

State of Florida



# Public Service Commission


CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** March 12, 2019

**TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

**FROM:** Consuela Wilson, Staff Assistant, Division of Accounting & Finance 

**RE:** Docket No. 2018-0202-SU Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

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Please place the attached documents into the docket file entitled Response to Second Data Request.

FLORIDA UTILITY SERVICES  
5911 TROUBLE CREEK RD  
NEW PORT RICHEY, FL. 34652  
863-904-5574

March 8, 2019

Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd  
Tallahassee, FL. 34652

2019 MAR 12 AM 7:57  
DIVISION OF  
ACCOUNTING & FINANCE  
FLORIDA PUBLIC SERVICE  
COMMISSION

**Re: Docket No. 20180202-SU Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.**

Dear Commission Clerk:

Please allow this letter to be placed in the docket file as the company's response to the staff data request dated March 1, 2019 for the above docket.

1. Staff's audit report was filed on January 29, 2019, in Document No. 00452-2019. The following items relate to audit Work Paper No. 59-1 which shows the deferred legal fees approved in Order No. PSC-16-0030-PAA-SU.
  - a. Please provide all the invoices related with the \$6,245 of legal fees which should include all tasks completed, hours of work completed for each task, and the associated hourly rates for each of the tasks.
  - b. Rule 25-30.433, Florida Administrative Code, states that nonrecurring expenses shall be amortized over a 5-year period unless a shorter or longer period can be justified. Please justify the Utility's request to amortize the fees over three years instead of five years.

Utility Response

- a. WLU provided copies of nine invoices totaling \$6,244.70 to support the legal fees referenced above in Docket No. 20150137-WU - Petition for approval to defer legal expenses associated with the resolution of land use issues for utility treatment facilities that are located in Polk County by West Lakeland Wastewater, Inc. See Document No.05544-2015 in the docket file. An index of the relevant invoices is displayed below.

*Legal Invoices from Moral, P.A.  
For West Lakeland Wastewater Land Resolution*

<b>Date</b>	<b>Invoice #</b>	<b>Amount</b>
10/31/14	14754	\$285.00
11/30/14	14803	\$541.50
12/31/14	14862	\$120.48
01/31/15	14965	\$427.50
02/28/15	15024	\$145.00
04/30/15	15107	\$421.48
05/31/15	15150	\$1,098.50
06/30/15	15209	\$2,032.25
07/31/15	15265	\$1,172.99
<b>TOTAL</b>		<b>\$6,244.70</b>

- b. WLU requested a 3-year amortization period because of the length of time that has passed since these fees were incurred and the land issue was finally resolved. Typically, when the 5-year amortization period described in Rule 25-30-433 F.A.C is applied, the amortization period begins shortly after the final cost are incurred. In this case, WLU was administratively precluded from filing for a staff assisted rate case (SARC), to recover these fees, until a Certificate of Transfer was completed. The land lease, securing WLU's access to the spray fields, was executed on July 1, 2017. WLU subsequently filed for a certificate of transfer on November 17, 2017. The final order approving the certificate transfer was issued on July 30, 2018. This SARC was filed on October 30, 2018, and is currently schedule for agenda on July 9, 2019. This calendar of events illustrates that WLU will have waited a full two years after the land lease was executed and four years after the legal fees were incurred to begin

recovering these fees. The fees are hard cost (cash) that were spent with no possible recovery, until now. Given the circumstances described above, WLU believes that it would be appropriate and justified for staff to approve and recommend a shorter recovery period of 3-years.

2. *In a discussion with staff, Mr. Smallridge indicated the Utility's old truck had been totaled and a replacement truck was already purchased. Please provide the original cost of the former truck that was totaled before purchasing the new truck, including a breakdown of the truck's allocation to West Lakeland.*

Purchase Price was \$2,500

3. *Please provide a breakdown of all pensions and benefits expense associated with current employees of FUS1.*

One Customer Service Rep. receives health insurance reimbursement in the amount of \$499.71 per month.

