

# LP Waterworks, Inc.

January 17, 2017

Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32999-0850

*Re: Re: Docket No. 160222-WS - Application for Staff Assisted Rate Case (SARC)  
in Highlands County by LP Waterworks, Inc. – Response to Audit Report 16-320-  
4-1*

Dear Commission Clerk,

LP Waterworks, Inc. (LPWW) hereby its response to Audit Report 16-320-4-1 in the above referenced docket. LPWW agrees with the majority of the audit finding, with the exception of the following:

**Accounts 633/733 – Legal Fees:** LPWW agrees that the amount of \$1,554 was related to the purchase of the utility and is a non-recurring expense. However, LPWW has attached invoices in the amount of \$1,407 which are recurring legal expenses to the utility. These charges are related to preparation of shareholder documents and Corporate annual filings with the Florida Secretary of State. These are recurring in nature and should be allocated between water and wastewater. (633/733)

**Taxes other Than Income – Property Taxes:** LPWW disagrees with the auditor's amount for property taxes. LPWW has attached the most recent 2016 property taxes in the amount of \$7,047.74 which were paid on November 1, 2016. The audit report only contained property taxes in the amount of \$5,142. This creates a shortfall of this expense of \$1,905.74. LPWW submits that the TOTI for property taxes should be increased to recover the actual expense of \$7,047.74 as documented by the attached invoices.

Respectfully Submitted,



Troy Rendell  
Manager of Regulated Utilities  
// For LP Waterworks, Inc.

HILL WARD HENDERSON  
ATTORNEYS AT LAW

*LP*  
*Leyle CL*

Page:1  
Invoice# 10484082  
August 10, 2016  
013955.000001-RRH

LP Waterworks Inc  
Attention: Victoria Penick  
4939 Cross Bayou Boulevard  
New Port Richey, FL 34652

Re: Corporate Representation

For professional services rendered through July 31, 2016

Attorney Time Detail

Date	Tkr	Narrative	Rate	Hours	Amount
07/28/16	RR	Review status of executed documents from shareholders; Forward emails to members re: outstanding documents; Receipt and review of executed signature pages; Update client file re: same.	155.00	0.30	\$46.50

Total Fees Billed: \$46.50

BILL SUMMARY:

Total Fees Billed:	\$46.50
Total Bill Amount Due:	\$46.50

*Act 633*  
*e 8-25-16*

Entered: \_\_\_\_\_  
COA Code: \_\_\_\_\_  
Approved: \_\_\_\_\_  
Paid: CL# 1263  
Date: 9/16/16

**HILL WARD HENDERSON**  
ATTORNEYS AT LAW

Page:1  
Invoice# 10479775  
June 13, 2016  
013955.000001-RRH

**LP Waterworks Inc**  
**Attention: Victoria Penick**  
**4939 Cross Bayou Boulevard**  
**New Port Richey, FL 34652**

*Att 633  
@  
7-12-16*

**Re:** Corporate Representation

For professional services rendered through May 31, 2016

**Attorney Time Detail**

Date	Tkr	Narrative	Rate	Hours	Amount
05/09/16	RR	Prepare documents for distribution to shareholders; Prepare transmittal emails re: same; Forward all documents, including individual signature file to each shareholder.	155.00	0.70	\$108.50
05/26/16	RR	Prepared and sent follow up emails to shareholders re: missing executed signature pages; Reviewed and processed B. Labella executed signature pages.	155.00	0.20	\$31.00
<b>Total Fees Billed:</b>					<b>\$139.50</b>

**BILL SUMMARY:**

**Total Fees Billed:**  
**Total Bill Amount Due:**

Entered: \_\_\_\_\_  
COA Code: \_\_\_\_\_  
Approved: \_\_\_\_\_ \$139.50  
Paid: \_\_\_\_\_ \$139.50  
Date: \_\_\_\_\_

