
20 excavation/removal and the installation of the new vacuum tank. Wharton Smith knows what
21 to expect underground and therefore can anticipate and plan for the local field conditions at
22 the location of the vacuum vessel.

23 I confirmed with the manufacturer's representative of the vacuum tank (AIRVAC) that the
24 anticipated delivery date will not delay the project with regard to the December 25, 2016
25 completion date. The Utility will be working very closely with the contractor in planning

1 the work and the Utility has every reason to believe that the vacuum tank will be fully
2 operational by December 25, 2016.

3 **Q. What is the status of the treatment plant expansion?**

4 A. The 350,000 GPD wastewater treatment plant expansion project is more than 50% to
5 substantial completion (project is in day 185 of 365 day contract). The General Contractor
6 has been paid on Pay Applications 1, 2, 3, 4, and 5 as of this response. With Pay Application
7 #6 forthcoming. The Wharton Smith payment schedule indicates the project will require 12
8 Pay Applications. The Utility has paid the General Contractor \$1,266,093.01 to date which
9 is 30% paid, and more than 30% of the work has been completed as pay applications are paid
10 in arrears.

11 What follows is a brief outline of the work that was been completed as of the date of this
12 response. For the .350 MGD tank foundation: site work, survey and layout was completed,
13 67 auger cast piles were drilled 70 feet into the earth, reinforcing steel was placed and tied,
14 base rings were set and welded per specification, then finally 317 yards (32 concrete trucks)
15 of concrete was poured and finished in a single pour. A rectangular 60 ft. by 15 ft. concrete
16 blower deck was constructed and was also set on auger cast pilings, 4 blowers were set, and
17 the electric conduit was embedded in the concrete. A concrete foundation for 4 chemical
18 tanks has also been completed including the embedded conduit. The fabrication of a steel
19 structure that will hold a dual static screen for the existing East wastewater plant and West
20 treatment plant has been welded into place 17 feet in the air and is being worked on as of the
21 writing of this response. The Power company has run a new service including setting a new
22 power pole to provide the necessary electric to power to the .350MGD plant. Two Class V
23 10" diameter disposal wells were drilled to 110 feet (cased 60 feet) were installed by a
24 certified well driller. The manufacturer of the treatment plant will mobilize onto the project
25 on October 10, 2016 and should have 12 weeks to complete the tank fabrication. The project

1 has proceeded according to plan and all parties (owner, engineer, contractor, subcontractors)
2 are performing high quality work that is meeting the demands of the construction schedule.
3 General Contractor's Division Manager estimates that the project will be done in the first part
4 of March 2017.

5 **Q. Do you have updated estimated costs for completion?**

6 A. Yes, they are attached as Exhibit CAJ-9. This includes the cost of the wastewater treatment
7 plant, and includes a vacuum tank replacement (Change Order 3), and also, amongst other
8 expenditures, engineering inspections which have occurred to date and estimations of
9 engineering expenses that will be incurred through completion of the project. Total estimated
10 costs for the .350MGD Expansion \$ 5,164,748 and the total estimated costs for the Vacuum
11 Tank Replacement is \$407,771.

12 **Q. Witness Merchant claims that the new plant is designed primarily for future growth
13 and growth from the expansion will begin when it is put into service. Do you agree with
14 those statements?**

15 A. No, the growth began long before the expansion. The expansion is not even in service, yet
16 the demand is already here. Second, Ms. Merchant's argument is that existing customers
17 would continue to be served by the existing .249 MGD and .250 MGD plant components
18 somehow divided up based on when customers came on line, and new customers from the
19 .350 MGD expansion. This is very misleading and is absolutely not the way it works in
20 reality. The plant, .849 MGD in total, will be used to serve all customers. The wastewater
21 treatment plant is an integrated plant and the existing plant is an integral part of the total plant.
22 It is not a group of tanks where each tank is assigned to a particular group of customers. One
23 major reason Ms. Merchant's reasoning doesn't work is the DEP requirement that treatment
24 unit processes must have redundancy to allow maintenance personnel to take plants off line
25 for hours, days, or months depending on the nature of the maintenance. Plant Operators must

1 redirect flows from basin to basin, process to process, all the time to accommodate
2 maintenance activities and the notation of dedicated treatment plants is not reflective of how
3 plants function or of how plants are operated. In this case, the demand imposed by existing
4 customers has exceeded the three-month average maximum capacity and the AADF hit 97%
5 in September 2015. Although the plant is to service existing customers, it also has been
6 appropriately sized under DEP rules for customers anticipated to connect within five years.

7 **Q. Ms. Merchant has provided testimony that the annualized expenses from January**
8 **through April 2016 will provide an accurate depiction of the AWT expenses for the year,**
9 **is this correct?**

10 A. No, January through April are typically not the Utility's historical high flow months and
11 therefore by utilizing these months to quantify expense for the entire year would lead to
12 understating expense. The Test Year and the three years proceeding show the first third of
13 the year does not represent a third of the annual flow, it represents less in each case. By
14 annualizing January through April, flow would be underestimated which in turn
15 underestimates the costs of chemicals and power to treat the extra flows. This would also
16 underestimate the amount of sludge generated which, in turn underestimates sludge hauling.
17 The Utility, was required to treat the water using a new process in order to meet the AWT
18 standard effective January 1, 2016. Prior to this the Utility was not required to meet nutrient
19 removal (AWT) and therefore three new chemicals and the dosage rates were being "tuned
20 in" by the plant operations staff during the January to April period. To illustrate, the metal
21 compound used to remove phosphorous was switched during the 4 month period from Alum
22 to Ferric (Iron) as Alum was not efficiently removing phosphorus to meet the new AWT
23 Permit limit of 1.0 mg/L. Ferric costs 15.5% more than Alum and the amount of gallons fed
24 to the process is the same for both chemicals. This chemical expense is understated by the
25 chemical expense difference in cost (15.5%) plus an extra component to account for the fact

1 the Alum solution was underfed at various times during the period. This can be verified by
2 the independent lab results that show on 2 occasions in the period the composite effluent
3 tested at levels higher than 1.0 mg/L for Phosphorus. Another chemical that is important to
4 the AWT process would also be unaccounted for if Ms. Merchant's method were used.
5 Sodium Hydroxide was not fed to the process until June 15, 2016 and this expense would
6 therefore not be captured at all using the January to April annualized. Sodium Hydroxide is
7 currently being fed to the process as of this writing and will continue to be fed going forward
8 to elevate the pH into the 7.0 to 7.4 range which is ideal for the process.

9 The AWT treatment process is biological and biological processes take time to change and
10 because of this operators do not make very large scale changes very quickly. Small single
11 variable adjustments are typically made to change/move the process and then the operator
12 waits (taking lots of measurements along the way) to see how the adjustment affects the
13 process. The AWT treatment process was in its infancy January to April 2016 as the plant
14 had just started running in stable AWT mode in November 2015 and the chemical feed rates
15 (January to April) were clearly not firmly established and they are definitely not
16 representative of what will be fed the remainder of this year or any other year for that matter.
17 Mr. Merchant's methodology characterizes chemical expense much lower than reality due to
18 the fact that one chemical was not fed during the period and another chemicals was changed
19 out; both cases result in expense being understated. If one were to use January to April an
20 Annualize the flows would be 10% to 15% less than if actual flows, based on historical flows.
21 Using 4 of the driest historical months of the year to come up with an annualized amount
22 results in understated the expense.