4. *In the current docket, FUS1 is requesting the allocation of two new maintenance technicians to West Lakeland. Please provide any pensions and benefits expense associated with the two requested maintenance technicians for FUS1.*

Benefit expense would be estimated at \$500.00 per month per person.

5. *Please provide West Lakeland's accounts receivable aging report that details the Utility's calculation of its 2018 calendar year end bad debt expense amount.*

See enclosed statement.

6. *According to the Audit of West Lakeland, completed on January 29, 2019, West Lakeland's general ledger reflects that the Utility spent \$21,934 on employees' salaries and wages for the test year ended October 31, 2018. West Lakeland's 2017 Annual*

Report reflects that the Utility spent \$33,715 on employees' salaries and wages expense for the year 2017. Please provide a detailed reconciliation of the difference in salaries and wages expense between these two 12-month periods.

Part of this difference is because I had two employees quit and they both had health insurance reimbursement. The two new employees hired to replace them, at this point, do not have health benefits.

Please see below.

	2017	2018	Difference
<u>Accounting</u>	\$8,524.88	\$5,569.20	\$2,955.68
<u>CSR</u>	\$13,046.38	\$7,559.15	\$5,487.23
<u>Field Tech.</u>	\$12,143.86	\$9,362.24	\$2,871.62

On behalf of the utility,



Michael Smallridge

# West Lakeland Wastewater, LLC

2/1/2019 1:31:30 PM

## Account Aging

Customer	Read Seq	Account Number	Service Adr	Last Payment Date	< 30	30 - 60	> 60	Current Balance
zAdam Judd	426	503	503 Lazy Lake Dr. Wes	4/1/2012	0.00	0.00	169.26	169.26
zAida I. Rosario	548	504PP	504 Perch Place	5/13/2016	0.00	0.00	105.07	105.07
zAnio Granata	312	508	508 Lazy Lake Dr. Wes	8/13/2012	0.00	0.00	66.94	66.94
zAnn Pritz	542	442	442 Perch Place	7/20/2013	-0.03	0.00	0.00	-0.03
zAnn Unger	418	519LLDW	519 Lazy Lake Dr W	4/12/2016	0.00	0.00	187.51	187.51
zAnthony Brock	500	533	533 Perch Place	5/29/2014	0.00	0.00	481.57	481.57
zAnthony Gallucci	230	539ORW	539 Oak Ridge W	4/14/2014	0.00	0.00	207.94	207.94
zAnthony Gallucci	234	531	531 Oak Ridge West	10/21/2015	0.00	0.00	161.46	161.46
zAnthony Gallucci	232	535	535 Oak Ridge West	10/21/2015	0.00	0.00	160.96	160.96
zApril Newton	216	530 ORE	530 Oak Ridge East	10/29/2014	0.00	0.00	543.26	543.26
zBank Of America N A ^	300	428 ORW	428 Oak Ridge West	2/13/2014	0.00	0.00	318.16	318.16
zBarbara Annorino	246	507ORW	507 Oak Ridge West	6/29/2017	0.00	0.00	16.98	16.98
zBay Cities Bank	524	433	433 Perch Place	4/1/2011	0.00	0.00	463.76	463.76
zBetty Ann Akins	322	528	528 Lazy Lake Dr. Wes	12/17/2013	0.00	0.00	668.27	668.27
zC.M. Fennell	340	527	527 Berknor Dr.	11/18/2012	0.00	0.00	61.55	61.55
zCandace Howard	494	444 LLDW	444 Lazy Lake Dr. W	3/24/2014	0.00	0.00	91.07	91.07
zCarlos Ramos	286	437ORE	437 Oak Ridge E	4/15/2016	0.00	0.00	76.47	76.47
zCarolyn Pilgrim	318	520 LLDW	520 Lazy Lake Dr. W	5/2/2016	0.00	0.00	65.57	65.57
zCatherine Coots	538	434 PP	434 Perch Place	3/16/2016	0.00	0.00	141.05	141.05
zCedric Griffin/ Kaona Frankl	404	3557 LLDS	3557 Lazy Lake Dr. S	1/1/2001	0.00	0.00	105.57	105.57
zCharles Weaver	306	440ORW	440 Oak Ridge West	10/5/2017	0.00	0.00	181.17	181.17
zChase Home Finance	366	530	530 Lazy Lake Dr. East	10/10/2010	0.00	0.00	673.93	673.93
zCheryl A. Wagner	426	503 LLDW	503 Lazy Lake Drive W	2/25/2016	0.00	0.00	129.88	129.88
zClarence Villareal	402	3563 LLDS	3563 Lazy Lake Dr. So	8/5/2013	0.00	0.00	239.27	239.27
zDale M. Kersch	340	527Ber	527 Berknor Dr	2/29/2016	-100.00	0.00	0.00	-100.00
zDale Marie Kersch	342	523BD	523 BERKNOR DRIVE	4/13/2018	-6.84	0.00	0.00	-6.84

