

**COUNTRY WALK UTILITIES, INC.**

FILED 1/22/2018  
DOCUMENT NO. 00514-2018  
FPSC - COMMISSION CLERK

January 12, 2018

Office of Commission Clerk  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

RECEIVED FPSC  
2018 JAN 22 AM 8:15  
COMMISSION  
CLERK

*Re: Application for Staff Assisted Rate Case (SARC) in Highlands County by  
Country Walk Utilities, Inc.*

Dear Commission Clerk,

Country Walk Utilities, Inc. (Country Walk or Utility) submits its application for a staff assisted rate case (SARC) in Highlands County. In support of its application, Country Walk submits the following information.

**Need for Rate Relief**

Country Walk's last SARC was in Docket No. 010403-WU, which was approved in PSC Order No. PSC-01-2385-PAA-WU, issued December 10, 2001, or seventeen years ago.

Forced Draft Aeration Treatment System Addition – the primary need for rate relief is directly related to the required new force draft aeration treatment system which was recently installed and cleared by the Florida Department of Environmental Protection (FDEP). This new system was placed into operation in approximately September 2017. The water source in the potable water well has very high levels of hydrogen sulfides. In order to treat this issue, Country Walk previously utilized high levels of chlorine. However, these high levels of chlorine caused Country walk to exceed the Disinfection By-Product maximum contamination levels based on the rolling annual average for both Total Trihalomethanes (TTHMs) and Haloacetic Acids (HAA5s). As a result, the FDEP became involved and required Country Walk to address these issues. Country Walk responded to FDEP through a letter dated September 16, 2014 requesting that the FDEP attend a customer meeting with the Homeowners' Association (HOA) to discuss the issue.

Both Country Walk and FDEP met with the customers' HOA in February 2016. The situation was explained to the residents by both the FDEP and Country Walk. Country Walk presented the alternative prescribed treatment methodology pursuant to Chapter 62-555.315(5)(a), Florida Administrative Code. Subsequent to this meeting, FDEP issued a exceedance letter dated April 7, 2016, requesting Country Walk to formally address the issue. At the February 2016 HOA meeting, the residents were presented the potential costs and impact on rates. Country Walk offered for the residents (HOA) to contribute a portion or all of the costs in order to minimize the impact on rates. This potential contribution would have lowered the net Rate Base and the utility would not earn any return on the investment. The HOA responded through a letter dated April

COM —  
AFD —  
APA —  
ECO |  
ENG |  
GCL —  
IDM —  
CLK —



25, 2016 indicating that the HOA and residents decided that it would be in all parties' best interest for Country Walk to proceed forward and fund the total amount of the cost of the treatment system. Country Walk worked with FDEP and permitted the new system. The Chairman of the Water Committee at Country Walk HOA also worked closely with FDEP in order to move expeditiously on the project. Subsequent meetings were held with the HOA to inform the residents of the progress of the installation and anticipated completion date. The system was installed and cleared by FDEP on August 23, 2017 and the system was placed into service in September 2017. Subsequent to the installation and operation of the new treatment system, the residents have expressed that it is "the best water they have ever tasted." U.S. Water Service Corporation was able to minimize and reduce the cost of the project and also subsidized some of the costs so as not to pass on the full cost to the residents. This was a very successful cooperative effort with both the residents, HOA, and FDEP and received all parties full support.

In addition to the capital costs, several of the operational costs were also increased. This was due to the addition of two new chemicals for the process to work, including sulfuric acid and caustic. Also, it is anticipated that the electrical (purchase power) costs may increase due to additional pumping, blowers, additional chemical feed pumps, and high service pumps. Country Walk has not requested pro forma increases for these anticipated increases at this time. However, as discussed below, Country Walk is requesting a year-end rate base. Finally, Country Walk is requesting annualized adjustments to Depreciation Expense and Accumulated Depreciation to recognize a full year of depreciation. The system has only received 1 – 2 months of depreciation up through the requested test year of November 30, 2017.

### **Year End Water Rate Base**

Country Walk is requesting test year for the SARC for the twelve month ending November 30, 2017. In addition, Country Walk is requesting a Year End rate base for its water system since the additional capital costs for the new forced draft aeration treatment system represent a significant portion of the water plant in service. If an average rate base were utilized, Country Walk would not be afforded the opportunity to recover its allowed rate of return on the new investment and would be put in the position of requesting a subsequent SARC at a later date.

This is consistent with past Commission practice. (See: Order Nos. PSC-2017-0428-PAA-WS, issued November 7, 2017; PSC-98-0763-FOF-SU, issued June 3, 1998; PSC-02-1449-PAA-WS, issued October 21, 2002; PSC-00-1774-PAA-WU, issued September 27, 2000; and PSC-01-0323-PAA-SU, issued February 5, 2001) In the transfer order, Order No. PSC-14-0495-PAA-WU, issued September 17, 2014, the Commission approved Water Utility Plant in Service in the amount of \$89,309. In addition, pursuant to the 2016 Annual Report for Country Walk the Water Plant in Service was \$94,202. For the requested test year ending November 30, 2017, the Water Utility Plant in Service is \$ 230,036, which is an increase of \$135,834, or 144.19%

increase. This represents not only the new replacement well, but also plant improvements to address water.

### **Pro forma Plant Item**

As a result of the customer meeting and HOA, Country Walk is also requesting a pro forma plant item to include a project to “unclog” the service connections (saddles) throughout the community. During the meeting held, customers expressed concerns with low water pressure. After the meeting Country Walk went to three resident’s homes and examined the water pressure. It was discovered that due to both the age of the system and high levels of chlorine used to treat the hydrogen sulfides that calcium build up had transpired on the service connections at the saddles. Country Walk successfully dug up and removed the calcium deposits at these homes and increased the water pressure to satisfactory levels. Country Walk believes it is necessary to conduct a complete system-wide project to address the remaining service connections. Attached is an estimate in the amount of \$16,085 – at a cost of \$277.33 for each connection. This project will benefit the remaining customers to unclog the service connections and increase the remaining distribution water pressure.

### **Pro Forma Expense Items**

In addition, Country Walk is requesting approval of two additional pro forma expense items. The first is for the sandblasting and coating of the hydropneumatic storage tank. Country Walk has obtained a estimate of \$5,000 from Crystal Coating, Inc. Country Walk is requesting amortization of this non-recurring item over a 5-year period – or \$1,000/annually. Country Walk is currently scheduling the coating along with other “sister” utilities in Highlands County in order to minimize the costs.

Further, Country Walk revised its Operation and Maintenance Agreement with U.S. Water Service Corporation as of October 1, 2017. This was necessary for two specific reasons. Primarily it was due to the significant change in the water treatment process from a simple “pump and chlorinate” system to the newly installed forced draft aeration treatment process. This process is much more complicated and involves the addition of acid to bring the PH down in order to properly oxidize the hydrogen sulfides prior to the aeration process, and subsequent caustic to bring the PH levels back up prior to distribution. The second reason was to minimize subsidies which were in the previous agreement signed on October 1, 2013. The new agreement has also taken into consideration past Commission decisions on similar agreements with the “sister” utilities.



Country Walk Utilities, Inc.  
Application for SARC  
January 12, 2018

Respectfully Submitted,



Troy Rendell  
Vice President  
Investor Owned Utilities  
*//For Country Walk Utilities, Inc.*



FLORIDA DEPARTMENT OF  
ENVIRONMENTAL PROTECTION

SOUTH DISTRICT  
P.O. BOX 2549  
FORT MYERS, FL 33902-2549

RICK SCOTT  
GOVERNOR

CARLOS LOPEZ-CATERA  
LT. GOVERNOR

HERSCHEL T. VINYARD JR.  
SECRETARY

July 7, 2014

Mr. Ron DeRossett  
U.S. Water Services Corporation  
4939 Cross Bayou Blvd.  
New Port Richey, Florida 34652  
[RDeRossett@uswatercorp.net](mailto:RDeRossett@uswatercorp.net)

Re: Compliance Assistance Offer  
Compliance Inspection Report  
Country Walk  
PWS I.D. Number: 6284114  
Highlands County – PW

Dear Mr. DeRossett:

A Compliance Inspection was conducted at your facility on June 27, 2014, under the authority of Section 403.061, Florida Statutes (F.S.). During this inspection, possible violations of Chapter 403, F.S., Chapter 62-550, Florida Administrative Code (F.A.C.), and Chapter 62-555, F.A.C. were observed. The purpose of this letter is to offer you compliance assistance as a means of resolving these matters.

Please see the attached inspection report for a full account of Department observations and be advised this Compliance Assistance Offer is part of an agency investigation preliminary to agency action in accordance with Section 120.57(5), F.S. We request you review the items of concern noted in the attached inspection report and respond in writing within **15 days** of receipt of this Compliance Assistance Offer. Your written response should either:

1. Describe what you have done to resolve the issue (see "Area of Concern" section of the report),
2. Provide information that either mitigates the concerns or demonstrates them to be invalid, or
3. Arrange for one of our inspectors to visit your facility to offer suggested actions to return to compliance without enforcement.

It is the Department's desire that you are able to document compliance or corrective actions concerning the possible violations identified in the attached inspection report so that this matter can be closed without enforcement. Your failure to respond promptly in writing (or by e-mail) may result in the initiation of formal enforcement proceedings.

Country Walk  
PWS I.D. Number: 6284114  
Compliance Assistance Offer  
Page 2 of 2

Please address your response and any questions to Gordon Romeis of the South District Office at (239) 344-5688 or via e-mail at [gordon.romeis@dep.state.fl.us](mailto:gordon.romeis@dep.state.fl.us). We look forward to your cooperation with this matter.

Sincerely,



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Jenifer Carpenter  
Assistant Director of District Management

Enclosure: Inspection Report





# Compliance Inspection Form

**BASIC INSPECTION AND SYSTEM INFORMATION**

Date of Inspection: June 27, 2014

Water System: Country Walk System Type: Community System PWS #: 6284114

System Address: End of Country Walk Blvd. Lake Placid Florida 33852

Owner Name: Mr. Gary Deremer

Owner Address: 4939 Cross Bayou Blvd., New Port Richey, Fl. 34652

Owner Phone: 727-848-8292 Owner Cell:

Owner Fax: Owner Email: gderemer@uswatercorp.net

Primary Contact Name: Mr. Ron DeRossett

Primary Contact Address: 4939 Cross Bayou Blvd., New Port Richey, Fl 34652

Primary Contact Phone: 904-540-9765 Primary Contact Cell:

Primary Contact Fax: Primary Contact Email: rderossett@uswatercorp.net

Operator Required?  Yes  No (if "No", Operator Section Not Applicable)

Operator Name: Ron DeRossett Operator Phone: 904-540-9765 Operator Email: rderossett@uswatercorp.net