23 The estimates for O&M expenses contained within the revised MFRs by Ms. Swain
24 accurately depict the O&M costs associated with operating the utility after the new plant is
25 on-line. The plant expansion to .849 mgd will necessitate additional costs no matter what the

1 flows are, or who causes them, regardless whether it is .050 MGD or .250 MGD to operate
2 the plant. Simply calculating a cost per gallon as Ms. Merchant has done does not take into
3 account the fixed cost associated with operating a third plant, including minimum chemicals
4 and power to keep the plant operating no matter what gallonage is treated.

5 **Q. With regard to the pro-forma projects, the costs of which are requested to be recovered**
6 **in this proceeding, do any of them directly relate to the existing portions of the facilities?**

7 A. Yes. The Utility is constructing a chemical farm that will have the 4 chemicals (chlorine -
8 high level disinfection, base solution - pH adjust, metal solution - Phosphorous removal) that
9 are required to treat wastewater to the Advanced Wastewater Treatment (AWT) Standard that
10 will serve the existing capacity as well as the new expansion. The chemical farm consists
11 of a foundation, 4 large HDPE chemical storage tanks with containment, 9 peristaltic pumps,
12 pump skids with purges/isolation valves/calibration tube, online instruments to be installed
13 in existing plant basins (East and West) to measure parameters that are significant for the
14 Nitrification – Denitrification process (ORP and dissolved Oxygen probes), actuated valves
15 are to be cut and welded into existing air header piping to allow for air control in the existing
16 plants, Programmable Logic Controller (PLC) is to be added, proprietary programming and
17 logic development for the PLC based on feedback signals from probes which in turn will
18 dictate how the actuated valves are set in the existing East and West plants.

19 The Utility is also installing stainless steel screening at the headworks of the existing East
20 and West plants. This consists of fabricating a steel structure to hold up a large platform 18
21 feet in the air, the platform will support the static screen (empty weight = 3800 lbs) plus the
22 weight of the contributory piping and the wastewater weight. This platform is designed on
23 top of the 2 existing plants, to allow operator access from the existing catwalk, and the dual
24 stainless steel static screen will be mounted to this platform. The static screen is necessary
25 to remove rags/plastics/debris from the influent waste stream. The mixers, which are

1 resident in the Anoxic Basin in both plants, are very susceptible to rags as they wind around
2 the propeller and the propeller shaft causing the mixers to trip an overload breaker. The
3 mixers were added for AWT in the Anoxic Basin and are AWT specific equipment, the anoxic
4 basin is the signature of a biological nutrient removal treatment plant. If the rags are not
5 removed from the influent waste stream they will eventually cause a mixer failure which in
6 turn could cause an upset in the plant which could lead to regulatory or compliance problems
7 if the plant cannot meet its permit requirements.

8 The Utility is also installing a SCADA system that will have alarms from the existing East
9 and West plants tied into it as well as alarms from the AIRVAC vacuum system that serves
10 1500 EDU's. The Alarms will assist the plant operators in identifying problems when the
11 operators are not physically on top of the plant. Many of the alarms are mission critical and
12 the alarms will be sent to on call personnel via cell phone/email/text, in real time, identifying
13 the plant and basin for the alarm condition.

14 Since this is an integrated system, the components of the plant do not distinguish which flows
15 originate from which customer. Therefore, all of these projects serve to benefit all customers,
16 exiting and new.

17 **Q. Ms. Merchant claims there was a collection of \$310,187 CIAC in 2015 and \$179,281 in**
18 **2016. Is this accurate?**

19 A. No. The contract with Monroe County for South Stock Island Vacuum Sewer Expansion,
20 provided that 1500 EDUs must be repaid to Monroe County. There is approximately
21 \$556,628.40 that may be subject to refund to customers when Monroe County reopens its tax
22 rolls allowing customers to amortize their payment to Monroe County. Of this amount,
23 \$213,912.90 of CIAC collected in 2015 and 2016 may be refunded to customers. In the
24 interim, the utility has identified it as CIAC on its books, but acknowledges that it may be
25 subject to refund. This is identified in Exhibit CAJ-10.

1 **Q. Ms. Merchant claims that Green Fairways does not provide independent management.**
2 **Do you agree with this statement?**

3 A. No, this is a rather bald and vague statement. This was found to not be the case when KEI
4 operated the plant in the previous rate case. As previously testified to Green Fairways
5 oversees capital investments including check signing for large capital projects, directly
6 oversees me in all of my activities as President of the Utility, assists in obtaining loans for
7 the company, including providing the personal guarantee of William L. Smith, Jr. to obtain
8 reasonable lending rates, provides reviews for outside legal bills, provides budget and
9 financial oversight, participates in capital planning, and approves compensation for
10 employees.

11 Ms. Merchant has indicated that because I am related to William L. Smith by marriage that
12 this is not independent management, but provides no evidence that our dealings are not arm's
13 length. I can very adamantly state that William L. Smith, Jr. treats me and the utility
14 operations as a business that must operate with the lowest expenditures possible, benefiting
15 the ratepayers.

16 **Q. Can you comment on the proposed reuse rates as compared to other reuse rates in**
17 **Monroe County?**

18 A. There really are no comparators. Although Monroe County provides a reuse rate, to my
19 knowledge it has no customers due to a lack of demand based on the rate charged and issues
20 associated with reuse. The reuse rates proposed by the utility are fair and I believe will
21 continue to allow the utility receive income from reuse. If reuse rates are raised too high,
22 existing customers will not utilize reuse because it is now treated to AWT which means it no
23 longer contains any nitrogen or phosphorous, which means it does not provide any benefit
24 over potable water and it may contain higher levels of salt from I&I which is not conducive
25 for reuse. Monroe County has already limited its reuse to 32,000 gpd from averaging over

1 60,000 gpd, historically in the past, because of its concerns of using reuse. If rates are
2 increased too high, it may lower the amount of reuse sold. Any reduction in reuse sold then
3 means the reuse is being injected into the groundwater providing no value to the Utility.
4 Because of this, the reuse rate proposed by the utility is reasonable and will continue to
5 provide an income stream other utilities do not have.

6 **Q. Mr. Kevin Wilson of Monroe County claims that the County will increase its purchase**
7 **of reuse water at the Monroe County Jail when more is available after the new plant is**
8 **on-line, can you please comment on this.**

9 A. This is the first this has ever been stated, since November 11, 2009, Monroe County has
10 notified KWRU that it only will accept 32,000 gpd of reuse for the Monroe County jail, which
11 is the minimum Monroe County can accept under its contract with KWRU. KWRU has had
12 excess reuse which Monroe County refuses to accept. Prior to November 2009, it was
13 sending up to 60,000 gpd. It has never notified the utility it will accept more reuse than the
14 minimum amount. Attached to my testimony is Exhibit CAJ-11 an email from Monroe
15 County evidencing their position on this. To date, other than testimony in this case, Monroe
16 County has not agreed to purchase any more reuse for the Monroe County Jail, so Mr. Wilson
17 stating that the amount will increase is news to KWRU and Monroe County has never
18 requested KWRU to provide more reuse which it has been available at any time. KWRU can
19 currently provide more reuse than the demand. Interestingly, Wilson states that sales will be
20 9 – 10 million gallons per year for the jail either this year or next year and another 4 – 5
21 million gallons once Bernstein Park is on-line on page 8 of his testimony but then contradicts
22 himself when he admits the County have only received 3.221 million gallons of reuse in the
23 first seven months of the year on page 37 of his testimony.