# West Lakeland Wastewater, LLC

2/1/2019 1:31:35 PM

Page 2 of 6

## Account Aging

Customer	Read Seq	Account Number	Service ADR	Last Payment Date	< 30	30 - 60	> 60	Current Balance
zDale Reed	410	3527LLDS	3527 Lazy Lake Dr. So	1/11/2017	0.00	0.00	67.67	67.67
zDebra Corey	232	535 ORW	535 Oak Ridge West		0.00	0.00	440.06	440.06
zDebra Kabler	318	520 LLDW	520 Lazy Lake Drive W	11/1/2013	0.00	0.00	258.01	258.01
zDenise Singer	530	421PP	421 Perch Place	5/8/2013	0.00	0.00	838.49	838.49
zDiane Pegg & Roy Cartrett	480	3605LLDRN	3605 LAZY LAKE DRIV	10/18/2017	0.00	0.00	244.66	244.66
zDonald & Doris Porter	324	532LLDW	532 Lazy Lake Dr W	1/12/2017	0.00	0.00	59.56	59.56
zDonald Helphenstine	508	517 PPL	517 Perch Place	11/9/2015	-16.34	0.00	0.00	-16.34
zDoris DixonAOC	616	508	508 Leisure Place	11/9/2012	0.00	0.00	55.15	55.15
zDouglas McCall	24	502SDE	502 Skyline Drive E	11/1/2016	0.00	0.00	327.64	327.64
zEdward Dowell	178	403 ORW	403 Oak Ridge West	4/26/2016	0.00	0.00	0.01	0.01
zElisa Rushing	196	438 OE	438 Oak Ridge E.	6/16/2016	-6.34	0.00	0.00	-6.34
zEmery Aker	10	426SDE	426 Skyline Dr E	12/5/2013	0.00	0.00	289.72	289.72
zEunice Hill	374	3675	3675 Lazy Lake Dr. So	7/13/2011	0.00	0.00	53.49	53.49
zFernando L. Rivera	392	3593LLDS	3593 Lazy Lake Dr. S.	1/5/2018	-7.10	0.00	0.00	-7.10
zFeryn Migliaccio	590	427	427 Leisure Place	5/12/2014	0.00	0.00	20.24	20.24
zFrances Lang	416		527 Lazy Lake Dr. W.	3/7/2018	-4.14	0.00	0.00	-4.14
zFred Harris	96	502	502 Oak Ridge E		0.00	0.00	220.95	220.95
zGary Driver	136	508	508 Skyline Dr W	5/7/2014	0.00	0.00	354.53	354.53
zGeorge Jammer	294	421ORE	421 Oak Ridge E	4/17/2015	0.00	0.00	3.14	3.14
zIngrid Pelerin	376	3667LLDS	3667 Lazy Lake Dr. S.	10/16/2017	0.00	0.00	26.92	26.92
zJ. Daniel Miller	160	439ORW	439 Oak Ridge West	7/13/2017	0.00	0.00	18.37	18.37
zJack Henry	436	431	431 Lazy Lake Dr. Wes	1/23/2013	0.00	0.00	82.43	82.43
zJames Beaulieu	4	410SDE	410 Skyline Dr E	1/1/2001	0.00	0.00	398.72	398.72
zJames Coyle	404	3557LLDS	3557 Lazy Lake Dr S	1/1/2001	0.00	0.00	52.24	52.24
zJames Sparks	288	433	433 Oak Ridge East	6/26/2013	0.00	0.00	428.80	428.80
zJames Strong	482	3589	3589 Lazy Lake Dr. Nor	6/10/2011	0.00	0.00	67.98	67.98