<b>SOURCE - WELL INFORMATION</b>	Well Number	AAO4478			<b>DISTRIBUTION</b>	Flushing of Dead Ends Compliant?	Y		
	Well Artesian?	N				Valve Maintenance Compliant?	Y		
	Setback Compliant?	Y				Distribution Map (C/350 / 150)	Y		
	Well Head Sealed? (Pad/Conduit/Openings)	Y				Distribution CL Samples Compliant?	Y		
	Well Casing 12" Above Grade? (2002)	Y				<small>&gt;3300: 1 grab per day serving water or 5 days per wk (whichever less) &lt; 3300: 1 grab per day serving water or 2 days per wk (whichever less)</small>			
	Casing Vent Compliant? (2003)	Y				Records Properly Retained?	Y		
	Check Valve Compliant?	Y				Preventative Maintenance Plan?	Y		
	Tap Compliant? (smooth/12" high, pre-check)	Y				Flow Meter Accuracy Checked? (5 yrs)	Y		
	6' x 6' x 4" Well Apron? (2002)	Y				Bacteriological Sampling? (Plan / Sampling)	Y		
	Flow Measureable?	Y				Chemical Sampling? (Plan / Sampling)	Y		
<b>TREATMENT</b>	<b>HYPH</b>	Well Security Measure Compliant?	Y		<b>MANAGEMENT</b>	Process Performance Records?	NA		
		Auxiliary Power? (C/350/ 150)	NA			Cross Connection Control Plan? (C)	Y		
		CL Storage Compliant (no organics/sun)		Y		Any Cross Connections Observed?	N		
		Loss of Chlorine Alarm Compliant?		NA		Pb and Cu Sampling Plan? (C, NTNC)	Y		
	<b>GAS</b>	CL Testing Following S.O.P.		Y		Auxiliary Power Maintenance? (C)	Y		
		Plant Security Measures Compliant?		Y		Emergency Response Plan? (C/350 / 150)	NA		
		<b>HYPH</b>	CL Solution NSF Approved?	Y			<b>OPERATOR</b>	O & M Log Compliant?	Y
			Solution Vat Compliant? (covered)	Y				Operator Visits Compliant	Y
		Safety: (Gloves/ Apron/ Eyewash/ Etc.)	Y			MORs Submittal Compliant?		Y	
		<b>GAS</b>	Spare Chlorination Compliant?	NA			<b>4-Log</b>	Facility 4-Log Approved? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Loss of Chlorine Alarm Compliant?	NA			4-Log Approval In Compliance? <input type="checkbox"/> Yes <input type="checkbox"/> No					
CL Room Complaint? (Separate/ Vented)	NA			<b>FOLLOW -UP TO LAST INSPECTION</b>					
Scale Compliant?	NA			Last Inspection Fully Compliant? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Auto Switchover Provided?	NA		<b>CL FIELD SAMPLING RESULTS</b>						
Safety: (SCBA/ Gloves/ Ammonia/ Panic HW)	NA		Free Chlorine <input checked="" type="checkbox"/>	Total Chlorine <input type="checkbox"/>					
<b>STORAGE</b>	<b>ADDITIONAL</b>	Tank Number	Hydropneumatic		<b>PLANT</b>	<b>DISTRIBUTION</b>			
		Inspections Compliant? (annual/ 5 yr)	N		Not Run	3.3 (mg/L)			
		Overflow / Vents Compliant?	NA			Conducted By:			
		Pressure Relief Valve Provided? (Hydro)	Y			Gordon			
		Security Measures Compliant?	Y			Time:			
					9:45				
					Location:				
					Remote tap				
					Inspector Used FDEP Test Kit # 2				



**AREAS OF CONCERN**

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1. The new well for this system has a total sulfide level that requires treatment to comply with Rule 62-555.315 (5), Florida Administrative Code. Please submit a plan of corrective action to the Department that will result in compliance with the Rule.
2. Department records show that the hydropneumatic tank is due for the five year inspection and cleaning. If the tank has been done within the past 5 years, then please provide the engineering report. If the tank has not, then please have the tank inspected and cleaned in accordance with the requirements of Rule 62-550.350 Florida Administrative Code.

**REMARKS AND RECOMMENDATIONS**

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1. The Unique Well Identification number AAO4478 has been issued for the new well.
2. Please review your Cross Connection Control Plan to verify that it is not less stringent than, or inconsistent with, the newly revised Cross Connection Control Rule 62-555.360, F.A.C. If the existing plan does not meet the intent of the new rule then please provide the Department with a written description and schedule of actions to bring the written plan into compliance with the newly revised rule.

**PHOTOS**

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None

Inspectors Signature: *Gordon Rome* Title: EC Date: July 1, 2014

Review Signature: *Elizabeth B. B.* Title: EM Date: July 3, 2014





**Water and Wastewater Operations, Maintenance, Engineering, Management**

July 9, 2014

Ms. Jennifer Carpenter  
Assistant Director of District Management  
Florida Department of Environmental Protection  
P.O. Box 2549  
Fort Myers, FL 33902-2549

RE: Compliance Assistance Offer  
Country Walk Utility  
PWS ID No. 628-4114, Highlands County

Dear Ms. Carpenter:

Thank you for your letter of July 7, 2014, offering a Compliance Assistance Offer to resolve the following areas of concern noted on the Compliance Inspection Report of July 3, 2014:

1. We have prepared a preliminary conceptual design with a cost estimate to address the hydrogen sulfide issues at this utility. However, preparation of a final design with all the necessary construction and bidding documents will be pending prior approval of the construction budget by the Florida Public Service Commission. In order to accomplish this task, a rate case will need to be filed with the Florida Public Service Commission. We will keep you informed about any progress in the future.
2. The hydropneumatic tank will be inspected and cleaned within the next sixty (60) days.
3. The Cross Connection Control Plan has been prepared in accordance with the newly revised Cross Connection Control Rule 62-555.360, F.A.C. and, therefore, is in compliance with the new rule.

We trust that the above response would be adequate to resolve your concerns and that no further action is necessary at this time.

4939 Cross Bayou Blvd. ≈ New Port Richey ≈ Florida 34652

Phone: 727-848-8292 ≈ Fax: 727-848-7701 ≈ Toll Free: 866-753-8292

Ms. Jennifer Carpenter  
July 9, 2014

Page 2 of 2

Please feel free to contact us at your convenience should you have any questions. We can be reached directly at (727) 243-5875. Your continued cooperation in resolving this matter is most appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mo Kader".

Mo Kader, P.E.  
Engineering Services  
U.S. Water Services Corporation

MK/mk

Cc: Ron Derossette, US Water  
Gary Deremer, Country Walk



# Country Walk Utilities, Inc.

September 16, 2014

Mr. Gordon Romeis, EC  
Florida Department of Environmental Protection  
South District  
P.O. Box 2549  
Fort Myers, FL 33902

RE: Country Walk Utilities, Inc.  
PWS ID – 6284114  
Compliance Inspection – July 2014

Dear Gordon,

In accordance with the FDEP inspection letter dated July 7, 2014, U.S. Water Corporation has designed a system to remove the sulfides for the Country Walk Utilities, Inc. (Country Walk) water treatment system. However, this designed system will potentially cost approximately \$100,000 or higher to properly treat the well water. As you know this is a significant amount of money for 68 customers to absorb.

Country Walk is a privately owned regulated water and wastewater utility. The utility's rates are regulated by the Florida Public Service Commission. If Country Walk is required to undertake this project by FDEP, it will have no alternative then to seek additional rate relief under Section 367.081, Florida Statutes (F.S.) for recovery. Pursuant to Section 367.081(2)(a)2a, F.S., the cost of this government required treatment system would be passed onto the utility's ratepayers.

Prior to purchasing this water system, the current owners of Country Walk held a meeting with the customers to discuss the potential treatment of the water supply for sulfides. In the meeting, it was explained what the potential cost was going to be and the impact to the customers. At the meeting, the customers indicated that they were not willing to take on this financial burden for potential treatment.

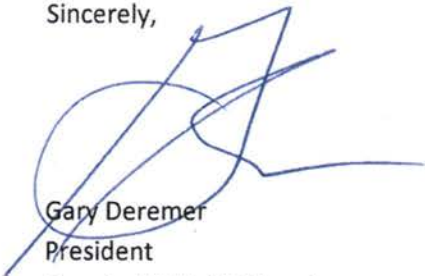
We propose to have another customer meeting with the residents to discuss this issue further and would like for FDEP to attend the meeting to explain to the customers why this is necessary. As you are also aware, this issue has existed for awhile now and the previous owner of the utility was not required to undertake this project. The previous owner had its Consent Order modified by FDEP to eliminate this requirement for additional treatment. This has previously been discussed with the FDEP.

5320 Captains Court, New Port Richey, FL 34652  
Mailing: c/o 4939 Cross Bayou Boulevard, New Port Richey, FL 34652  
Tel: (866) 753-8292 Fax: (727) 848-7701

We appreciate the concern for the customers' potable water service but we are currently having no issues with the water or any customer complaints at this time about the water quality. In addition, we have not failed any test relating to the well or water supply.

If you have any questions please contact Mr. Ron DeRossett at (727) 848-8292. Thank you and I look forward to your response concerning this issue.

Sincerely,



Gary Deremer  
President  
Country Walk Utilities, Inc.

Cc: Andrew Maurey, Florida Public Service Commission  
J.R. Kelly, Office of Public Counsel

[Type text]





## Florida Department of Environmental Protection

South District  
Post Office Box 2549  
Fort Myers, Florida 33902-2549  
*SouthDistrict@dep.state.fl.us*

Rick Scott  
Governor

Carlos Lopez-Cantera  
Lt. Governor

Jonathan P. Steverson  
Secretary

April 7, 2016

Mr. Gary Deremer, President  
Country Walk Utilities, Inc.  
4939 Cross Bayou Boulevard  
New Port Richey, Florida 34652  
[gderemer@uswatercorp.net](mailto:gderemer@uswatercorp.net)

Re: Compliance Assistance Offer  
Country Walk Utilities, Inc. WTP  
PWS ID No. 6284114  
Highlands County

Dear Mr. Deremer:

A file review of your facility was conducted on April 6, 2016. During this file review, potential noncompliance was noted. The purpose of this letter is to offer compliance assistance as a means of resolving this matter.

Specifically, a review of the drinking water samples collected on February 24, 2016, November 4, 2015, August 5, 2015, June 22, 2015, and May 12, 2015, indicates the Operational Evaluation Level (OEL) for the disinfection byproduct of Haloacetic Acids (HAA5s) has been exceeded. In accordance with 40 CFR 141.626, a water system must conduct an Operational Evaluation and submit a written Operational Evaluation report, any time the OEL for HAA5s at any sample site exceeds 60 ug/L.

We request you review the items of concern noted and respond in writing within **15** days of receipt of this Compliance Assistance Offer. Your written response should include one of the following:

1. Describe what has been done to resolve the non-compliance issue or provide a schedule describing how and when the issue will be addressed. In addition, by no later than **April 22, 2016**, please submit a written OE report (template enclosed) to the Department, which includes, but is not limited to: an examination of the water system's treatment and distribution system operational practices, identifying any issues relating to storage tank operations/excess storage capacity, distribution system flushing, changes in source water quality, or treatment changes or problems that may be contributing to the formation of excess HAA5s.

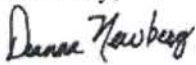
Mr. Gary Deremer, President  
Country Walk Utilities, Inc  
Page 2

2. Provide the requested information, or information that mitigates the concerns or demonstrates them to be invalid, or
3. Arrange for the case manager to visit your facility to discuss the item of concern.

It is the Department's desire that you are able to adequately address the aforementioned issues so that this matter can be closed. Your failure to respond promptly may result in the initiation of formal enforcement proceedings.

Please address your response and any questions to Patty Baron of the South District Office at (239) 344-5615, or via e-mail at [patty.baron@dep.state.fl.us](mailto:patty.baron@dep.state.fl.us). We look forward to your cooperation with this matter.

Sincerely,



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Deanna Newburg  
Environmental Manager  
South District  
Florida Department of Environmental Protection

DLN/PB/isc

Enclosures: Operational Evaluation Level Report Form

cc: Ron Derossett, US Water Corporation, [rderossett@uswatercorp.net](mailto:rderossett@uswatercorp.net), (w/enclosure)  
Stan Epperly, FRWA, [stan.epperly@frwa.net](mailto:stan.epperly@frwa.net), (w/enclosure)  
Juan Robles, FDEP, [juan.robles@dep.state.fl.us](mailto:juan.robles@dep.state.fl.us)





# OPERATIONAL EVALUATION REPORT

## I. GENERAL INFORMATION

### A. Water System Information:

PWSID				
PWS Name				
PWS Address				
City		State		Zip Code

### B. Report Prepared by:

Name				
Title				
Date Prepared				
Telephone	-	-	Email	

## II. MONITORING RESULTS

A. Provide the compliance monitoring location where the operational evaluation level (OEL) was exceeded (if there was more than one location where the OEL was exceeded, attach an additional copy of Page 1, and complete Items II.A. and II.B. for each additional location).