24 **Q. Mr. Wilson also claims that once Bernstein Park is redeveloped it will receive an**
25 **additional 4 – 5 million gallons per year, what does this equal to in income at \$.98 per**

1 **thousand.**

2 A. At \$.98 for 5 million gallons per year, it would equal income of \$4,900.00 annually, prior to
3 the expenses in providing reuse.

4 **Q. Mr. Wilson claims that there are approximately 300 existing residential EDUs not**
5 **connected based on FKAA records that will come on-line within the first half of 2017,**
6 **do you agree with this statement?**

7 A. No. Outside of less than 50 residential connections that are identified by contingency work
8 under the South Stock Island Vacuum Extension Project no residential customer has notified
9 the utility that it is not connected and desires to connect.

10 **Q. What do you attribute the discrepancy in FKAA residential customers and KWRU**
11 **residential customers?**

12 A. There are many FKAA residential meters that we do not bill, because there is no residential
13 structure that is contributing wastewater to KWRU. Because we do not service a customer,
14 we do not bill.

15 **Q. Mr. Wilson claims that there is a backup of customers that cannot connect due to**
16 **KWRU's current capacity, is this correct?**

17 A. No, this is not correct. There is currently only one dry line permit issued by the FDEP, which
18 is for the Maloney Avenue line extension which is part of the contingency work I explained
19 above. It equals 28.37 EDUs or 7,092 gpd.

20 **Q. Mr. Wilson also claims that based on a comparison of FKAA and KWRU records there**
21 **are 24 existing general service customers not connected, is this correct?**

22 A. No, again FKAA general service customers are not always connected to central sewer. For
23 example several fish houses have FKAA accounts that do not have wastewater facilities.
24 Another example that I have told Mr. Wilson about is a property owned by a refrigeration
25 company, Subzero. It has an FKAA account for a hose bib, but no drains and no wastewater

1 account.

2 **Q. Mr. Wilson claims there are 24 properties representing 200 EDUs that are unable to**
3 **connect because the utility is at capacity, are you aware of this?**

4 A. First, we are not at capacity. We are close to capacity, not at capacity. Second, there are not
5 24 properties consisting of 200 EDUs that cannot connect. There is currently only one dry
6 line as stated above which represents 28.37 EDUs, far short of 200 EDUs identified by Mr.
7 Wilson.

8 **Q. Mr. Wilson states that there are four projects on North Stock Island he believes will**
9 **connect in mid-2017, the College's additional 200 bed dormitory, Sunset Marina's 60**
10 **residential units, SPCA, and City of Key West property, which he claims will be on-line**
11 **in mid-2017, are you aware of these projects?**

12 A. Yes. Only Sunset Marina has a letter of coordination, a pre-requisite of construction.
13 According to its management, its expected on-line date is 2018, contrary to Mr. Wilson's
14 statement.

15 As to the College, according to College's representatives, the project has not received funding
16 and is still in the design stage. It will be at least 2 years before this is on-line. The last dorm
17 took one year to construct and they haven't even submitted a design.

18 As to SPCA, it has not broken ground as of today's date, and typical construction of a 20,000
19 square foot building will take approximately one year.

20 **Q. Mr. Wilson claims the Bernstein Property will be on-line representing 30,000 gpd of**
21 **flows, is this correct?**

22 A. No, they received a development agreement but do not have their conditional use approval
23 necessary to apply for a building permit. My understanding is they also don't have the
24 development rights, i.e. ROGOs and NROGOs to build. This project will not be on-line
25 before 2019.

1 **Q. Do you have any other concerns regarding the billing rates being based on FKAA**
2 **meters?**

3 A. Yes, Murray Marina, a relatively small marina, last 4 months' bills based on their FKAA
4 meter was \$376.90, \$315.16, \$363.04, \$317.05. This averages to \$343.03. Murrays just
5 installed a dedicated FKAA meter for boat washing and their new usage is 1600 gallons used
6 and the base charge is a 5/8". Their new bill is \$10.08 in usage and base charge is \$31.66,
7 totaling \$41.74. The Difference between average above and this month's is \$301.29 or on an
8 annual basis this amounts to \$3,615.48. This is a relatively small marina, but it shows how
9 dramatic effect this kind of reduction can be. Their new bill is 12% of the former bill. So if
10 this were to happen with several of the larger marinas the affect would be much more
11 dramatic. Therefore, I am concerned whether the usage amounts utilized by the PSC to create
12 the cost for usage will provide the gross revenue granted by the PSC. I am doubtful that the
13 revenues approved will sufficiently provide for the gross revenue granted based on this issue.

14 **Q. Does that conclude your rebuttal testimony?**

15 A. Yes, it does.

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SECTION 00950
CHANGE ORDER FORM

Change Order No. 3
Project Title KWRU WWTP Upgrades
Bid No. N/A
Owner: KW Resort Utilities Corp.
Contractor: Wharton Smith, Inc.
Agreement Date: March 29, 2016

This Change Order is necessary to cover changes in the work to be performed under this Agreement. The GENERAL CONDITIONS, SUPPLEMENTARY CONDITIONS, and STANDARD SPECIFICATIONS apply to and govern all work under this Change Order.

THE FOLLOWING CHANGES ARE MADE TO THE CONTRACT DOCUMENTS:

(1)	Original Contract Price	<u>\$4,300,000.00</u>
(2)	Current Contract Price (Adjusted by Previous Change Orders)	<u>\$4,355,436.56</u>
(3)	Total Proposed Change in Contract Price	<u>\$ 194,197.00</u>
(4)	New Contract Price (Item 2 + Item 3)	<u>\$4,549,633.56</u>
(5)	Original Contract Time	<u>365 Days</u>
(6)	Current Contract Time (Adjusted by Previous Change Orders)	<u>373 Days</u>
(7)	Total Proposed Change in Contract Time	<u>0 Days</u>
(8)	New Contract Time (Item 6 + Item 7)	<u>373 Days</u>
(9)	Original Contract Substantial Completion Date	<u>March 31, 2017</u>
(10)	New Contract Substantial Completion Date	<u>April 8, 2017</u>

CHANGES ORDERED

ITEM 1

Description of Change: Removal and replacement of the KW Resort Utilities Corp. vacuum sewage tank per plans and specifications dated July 12, 2016.

Reason for Change: The existing underground vacuum sewage tank is severely corroded and must be replaced, with the Owner providing the replacement vacuum sewage tank and the temporary bypass sewage tank. The work was competitively bid, with Wharton Smith being the lowest cost responsive and responsible bidder. To expedite the replacement, and since Wharton Smith is already under contract with KW Resort Utilities Corp for the WWTP expansion, the vacuum tank replacement work will be added to the existing contract as a Change Order.