**HILL WARD HENDERSON**  
ATTORNEYS AT LAW

Page:1  
Invoice# 10477965  
May 10, 2016  
013955.000001-RRH

**LP Waterworks Inc**  
**Attention: Victoria Penick**  
**4939 Cross Bayou Boulevard**  
**New Port Richey, FL 34652**

Re: Corporate Representation

For professional services rendered through May 2, 2016

**Attorney Time Detail**

Date	Tkr	Narrative	Rate	Hours	Amount
04/21/16	RR	Prepare and electronically file 2016 Annual Report for LP WATERWORKS, INC.; Verify filing of same with the Florida Secretary of State; Update client file re: same.	155.00	0.50	\$77.50
<b>Total Fees Billed:</b>					<b>\$77.50</b>

**Summarized Disbursements**

Narrative	Amount
Filing Fees	\$150.00
<b>Total Disbursements:</b>	<b>\$150.00</b>

**BILL SUMMARY:**

Total Fees Billed:	Entered: _____	
Total Disbursements:	COA Code: <u>633 / 723</u>	\$77.50
Total Bill Amount Due:	Approved: <u>e 5-20-16</u>	\$150.00
	Paid: _____	\$227.50
	Date: _____	

**HILL WARD HENDERSON**  
ATTORNEYS AT LAW

Page:1  
Invoice# 10474487  
March 14, 2016  
013955.000001-RRH

**LP Waterworks Inc**  
**Attention: Victoria Penick**  
**4939 Cross Bayou Boulevard**  
**New Port Richey, FL 34652**




**Re: Corporate Representation**

For professional services rendered through February 29, 2016

Annual corporate maintenance fee for LP WATERWORKS, INC., including review of corporate minutes, corporate file, and corporate status with the Florida Secretary of State; Prepare shareholder and director annual minutes in lieu of an annual meeting; update client file re: same.

300.00

**Total Fees Billed:** \$300.00

Entered:   
COA Code: 633 / 733  
Approved: e 4-7-16  
Paid: \_\_\_\_\_  
Date: \_\_\_\_\_

**HILL WARD HENDERSON**  
ATTORNEYS AT LAW

Page:1  
Invoice# 10474493  
March 14, 2016  
013955.000001-RRH

**LP Waterworks Inc**  
**Attention: Victoria Penick**  
**4939 Cross Bayou Boulevard**  
**New Port Richey, FL 34652**



Re: Corporate Representation

For professional services rendered through February 29, 2016

**Attorney Time Detail**

Date	Tkr	Narrative	Rate	Hours	Amount
02/03/16	RRH	Review and analysis of open issues re: Shareholder Agreement for utility.	385.00	0.10	\$38.50
02/04/16	RRH	Continue work on Shareholder Agreement; Email to V. Penick re: open issues; Receipt and review response from V. Penick; Continue work on agreement.	385.00	0.30	\$115.50
02/05/16	RRH	Work on utility shareholder template.	385.00	0.20	\$77.00
02/22/16	RRH	Attention to Shareholder Agreement.	385.00	0.10	\$38.50
<b>Total Fees Billed:</b>					<b>\$269.50</b>

Entered: [Signature]  
COA Code: 633 / 733  
Approved: e 4-7-16  
Paid: \_\_\_\_\_  
Date: \_\_\_\_\_

**BILL SUMMARY:**

**Total Fees Billed:** \$269.50  
**Total Bill Amount Due:** \$269.50

HILL WARD HENDERSON  
ATTORNEYS AT LAW

Page: 1  
Invoice# 10468597  
December 10, 2015  
013955.000001-RRH

LP Waterworks Inc  
Attention: Victoria Penick  
4939 Cross Bayou Boulevard  
New Port Richey, FL 34652