*Note: The location name or number should correspond to a location name or number in your Stage 2 D/DBPR compliance monitoring plan required under 40 CFR 141.622.*

### B. Monitoring Results for the Location Identified in Item II.A.

1. Check TTHM and/or HAA5 to indicate which result(s) caused the OEL exceedance:  TTHM  HAA5
2. Enter your results for TTHM and/or HAA5 (whichever you checked above).

	Quarter			Operational Evaluation Value*
	Result from This Quarter	Result from Previous Quarter	Result from 2 Quarters Ago	
	A	B	C	$D=(2A+B+C)/4$
Date sample was collected	/ /	/ /	/ /	
TTHM (µg/L)				
HAA5 (µg/L)				

\* The operational evaluation value is calculated by summing the two previous quarters' TTHM or HAA5 results plus twice the current quarter's TTHM or HAA5 result and then dividing by four. If the value exceeds 80 µg/L for TTHM or 60 µg/L for HAA5, an OEL exceedance has occurred.

## III. OPERATIONAL EVALUATION FINDINGS

A. Is the Department allowing you to limit the scope of your operational evaluation (see the memorandum attached as Page 3)?  Yes  No

If NO, proceed to Items III.B. through III.E. If YES, you may stop here.

**OPERATIONAL EVALUATION REPORT (continued)**

PWSID

B. Did **distribution operational practices**—including storage tank operations, excess storage capacity, and distribution system flushing—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

If YES or POSSIBLY, explain (attach additional pages if necessary).

*Note: Refer to Chapter 3 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

C. Did **treatment operational practices**—including treatment changes or problems—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

If YES or POSSIBLY, explain (attach additional pages if necessary).

*Note: Refer to Chapter 4 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

D. Did **source water**—including changes in sources or source water quality—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

If YES or POSSIBLY, explain (attach additional pages if necessary).

*Note: Refer to Chapter 5 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

E. List steps that could be considered to minimize future OEL exceedances (attach additional pages if necessary).

**Florida Department of  
Environmental Protection**

**Memorandum**

TO: All Community or Non-Transient Non-Community Water Systems

FROM: Van R. Hoofnagle, P.E., Administrator  
Drinking Water Section

DATE: January 3, 2012

SUBJECT: Operational Evaluations

In accordance with 40 CFR 141.626(b)(2)(i) and (ii), the Department is allowing all water systems to limit the scope of any operational evaluation required for an operational evaluation level (OEL) exceedance that meets all of the following conditions:

- No maximum contaminant level violation occurs in conjunction with the OEL exceedance; and
- The OEL exceedance occurs in the third quarter of a calendar year; and
- The operational evaluation value for TTHM does not exceed 100 µg/L, and the operational evaluation level for HAA5 does not exceed 75 µg/L.

For each OEL exceedance that meets all of the above conditions, the Department is presuming, and water systems may presume, that summer air temperatures and resulting warmer water temperatures were the cause of the exceedance.



## Ron Derossett

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**From:** Russ Holmes  
**Sent:** Monday, April 11, 2016 5:39 PM  
**To:** rderossett@uswatercorp.net  
**Cc:** juan.robles@dep.state.fl.us; Barry Witthuhn; George Grine; Tom Moran  
**Subject:** FW: DEP Compliance Letter

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Ron,

Received this letter from Patty Baron informing me that we have a two month extension to submit a plan of corrective action. Country Walk HOA will be holding a meeting within the next few week to finalize our decision on what action our HOA should take in this matter. I will contact you and let you know as soon as a decision has been made. Thanks for working with our community and will look forward to getting thing moving on this project.

Russ Holmes  
Water Committee Chairman

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**From:** [Patty.Baron@dep.state.fl.us](mailto:Patty.Baron@dep.state.fl.us)  
**To:** [mr.russholmes@hotmail.com](mailto:mr.russholmes@hotmail.com)  
**Subject:** FW: DEP Compliance Letter  
**Date:** Mon, 11 Apr 2016 18:28:26 +0000

Mr. Holmes, the Department will allow a two month extension for Country Walk to submit a plan of corrective action for exceeding the Operational Evaluation Level for Haloacetic Acids following the samples collected on February 24, 2016.

---

**From:** Russ Holmes [mailto:]  
**Sent:** Friday, April 08, 2016 5:02 PM  
**To:** Baron, Patty  
**Cc:** [rderossett@uswatercorp.net](mailto:rderossett@uswatercorp.net); Robles, Juan  
**Subject:** DEP Compliance Letter

Hello Patty,

My name is Russ Holmes and I am the chairman of the Water Committee at Country Walk HOA in Lake Placid, Highlands County. I was notified of a letter from Deanna Newburg, DEP South District, to Mr. Gary Deremer of US Water (Country Walk Utilities, Inc.). The letter dated April 7, 2016 referred to a problem we have with the THM's and the HAA5's at the water plant (PWS ID 6284114) located in our community. Country Walk Utilities is being asked to provide a schedule of when and how the issue will be addressed by April 22, 2016. We are aware of the problem and have been working closely with Juan Robles from the DEP and Country Walk Utilities. We are doing research to determine if the solution that is being proposed by Country Walk Utilities is the best solution for our community. We have asked Country Walk Utilities to allow us a couple of months to finish our research so that our community can stand together and be confident that the solution that is implemented is in our best interests. At this point I would like to ask for the DEP to work with us on this issue

and give Country Walk Utilities an extension on the April 22 date. We would be very grateful if you could work with us and Country Walk Utilities on this issue.

Sincerely,

Russ Holmes  
Water Committee Chairman  
[mr.russholmes@hotmail.com](mailto:mr.russholmes@hotmail.com)  
863-699-0410

cc:  
Ron Derossett  
Juan Robles



## Ron Derossett

---

**From:** Russ Holmes  
**Sent:** Friday, April 08, 2016 5:02 PM  
**To:** patty.baron@dep.state.fl.us  
**Cc:** rderossett@uswatercorp.net; juan.robles@dep.state.fl.us  
**Subject:** DEP Compliance Letter

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Hello Patty,

My name is Russ Holmes and I am the chairman of the Water Committee at Country Walk HOA in Lake Placid, Highlands County. I was notified of a letter from Deanna Newburg, DEP South District, to Mr. Gary Deremer of US Water (Country Walk Utilities, Inc.). The letter dated April 7, 2016 referred to a problem we have with the THM's and the HAA5's at the water plant (PWS ID 6284114) located in our community. Country Walk Utilities is being asked to provide a schedule of when and how the issue will be addressed by April 22, 2016. We are aware of the problem and have been working closely with Juan Robles from the DEP and Country Walk Utilities. We are doing research to determine if the solution that is being proposed by Country Walk Utilities is the best solution for our community. We have asked Country Walk Utilities to allow us a couple of months to finish our research so that our community can stand together and be confident that the solution that is implemented is in our best interests. At this point I would like to ask for the DEP to work with us on this issue and give Country Walk Utilities an extension on the April 22 date. We would be very grateful if you could work with us and Country Walk Utilities on this issue.

Sincerely,

Russ Holmes  
Water Committee Chairman  
[mr.russholmes@hotmail.com](mailto:mr.russholmes@hotmail.com)  
863-699-0410

cc:  
Ron Derossett  
Juan Robles



COUNTRY WALK HOMEOWNERS ASSOCIATION  
3143 Bluebird Avenue  
Lake Placid, FL 33852

April 25, 2016

Mr. Gary Deremer, President  
Country Walk Utilities, Inc.  
4939 Cross Bayou Blvd.  
New Port Richie, FL 34652

Dear Mr. Deremer:

We appreciate the options given by Country Walk Utilities in the funding of the equipment needed to upgrade the water facility.

After much study and discussion, it was decided it would be in all parties' best interest that Country Walk Homeowners Association not participate in the funding of this project.

Please proceed with your planned improvements.

Thank you.

A handwritten signature in black ink, appearing to read "Skook Wright", with a stylized flourish at the end.

Skook Wright  
President  
Country Walk Homeowners Association



Water and Wastewater Operations, Maintenance, Engineering, Management

Ms. Deanna Newburg, Manager  
Florida Department of Environmental Protection  
P.O. Box 2549  
Fort Myers, FL 33902-2549

May 3, 2016

RE: Compliance Assistance Offer  
**Country Walk Utilities, Inc. WTP**  
PWS ID No. 628-4114, Highlands County

Dear Ms. Newburg:

Thank you for your letter of April 7, 2016, offering a Compliance Assistance Offer to resolve the water quality issues at this facility which are related to the disinfection byproducts levels in the treated potable water at this water system. We would like to inform you that, following our meetings and discussions with the customers served by this water system and the Florida Public Service Commission, we have received the necessary approvals to proceed with the design modifications to the existing water treatment plant to remove hydrogen sulfide prior to the addition of chlorine. These proposed design modifications will involve the addition of a forced-draft aeration system with all the necessary appurtenances and pH adjustment instruments to maximize the efficiency of hydrogen sulfide removal.

Accordingly, we have initiated the design process, and we expect to submit complete design plans of the proposed modifications along with all the required permit application(s) to your permitting section within the next four (4) weeks.

We trust that the above response would be adequate to resolve your concerns and that no further action is necessary at this time. Please feel free to contact us at your convenience should you have any questions. We can be reached directly at (727) 243-5875. Your continued cooperation in resolving this matter is most appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Mo Kader".

Mo Kader, P.E.  
Engineering Services  
U.S. Water Services Corporation

MK/mk  
Attachment  
Cc: Gary Deremer, Country Walk



# OPERATIONAL EVALUATION REPORT

## I. GENERAL INFORMATION

### A. Water System Information:

PWSID	628-4114				
PWS Name	Country Walk Utilities, Inc.				
PWS Address	29 Lakeside Trail				
City	Lake Placid	State	FL	Zip Code	33582

### B. Report Prepared by:

Name	Mo Kader, P.E.				
Title	Professional Engineer				
Date Prepared	May 3, 2016				
Telephone	727-243-5875	Email	mkader@uswatercorp.net		

## II. MONITORING RESULTS

A. Provide the compliance monitoring location where the operational evaluation level (OEL) was exceeded (if there was more than one location where the OEL was exceeded, attach an additional copy of Page 1, and complete Items II.A. and II.B. for each additional location).

Distribution system monitoring point located at 3143 Bluebird Ave (Rec Hall/Clubhouse).

*Note: The location name or number should correspond to a location name or number in your Stage 2 D/DBPR compliance monitoring plan required under 40 CFR 141.622.*

### B. Monitoring Results for the Location Identified in Item II.A.

1. Check TTHM and/or HAA5 to indicate which result(s) caused the OEL exceedance:  TTHM  HAA5
2. Enter your results for TTHM and/or HAA5 (whichever you checked above).

	Quarter			Operational Evaluation Value*
	Result from This Quarter	Result from Previous Quarter	Result from 2 Quarters Ago	
	A	B	C	D=(2A+B+C)/4
Date sample was collected	02/24/16	11/04/15	08/05/15	
TTHM (µg/L)	82.0	64.61	86.62	78.8
HAA5 (µg/L)	70.0	66.28	43.22	62.38

\* The operational evaluation value is calculated by summing the two previous quarters' TTHM or HAA5 results plus twice the current quarter's TTHM or HAA5 result and then dividing by four. If the value exceeds 80 µg/L for TTHM or 60 µg/L for HAA5, an OEL exceedance has occurred.