Change in Contract Price: \$194,197.00

Change in Contract Time: 0 days

CHANGE ORDER SUMMARY			
No.	Description	Change in Contract Price	Change in Contract Time
1	Adjustments for Negotiated Contract Amount	-\$2,337.44	8 Days
2	Relocation of Electric and SBR Foundation Mods	\$57,774.00	0 Days
3	Removal and Replacement of Vacuum Tank	\$194,197.00	0 Days
4			
5			
TOTAL		\$249,633.56	8 Days

WAIVER This Change Order constitutes full and mutual accord and satisfaction for the adjustment of the Contract Price and Contract Time as a result of increases or decreases in cost and time of performance caused directly and indirectly from the change. Acceptance of this Waiver constitutes an agreement between OWNER and CONTRACTOR that the Change Order represents an equitable adjustment to the Agreement and that CONTRACTOR shall waive all rights to file a Contract Claim or claim of any nature on this Change Order. Execution of this Change Order shall constitute CONTRACTOR's complete acceptance and satisfaction that it is entitled to no more costs or time (direct, indirect, impact, etc.) pursuant to this Change Order, either separately or cumulatively with all previous change orders.

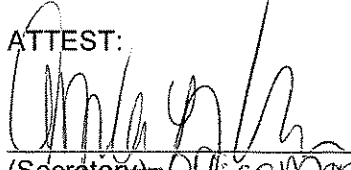
APPROVAL AND CHANGE ORDER AUTHORIZATION

ACKNOWLEDGMENTS

The aforementioned change, and work affected thereby, is subject to all provisions of the original Agreement and specifically changed by this Change Order; and

It is expressly understood and agreed that the approval of the Change Order shall have no effect on the original Agreement other than matters expressly provided herein.


ATTEST:


(Secretary) - Office Manager
9/30/16
Date

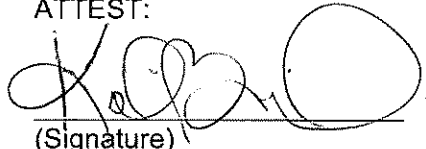
(Corporate Seal)

Wharton-Smith, Inc.
Contractor

GREGORY WILLIAMS, DIVISION MANAGER
Printed Name and Title of Officer


By (Signature)
9/30/16
Date


ATTEST:


(Signature)
9-30-2016
Date

(Seal)

KW Resort Utilities, Corp.
Owner

Christopher Johnson, President
Printed Name and Title


By (Signature)
9/30/2016
Date

Plant Total Costs

GENERAL CONTRACTOR CONTRACT

		Balance	
Contract amount	\$ 4,300,000.00		
less			
Amount Paid to Wharton Smith as of 9-27-2016	\$ 1,266,093.01	\$ 1,266,093.01	Actual
Amount Remaining on Contract	\$ 3,033,906.99		Actual
Change Order 1	\$ (2,337.44)		Actual
Change Order 2	\$ 57,774.00		Actual
current Amount Remaining on Contract	\$ 3,089,343.55	\$ 3,089,343.55	Actual
Actual Paid as of 9-27-2016 Expansion less Wharton Smith Contract		\$ 554,182.97	
SCADA		\$ 29,425.00	Engineer's Estimate
legal to end of project dealing with the vacuum tank portion of the project, the fence issue and any close out issues		\$ 10,000.00	estimate
Engineering inspection, permit cert substantially complete, certify complete, as-builts, construction engineering		\$ 113,680.00	Engineer Estimate
Storage Oct - May (\$215 per month locked secure storage yard space for equipment during construction)		\$ 1,720.00	Actual cost
KWRU Miscellaneous Expenses related to Expansion 40% of work complete = \$2053 project off of actual		\$ 3,080.00	Estimate based on Actual Expense
Compliance ISCO 5800 all weather sequential composite sampler for Influent ISCO 5800 all weather sampler for Effluent 2 units \$5,675 each		\$ 11,350.00	Teledyne quoted WEFTEC
Hach Equipment		\$ 25,486.18	Quotation Hach
Chemical Skids		\$ 36,315.08	Hawkins Quotation E. Latner
Chemical Tanks		\$ 16,773.16	Hawkins Quote 7-16-2016 approved
Stainless Steel cable and stainless steel anchors		\$ 2,800.00	Estimated
Chemical Skid Enclosures		\$ 4,500.00	Estimated
		<u>\$ 5,164,748.94</u>	