# West Lakeland Wastewater, LLC

2/1/2019 1:31:39 PM

Page 3 of 6

## Account Aging

Customer	Read Seq	Account Number	Service Adr	Last Payment Date	< 30	30 - 60	> 60	Current Balance
zJennifer Holt	582	443 LP	443 Leisure Place	10/17/2016	0.00	0.00	287.51	287.51
zJessie Frye	404	3557 LLDS	3557 Lazy Lake Dr. S	2/27/2014	0.00	0.00	141.97	141.97
zJim Hobert	216	530ORE	530 Oak Ridge E.	10/18/2017	0.00	0.00	121.36	121.36
zJody Root	420	524	524 Berknor Dr.		0.00	0.00	57.71	57.71
zJohn Berry	498	502LLDW	502 Lazy Lake Dr. Wes	8/7/2017	0.00	0.00	25.91	25.91
zJohn Laney	292	425ORE	425 Oak Ridge East	5/13/2016	-8.54	0.00	0.00	-8.54
zJose & Ruth Ramos	364	526 LLDE	526 Lazy Lake Dr E	4/22/2016	0.00	0.00	433.25	433.25
zJoshua Zuckerman	42	538 SDE	538 Skyline Dr. East	11/9/2015	0.00	0.00	0.18	0.18
zJudy Mielke	16	438SDE	438 Skyline Dr. East	11/4/2016	0.00	0.00	121.09	121.09
zJune Gilman	586	435	435 Leisure Place	7/26/2013	0.00	0.00	444.97	444.97
zKaren Barrett	604	436LP	436 Leisure Place	6/20/2017	0.00	0.00	23.73	23.73
zKasey Johnson	404	3557 LLDS	3557 Lazy Lake Dr S	12/10/2012	0.00	0.00	65.52	65.52
zKathy Berringer	118	521	521 Skyline Dr. East	4/8/2015	0.00	0.00	24.51	24.51
zKeli Lorrey	220	538ORW	538 Oak Ridge E	10/18/2017	0.00	0.00	270.41	270.41
zKelly/Kimberly Graham	482	3589LLDW	3589 Lazy Lake Dr N		0.00	0.00	181.74	181.74
zLarry & Christine Hunter	100	433SDE-CH	433 Skyline Dr E	11/9/2015	-9.42	0.00	0.00	-9.42
zLarry & Sandra Caffee	300	428	428 Oak Ridge West		0.00	0.00	889.77	889.77
zLeonard LaMonica	416	527LLDW	527 Lazy Lake Dr. Wes	3/7/2018	0.00	0.00	98.60	98.60
zLorene Braun	454	3556LLDN	3556 Lazy Lake Dr. Nor	6/14/2016	0.00	0.00	17.05	17.05
zMainstay Financial Service	590	427 LP	427 Leisure Place	3/12/2015	0.00	0.00	43.97	43.97
zMainstay Financial Service	180	402 ORE	402 Oak Ridge East	1/1/2001	0.00	0.00	126.12	126.12
zMainstay Financial Service	36	526SDE-1	526 Skyline Dr. E.	7/22/2018	-147.32	0.00	0.00	-147.32
zMarie Borders	464	3592 LLDN	3592 Lazy Lake Dr. N	6/2/2017	0.00	0.00	104.53	104.53
zMary Burnick	206	510ORE	510 Oak Ridge East	11/9/2015	0.00	0.00	2.50	2.50
zMary Gleim &^&	432	439LL	439 Lazy Lake Dr W	9/13/2014	0.00	0.00	609.26	609.26
zMary Stesser	548	504	504 Perch Place	10/28/2014	0.00	0.00	28.59	28.59