## III. OPERATIONAL EVALUATION FINDINGS

A. Is the Department allowing you to limit the scope of your operational evaluation (see the memorandum attached as Page 3)?  Yes  No

If NO, proceed to Items III.B. through III.E. If YES, you may stop here.



**OPERATIONAL EVALUATION REPORT (continued)**

PWSID

- B. Did **distribution operational practices**—including storage tank operations, excess storage capacity, and distribution system flushing—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

If **YES** or **POSSIBLY**, explain (attach additional pages if necessary).

N/A

*Note: Refer to Chapter 3 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

- C. Did **treatment operational practices**—including treatment changes or problems—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

If **YES** or **POSSIBLY**, explain (attach additional pages if necessary).

High chlorine dosage in the treatment process to alleviate/oxidize the hydrogen sulfide have contributed to the HAA5's exceedances. Therefore, by removing the hydrogen sulfide from the raw water prior to the addition of chlorine, much less chlorine dosage will be needed. As a result, the formation of disinfection byproducts in the water distribution system will be greatly minimized and the water quality will improve significantly.

*Note: Refer to Chapter 4 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

- D. Did **source water**—including changes in sources or source water quality—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

If **YES** or **POSSIBLY**, explain (attach additional pages if necessary).

The presence of hydrogen sulfide in the raw water has contributed to the DBP's exceedances.

*Note: Refer to Chapter 5 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

- E. List steps that could be considered to minimize future OEL exceedances (attach additional pages if necessary).

A forced-draft aeration process with pH adjustment will be added to the treatment process for hydrogen sulfide removal. This proposed modification to the treatment process will improve the water quality significantly and will result in minimizing the formation of DBP's in the distribution system.



**PWS CERTIFICATION OF DELIVERY OF PUBLIC NOTICE**

**INSTRUCTIONS:** The supplier of water, within ten days of completion of each public notification requirement pursuant to Part IV of Chapter 62-560, Florida Administrative Code, shall submit to the appropriate Department of Environmental Protection District Office or Approved County Health Department a completed DEP Form 62-555.900(22), Certification of Delivery of Public Notice, and include with the form a representative copy of each type of notice distributed, published, posted, and made available to the persons served by the system, and the media. All information provided on this form shall be typed or printed in ink.

Public Water System (PWS) Name: Country Walk		
PWS ID 628-4114		
PWS Type: <input checked="" type="checkbox"/> Community <input type="checkbox"/> Non-Transient Non-Community <input type="checkbox"/> Transient Non-Community		
PWS Owner: Country Walk Utilities		
Contact Person: Melisa Rotteveel	Contact Person's Title: Compliance Manager	
Contact Person's Mailing Address: 4939 Cross Bayou Blvd		
City: New Port Richey	State: FL	Zip Code: 34652
Contact Person's Telephone Number: (866) 753-8292	Contact Person's Fax Number: (727) 849-4219	
Contact Person's E-Mail Address: mrotteveel@uswatercorp.net		

For Violation/Situation: 3Q2017 DBP RAA > MCL						
Date of Occurrence: July 18, 2017						
Consultation Date: October 19, 2017						
Delivery Methods:	<input type="checkbox"/> Radio/TV	<input type="checkbox"/> Mail	<input type="checkbox"/> Newspaper	<input checked="" type="checkbox"/> Hand Delivery	<input checked="" type="checkbox"/> Posting	<input type="checkbox"/> Other(describe)
Delivery Date/s:				10/20/2017	10/20/2017	

*I am duly authorized to sign this form on behalf of the public water system identified in Part I of this form. I certify that the information provided on this form is correct to the best of my knowledge and that public notice has been provided to consumers in accordance with the delivery, content, and format requirements and deadlines in Chapter 62-560, Florida Administrative Code.*

*Melisa Rotteveel*  
 Signature and Date  
 10/20/17

Melisa Rotteveel  
 Printed or Typed Name

Compliance Manager  
 Title



# Important Information About Your Drinking Water

The Country Walk Utilities, Inc. Water Treatment System

Has a levels of

**Total Trihalomethanes and Haloacetic Acids Five which violate Standards**

## SITUATION

The Department of Environmental Protection requires disinfection of drinking water to inactivate possible pathogens, because the health benefits of disinfection far outweigh its risks. However, when used in the treatment of drinking water, some disinfectants combine with organic and inorganic matter present in the water to form chemicals called disinfection byproducts (DBPs). A number of DBPs such as Total Trihalomethanes (TTHMs) and Haloacetic Acids (HAA5s) may be a health concern at certain levels of exposure.

The laboratory analyses results for the four most recent sets of consecutive quarterly samples for TTHMs and HAA5s collected on July 18, 2017, May 22, 2017, March 31 and February 21, 2017, and November 18, 2016 from the Country Walk Utilities, Inc. public drinking water system, indicates a running annual average TTHM concentration of 104.76 micrograms per liter (ug/L) and a running annual average HAA5 concentration of 84.94 micrograms per liter (ug/L). Therefore, the Department has determined that this water system has a Maximum Contaminant Level (MCL) violations for TTHMs and HAA5s, since Table 3 of Rule 62-550.310, Florida Administrative Code (F.A.C.), identifies the MCL for TTHMs as 80 ug/L, and the MCL for HAA5s as 60 ug/L.

## HEALTH EFFECTS

*Some people who drink water containing Trihalomethanes in excess of the Maximum Contaminant Level (MCL) over many years may experience problems with their liver, kidneys, or central nervous system, and may have an increased risk of getting cancer.*

*Some people who drink water containing Haloacetic Acids in excess of the MCL over many years may have an increased risk of getting cancer.*

## WHAT SHOULD CUSTOMERS DO?

This is not an immediate risk, however, until the problem is corrected, any customers who are concerned about their exposure to TTHMs or HAA5s may wish to use alternative sources of water for ingestion, such as commercial bottled water, or water treated by an appropriate home water treatment device. Appropriate home water treatment devices are those certified by the National Sanitation Foundation (NSF) for reducing TTHMs and HAA5s in drinking water.

## WHAT IS BEING DONE?

Country Walk Utilities has completed the approved construction as of September 29, 2017 to ultimately reduce the levels of TTHMs and HAA5s to meet Standards.

## ADDITIONAL INFORMATION:

For more information please contact Ron Derosssett at 866-753-8292, or you may contact Patty Baron of the Department of Environmental Protection at [Patty.Baron@DEP.state.fl.us](mailto:Patty.Baron@DEP.state.fl.us), or call (239) 344-5615





# OPERATIONAL EVALUATION REPORT

## I. GENERAL INFORMATION

### A. Water System Information:

PWSID	628-4114			
PWS Name	Country Walk			
PWS Address	29 Lakeside Trail			
City	Lake Placid	State	FL	Zip Code 33852

### B. Report Prepared by:

Name	Melisa Rotteveel			
Title	US Water Services			
Date Prepared	05/19/2016			
Telephone	866-753-8292	Email	mrotteveel@uswatercorp.net	

## II. MONITORING RESULTS

A. Provide the compliance monitoring location where the operational evaluation level (OEL) was exceeded (if there was more than one location where the OEL was exceeded, attach an additional copy of Page 1, and complete Items II.A. and II.B. for each additional location).

3143 Bluebird Avenue (Club House tap)

*Note: The location name or number should correspond to a location name or number in your Stage 2 D/DBPR compliance monitoring plan required under 40 CFR 141.622.*

B. Monitoring Results for the Location Identified in Item II.A.

1. Check TTHM and/or HAA5 to indicate which result(s) caused the OEL exceedance:  TTHM  HAA5
2. Enter your results for TTHM and/or HAA5 (whichever you checked above).

	Quarter			Operational Evaluation Value*
	Result from This Quarter	Result from Previous Quarter	Result from 2 Quarters Ago	
	A	B	C	D=(2A+B+C)/4
Date sample was collected	02/21 & 3/31/17	11/18/2016	7/19/2016	
TTHM (µg/L)	122.25 (Avg)	76.1	85.1	101.43
HAA5 (µg/L)	97.0 (Avg)	85.1	72.60	87.83

\* The operational evaluation value is calculated by summing the two previous quarters' TTHM or HAA5 results plus twice the current quarter's TTHM or HAA5 result and then dividing by four. If the value exceeds 80 µg/L for TTHM or 60 µg/L for HAA5, an OEL exceedance has occurred.

## III. OPERATIONAL EVALUATION FINDINGS

A. Is the Department allowing you to limit the scope of your operational evaluation (see the memorandum attached as Page 3)?  Yes  No

If NO, proceed to Items III.B. through III.E. If YES, you may stop here.

B. Did **distribution operational practices**—including storage tank operations, excess storage capacity, and distribution system flushing—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

**If YES or POSSIBLY, explain (attach additional pages if necessary).**

*Note: Refer to Chapter 3 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

C. Did **treatment operational practices**—including treatment changes or problems—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

**If YES or POSSIBLY, explain (attach additional pages if necessary).**

Chlorine is used to remove the hydrogen Sulfide taste from the water. High chlorine contributed to the formation of DBP's

*Note: Refer to Chapter 4 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

D. Did **source water**—including changes in sources or source water quality—cause or contribute to your OEL exceedance(s)?  Yes  No  Possibly

**If YES or POSSIBLY, explain (attach additional pages if necessary).**

High hydrogen sulfide in well

*Note: Refer to Chapter 5 in the USEPA's Stage 2 D/DBPR Operational Evaluation Guidance Manual.*

E. List steps that could be considered to minimize future OEL exceedances (attach additional pages if necessary).

Adding a forced draft aeration system to remove hydrogen sulfide which will reduce the concentration of chlorine needed to remove the sulfides in the system.

**Florida Department of  
Environmental Protection**

**Memorandum**

---

TO: All Community or Non-Transient Non-Community Water Systems

FROM: Van R. Hoofnagle, P.E., Administrator  
Drinking Water Section

DATE: January 3, 2012

SUBJECT: Operational Evaluations

In accordance with 40 CFR 141.626(b)(2)(i) and (ii), the Department is allowing all water systems to limit the scope of any operational evaluation required for an operational evaluation level (OEL) exceedance that meets all of the following conditions:

- No maximum contaminant level violation occurs in conjunction with the OEL exceedance; and
- The OEL exceedance occurs in the third quarter of a calendar year; and
- The operational evaluation value for TTHM does not exceed 100 µg/L, and the operational evaluation level for HAA5 does not exceed 75 µg/L.

For each OEL exceedance that meets all of the above conditions, the Department is presuming, and water systems may presume, that summer air temperatures and resulting warmer water temperatures were the cause of the exceedance.





## Florida Department of Environmental Protection

South District  
Post Office Box 2549  
Fort Myers, Florida 33902-2549  
[SouthDistrict@dep.state.fl.us](mailto:SouthDistrict@dep.state.fl.us)

Rick Scott  
Governor

Carlos Lopez-Cantera  
Lt. Governor

Noah Valenstein  
Secretary

### POTABLE WATER CLEARANCE - FINAL

August 23, 2017

Country Walk Utilities, Inc.  
Gary Deremer, President  
4939 Cross Bayou Blvd.  
New Port Richey, FL 34652  
[mkader@uswatercorp.net](mailto:mkader@uswatercorp.net)

Clearance Type: Final  
Highlands County  
Permit Number: 345713-001-WC  
PWS Name: Country Walk Utilities, Inc.  
PWS ID: 6284114  
Project Name: Country Walk WTP – Hydrogen Sulfide Removal System

Dear Mr. Deremer:

This letter acknowledges receipt of the certification, dated August 7, 2017, for the subject water treatment plant modification. The submitted information demonstrates the system expansion has been constructed in accordance with the FDEP Permit Number above and related plans and materials and that satisfactory bacteriological tests were conducted in accordance with the AWWA standards. Based on the certification and satisfactory bacteriological results, the Department is clearing the system for service.