EXPANSION EXPENSES

Date	Transaction Type	Num	Name	Memo/Description	Amount
12/1/2012	Bill	43641	Weiler Engineering	Expansion	\$ 247.50
2/12/2013	Bill	43673	Weiler Engineering	Expansion	\$ 288.75
3/6/2013	Bill	43712	Weiler Engineering	Expansion	\$ 2,117.50
4/8/2013	Bill	43744	Weiler Engineering	Expansion	\$ 6,695.00
5/30/2013	Bill	13-056	Prospect Surveying, LLC	Expansion - Boundary Topo Survey	\$ 4,000.00
6/6/2013	Bill	43822	Weiler Engineering	Expansion	\$ 10,791.25
7/1/2013	Bill	43859	Weiler Engineering	Expansion	\$ 17,560.00
9/5/2013	Bill	43902	Weiler Engineering	Expansion	\$ 12,388.75
11/13/2013	Bill	44018	Weiler Engineering	Expansion	\$ 760.00
01/03/2014	Bill	44083	Weiler Engineering	Expansion	\$ 4,422.50
02/05/2014	Bill	44127	Weiler Engineering	Expansion	\$ 1,217.50
02/28/2014	Bill	44169	Weiler Engineering	Expansion	\$ 6,346.25
04/02/2014	Bill	DEP4-2-14	Department of Environmental Protection	Class IV injection wells x 2	\$ 1,500.00
04/02/2014	Bill	DEP4-2-14	Department of Environmental Protection	Permit	\$ 5,000.00
04/07/2014	Bill	44224	Weiler Engineering	Expansion	\$ 27,032.00
05/02/2014	Bill	44277	Weiler Engineering	Expansion	\$ 20,686.25
06/06/2014	Bill	44306	Weiler Engineering	Expansion	\$ 9,200.00
07/01/2014	Bill	44350	Weiler Engineering	Expansion	\$ 1,838.08
08/08/2014	Bill	44411	Weiler Engineering	Expansion expense	\$ 1,140.00
08/16/2014	Bill	6775	Smith Oropeza Hawks P L.	Legal Services Expansion	\$ 2,622.38
8/28/2014	Bill	408940	USA Bluebook	Two pumps for chemical feed	\$ 3,047.62
09/04/2014	Bill	44457	Weiler Engineering	Expansion expense	\$ 5,971.25
09/16/2014	Bill	6943	Smith Oropeza Hawks P L.	Legal Services for Expansion	\$ 633.74
09/26/2014	Bill	10866	Nearshore Electric, Inc	Deposit for Expansion project 140902 cl2 controller	\$ 4,500.00
10/01/2014	Bill	44491	Weiler Engineering	Expansion	\$ 2,782.50
11/06/2014	Bill	44550	Weiler Engineering	Engineering Services Expansion	\$ 8,886.25
12/03/2014	Bill	44603	Weiler Engineering	Capital Expansion	\$ 5,437.50
12/20/2014	Bill	291205983	Federal Express	Samples to Sanders Lab per Ed Castle Weiler Engineering	\$ 108.20
01/02/2015	Bill	44647	Weiler Engineering	Capital Expansion	\$ 3,385.00
01/07/2015	Bill	535280	USA Bluebook	Chemical Feed Pump LMI series B9 autoprim	\$ 1,625.24
02/04/2015	Bill	44686	Weiler Engineering	CAPITAL - EXPANSION	\$ 3,828.75
03/05/2015	Bill	44726	Weiler Engineering	Federal express - sent expansion	\$ 43.26
03/05/2015	Bill	44726	Weiler Engineering	Engineering services for Expansion Project	\$ 1,320.00
03/16/2015	Bill	8076	Smith Oropeza Hawks P L.	Expansion in regard to building permit	\$ 154.00
04/01/2015	Bill	44771	Weiler Engineering	Expansion	\$ 4,165.00
04/03/2015	Bill	11406	Nearshore Electric, Inc	Proposal #14092 C12 controllers	\$ 4,275.00
04/09/2015	Bill	proposal	B & L Beneway, Inc.	Proposal WWTP Expansion Phase 1	\$ 18,000.00
05/05/2015	Bill	875248	LPS Services	Moved Bar Stainer	\$ 150.00
					\$ 62,218.93
05/05/2015	Bill	ORDER#93026	SWECO	SWECO Screens for WWTP Expansion PO#WWTPEW02112015	
05/08/2015	Bill	44831	Weiler Engineering	Expansion	\$ 2,925.00
05/12/2015	Bill	5-029-25192	Federal Express	Capital Overnight envelope to Sweco	\$ 32.13
06/03/2015	Bill	342868	Hawkins, Inc.	Plant Chemical Feed Pumps	\$ 1,313.66
06/03/2015	Bill	P5-11-15	B & L Beneway, Inc.	May 11, 2015 Proposal for the Upgrade of the existing well feed line	\$ 13,000.00
06/08/2015	Bill	44894	Weiler Engineering	Expansion	\$ 1,857.50
06/11/2015	Bill	639260	Ferguson Enterprises, Inc	Expansion - Dome cap for new wells	\$ 376.25
06/23/2015	Bill	640391	Ferguson Enterprises, Inc	Yard Piping PVC - wells	\$ 155.85
07/01/2015	Bill	44939B	Weiler Engineering	Expansion	\$ 2,885.00
07/09/2015	Bill	20150447	Innovative Engineering Group Inc.	Engineering Services for site visit and electrical design	\$ 15,500.00
07/14/2015	Credit Card Expense		Home Depot	CL-17 Project: bolts, adapter, tubes, straps	\$ 43.38
07/14/2015	Bill	34430746	McMaster-Carr Supply Co	AWT/Expansion Project: CL-17 Project	\$ 18.36
07/16/2015	Bill	8445	Smith Oropeza Hawks P.L.	Expansion-Permitting	\$ 1,187.03
07/23/2015	Bill	35226351	McMaster-Carr Supply Co	Expansion Project: Polypropylene tube fittings for CL-17	\$ 19.24

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07/30/2015	Credit Card Expense		Home Depot	CL-17 Project: tubing	\$	6.15
07/30/2015	Bill	348586	Hawkins, Inc.	Expansion/AWT: Chemical feed pumps	\$	4,597.81
08/03/2015	Bill	3765-511628	Raybro/CED Key West	UY-IDC 26-19AWG 3WR Conn (1) for CL-17 Project (Expansion)	\$	4.87
08/10/2015	Bill	44997	Weiler Engineering	Expansion	\$	296.25
08/13/2015	Credit Card Expense		Manley deBoer	AWT/Expansion: Chemical pads for chemical feed system	\$	591.53
08/13/2015	Bill	724206	USA Bluebook	Expansion/AWT: Chemical feed systems tubing	\$	234.06
08/13/2015	Bill	36707409	McMaster-Carr Supply Co	AWT/Expansion Project: CL-17 Project	\$	65.68
08/14/2015	Bill	725277	USA Bluebook	Expansion/AWT: Chemical feed systems tubing	\$	156.04
08/18/2015	Bill	3765-512234	Raybro/CED Key West	Chemical feed system for Expansion/AWT	\$	4.12
08/18/2015	Bill	3765-512205	Raybro/CED Key West	Chemical feed system for Expansion/AWT	\$	70.83
08/18/2015	Bill	3765-512224	Raybro/CED Key West	Chemical feed system for Expansion/AWT	\$	69.81
08/20/2015	Bill	730598	USA Bluebook	AWT/Expansion: Chemical Feed Tubing	\$	173.81
09/02/2015	Bill	45035	Weiler Engineering	AWT/Expansion	\$	5,042.50
09/17/2015	Bill	8852	Smith Oropeza Hawks P L.	Expansion: Research/review draft memorandum, calls, emails, Westlaw research	\$	2,586.79
09/30/2015	Bill	45081	Weiler Engineering	Federal express - expansion plans sent	\$	28.96
09/30/2015	Bill	45081	Weiler Engineering	AWT/Expansion	\$	2,963.75
10/13/2015	Bill	357838	Hawkins, Inc.	AWT/Expansion: #5 Pump Tube (Chemical feed pump hoses)	\$	77.39
10/16/2015	Bill	9100	Smith Oropeza Hawks P L.	Expansion: Revise memorandum to County, emails w/BWS	\$	243.00
11/04/2015	Bill	45134	Weiler Engineering	Expansion	\$	3,021.25
12/04/2015	Bill	45169	Weiler Engineering	AWT/Expansion: FedEx plans to Chris	\$	26.82
12/04/2015	Bill	45169	Weiler Engineering	AWT/Expansion	\$	1,483.75
01/08/2016	Bill	45207	Weiler Engineering	AWT/Expansion	\$	1,286.25
01/16/2016	Bill	9491	Smith Oropeza Hawks P L.	AWT/Expansion	\$	154.00
01/22/2016	Bill	16-105	Structures International, Inc.	Expansion-Foundation Design	\$	5,500.00
02/23/2016	Bill	3765-519976	Raybro/CED Key West	AWT/Expansion Project: CL-17 Project. Electrical connectors	\$	5.00
03/03/2016	Bill	45278	Weiler Engineering	AWT/Expansion	\$	3,877.50
03/16/2016	Bill	9821	Smith Oropeza Hawks P L.	Expansion	\$	722.00
03/28/2016	Bill	42577	Millian Swain & Associates, Inc.	KW Financial Assistance - set up and prepare proforma schedules for LOAN	\$	800.00
04/05/2016	Bill	5-374-56770	Federal Express	AWT/Expansion: Contract sent with signature to Wharton Smith	\$	21.27
04/08/2016	Bill	45333	Weiler Engineering	AWT/Expansion	\$	9,916.25
04/12/2016	Bill	5-382-15797	Federal Express	AWT/Expansion: Sent Wharton Smith contract	\$	26.09
04/18/2016	Bill	9964	Smith Oropeza Hawks P L.	AWT/Expansion: Emails w/Friedman, C.J. Review contract docs.	\$	480.00
05/01/2016	Bill	9139211-1098-1	Waste Management Inc. of Florida	AWT/Expansion: Dumpster removal. April 16-30, 2016. Charged for Roll off from 4/28/16. Site prep yard clean.	\$	216.71
05/06/2016	Bill	45408	Weiler Engineering	AWT/Expansion	\$	9,635.18
5/13/2016	Bill	WS5-13-16	Wharton Smith	Pay Application No.1	\$	88,341.41
05/16/2016	Bill	9139291-1098-3	Waste Management Inc. of Florida	AWT/Expansion: Dumpster removal. May 1-15, 2016. Charged for Roll off. Site prep yard clean.	\$	3,081.18
05/31/2016	Credit Card Expense		Home Depot	AWT/Expansion: Lumber, concrete for new walkway	\$	31.44
05/31/2016	Credit Card Expense		Manley deBoer	AWT/Expansion: wood for new walkway being built	\$	279.26
05/31/2016	Bill	4783	Jeffrey E. Allen CPA	AWT/Expansion: Review 5 year forecast w/Glan Almcrantz, Franklin Valuation, services and email calc and estimate methodologies.	\$	300.00
06/01/2016	Credit Card Expense		Home Depot	AWT/Expansion: materials for new walkway	\$	13.37
06/01/2016	Credit Card Expense		Home Depot	AWT/Expansion: materials for new walkway	\$	115.94
06/01/2016	Bill	9139870-1098-4	Waste Management Inc. of Florida	AWT/Expansion: Dumpster removal. May 2016. Site prep yard clean. Haul and dispose.	\$	5,662.58
06/02/2016	Credit Card Expense		Manley deBoer	AWT/Expansion: lumber for new walkway	\$	134.40
06/03/2016	Credit Card Expense		Home Depot	AWT/Expansion: Materials for new walkway	\$	15.24
06/03/2016	Bill	45477	Weiler Engineering	AWT/Expansion	\$	21,780.00
06/07/2016	Bill	5-441-71536	Federal Express	AWT/Expansion: change order sent to Wharton Smith	\$	21.88
6/13/2016	Bill	WS6-13-16	Wharton Smith	Pay Application No.2	\$	180,765.00
06/15/2016	Bill	10271	Smith Oropeza Hawks P L.	AWT/Expansion: Meet w/County re expansion and minor deviation application; call w/Ed Castle; call w/County; Meet w/Steve Suggs re:regarding revision to plans for County approval; create spreadsheet of open space and email County regarding same.	\$	960.00
06/27/2016	Bill	KES6-27-16	Keys Energy Services	AWT/Expansion: Total construction cost of the requested line extension. See contract with Keys Energy in Keys Energy vendor file for back up.	\$	13,338.78
06/28/2016	Bill	67538143	McMaster-Carr Supply Co	AWT/Expansion: Temporary chemical skid (PVC check valve, barbs)	\$	44.81