LP Ww/ks.  
\$ 424.00

Re: Corporate Representation

For professional services rendered through November 30, 2015

Attorney Time Detail

Date	Tkr	Narrative	Rate	Hours	Amount
11/24/15	RR	Compare and proof financial information of Subscription Agreements for each shareholder with worksheet provided by client; Prepare all relevant documents for transmittal to shareholders and transmit with email cover letter.	155.00	2.00	\$310.00
11/25/15	RRH	Review Shareholder Agreement question.	380.00	0.30	\$114.00
<b>Total Fees Billed:</b>					<b>\$424.00</b>

BILL SUMMARY:

Total Fees Billed:

Entered: 

\$424.00

Total Bill Amount Due:

COA Code: 633 / 733

\$424.00

Approved: \_\_\_\_\_

Paid: \_\_\_\_\_

Date: \_\_\_\_\_

Eric T. Zwyer, Tax Collector

Date	Type	Reference	Original Amt.	Balance Due	11/17/2016 Discount	Payment
11/1/2016	Bill	2016 Taxes	7,047.74	7,047.74		7,047.74
					Check Amount	7,047.74

PAYMENT RECORD

Cash Bank-Checking

7,047.74



29672 641425 (2/13)



007851



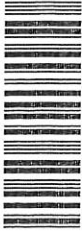
Rev 3/11



**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	ESCROW CODE	EXEMPTION CODES	MILLAGE CODE
C173730-04000K00020			40

R



LP WATERWORKS INC  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY, FL 34652

5 HIDDEN LAKE PLACID  
LK PLACID CAMP FLA RESORT  
PB 15-PG 93  
LOT 2 BLK K

**PAY IN U.S. FUNDS TO ERIC T. ZWAYER, TAX COLLECTOR • 540 S. COMMERCE AVE • SEBRING, FL. 33870-3867 • (863) 402-6685**

AD VALOREM TAXES						
TAXING AUTHORITY		ASSESSED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	MILLAGE RATE	TAXES LEVIED
COUNTY GENERAL SCHOOL	863-402-6520	20,900		20,900	8.5500	178.70
GENERAL FUND	863-471-5555	24,000		24,000	4.7080	112.99
BASIC DISCRETIONARY	863-471-5555	24,000		24,000	0.7480	17.95
CAPITAL IMPROVEMENT	863-471-5555	24,000		24,000	1.5000	36.00
SW FLORIDA WATER MGMT DISTRICT	800-423-1476	20,900		20,900	0.3317	6.93
<b>WWW.HCOTAXCOLLECTOR.COM</b>					15.8377	\$352.57

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
LAKE PLACID FIRE VACANT LOT	863-402-6505	3.00
<b>WWW.HCOTAXCOLLECTOR.COM</b>		\$3.00

**COMBINED TAXES AND ASSESSMENTS** See reverse side for important information.

NOV 30 2016 341.35	DEC 31 2016 344.90	JAN 31 2017 348.46	FEB 28 2017 352.01	MAR 31 2017 355.57	April 1 <sup>st</sup> Taxes are Delinquent
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**RETAIN THIS PORTION FOR YOUR RECORDS,  
WALK-IN CUSTOMERS,  
PLEASE BRING FOR RECEIPT.**

**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	ESCROW CODE	EXEMPTION CODES	MILLAGE CODE
C173730-040D0000000			40

R

LP WATERWORKS INC  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY, FL 34652

205 SHORELINE LAKE PLACID  
LK PLACID CAMP FLA RESORT  
PB 15 PG 52 + RPLT 15-93  
SLY ENV TR OF BLK K

*Property by  
w/TP #2*

**PAY IN U.S. FUNDS TO ERIC T. ZWAYER, TAX COLLECTOR • 540 S. COMMERCE AVE • SEBRING, FL. 33870-3867 • (863) 402-6685**

AD VALOREM TAXES						
TAXING AUTHORITY		ASSESSED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	MILLAGE RATE	TAXES LEVIED
COUNTY GENERAL SCHOOL	863-402-6520	31,935		31,935	8.5500	273.04
GENERAL FUND	863-471-5555	39,964		39,964	4.7080	188.15
BASIC DISCRETIONARY	863-471-5555	39,964		39,964	0.7480	29.89
CAPITAL IMPROVEMENT	863-471-5555	39,964		39,964	1.5000	59.95
SW FLORIDA WATER MGMT DISTRICT	800-423-1476	31,935		31,935	0.3317	10.59
					15.8377	\$561.62

RETAIN THIS PORTION FOR YOUR RECORDS.  
WALK-IN CUSTOMERS,  
PLEASE BRING FOR RECEIPT.