If you have any questions or comments regarding this partial clearance, please contact Andrew Price by telephone at 239-344-5621 or by e-mail at [Andrew.Price@dep.state.fl.us](mailto:Andrew.Price@dep.state.fl.us).

Sincerely,

A handwritten signature in blue ink, appearing to read "O. James Oni".

O. James Oni  
Professional Engineer  
Water Facilities  
Florida Department of Environmental Protection

cc: Keith Keegan, P.E. [kkeegan@uswatercorp.net](mailto:kkeegan@uswatercorp.net)



4939 Cross Bayou Blvd.  
New Port Richey, FL 34652

<b>Name / Address</b>
Country Walk Utilities, Inc. c/o Joe Gabay 4939 Cross Bayou Blvd. New Port Richey, FL 34652

# Estimate

Date	10/24/2017
Estimate #	2702-11
Account #	2702
P.O. No.	
Terms	Net 30
Fax #	727-849-8860
Phone #	727-848-8292

<b>Project</b>				
2702-11 Unclog Service Saddles				
<b>Description</b>	<b>Qty</b>	<b>Unit</b>	<b>Rate</b>	<b>Total</b>
Unclog (58) service saddles. Excavate service saddles, removed calcium deposits, back fill and return property to original condition.				
Materials and Labor to Complete Scope of Service	58	Each	277.33	16,085.14
			<b>Total</b>	\$16,085.14

Signature to begin work: \_\_\_\_\_



# CRYSTAL COATINGS INC

*Estimate*

Estimate No: 48  
Date: Aug 8, 2017

Po Box771177  
Ocala FL 34477

3522633241  
sandblastfla@gmail.com

For: US Water

Description	Quantity	Rate	Amount
Countrywalk. 5000 gal hydrotank. Sandblast and recoat interior	1.00	\$5,000.00	*\$5,000.00

\* Indicates non-taxable item

Subtotal \$5,000.00  
TAX (8.00%) \$0.00

**TOTAL \$5,000.00**



**Country Walk Utilities, Inc.**  
**Filing Fee Pursuant to Rule 25-30.020, Florida Administrative**  
**Code**

**Water**

Permitted Capacity: 106,000 gallons  
350 gpd per ERC: 350 gpd  
Number of ERCs 302.85 ERCs

Filing Fee: \$1,000

# FLORIDA PUBLIC SERVICE COMMISSION

## APPLICATION FOR A STAFF ASSISTED RATE CASE

### I. GENERAL DATA

A

Name of Utility: **Country Walk Utility Companies, Inc.**

B

Address: **4939 Cross Bayou Blvd., New Port Richey, FL 34652**

1. Telephone Nos.: **(727) 848- 8292**

2. County: **Highlands**

Nearest City: **Lake Placid, FL**

3. General Area Served: **Country Walk**

C

Authority: **See Order No. PSC-14-0495-PAA-WU, issued September 17, 2014**

1. Water Certificate No. **579-W**

Date Received: **September 17, 2014**

2. Wastewater Certificate No. **N/A**

Date Received: **September 17, 2014**

3. Date Utility Started Operations: Water: **1987**

Wastewater: **N/A**

D

How System Was Acquired: **Purchased from Holmes Utilities, Inc.**

If utility was purchased, give date **September 4, 2013**

Amount Paid \$ **\$5,500**

1. Name of Seller: **Holmes Utilities, Inc.**

2. Was seller affiliated with present owners?  Yes  No

3. Did you purchase:  Stock  or assets only

E

Type of Legal Entity:

Corporation  Partnership  Sole Proprietorship

F

Ownership & Officers:

	Name	Title	Percent Ownership
1.	<u>Gary Deremer</u>	<u>President</u>	<u>100%</u>
2.	<u></u>	<u></u>	<u></u>
3.	<u></u>	<u></u>	<u></u>
4.	<u></u>	<u></u>	<u></u>

G

List of Associated Companies and Addresses:

**U.S. Water Services Corporation**  
**4939 Cross Bayou Blvd.**  
**New Port Richey, FL 34652**

H

If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

Name:

Address:

**Troy Rendell, U.S. Water Services Corporation**

**4939 Cross Bayou Blvd.**  
**New Port Richey, FL 34652**

**II. ACCOUNTING DATA**

A

Outside Accountant

- 1. Name: **Larry Schalles**
- 2. Firm: **Schalles and Associates**
- 3. Address: **5320 Main St., New Port Richey, FL 34652**
- 4. Telephone: **(727) 847-2277**

B

Individual To Contact On Accounting Matters:

- 1. Name: **Troy Rendell, Manager of Regulated Utilities, U.S. Water Services Corp.**
- 2. Telephone: **(727) 848- 8292 ext. 245**

C

Location of Books and Records: **4939 Cross Bayou Blvd., New Port Richey, FL 34652**

D

Have you filed an Annual Report with the Commission?  Yes  No

Date Last Filed: **2016**

E

Has your latest Regulatory Assessment Fee Payment been made?

(January 30 or July 30 whichever is applicable)  Jan 30  July 30

F. Basic Rate Base Data: (Most recent two years)

	<u>Year Ending</u> <u>12/31/2016</u>	<u>Proposed</u> <u>Test Year</u> <u>11/30/2017</u>
1. <u>Water:</u>		
Cost of Plant In Service	\$ 96,202	\$ 230,036
Less Accumulated Depreciation	(59,880)	(63,117.92)
Less Contributed Plant	(23,950)	(23,950)
Plus Accumulated Amortization – CIAC	16,643	17,324.06
Net Owner's Investment	\$ 29,015	\$160,292



	<u>Year Ending</u> <u>12/31/2016</u>	<u>Proposed</u> <u>Test Year</u> <u>11/30/2017</u>
2. <u>Wastewater:</u>		
Cost of Plant In Service	N/A	N/A
Less Accumulated Depreciation		
Less Contributed Plant		
Plus Accumulated Amotrization - CIAC		
Net Owner's Investment	\$	

G. Basic Income Statement: *(Most recent two years)*

	<u>Year Ending</u> <u>12/31/2016</u>	<u>Proposed</u> <u>Test Year</u> <u>11/30/2017</u>
1. <u>Water:</u>		
Revenues (By Class)		
a. <b>Residential</b>	\$ 29,521	\$28,465.72
b. <b>Commercial</b>	284	320.80
c. <b>Other</b>	520	344.60
Total Operating Revenues:	\$ 30,325	\$ 29,131.12
Less Expenses:		
a. Salaries & Wages - Employees	0	0
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	3,000	3,000
c. Employee Pensions & Benefits	0	0
d. Purchased Water	0	0
e. Purchased Power	1,132	1,237.83
f. Fuel for Power Production	0	0
g. Chemicals	1,145	3,110.25
h. Contractual Services – Customer Service	0	0
i. Contractual Services - Professional	12,554	14,749.06
j. Contractual Services - Legal	667	530.00
k. Contractual Services – Accounting	(1,250)	350.00
l. Materials and Supplies	0	0
m. Rental of Real Estate	0	0
n. Office Supplies	0	0
o. Insurance Expense	1,300	1,299.96
p. Regulatory Commission Expense	0	0
q. Bad Debt Expense	(145)	0
r. Miscellaneous Expense	150	100

s. Depreciation Expense	2,751	3,565.07
t. CIAC Amortization Expense	(729)	-740.31
u. Property Taxes	294	\$ 269.94
v. Other Taxes - RAFs	1,365	1,310.90
w. Income Taxes	0	0
Operating Income (Loss)	8,091	\$ 5,022.18

2. Wastewater

Revenues (By Class):	\$	\$
a. <b>Residential</b>	N/A	N/A
b. Commercial		
c.		

Total Operating Revenues:	\$	\$
---------------------------	----	----

Less Expenses:		
a. Salaries & Wages - Employees		
b. Salaries & Wages - Officers, Directors, & Majority Stockholders		
c. Employee Pensions & Benefits		
d. Purchased Wastewater Treatment		
e. Sludge Removal Expense		
f. Purchased Power		
g. Fuel for Power Production		
h. Chemicals		
i. Materials & Supplies		
j. Contractual Services - Professional		
k. Contractual Services - Accounting		
Contractual Services - Legal		
Rents		
Insurance Expense		
l. Regulatory Commission Expense		
m. Bad Debt Expense		
n. Miscellaneous Expense		
o. Depreciation Expense		
p. Amortization CIAC		
q. Property Taxes		
r. Other Taxes		
s. Income Taxes		
Operating Income (Loss)		

H. Outstanding Debt:

	Creditor	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1.	<b>N/A</b>				
2.					
3.					
4.					

- I. Indicate Type of Tax Return Filed:
- Form 1120 -Corporation
  - Form 1120S -Subchapter S Corporation
  - Form 1065 - Partnership
  - Form 1040 - Schedule C - Individual (Proprietorship)

**III**  
**ENGINEERING DATA**

- A. Outside Engineering Consultant:
1. Name: **N/A**
  2. Firm:
  3. Address:
  4. Telephone: ( )
- B. Individual to contact on engineering matters:
1. Name: **Troy Rendell, Manager of Regulated Utilities, U.S. Water Service Corp.**
  2. Telephone: **(727) 848- 8292 ext. 245**
- C. Is the utility under citation by the Department of Environmental Protection (DEP) or County Health Department?  
**Yes**  
 If yes, explain: **Maximum Contaminant Level (MCL) violations for TTHMS and HAA5S based upon rolling annual average**
- D. List any known service deficiencies and steps taken to remedy problems: **Country Walk installed forced draft aeration treatment for hydrogen sulfide removal from the well. Country Walk Utilities has completed the approved construction as of September 29, 2017 to ultimately reduce the levels of TTHMs and HAA5s to meet Standards.**
- E. Name of plant operator(s) and DEP operator certificate number(s) held:  
**Ron Derossett - U.S. Water Services Corporation**  
**Water Class A - 00003531**  
**Wastewater – Class A - 0003216**
- F. Is the utility serving customers outside of its certificated area? **No**  
 If yes, explain: **N/A**
- G. Wastewater:
1. Gallons per day capacity of treatment facilities:
    - a. Existing: **N/A**
    - b. Under Construction: **N/A**
    - c. Proposed: **N/A**



2. Type and make of present treatment facilities: **N/A**
3. Approximate average daily flow of treatment plant effluent:
4. Approximate length of wastewater mains:

Size (diameter):					
Linear feet:					

5. Number of manholes:
6. Number of lift stations:
7. How do you measure treatment plant effluent?
8. Is the treatment plant effluent chlorinated?  Yes  No  
If yes, what is the normal dosage rate?
9. Tap in fees – Wastewater: \$ **0**
10. Service availability fees – Wastewater: \$
11. Note DEP Treatment Plant Certificate Number and date of expiration:  
Number Expiration Date:
12. Total gallons treated during most recent twelve months:
13. Wastewater treatment purchased during most recent twelve months:

H. Water: PWS ID No. 628-4114

1. Gallons per day capacity of treatment facilities:  
a. Existing: **106,000**                      b. Under Construction : **n/a**                      c. Proposed: **n/a**
2. Type of treatment: **Disinfection and Forced Draft Aeration**
3. Approximate average daily flow of treated water: **10,120 gpd**
4. Source of water supply: Ground Water
5. Types of chemicals used and their normal dosage rates: **Sodium Hypochlorite/Sulfuric Acid**
6. Number of wells in service: **1**  
Total capacity in gallons per minute (gpm): gpm