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06/28/2016	Bill	3765-525062	Raybro/CED Key West	AWT/Expansion: Temporary chemical skid (250' reel wire, strain relief connectors, locknuts, receptacle, (5) 1/2 hole gray 2G boxes)	\$ 91.11
06/28/2016	Bill	3765-525059	Raybro/CED Key West	AWT/Expansion: Temporary chemical skid (PVC couplings, adapters, locknuts)	\$ 77.88
06/29/2016	Bill	3765-525112	Raybro/CED Key West	AWT/Expansion: Temporary chemical skid (PVC adapter, rectangle box, bubble cover, straps)	\$ 18.15
06/30/2016	Bill	45540	Weiler Engineering	AWT/Expansion	\$ 21,007.50
07/01/2016	Bill	993779	USA Bluebook	AWT/Expansion: Tubing for chemical feed system	\$ 351.45
07/13/2016	Credit Card Expense		Home Depot	AWT/Expansion: 4 hard hats	\$ 25.92
07/18/2016	Bill	10415	Smith Oropeza Hawks P L.	AWT/Expansion: Call w/M. Santamaria re: status of minor deviation	\$ 120.00
7/22/2016	Bill	WS7-22-16	Wharton Smith	Pay Application No.3	\$ 328,348.43
7/25/2016	Bill	DEP7-25-16	Florida Department of Environmental Protection	Renewal application review & Renewal of Class V injection wells	\$ 8,000.00
7/29/2016	Bill	5248010	Florida Keys Aqueduct Authority	AWT/Expansion: construction crew used a ton of water on project	\$ 46.92
7/31/2016	Bill	4903	Jeffrey E. Allen CPA	AWT/Expansion: Provide guidance to BB&T in understanding Utility accounting and 5 year pro forma (for LOAN)	\$ 450.00
8/1/2016	Bill	71702086	McMaster-Carr Supply Co	AWT/Expansion: Temporary chemical skid (Compression tube fitting, straight connector for 3/8" tube)	\$ 71.20
8/5/2016	Bill	45594	Weiler Engineering	AWT/Expansion	\$ 16,701.25
8/12/2016	Bill	774503	SWECO	AWT/Expansion: screen	\$ 76,705.79
8/16/2016	Bill	480468	Mark Kellner	AWT/Expansion: Unload Sweco screen	\$ 200.00
8/16/2016	Bill	67767555	McMaster-Carr Supply Co	AWT/Expansion: Temporary chemical skid - PVC check valve (3)	\$ 44.04
8/16/2016	Bill	10554	Smith Oropeza Hawks P L.	AWT/Expansion: call w/title company; review deeds and title matters; calls with BB&T; multiple correspondence with title company; appraisal and recorded doc review.	\$ 455.00
8/19/2016	Bill	10130	Smith Oropeza Hawks P L.	AWT/Expansion	\$ 6,383.75
8/24/2016	Bill	WS8-24-16	Wharton-Smith, Inc.	AWT/Expansion: Wharton Smith Application for Payment No. 4	\$ 450,659.34
9/8/2016	Bill		Florida Keys Land Surveying LLC	FEMA elevation certificates	\$ 1,100.00
9/12/2016	Bill		Florida Keys Aqueduct Authority	AWT/Expansion	\$ 104.36
9/12/2016	Bill		Jeffrey E. Allen CPA	AWT/Expansion	\$ 525.00
9/26/2016	Bill		Weiler Engineering	AWT/Expansion	\$ 14,765.00
9/27/2016	Bill		Wharton Smith	AWT/Expansion: Wharton Smith Application for Payment No. 5	\$ 217,978.83
9/27/2016	Bill		Key West Golf Club	Expansion	\$ 1,075.00
					\$ 1,820,275.98