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
LAKE PLACID FIRE COMMERCIAL	863-402-6505	100.00
		\$100.00

*408.21*

*OK@  
COA #402  
11-1-16*

<b>COMBINED TAXES AND ASSESSMENTS</b>	<b>\$661.62</b>	See reverse side for important information.
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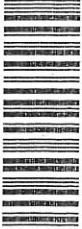
<b>NOV 30 2016</b> 635.16	<b>DEC 31 2016</b> 641.77	<b>JAN 31 2017</b> 648.39	<b>FEB 28 2017</b> 655.00	<b>MAR 31 2017</b> 661.62	<b>April 1<sup>st</sup> Taxes are Delinquent</b>
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◀ IF PAID BY

**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	ESCROW CODE	EXEMPTION CODES	MILLAGE CODE
C173730-A0002400000			40

R



LP WATERWORKS INC  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY, FL 34652

1535 US 27 LAKE PLACID  
AN IRREG 1.96 ACRE TR IN  
NW COR OF SEC 17 E OF  
US HWY 27 + S OF RV PARK  
17-37-30/24 1.96 ACRES  
-WATER PLANT SITE-

*wxp #1*

**PAY IN U.S. FUNDS TO ERIC T. ZWAYER, TAX COLLECTOR • 540 S. COMMERCE AVE • SEBRING, FL. 33870-3867 • (863) 402-6685**

AD VALOREM TAXES						
TAXING AUTHORITY		ASSESSED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	MILLAGE RATE	TAXES LEVIED
COUNTY GENERAL	863-402-6520	115,740		115,740	8.5500	989.58
SCHOOL						
GENERAL FUND	863-471-5555	148,359		148,359	4.7080	698.47
BASIC DISCRETIONARY	863-471-5555	148,359		148,359	0.7480	110.97
CAPITAL IMPROVEMENT	863-471-5555	148,359		148,359	1.5000	222.54
SW FLORIDA WATER MGMT DISTRICT	800-423-1476	115,740		115,740	0.3317	38.39
WWW.HC.TAXCOLLECTOR.COM					15.8377	\$2,059.95

RETAIN THIS PORTION FOR YOUR RECORDS.  
WALK-IN CUSTOMERS,  
PLEASE BRING FOR RECEIPT.

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
<p style="font-size: 2em; opacity: 0.5;">408.21</p> <p style="font-size: 1.5em; opacity: 0.5;">OKE COA 408 11-1-16</p>		

**COMBINED TAXES AND ASSESSMENTS** See reverse side for important information.

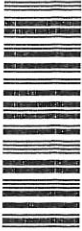
NOV 30 2016 1,977.55	DEC 31 2016 1,998.15	JAN 31 2017 2,018.75	FEB 28 2017 2,039.35	MAR 31 2017 2,059.95	April 1 <sup>st</sup> Taxes are Delinquent
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IF PAID BY

**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	ESCROW CODE	EXEMPTION CODES	MILLAGE CODE
C083730-A0001300020			40

R



7 - 242

LP WATERWORKS INC  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY FL 34652-3434

