

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: November 21, 2016

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Amber M. Norris, Public Utilities Supervisor, Division of Accounting & Finance *Am*

RE: Docket No. 110200-WU – Application for increase in water rates in Franklin County by Water Management Services, Inc.

Please place the attached documents regarding WMSI's true-up documentation in the docket referenced above.

RECEIVED FPSC
2016 NOV 21 PM 2:11
COMMISSION
CLERK

Amber Norris

From: Martin S. Friedman <mfriedman@ff-attorneys.com>
Sent: Friday, November 04, 2016 3:38 PM
To: Amber Norris
Cc: Gene Brown
Subject: Water Management Services
Attachments: True-Up Change Order Explanation.pdf

Amber,

Attached is the explanation of Change Orders 4 and 5. Let me know if you have any additional questions.

Regards, Marty

MARTIN S. FRIEDMAN, ESQ.

Shareholder



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Lake Mary, FL 32746
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WATER MANAGEMENT SERVICES, INC.

250 John Knox Road. #4
Tallahassee, FL 32303
(850) 668-0440 Fax (850) 577-0441

MEMO

TO: Marty
FROM: Gene
DATE: November 4, 2016
RE: Change Orders 4 and 5

Change Order #4, dated January 19, 2016, related to AIA contract item 1(b), which included \$49,259 to cover 11 valves and 5 road crossings. That original work was completed and paid for as follows:

Invoice #1013 dated June 16, 2015 for \$33,496, or 68% of 1(b);
Invoice #1014 dated July 31, 2015 for \$3,448, or 7% of 1(b); and
Invoice #1017, dated December 10, 2015 for \$12,315, or 25% of 1(b).
(Total 100% of \$49,259 before deduction for retainage.)

Change Order #4, increased item 1(b) by \$70,350 to a total of \$119,609 due to an increase in the number of road bores from 5 to 15. At the time change order #4 was signed, several of the 10 additional road bores covered by that change order had already been completed based upon the owner's verbal assurance that the contractor would be paid for whatever additional road bores were required. In December 2015 and early January 2016, the total number of road bores necessary to complete the project was unknown, but by January 19, 2016, when change order #4 was signed, the owner and contractor agreed that a total of 10 additional road bores would be required.

Invoice # 1018 dated January 19, 2016 covered several of the 10 additional road bores which had been agreed upon by that date. The second invoice #1018, dated February 25, 2016

(which should have been #19) covered some of the 10 extra road bores that had not already been billed under the first invoice #1018.

Invoice #1019, dated March 10, 2016, covered the remaining road bores all outstanding sums due the contractor, including retainage.

Change Order #5 was dated February 25, 2016. It covered a security system for the new plant and the control room, together with 4 new well meters to allow the SCADA System to operate. These items were determined to be necessary to properly complete the project. This extra work was completed prior to the receipt of invoice #1019, dated March 10, 2016, which included \$21,061 for the extra items, plus all the retainage. The entire project was completed, certified and placed in service as of April 1, 2016.

Please call me if you have any questions regarding these two change orders.