KWRU CEI Estimate for Expansion Oct 2016 through Mar 2017

Description	Principal	Project Manager	Licensed P.E.	Licensed EI	Sr Engineering Inspector	Clerical	Cost
Construction Phase							
Construction Inspections		104.00			520.00		\$72,280.00
Progress Meetings	26.00	26.00					\$8,840.00
RFI responses and supplementary instructions				52.00			\$5,980.00
Weekly Project Documentation for Financing		39.00					\$5,655.00
Startup and Performance Testing	16.00			16.00			\$4,960.00
Produce Record Drawings	12.00			60.00			\$9,240.00
FDEP Certifications for WWTP	1.00	4.00					\$775.00
FDEP Certification for Wells	2.00	6.00					\$1,260.00
Prepare O&M Manuals	4.00			24.00			\$3,540.00
						Subtotal	\$112,530.00
Total Hours	61.00	179.00		152.00	520.00		
Rate	\$195.00	\$145.00	\$145.00	\$115.00	\$110.00	\$50.00	
CEI Subtotal	\$11,895.00	\$25,955.00		\$17,480.00	\$57,200.00		\$112,530.00

Reimbursable Expenses	QTY	Unit Cost					Total
Survey of Wells	1	\$1,150.00					\$1,150.00
Reimbursable Subtotal							\$1,150.00

Total Cost \$113,680.00

Vacuum Project Total

Expense incurred as of 9-16-2016	\$ 13,129.58	Actual	
Contract with Wharton Smith	\$ 194,197.00	Actual Contract Amount C.O.#3	
Purchase Order with Bilfinger/AIRVAC	\$ 143,914.90	Order #59845	
Future Engineering	\$ 24,030.00	Engineers Estimate	
FENCE and GATE			
run Power to new fence/gate area and Abandon Power to temporary gate motor	\$ 2,800.00	Estimate	based off of 2012 gate project actual expense
temporary fence and electric gate install fence posts, fencing, install pad for gate motor.	\$ 10,300.00	Estimate	based off of 2012 gate project actual expense
reinstate fence and gate	\$ 7,700.00	Estimate	based off of 2012 gate project actual expense
TEMPORARY ENTRANCE			
Tree Removal to provide ingress egress			
Tree Removal to provide ingress egress	\$ 3,800.00	Low Bid	
Golden Bough Tree Service Inc. Sept 9 2016 Quote			
#57 Rock to place in temporary driveway (gate access area)	\$ 2,600.00	Estimate	
Grade easement area and place gravel level driveway	\$ 1,200.00	Estimate	
Landscape area to original or better condition	\$ 1,000.00	Estimate	
TEMPORARY VACUUM TANK			
flush temporary vacuum tank	\$ 600.00	BRIAN INC Quotation	
Insurance temporary tank			
wind deductable \$25K, all other perils deductable is \$500	\$ 500.00	Actual Flat Rate from our current carrier	
Misc Utility expense	\$ 2,000.00		
	\$ 407,771.48		

ERC LIST 2011 - 2016

Property	EDU's	System	Check Date	Check Number	Paid
Bernstein Land Trust B	2.33	V	8/21/2011	3416	\$ 6,300.00
Gerald Adams	22.75	G	1/24/2012	111623	\$ 61,425.00
Longstock 1/3 Cap Fee	19.12	G	11/15/2012	1083	\$ 51,624.00
	2.35 extra	G			\$ 6,334.63
Riesi Pizza		G		2690	\$ 17,640.00
	19.6	G		2728	\$ 35,280.00
Islander Village	20	G	10/19/2012	1781	\$ 53,993.94
Biltmore Const - Keys Energy Transmission Bldg	4.49	G	4/30/2013	4000	\$ 12,123.00
Banyan Grove	16	V	12/4/2012	1794	\$ 43,200.00
	32	V	5/9/2013	70040	\$ 86,400.00
Benjamin Bernstein Land Tru	1.17	V	7/24/2013	2300	\$ 3,150.00
Florida Keys Linen LLC	12.22	V	7/24/2013	2300	\$ 32,994.00
Longstock II Phase II	36.95	G	10/21/2013	4718	\$ 99,775.37
Monroe County Settlement /	136.2	G		595381	\$ 367,740.00
Michelle Hughes	1	V	1/18/2014	7296	\$ 2,700.00
Monroe County Fire Station :	7.98	V	1/28/2014	108240	\$ 21,546.00
Islander Village, LLC	3	G	2/24/2014	1019	\$ 8,100.00
FKCC Marine Tech Building	11.72	G	2/27/2014	107465	\$ 31,644.00
Florida Keys Linen Co LLC	20	V	4/2/2014	1541	\$ 54,000.00
5514 1ST Avenue	0.8	V	2/26/2014	7669	\$ 2,160.00

Florida Keys Linen Co LLC	5.385	V	5/19/2014	1595	\$	14,539.50
5713 First Avenue - Standard	2.22	V	7/22/2014	1926	\$	5,994.00
Florida Keys Linen Co LLC	5.385	V	8/27/2014	1671	\$	14,539.50
CVS	5.84	V	10/10/2014	71233	\$	15,768.00
Islander Estates	10.666666	G			\$	28,800.00
Riesi Pizza LLC	4.16	G	10/14/2014	002346	\$	11,232.00
Islander Estates #3	0.6666666	G	10/28/2014	4165	\$	1,800.00
Islander Estates # 4	0.6666666	G	11/6/2014	4256	\$	1,800.00
Florida Keys Linen Co LLC	5.385	V	11/26/2014	1744	\$	14,539.50
El Mar RV Resort	3	V	12/8/2014	4208	\$	8,100.00
Islander Estates # 20	0.666666	G	12/8/2014	4418	\$	1,800.00
Florida Keys Linen Co LLC		V			\$	14,539.50
Florida Keys Linen Co LLC		V			\$	14,539.50

2015

Property	EDU	SYSTEM	CHECK DATE	CHECK NO.	PAID
Islander Estates #5	1	G	1/2/2015	4528	\$1,850.00
El Mocho	2.88	V	1/23/2015	6755	\$7,776.00
Florida Keys Linen Co LLC		V	2/17/2015	1813	\$14,539.50
Islander Estates #6	1	G	2/27/2015	4854	\$1,850.00
Islander Estates #2	1	G	3/9/2015	4948	\$1,850.00
Oceanside Investors	24.85	V	3/27/2015	5109	\$67,095.00
Islander Estates #21	1	G	4/10/2015	5154	\$1,850.00
Islander Estates #9	1	G	4/10/2015	5166	\$1,850.00

Islander Estates #10	1	G	4/17/2015	5250	\$1,850.00
Florida Keys Linen Co LLC		V	5/20/2015	1885	\$14,539.50
Bama One	4.1	G	6/8/2015	15826	\$11,070.00
Florida Keys Linen Co LLC		V	7/18/2015	1941	\$14,539.50
Stock Island Marina Phase III (Hotel & Restaurant)	24.03	G	7/28/2015	1001	\$73,104.76
Sunset Marina	NA	G	8/3/2015	3174	\$15,768.47
Islander Estates #11	1	G	8/25/2015	5902	\$1,850.00
Islander Estates #13	1	G	9/1/2015	5973	\$1,850.00
Islander Village	14 units	G	9/18/2015	1434	\$24,488.80
5570 Third Ave (Wells Fargo)	9.587	V	9/28/2015	200030	\$25,884.90
Key West Transportation (City of Key West)	3.95	V	10/15/2015	28924	\$32,589.98
Islander Estates #15	1	G	10/14/2015	6152	\$1,850.00
Florida Keys Linen Co LLC		V	11/2/2015	2035	\$14,539.50
Sunset Marina (docks)	8.2 total	G	11/13/2015	3233	\$7,380.00
Islander Estates #1	1	G	11/5/2015	6326	\$1,850.00
Islander Village	10 units	G	12/10/2015	1563	\$16,361.80
2016					
Property	EDU	SYSTEM	CHECK DATE	CHECK NO.	PAID
Key West Transportation (City of Key West)	7.91	G	12/31/2015	29875	\$21,348.00
Key West Transportation (City of Key West)		G	12/31/2015	29874	\$1,717.31
Islander Estates #14	1	G	1/14/2016	6670	\$1,850.00
Oceanside Marina Condominium Association	9.6	V	1/25/2016	098	\$25,920.00
Oceanside Marina Condominium Association			1/25/2016	098	\$3,888.00
Islander Village	22 units	G	1/26/2016	1616	\$35,995.96