Diameter/Depth:	<b>5"</b> / <b>483</b>		
Motor horsepower:	<b>5</b>		
Pump capacity (gpm):	<b>80</b>		

7. Reservoirs and/or hydropneumatic tanks:

Description:	<b>Hydro Pneumatic</b>	<b>Ground</b>	
Capacity:	<b>5,000</b>	<b>5,000</b>	

8. High service pumping:

Motor horsepower:	3 hsp		
Pump capacity (gpm):			

9. How do you measure treatment plant production? Well Meter

10. Approximate feet of water mains:

Size (diameter):	2"	4"	
Linear feet:	3,815 lf	1,802	

11. Note any fire flow requirements and imposing government agency: Highlands County  
750 gpm

12. Number of fire hydrants in service: 0 – N/A

13. Do you have a meter change out program?  No  Yes

14. Meter installation or tap in fees - Water \$ 100.00

15. Service availability fees - Water \$ 150.00

16. Has the existing treatment facility been approved by DEP?  No  Yes

17. Total gallons pumped during most recent twelve months: 3,891,000

18. Total gallons sold during most recent twelve months: 2,397,300

19. Gallons unaccounted for during most recent twelve months: 106,600 = 2.74%

20. Gallons purchased during most recent twelve months: N/A

#### IV. RATE DATA

A. Individual to contact on tariff matters:

1. Name: Troy Rendell

2. Telephone Number: (727) 848- 8292 ext. 245

B. Schedule of present rates: (Attach additional sheets if more space is needed)

1. Water:

	<b>BFC - \$16.45</b>
	<b>Gallonge Charge –</b>
	<b>0 – 10,000 - \$6.17</b>
	<b>Over 10,000 - \$7.72</b>
a. Residential Water	<hr/>
b. General Service	<b>Gallonge Charge - \$6.17</b> <hr/>
c. Special Contract	<hr/>
d. Other - Specify	<hr/>

2. Wastewater:

a. Residential Wastewater	<hr/>
b. General Service	<hr/>
c. Special Contract	<hr/>
d. Other - Specify	<hr/>

C. Number of Customers: (Most recent two years)

	<u>2016</u>	<u>Test Year</u>
1. Water Metered		
a. Residential	<u>70</u>	<u>180</u>
b. General Service	<u>1</u>	<u>1</u>
c. Special Contract	<u>0</u>	
d. Other - Specify	<u>0</u>	
2. Water Unmetered	<u>2016</u>	<u>Test Year</u>
a. Residential	<u>0</u>	
b. General Service	<u>0</u>	
c. Special Contract	<u>0</u>	
d. Other - Specify	<u>0</u>	
3. Wastewater	<u>2016</u>	<u>Test Year</u>
a. Residential		
b. General Service		
c. Special Contract		
d. Other - Specify		

V. AFFIRMATION

I, Gary Deremer the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge, and belief.

Signed \_\_\_\_\_  
 Title President

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.



Country Walk Utilities, Inc.  
 Schedule of Water Rate Base  
 Test Year Ended 11/30/17

Schedule No. 1-A  
 Docket No. 2018XXXX-WU

Description	Average Test Year Per Utility	Adjustments	Average Adjusted Test Year
1 Plant in Service	\$228,541	\$16,085	\$244,626
2 Land and Land Rights	1,495	0	1,495
3 Non-used and Useful Components	0	0	0
4 Accumulated Depreciation	-63,118	-6,868	-69,986
5 CIAC	-23,950	0	-23,950
6 Amortization of CIAC	17,324	0	17,324
7 Acquisition Adjustment	-20,064	0	-20,064
8 Amortization of Acquisition Adjust	9,932	0	9,932
9 Working Capital Allowance	<u>3,047</u>	<u>936</u>	<u>3,983</u>
10 <b>Rate Base</b>	<u>\$153,207</u>	<u>\$10,154</u>	<u>\$163,361</u>

Country Walk Utilities, Inc.  
 Capital Structure  
 Test Year Ended 11/30/17

Schedule No. 2  
 Docket No. 2018XXXX-WU

Description	Total Capital	Specific Adjustments	Subtotal Adjusted Capital	Prorata Adjustments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost
<b>Per Utility</b>								
11 Long-term Debt	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
12 Short-term Debt	0	0	\$0	\$0	0	0.00%	0.00%	0.00%
13 Preferred Stock	0	0	\$0	\$0	0	0.00%	0.00%	0.00%
14 Common Equity	37,487	0	\$37,487	\$122,955	160,442	98.21%	8.74%	8.58%
15 Customer Deposits	682	0	\$682	\$2,237	2,919	1.79%	2.00%	0.04%
16 Deferred Income Taxes	0	0	\$0	\$0	0	0.00%	0.00%	0.00%
20 <b>Total Capital</b>	<u>\$38,169</u>	<u>\$0</u>	<u>\$38,169</u>	<u>\$125,192</u>	<u>\$163,361</u>	<u>100.00%</u>		<u>8.62%</u>
						<b>LOW</b>	<b>HIGH</b>	
						RETURN ON EQUITY	7.74%	9.74%
						OVERALL RATE OF RETURN	7.64%	9.60%

Country Walk Utilities, Inc.  
 Adjustments to Rate Base  
 Test Year Ended 06/30/16

Schedule No. 1-B  
 Docket No. 2018XXXX-WU

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Service Line Project - Declog and Remove Calcium Deposits	\$16,085	\$0
2	\$0	
3	\$0	
4	\$0	
Total	<u>\$16,085</u>	<u>\$0</u>
<u>Land</u>		
Total	\$0	\$0
	<u>\$0</u>	<u>\$0</u>
<u>Non-used and Useful</u>		
All components are 100% Used and Useful	\$0	\$0
<u>Accumulated Depreciation</u>		
1 Annualization of new Aeration Treatment	\$ 6,637.92	\$0
2 Service Line Project - Declog and Remove Calcium Deposits	\$230	\$0
3	\$0	\$0
4	\$0	\$0
Total	<u>\$6,868</u>	<u>\$0</u>
<u>CIAC</u>		
1	\$0	\$0
2	\$0	\$0
3	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>Accumulated Amortization of CIAC</u>		
1	\$0	\$0
2	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>Accumulated Amortization of Neg Acquisition Adjustment</u>		
1	\$0	\$0
2	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>Working Capital</u>		
	<u>\$936</u>	<u>\$0</u>



Country Walk Utilities, Inc.  
Statement of Water Operations  
Test Year Ended 11/30/17

Schedule No. 3-A  
Docket No. 2018XXXX-WU

Description	Test Year Per Utility	Adjustments	Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$29,131</u>	<u>\$0</u>	<u>\$29,131</u>	<u>\$27,548</u> 94.56%	<u>\$56,679</u>
<b>Operating Expenses</b>					
2 Operation & Maintenance	24,377	7,490	31,867	0	31,867
3 Depreciation	3,565	7,097	10,663	0	10,663
4 Amortization - CIAC	-415	0	-415		-415
5 Amortization - Acquis Adjust	-2,337	0	-2,337	0	-2,337
6 Taxes Other Than Income	1,581	0	1,581	1,240	2,820
7 Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
8 Total Operating Expense	<u>26,771</u>	<u>14,588</u>	<u>41,358</u>	<u>1,240</u>	<u>42,598</u>
9 Operating Income	<u>\$2,360</u>	<u>-\$14,588</u>	<u>-\$12,227</u>	<u>\$26,308</u>	<u>\$14,081</u>
10 Rate Base	<u>\$153,207</u>		<u>\$163,361</u>		<u>\$163,361</u>
11 Rate of Return	<u>1.54%</u>		<u>-7.48%</u>		<u>8.62%</u>

Country Walk Utilities, Inc.  
 Adjustment to Operating Income  
 Test Year Ended 06/30/16

Schedule 3-B  
 Docket No. 2018XXXX-WU  
 REVISED

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
1	\$0	\$0
2	\$0	\$0
Total	\$0	\$0
<u>Operation and Maintenance Expense</u>		
1 Annualized USWC Contract	\$6,079	
2 Amortization of Tank Coating over 5 years	\$1,000	
3 Rate Case Expense Amortization	\$412	\$0
4 Total	\$7,490	\$0
<u>Depreciation Expense - Net</u>		
1 Annualization of new Aeration Treatment	\$6,638	\$0
2 Service Line Project - Declog and Remove Calcium Deposits	\$460	
3 Total	\$7,097	\$0
<u>Taxes Other Than Income</u>		
4 To reflect appropriate RAFs test year revenues	(\$0)	\$0
Total	(\$0)	\$0
<b>Additional Pro Forma Adjustments</b>		
<u>Operation and Maintenance Expense</u>		
5 Bad Debt Expense on Revenue Increase (2%)	\$0	\$0
<u>TAXES OTHER THAN INCOME TAX</u>		
6 RAF on Revenue Adjustment @ 4.5%	\$1,240	\$0

WATER UTILITY PLANT ACCOUNTS

ACCT. NO.	ACCOUNT NAME	Test Year Plant		Adjusted Balance	Depr Rates Per Rule	Test Year Acc Depr		Adjusted Balance	Test Year Depr Exp	Adjusted Balance	NON-U/U %	NON-U/U Adj to Plant	NON-U/U Adj to Acc. Depr	NON-U/U Adj to depr exp
		Per Books	Adjustments			Acc Depr	Adjustments							
301	Organization	2,389	0	2,389	2.50%	230	0	230	60	60	0.00%	0	#N/A	#N/A
302	Franchises	750	0	750	2.50%	72	0	72	19	19	0.00%	0	#N/A	#N/A
303	Land and Land Rights	1,495	0	1,495	NA	0	0	0	0	0	0.00%	0	0	0
304	Structures and Improvements	11,980	0	11,980	3.70%	9,863	0	9,863	443	443	0.00%	0	0	0
305	Collecting and Impounding	0	0	0	2.00%	0	0	0	0	0	0.00%	0	0	0
306	Lake River and Other Intakes	0	0	0	2.50%	0	0	0	0	0	0.00%	0	0	0
307	Wells and Springs	38,413	0	38,413	3.70%	21,581	6,868	28,449	1,421	7,097	0.00%	0	0	0
308	Infiltration Galleries	0	0	0	2.50%	0	0	0	0	0	0.00%	0	0	0
309	Supply Mains	0	0	0	3.13%	0	0	0	0	0	0.00%	0	0	0
310	Power Generation Equipment	0	0	0	5.88%	0	0	0	0	0	0.00%	0	0	0
311	Pumping Equipment	4,736	0	4,736	5.88%	3,328	0	3,328	278	278	0.00%	0	0	0
320	Water Treatment Equipment	141,853	0	141,853	5.88%	8,178	0	8,178	669	669	0.00%	0	0	0
330	Distribution Reservoirs	6,701	0	6,701	3.03%	5,636	0	5,636	203	203	0.00%	0	0	0
331	Transmission and Distribution Mains	11,863	0	11,863	2.63%	5,803	0	5,803	312	312	0.00%	0	0	0
333	Services	1,457	16,085	17,542	2.86%	28	230	258	28	460	0.00%	0	0	0
334	Meter & Meter Installations	8,399	0	8,399	5.88%	8,399	0	8,399	132	132	0.00%	0	0	0
335	Hydrants	0	0	0	2.50%	0	0	0	0	0	0.00%	0	0	0
339	Other Plant & Miscellaneous Equipment	0	0	0	10.00%	0	0	0	0	0	0.00%	0	0	0
340	Office Furniture & Equipment	0	0	0	6.67%	0	0	0	0	0	0.00%	0	0	0
340	Computer Equipment	0	0	0	16.67%	0	0	0	0	0	0.00%	0	0	0
341	Transportation Equipment	0	0	0	16.67%	0	0	0	0	0	0.00%	0	0	0
342	Stores Equipment	0	0	0	5.56%	0	0	0	0	0	0.00%	0	0	0
343	Tools, Shop & Garage	0	0	0	6.25%	0	0	0	0	0	0.00%	0	0	0
344	Laboratory Equipment	0	0	0	6.67%	0	0	0	0	0	0.00%	0	0	0
345	Power Operated Equipment	0	0	0	8.33%	0	0	0	0	0	0.00%	0	0	0
346	Communication Equipment	0	0	0	10.00%	0	0	0	0	0	0.00%	0	0	0
347	Miscellaneous Equipment	0	0	0	6.67%	0	0	0	0	0	0.00%	0	0	0
348	Other Plant & Miscellaneous Equipment	0	0	0	10.00%	0	0	0	0	0	0.00%	0	0	0
	INTANGIBLE PLANT	\$3,139	\$0	\$3,139		\$302	\$0	\$302	\$78	\$78	#N/A	\$0	\$0	\$0
	SOURCE OF SUPPLY & PUMPING	56,624	0	56,624		34,772	6,868	41,640	2,143	7,097	0.00%	0	0	0
	WATER TREATMENT PLANT	141,853	0	141,853		8,178	0	8,178	669	669	0.00%	0	0	0
	TRANSMISSION & DISTRIBUTION	28,421	16,085	44,506		19,866	230	20,096	674	460	0.00%	0	0	0
	GENERAL PLANT	0	0	0		0	0	0	0	0	#N/A	0	0	0
	<b>TOTALS - WATER</b>	<b>\$230,036</b>	<b>\$16,085</b>	<b>\$246,121</b>		<b>\$63,118</b>	<b>\$7,097</b>	<b>\$70,215</b>	<b>\$3,565</b>	<b>\$7,557</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