148 CR 29 LAKE PLACID  
W 410 FT OF E 668 FT OF N  
300 FT OF S 750 FT OF SW  
1/4 OF SEC 8  
8-37-30/13-2 2.82 ACRES

*u w t w*

**PAY IN U.S. FUNDS TO ERIC T. ZWAYER, TAX COLLECTOR • 540 S. COMMERCE AVE • SEBRING, FL. 33870-3867 • (863) 402-6685**

AD VALOREM TAXES						
TAXING AUTHORITY		ASSESSED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	MILLAGE RATE	TAXES LEVIED
COUNTY GENERAL SCHOOL	863-402-6520	143,911		143,911	8.5500	1,230.44
GENERAL FUND	863-471-5555	143,911		143,911	4.7080	677.53
BASIC DISCRETIONARY	863-471-5555	143,911		143,911	0.7480	107.65
CAPITAL IMPROVEMENT	863-471-5555	143,911		143,911	1.5000	215.87
SW FLORIDA WATER MGMT DISTRICT	800-423-1476	143,911		143,911	0.3317	47.74
<i>www.hc-taxcollector.com</i>					15.8377	\$2,279.23

**RETAIN THIS PORTION FOR YOUR RECORDS.  
WALK-IN CUSTOMERS,  
PLEASE BRING FOR RECEIPT.**

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
<i>408.02</i>		
<i>OK @ COA 408 11-1-16</i>		
<i>www.hc-taxcollector.com</i>		

<b>COMBINED TAXES AND ASSESSMENTS</b>	<b>\$2,279.23</b>	<small>See reverse side for important information</small>
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NOV 30 2016	DEC 31 2016	JAN 31 2017	FEB 28 2017	MAR 31 2017	Apr
2,188.06	2,210.85	2,233.65	2,256.44	2,279.23	

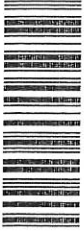
**NOTICE OF AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS**

ACCOUNT NUMBER	ESCROW CODE	EXEMPTION CODES	MILLAGE CODE
B000000-00040620047		*A1	40

P

\*See reverse side for description.

1535 US 27 LAKE PLACID



118  
6 - 38062

LP WATERWORKS INC  
C/O JOE GABAY  
4939 CROSS BAYOU BLVD  
NEW PORT RICHEY FL 34652-3434



**PAY IN U.S. FUNDS TO ERIC T. ZWAYER, TAX COLLECTOR • 540 S. COMMERCE AVE • SEBRING, FL. 33870-3867 • (863) 402-6685**

AD VALOREM TAXES						
TAXING AUTHORITY		ASSESSED VALUE	EXEMPTION AMOUNT	TAXABLE VALUE	MILLAGE RATE	TAXES LEVIED
COUNTY GENERAL SCHOOL	863-402-6520	150,336	25,000	125,336	8.5500	1,071.62
GENERAL FUND	863-471-5555	150,336	25,000	125,336	4.7080	590.08
BASIC DISCRETIONARY	863-471-5555	150,336	25,000	125,336	0.7480	93.75
CAPITAL IMPROVEMENT	863-471-5555	150,336	25,000	125,336	1.5000	188.00
SW FLORIDA WATER MGMT DISTRICT	800-423-1476	150,336	25,000	125,336	0.3317	41.57
					15.8377	\$1,985.02

WWW.HIGHLANDSTAXCOLLECTOR.COM

NON-AD VALOREM ASSESSMENTS		
LEVYING AUTHORITY	RATE	AMOUNT
		408.3

OK  
COA #408  
11-1-16

<b>COMBINED TAXES AND ASSESSMENTS</b>	<b>\$1,985.02</b>	See reverse side for important information.
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NOV 30 2016 1,905.62	DEC 31 2016 1,925.47	JAN 31 2017 1,945.32	FEB 28 2017 1,965.17	MAR 31 2017 1,985.02	April 1 <sup>st</sup> Taxes are Delinquent
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RETAIN THIS PORTION FOR YOUR RECORDS.  
WALK-IN CUSTOMERS,  
PLEASE BRING FOR RECEIPT.

◀ IF PAID BY