# West Lakeland Wastewater, LLC

2/1/2019 1:31:43 PM

Page 4 of 6

## Account Aging

Customer	Read Seq	Account Number	Service Adr	Last Payment Date	< 30	30 - 60	> 60	Current Balance
zMary-Julie Carr	388	3625	3625 lazy Lake Dr. Sou	8/6/2013	0.00	0.00	365.84	365.84
zMegan Bermudez	530	421	421 Perch Place	5/6/2011	0.00	0.00	124.61	124.61
zMegan Lee Brannon	36	526SDE	526 Skyline Dr E.	11/27/2017	0.00	0.00	77.57	77.57
zMichael E. Konster	138	504 SDW	504 Skyline Dr. W	1/23/2017	0.00	0.00	49.51	49.51
zMichael Gilman	586	435LP	435 Leisure place		0.00	0.00	1120.90	1120.90
zMichael Monroe*	36	526SDE	526 Skyline Dr. East	6/27/2014	0.00	0.00	347.84	347.84
zMitchell S. Dexter	80	431SDW-MD	431 Skyline Dr. West	5/7/2014	0.00	0.00	1.98	1.98
zMOMD LLC ATTN: Tari	464	3592LLDN	3592 Lazy Lake Dr N	9/15/2014	0.00	0.00	17.27	17.27
zNicole Cockran*	98	429	429 Skyline Dr. East	7/8/2010	0.00	0.00	318.59	318.59
zNorma Robbins	452	3544LLDN	3544 Lazy Lake Dr. Nor	1/1/2015	0.00	0.00	22.78	22.78
zOrris Stockwell	530	421PP-OS	421 Perch Place	1/15/2014	0.00	0.00	57.82	57.82
zPatricia Wheelis	342	523B	523 Berknor Dr	7/10/2014	-0.55	0.00	0.00	-0.55
zPatty Ouellette	266	529ORE	529 Oak Ridge East	4/17/2017	-7.00	0.00	0.00	-7.00
zPaul A. Ellis	342	523	523 Berknor Dr	6/12/2016	-186.42	0.00	0.00	-186.42
zPeggy Donaldson	352	532BRD	532 Berknor Dr	11/9/2015	-40.00	0.00	0.00	-40.00
zRay Price	470	3620-LLDN	3620 Lazy Lake Dr N	9/5/2012	0.00	0.00	134.55	134.55
zReidar Lotvedt	306	440ORW	440 Oak Ridge West	8/5/2016	0.00	0.00	32.64	32.64
zRichard Boggs	258	520	520 Oak Ridge West	12/16/2011	0.00	0.00	180.10	180.10
zRichard Church	298	424	424 Oak Ridge West	11/30/2009	0.00	0.00	127.70	127.70
zRichard Cross	318	520LLDW	520 Lazy Lake Dr. W.	8/22/2017	0.00	0.00	15.40	15.40
zRick Skau	20	446	446 Skyline Dr. East		0.00	0.00	359.57	359.57
zRobert Kersey	236	527ORW	527 Oak Ridge West	7/20/2015	0.00	0.00	102.28	102.28
zRobert Stock	44	542SDE	542 Skyline Dr E	7/6/2016	-3.91	0.00	0.00	-3.91
zRodney Beard	220	538ORE	538 Oak Ridge E	10/3/2012	0.00	0.00	238.11	238.11
zRodney Jamerson	424	507 LLDW	507 Lazy Lake Dr. W.	1/4/2018	0.00	0.00	60.22	60.22
zSabrina Calhoun	220	538 ORW	538 Oak Ridge West	3/21/2014	0.00	0.00	351.17	351.17