RATIO OF NON-USED & USEFUL PLANT **0.00%**



Country Walk Utilities, Inc.  
O&M EXPENSES-WATER  
Test Year Ended 11/30/17

Docket No. 2018XXXX-WU

ACCT NO.	ACCOUNT TITLE	UTILITY		ADJUSTED TEST YEAR
		ADJUSTED TEST YEAR	ADJUSTMENTS	
601	SALARIES AND WAGES - EMPLOYEES	\$0	\$0	\$0
603	SALARIES: OFFICERS, DIRECTORS, ETC.	3,000	0	3,000
604	EMPLOYEE PENSIONS AND BENEFITS	0	0	0
610	PURCHASED WATER	0	0	0
615	PURCHASED POWER	1,238	0	1,238
616	FUEL FOR POWER PRODUCTION	0	0	0
618	CHEMICALS	3,110	0	3,110
620	MATERIALS AND SUPPLIES	0	0	0
631	CONTRACTUAL SERVICES -ENGR.	0	0	0
632	CONTRACTUAL SERVICES - ACCT.	350	0	350
633	CONTRACTUAL SERVICES - LEGAL	530	0	530
634	CONTRACTUAL SERVICES - MGMT. FEES	0	0	0
635	CONTRACTUAL SERVICES - OTHER	0	0	0
636	CONTRACTUAL SERVICES - OPERATIONS	14,749	6,079	20,828
641	RENTAL OF BUILDING/REAL PROPERTY	0	0	0
642	RENTAL OF EQUIPMENT	0	0	0
650	TRANSPORTATION EXPENSES	0	0	0
656	INSURANCE-VEHICLE	0	0	0
657	INSURANCE-GENERAL LIABILITY	1,300	0	1,300
658	INSURANCE-WORKMAN'S COMP.	0	0	0
659	INSURANCE-OTHER	0	0	0
660	ADVERTISING EXPENSE	0	0	0
666	AMORT. OF RATE CASE EXPENSE	0	412	412
667	REGULATORY COMM. EXPENSES - OTHER	0	0	0
670	BAD DEBT EXPENSE	0	0	0
675	MISCELLANEOUS EXPENSES	<u>100</u>	<u>1,000</u>	<u>1,100</u>
	TOTAL OPERATION AND MAINTENANCE	<u>\$24,377</u>	<u>\$7,490</u>	<u>\$31,867</u>

Analysis of Rate Case Expense

Florida Public Service Commission

Country Walk Utilities, Inc.  
 Docket No. 2018XXXX-WU  
 Test Year Ended 11/30/17

Schedule: RCE  
 Page: 1 of 1

Explanation: Provide the total amount of rate case expense requested in the application. State whether the total includes the amount up to proposed agency action or through a hearing before the Commission. Provide a breakdown of the total by persons assisting in the application, including the hours billed, the hourly rate, and a detailed list of services provided. Also provide the amortization and its allocation, including support behind this determination.

Line No.	(1) Firm or Vendor Name	(2) Counsel, Consultant or Witness	(3) Hourly Rate	(4) Total Est of Firm's Charges	(5) Type of Service Rendered	(6) Comments	(7) Hours
1	<u>Legal</u>						
2	N/A			0	Legal		
3	Sub-Total Legal			<u>0</u>			
4							
5							
6	<u>Other</u>						
7	Customer Notice - Customer Meeting	Rendell		\$ 73.50	Notices - printing & mailing	PSC Rule - past Commission practice	
8	Customer Notice - Final Rates	Rendell		\$ 73.50	Notices - printing & mailing	PSC Rule - past Commission practice	
9	Travel - Customer Meeting	Rendell, Derosssett		\$ 250.00	Attend Customer Meeting	Customer Meeting - Lodging, Mileage & Meals	
10	Filing Fee	Rendell		\$ 1,000.00	Filing Fee	PSC Rule	
11	Travel - PAA Agenda	Rendell / Deremer		\$ 250.00	Attend PAA Agenda	PAA Agenda - Lodging, Mileage & Meals	
12	Sub-Total Other			<u>1,647</u>			
13	Total Estimate Through PAA [ X ] or Commission Hearing [			<u>1,647</u>			
14	Allocation to this Rate Group:						
15		Water	Water	Sewer	Sewer		
16		Allocation %	Amount	Allocation %	Amount		
17	Allocated Total	100.00%	1,647	0.00%	0		
18	Amortization of Rate Case Expense:						
19	Amortization Period in Years:		<u>4</u>				<u>4</u>
20	Amortization Amount per year		<u>412</u>				<u>0</u>
21	Deferred Rate Case Expense (for CWC on A-3)						<u>0</u>
22	=(Allocated Total less first year amortization)/2		<u>618</u>				<u>0</u>
23							
24	Method of Allocation Between Systems (Provide Calculation):						
25	Note: Allocation is by # of customers of the systems in this rate case filing						

WATER	TEST YEAR	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	ADJUSTMENTS	ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
PERSONAL PROPERTY	\$270	\$0	\$270	\$0	\$270		\$270
PAYROLL	0	0	0	0	0		0
REGULATORY ASSESSMENT FEES	1,311	0	1,311	0	1,311	1,240	2,551
OTHER	0	0	0	0	0		0
<b>TOTAL</b>	<b>\$1,581</b>	<b>\$0</b>	<b>\$1,581</b>	<b>\$0</b>	<b>\$1,581</b>	<b>\$1,240</b>	<b>\$2,820</b>

Test Year RAF 1,311  
 Utility Adj Rev 1310.9004  
 Adjustment -0.0004

WASTEWATER	TEST YEAR	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	ADJUSTMENTS	ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
PERSONAL PROPERTY	\$0	\$0	\$0	\$0	\$0		\$0
PAYROLL	0	0	0	0	0		0
REGULATORY ASSESSMENT FEES	0	0	0	0	0	#REF!	#REF!
OTHER	0	0	0	0	0		0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>#REF!</b>	<b>#REF!</b>

Test Year RAF 0  
 Utility Adj Rev 0  
 Adjustment 0



Country Walk Utilities, Inc.  
**FACTORED ERCs & GALLONS - WATER**  
 Test Year Ended 11/30/17  
 (METER EQUIVALENT FACTORS BELOW )

Docket No. 2018XXXX-WU

<u>METER SIZE</u>	<u>ERC</u>	<u>NUMBER OF BILLS</u>	<u>FACTORED ERCs</u>	<u>GALLONS (000s)</u>
<b><u>RESIDENTIAL</u></b>				
5/8 x 3/4"	1.0	834	834	2,343
3/4"	1.5	0	0	0
1"	2.5	0	0	0
1-1/2"	5.0	0	0	0
<b>TOTAL RESIDENTIAL</b>		<u>834</u>	<u>834</u>	<u>2,343</u>
<b><u>GENERAL SERVICE</u></b>				
5/8"x3/4"	1.0	12	12	20
3/4"	1.5	0	0	0
1"	2.5	0	0	0
1-1/2"	5.0	0	0	0
2"	8.0	0	0	0
3" COMPOUND	16.0	0	0	0
4" COMPOUND	25.0	0	0	0
6" COMPOUND	50.0	0	0	0
8" COMPOUND	80.0	0	0	0
10" COMPOUND	115.0	0	0	0
<b>TOTAL GENERAL SERVICE</b>		<u>12</u>	<u>12</u>	<u>20</u>
<b><u>PRIVATE FIRE PROTECTION</u></b>				
2"	0.7	0	0	0
3" COMPOUND	1.3	0	0	0
4" COMPOUND	2.1	0	0	0
6" COMPOUND	4.2	0	0	0
8" COMPOUND	6.7	0	0	0
<b>TOTAL PRIVATE FIRE PROTECTION</b>		<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL WATER</b>		<u>846</u>	<u>846</u>	<u>2,363</u>

**Country Walk Utilities, Inc.**  
**Water Monthly Service Rates**  
**Test Year Ended 11/30/17**

**Schedule No. 4-A**  
**Docket No. 2018XXXX-WU**

	<b>Rates Prior to Filing</b>	<b>Utility Requested Final</b>	<b>4-year Rate Reduction</b>
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**Residential Service (RS)**

Base Facility Charge by Meter Size:

5/8" x 3/4"	\$16.45	\$37.45	\$0.18
3/4"	\$24.67	\$56.17	\$0.26
1"	\$41.10	\$93.62	\$0.44
1-1/2"	\$82.19	\$187.25	\$0.88
2"	\$131.48	\$299.60	\$1.41
3"	\$262.99	\$599.20	\$2.82
4"	\$410.93	\$936.25	\$4.41
6"	\$821.88	\$1,872.49	\$8.82

**Residential & Irrigation Gallonage Charge:**

per 1,000 Gallons

0 - 4,000	\$6.17	\$11.42	\$0.05
Over 4,000 gallons	\$7.72	\$17.13	\$0.08

**General Service (GS), Commercial Irrigation (CI)**

Base Facility Charge by Meter Size:

5/8" x 3/4"	\$16.45	\$37.45	\$0.18
3/4"	\$24.67	\$56.17	\$0.26
1"	\$41.10	\$93.62	\$0.44
1-1/2"	\$82.19	\$187.25	\$0.88
2"	\$131.48	\$299.60	\$1.41
3"	\$262.99	\$599.20	\$2.82
4"	\$410.93	\$936.25	\$4.41
6"	\$821.88	\$1,872.49	\$8.82

Gallonage Charge, per 1,000 Gallons	\$6.17	\$11.42	\$0.05
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**Private Fire Protection**

Base Facility Charge by Meter Size:

2"	\$0.00	\$24.97	\$0.12
3"	\$0.00	\$49.93	\$0.24
4"	\$0.00	\$78.02	\$0.37
6"	\$0.00	\$156.04	\$0.74