Florida Keys Linen Co LLC		V	2/8/2016	2113	\$14,539.50
Islander Estates #8	1	G	2/5/2016	6801	\$1,850.00
Sunset Marina (docks)		G	2/11/2016	3270	\$7,380.00
Islander Estates #18	1	G	4/15/2016	7304	\$1,850.00
Safe Harbour	16.65	G	5/12/2016	1630	\$44,978.91
Sunset Marina (docks)		G	5/13/2016	3321	\$7,380.00
Islander Estates #17	1	G	5/3/2016	7420	\$50.00
Florida Keys Linen Co LLC		V	5/16/2016	2186	\$14,539.50
Islander Estates #16	1	G	5/9/2016	7476	\$1,850.00
Total monies to potentially be refunded					\$556,628.40



AT&T Webmail en Español

Signed in as: chriskw@bellsouth.net | Sign out

- Web
- Yellow Pages
- People
- Maps
- Images
- Products
- More

>> Search:



Powered by: **YAHOO!**

Switch to Advanced View

- Home
- E-mail
- Address Book
- Calendar
- Options
- Help

Wednesday, November 11, 2009

Compose **Check Mail**

97% of 500 MB

INBOX

Message: 2 of 1294 < Previous | Next >

MAILBOX
chriskw@bellsouth.net

- INBOX [45]**
- Drafts
- MailGuard
- SentMail
- Trash *gmslx*

MY FOLDERS [add/edit](#)

- >> Message Center
- >> Folder Manager
- >> Mailbox Manager
- >> Address Book
- >> Calendar
- >> Options
- >> Help

A Mom's White Teeth Trick

ConsumerNewsReporter..

Good Credit Score = 700

See yours in two easy steps for \$0

1 Flat Stomach Rule: Obey

USHealthNews.org

Take a Break

Online casual games for a quick break. Spice up your day with a little fun :)

Reply Reply All Forward Report Spam Print

Move to folder: **INBOX**

From: chriskw@bellsouth.net **Save Address** **Reminder**
 To: "Stone-Bob" <Stone-Bob@MonroeCounty-FL.Gov>
 Subject: Re: FW: Pump Seal Fall Proposal
 Date: Wednesday, November 11, 2009 4:43:51 PM [\[View Source\]](#)

Bob,

I understand that once you turned the matter over to legal it is no longer in your hands. Because of this, I will continue to wait patiently with you for the County Attorney to make a decision. In the interim, KW Resort Utilities, Corp. agrees to perform the seal fail repair. KW Resort Utilities, Corp. does this with the understanding that, if, at a later date, it is determined that the County is responsible for the lift station then it is agreed that the cost of these repairs (\$902.16 plus tax) will be reimbursed to KW Resort Utilities, Corp., per the Proposal attached to this email message.

Regarding your request to cut back the effluent water, I have already made the operational changes to adjust your water to approximately 32,000 GPD. The change has been made and it will be monitored closely for the next few days to insure the program is working properly. As you know, we do not send water using a control signal from a calibrated flow meter. It is for this reason that I used the word approximately when quantifying the amount of water shipped. I think the program change will get you a result that satisfies your needs. I would appreciate it if you would please keep me informed of any forward progress from the County Attorney. Thanks - Chris

CHRISTOPHER A. JOHNSON

President, KW Resort Utilities, Corp.

6630 Front Street

Key West, FL 33040

cell 305.522.0052

305.295.3301

FAX 305.295.0143

EMAIL chriskw@bellsouth.net

www.kwru.com

----- Original message from "Stone-Bob" <Stone-Bob@MonroeCounty-FL.Gov>: -----

Chris - Since August of 2001, we have been working together, in good faith, under a Utility Agreement between KW Resort Utilities and Monroe County. Within this agreement, the County agrees to convey the lift station in question at no cost to the Utility and in my mind, by executing the agreement and irregardless of any other issues, the Utility accepted this lift station. We have been working together with this agreement for eight years. The Agreement also, provides for the Utility to be reimbursed for the added expense of cleaning prisoner debris out of the lift station of which the County pays the Utility approximately \$20,000 a year. Under the Agreement, the County also takes responsibility for the jail's grease trap. As you can see, the County has been acting in good faith under this Agreement and I would expect the Utility to do the same.

As I have conveyed to you before, I have referred this issue to the County Attorney and until I hear back something to the contrary, I cannot approve spending taxpayer's money on property that may not be the County's. In the mean time, I am relying on the Utility on living up to its responsibilities in maintaining this lift station and then any outstanding expenses can be addressed when this issue is cleared up. Onto another subject, you have been sending excessive reuse water to the Jail, please cut it back to the minimum of 32,000 GPD. Your cooperation and perseverance will be appreciated. Thank You - Bob

HELP US HELP YOU!

Please take a moment to complete our Customer Satisfaction Survey:
http://monroecofl.virtualltownhall.net/Pages/MonroeCoFL_WebDocs/css Your feedback is important to us!

Please note: Florida has a very broad public records law. Most written communications to or from the County regarding County business are public record, available to the public and media upon request. Your e-mail communication may be subject to public disclosure.

Docket No. 150071
 11-11-2009 E-mail from Monroe County
 Exhibit CAJ-11, Page 1 of 2

From: chriskw@bellsouth.net [mailto:chriskw@bellsouth.net]
Sent: Tuesday, November 10, 2009 12:00 PM
To: Carmona-Gina; Stone-Bob; stone-robert@MonroeCounty-FL.Gov
Subject: Pump Seal Fail Proposal

Gina/Bob,

Attached you will find a proposal sent in August to fix a seal in your pump. The manufacturer built control circuitry into the pump to detect when this failure occurs. The panel manufacturer put a warning light on the panel to indicate when the event is happening. This prevents further damage to the pump and insures operation. This failure indicator has been "ON" since August 2009. This pump is in the jail's main lift station. Failure could result in a major repair/problem. -Chris

Christopher A. Johnson
 President, Keys Environmental, Inc.
 6630 Front Street
 Key West, FL 33040
 305.295.3301
 FAX 305.295.0143
www.keysenvironmental.com

Attachment 1: [Aug 09 MCDC proposal.doc](#) (application/msword)

Change your options to hide images within all messages.

Message: 2 of 1294 < Previous | Next >

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