# West Lakeland Wastewater, LLC

2/1/2019 1:31:47 PM

Page 5 of 6

## Account Aging

Customer	Read Seq	Account Number	Service Adr	Last Payment Date	< 30	30 - 60	> 60	Current Balance
zSandra Dunn/ Tepedino	364	526	526 Lazy Lake Dr. East	11/23/2012	0.00	0.00	144.62	144.62
zSarah Burke	178	403ORW	403 Oak Ridge West	4/4/2017	-4.29	0.00	0.00	-4.29
zSean Pearson	360	521 LLDE	521 Lazy Lake Drive E	7/2/2014	0.00	0.00	88.34	88.34
zSelena Davis*	220	538	538 Oak Ridge E	6/5/2013	0.00	0.00	802.40	802.40
zShirley Jo Greife	370	538LLDE	538 Lazy Lake Dr. East	1/30/2018	0.00	0.00	0.02	0.02
zSpartan Properties LLC	4	410SDE	410 Skyline Dr E		0.00	0.00	363.38	363.38
zStacy Testerman	436	431 LLDW	431 Lazy Lake Dr. W	10/1/2015	0.00	0.00	1216.00	1216.00
zStephen Mosillo	89	411	411 Skyline Dr. West	10/10/2010	0.00	0.00	499.21	499.21
zSusan Henle*	600	428LP	428 Leisure Place	12/3/2014	0.00	0.00	1286.92	1286.92
zSusan Stidham	326	3590LLDS	3590 Lazy Lake Dr. So	7/20/2016	0.00	0.00	30.03	30.03
zTanya Baker	4	410	410 Skyline Dr. East		0.00	0.00	709.42	709.42
zTari Tull	608	444	444 Leisure Place	1/11/2016	0.00	0.00	17.05	17.05
zTeresa West- Volk &^&	82	427SDW	427 Skyline Dr W	12/7/2011	0.00	0.00	4642.29	4642.29
zTerrance Scott	438	427LLDW	427 Lazy Lake Dr. W.	12/22/2016	0.00	0.00	61.11	61.11
zThomas & Angela Deal	258	520ORW	520 Oak Ridge W	11/6/2017	0.00	0.00	22.95	22.95
zThomas Warren	448	3532	3532 Lazy Lake Dr. Nor	1/20/2011	0.00	0.00	56.00	56.00
zTimothy Rappoccio	274		513 Oak Ridge East	12/8/2010	0.00	0.00	80.19	80.19
zTom Rounds	12	430	430 Skyline Dr. East	4/15/2014	0.00	0.00	1.46	1.46
zUS Bank NA	502	529PP	529 Perch Place, Lakel	1/1/2001	0.00	0.00	234.27	234.27
zVacant	602	432LP	432 Leisure Place		0.00	0.00	402.86	402.86
zVACANT	306	440ORW	440 Oak Ridge West	10/10/2010	0.00	0.00	69.19	69.19
zVeronica Sabol	328	3606	3606 Lazy Lake Dr. So	8/14/2013	0.00	0.00	109.95	109.95
zVirginia Cornelius	180	402	402 Oak Ridge East	11/15/2012	0.00	0.00	94.72	94.72
zWesley Williams ^	4	410SDE	410 Skyline Drive East	12/31/2013	0.00	0.00	89.85	89.85
zWilliam Lorenz	148	432SDW	432 Skyline Dr. West	7/20/2017	0.00	0.00	17.05	17.05
zWinston Moore	60	523 SDW	523 Skyline Dr W	8/3/2015	0.00	0.00	153.39	153.39

### Account Aging

Customer	Read Seq	Account Number	Service Adr	Last Payment Date	< 30	30 - 60	> 60	Current Balance
Report Totals					-548.24	0.00	29044.82	28496.58

Bad Debt Total  
For 2018 \$158.84