**Typical Residential Bills 5/8" x 3/4" Meter**

3,000 Gallons	\$34.96	\$71.71	
5,000 Gallons	\$47.30	\$94.55	
10,000 Gallons	\$81.25	\$163.07	

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Country Walk Utilities, Inc.  
 Docket No. 2018XXXX-WU  
 Test Year Ended 11/30/17  
 Water [ X ] or Sewer [ ]

Schedule: E-1w  
 Page: 1 of 1  
 Preparer: W T Rendell

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year Bills	(3) TY Cons in 1,000 gal.	(4) Test Year Rate	(5) Test Year Revenue	(6) Adjusted Bills	(7) Adjusted Cons	(8) Rate Prior to Filing	(9) Revenue at Rate Prior	(10) ProForma Block Cons	(11) Repressed Block Cons	(12) Proposed RateW/Rpsr	(13) Revenue at Rpsn Rates
1	<b>Residential</b>												
2	5/8" X 3/4"	834		16.45	13,719	834		16.45	13,719			37.45	31,233
3	3/4"	0		24.67	0	0		24.67	0			56.17	0
4	1"	0		41.10	0	0		41.10	0			93.62	0
5	1-1/2"	0		82.19	0	0		82.19	0			187.25	0
6	2"	0		131.48	0	0		131.48	0			299.60	0
7	3"	0		262.99	0	0		262.99	0			599.20	0
8	4"	0		410.93	0	0		410.93	0			936.25	0
9	Gallage Charge, per 1,000 gallons												
10	0 - 10,000 gallons		2,367	6.17	14,370	(38)	2,329	6.17	14,370	0	2,329	11.42	26,597
11	Over 10,000 gallons		154	7.72	108	(140)	14	7.72	108	(5)	9	17.13	155
12					0		0		0		0		0
13	Total Residential	834	2,521		28,197	834	2,343		28,197	(5)	2,338		57,986
14	Average Bill				33.81				33.81				69.53
15													
16	<b>General Service</b>												
17	5/8" X 3/4"	12	0	16.45	197	12		16.45	197			37.45	449
18	3/4"	0		24.67	0	0		24.67	0			56.17	0
19	1"	0		41.10	0	0		41.10	0			93.62	0
20	1-1/2"	0		82.19	0	0		82.19	0			187.25	0
21	2"	0		131.48	0	0		131.48	0			299.60	0
22	3"	0		262.99	0	0		262.99	0			599.20	0
23	4"	0		410.93	0	0		410.93	0			936.25	0
24	6"	0		821.88	0	0		821.88	0			1,872.49	0
25	8"	0		-	0	0		-	0			2,995.99	0
26	Gallage		20	6.17	123		20	3.80	76	20	20	11.42	228
27	Total General Serv	12	20		321	12	20		273	20	20		678
28	Average Bill				26.73				22.78				56.48
29													
30	<b>Irrigation</b>												
31	5/8" X 3/4"	0		-	0	0	NA	-	0			37.45	0
32	Gallage Charge, per 1,000 gallons												
33	0 - 8,000 gal.		0	-	0		0	-	0	0	0	11.42	0
34	Over 8,000 gal.		0	-	0		0	-	0	0	0	17.13	0
35			0	-	0		0	-	0	0	0	-	0
36	Block 4		0	-	0		0	-	0	0	0	-	0
37	Total Irrigation	0	0		0	0	0		0	0	0		0
38	Average Bill				-				-				-
39													
40	<b>Fire Protection</b>												
41	2"	0	NA	-	0	0		-	0			24.97	0
42	3"	0	NA	-	0	0		-	0			49.93	0
43	4"	0	NA	-	0	0		-	0			78.02	0
44	6"	0	NA	-	0	0		-	0			156.04	0
45	8"	0	NA	-	0	0		-	0			249.67	0
46	10"	0	NA	-	0	0		-	0			358.89	0
47	Total Fire Protect	0	NA		0		NA		0	NA			0
48	Average Bill				-				-				-
49													
50	Subtot Billd Rev	846	2,541		28,518	846	2,363		28,471	15	2,358		58,664
51	Unbilled Revenues				0				0				-
52	Guaranteed Revenues				0				0				0
53	Misc. Service Charge				345				345				345
54	Adjustments to Customers				0				0				0
55	Tot Billed Rev				28,863				28,815				59,008
56	Booked Revenue per GL				29,131				29,131				
###	Difference - Index				(268)				(316)			-1.1%	



		Test Year	Source	BFC	Usage	BFC	Usage
		Adjusted		%	%	Amt	Amt
<b>O &amp; M</b>							
601	SALARIES AND WAGES - EMPLOYEES	-	B-5	50%	50%	-	-
603	SALARIES: OFFICERS, DIRECTORS, ETC.	3,000	B-5	50%	50%	1,500	1,500
604	EMPLOYEE PENSIONS AND BENEFITS	-	B-5	50%	50%	-	-
610	PURCHASED WATER	-	B-5	0%	100%	-	-
615	PURCHASED POWER	1,238	B-5	0%	100%	-	1,238
616	FUEL FOR POWER PRODUCTION	-	B-5	0%	100%	-	-
618	CHEMICALS	3,110	B-5	0%	100%	-	3,110
620	MATERIALS AND SUPPLIES	-	B-5	0%	100%	-	-
631	CONTRACTUAL SERVICES - ENGR.	-	B-5	50%	50%	-	-
632	CONTRACTUAL SERVICES - ACCT.	350	B-5	50%	50%	175	175
633	CONTRACTUAL SERVICES - LEGAL	530	B-5	50%	50%	265	265
634	CONTRACTUAL SERVICES - MGMT. FEES	-	B-5	50%	50%	-	-
635	CONTRACTUAL SERVICES - OTHER	-	B-5	50%	50%	-	-
636	CONTRACTUAL SERVICES - OPERATIONS	20,828	B-5	100%	0%	20,828	-
641	RENTAL OF BUILDING/REAL PROPERTY	-	B-5	100%	0%	-	-
642	RENTAL OF EQUIPMENT	-	B-5	50%	50%	-	-
650	TRANSPORTATION EXPENSES	-	B-5	100%	0%	-	-
656	INSURANCE-VEHICLE	-	B-5	100%	0%	-	-
657	INSURANCE-GENERAL LIABILITY	1,300	B-5	100%	0%	1,300	-
658	INSURANCE-WORKMAN'S COMP.	-	B-5	100%	0%	-	-
659	INSURANCE-OTHER	-	B-5	50%	50%	-	-
660	ADVERTISING EXPENSE	-	B-5	50%	50%	-	-
666	AMORT. OF RATE CASE EXPENSE	412	B-5	50%	50%	206	206
667	REGULATORY COMM. EXPENSES - OTHE	-	B-5, B-1	50%	50%	-	-
670	BAD DEBT EXPENSE	-	B-5	50%	50%	-	-
675	MISCELLANEOUS EXPENSES	1,100					
	<b>Total Water O&amp;M</b>	<b>31,867</b>	<b>Summed</b>			<b>24,274</b>	<b>6,494</b>
<b>Depreciation &amp; Amort</b>							
403	Depreciation (Used & Useful)	10,663	B-13	100%	0%	10,663	-
	Less: Amort of CIAC	(415)	B-13	100%	0%	(415)	-
	Amort of Other	-	B-1	50%	50%	-	-
	<b>Total Depr &amp; Amort</b>	<b>10,247</b>				<b>10,247</b>	<b>0</b>
<b>Taxes Other Than Income Tax</b>							
	RAF	2,551	B-15	82%	18%	2,090	461
	Payroll	-	B-15	100%	0%	-	-
	Property	270	B-15	100%	0%	270	-
	Other	-	B-15	100%	0%	-	-
	<b>Total Taxes Other than ...</b>	<b>2,820</b>				<b>2,360</b>	<b>461</b>
<b>Income Tax</b>							
	Fed, State	-	B-1	82%	18%	-	-
<b>Return On Investment</b>							
		14,081	D-1	82%	18%	11,537	2,544
<b>Total Revenue Requirement</b>							
		59,016	B-1			48,418	9,498
<b>Conservation Adjustment</b>							
	Less: Misc Revenue	(345)	E-1w	100%	0%	(345)	-
<b>Total Revenue for Rate Setting, Calc'd</b>							
		58,671		82%	16%	48,073	9,498
PSC override %BFC from Cover Sheet-->							
		58,671		54%	46%	31,683	26,989

**E Rate Design - Water**

This section calculates the proposed rates

Class/Meter Size	Units	Factor	WghtdUnts	Chg/WgtUn	BFC	Expected
<b>Total (Res, Gen Svc, Irr)</b>						
5/8" X 3/4"	846	1.00	846		37.45	31,683
3/4"	-	1.50	0		56.17	-
1"	-	2.50	0		93.62	-
1-1/2"	-	5.00	0		187.25	-
2"	-	8.00	0		299.60	-
3"	-	16.00	0		599.20	-
4"	-	25.00	0		936.25	-
6"	-	50.00	0		1,872.49	-
8"	-	80.00	0		2,995.99	-
10"	-	115.00	0		4,306.73	-
<b>Fire Protection (= 1/12 of Commercial)</b>		0.0833				
2"	-	0.67	0		24.97	-
3"	-	1.33	0		49.93	-
4"	-	2.08	0		78.02	-
6"	-	4.17	0		156.04	-
8"	-	6.67	0		249.67	-
10"	-	9.58	0		358.89	-
<b>Total BFC</b>	<u>846</u>		<u>846</u>	37.450		<u>31,683</u>

Calcs for **STANDALONE** rates w/o Repression, using **PROPOSED** rate block amounts

Gallonge charge					Usage Chg	Expected
Total Usage	2,363	1.00	2,363	11.421	11.42	26,985
Gen'l Svc only	20	1.00			11.42	228
Remainder to be recovered from Residential						<u>26,757</u>
Residential Only					Usage Chg	Expected
Block 1	2,367	1.00	2,367		10.30	24,380
Block 2	154	1.50	231		15.45	2,379
Block 3	-	2.00	0		20.60	-
Irrigation					Usage Chg	Expected
Block 1	-	1.00	0		10.30	-
Block 2	-	1.50	0		15.45	-
Block 3	-	2.00	0		20.60	-
Block 4	-	2.00	0		20.60	-
<b>Total Usage</b>	<u>2,521</u>		<u>2,598</u>	10.299		<u>26,759</u>
						<u>26,988</u>
						58,671
						345
						<u>59,015</u>

Iteration 2, Repression - 1 % increases previous bill to pre repression bill

Gallonaage charge using Rev Rqmnts from above

Repressed CONSOL Units-->	Units	Factor	WghtdUnits	Usage Chg
Block 1 home	2,329	1.00	2,329	11.42
Block 2 home	9	1.50	14	17.13
Block 3 home	-	2.00	0	22.84
Block 1 irr	-	1.00	0	11.42
Block 2 irr	-	1.50	0	17.13
Block 3 irr	-	2.00	0	22.84
<b>Total Usage</b>	<u>2,338</u>		<u>2,343</u>	11.422

Res Usage portion of Total Revenue for Rate Setting (from above)

(Less) Reduction in Purchased Water, Power, Chemicals due to repression  
 = Revised Usage portion to be recovered in rates

	Usage Amt
	26,757
CONSOL reduction-->	(9)
	<u>26,748</u>

Gallonaage charge using reduced Rev Reqmnt

	Units	Factor	WghtdUnits	Usage Chg
Block 1	2,329	1.00	2,329	11.42
Block 2	9	1.50	14	17.13
Block 3	-	2.00	0	22.84
<b>Total Usage</b>	<u>2,338</u>		<u>2,343</u>	11.418

Ratio of Usage Charge reduced expense to full expense

0.9997