

ORIGINAL

Burkim Enterprises, Inc.

2340 NE Dixie Hwy  
Jensen Beach, FL 34957

01 APR 2001 10:25

March 29, 2001

Florida Public Service Commission  
Division of Records and Reporting  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

010396-115

01 APR -2 PM 3:36  
ECONOMIC REGULATION  
PUBLIC SERVICE

Re: Staff assisted rate case for CGD Utilities Inc./ Burkim Enterprises, Inc.

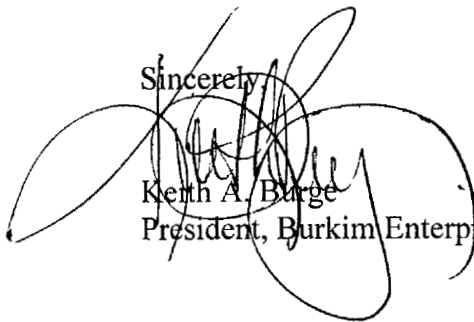
Dear Sir or Madam:

Please accept this application as formal request for a staff assisted rate case for the above mentioned utility. The utility's certificate numbers are 338W and 294S. On August 24, 2001 Burkim Enterprises, Inc. finalized the purchase of the utilities assets from CGD Utilities, Inc. to Burkim Enterprises, Inc. We are currently involved with the FPSC in trying to complete the transfer. However, we can no longer wait for the completion of the transfer and are in need of a staff assisted rate case now.

We are also asking for interim rates for this utility while the rate case is pending. This utility is in poor condition and is in need of a lot of repair and maintenance. The utility's customers deserve to have good service now and not wait for over a year till the rate proceedings are over.

Any assistance that you are able to provide will be greatly appreciated. Thank you again for your cooperation in this matter.

Sincerely,



Keith A. Barge  
President, Burkim Enterprises, Inc.

DOCUMENT NUMBER-DATE

04186 APR-45

FPSC-RECORDS/REPORTING

APPLICATION FOR A  
STAFF ASSISTED RATE CASE

010396-WAS

I. General Data

A. Name of utility CGD Utilities, Inc. / Burkim Enterprises, Inc.

B. Address 2340 NE Dixie Hwy  
Jensen Beach FL 34957

1. Telephone Nos. (561) 334-3433

2. County Brevard Nearest city Sebastian

3. General area served Saug Harbor Lakes and Villages

C. Authority:

1. Water Certificate No. 338 W Date received 07/21/1981

2. Sewer Certificate No. 294 S Date received 07/21/1981

3. Date utility started operations: Water 07/21/1981 Sewer 07/21/1981

D. How system was acquired purchased from CGD Utilities, Inc.

If utility was purchased, give date 08/25/200 Amount Paid \$270,000.00

1. Name of Seller CGD Utilities, Inc.

2. Was seller affiliated with present owners? No

3. Did you purchase: Stock \_\_\_\_\_ or assets only

E. Type of legal entity: Corporation, Partnership or Sole

Proprietorship "C" Corporation

F. Ownership & Officers:

	<u>Name</u>	<u>Title</u>	<u>Percent Ownership</u>
1.	<u>Mr. Keith Burge</u>	<u>President</u>	<u>70%</u>
2.	<u>Mr. Reginald Burge</u>	<u>Vice-President</u>	<u>30%</u>
3.	_____	_____	_____
4.	_____	_____	_____

PSC/WAS 2 (Rev. 11/86)

G. List of Associated Companies and Addresses:

1. None

2. \_\_\_\_\_

3. \_\_\_\_\_

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):

Mr. Martin S. Friedman (850) 877-6555  
Rose Sundstrom + Bentley  
2548 Blairstone Pines Drive  
Tallahassee FL 32309

DOCUMENT NUMBER-DATE

04186 APR-48

FPSC-RECORDS/REPORTING

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

II. Accounting Data

A. Outside Accountant

➤ All accounting is done In-house.

- 1. Name \_\_\_\_\_
- 2. Firm \_\_\_\_\_
- 3. Address \_\_\_\_\_
- 4. Telephone (\_\_\_\_) \_\_\_\_\_

B. Individual to contact on accounting matters:

- 1. Name Mr. Keith Burge
- 2. Telephone (501) 334-3433

C. Location of books and records 2340 NE Dixie Hwy, Jensen Beach, FL 34957

- D. Have you filed an Annual Report with the Commission? Yes
- Date last filed 2000

E. Has your latest semiannual regulatory assessment fee payment been made (January 30 or July 30 whichever is applicable)? Yes

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

	1999	2000
1. Water		
Cost of Plant In Service:	518,008 \$ <u>541,604</u>	\$ <u>541,604</u>
Less Accumulated Depreciation:	425,723 <u>445,392</u>	<u>445,392</u>
Less Contributed Plant:	59,650 <u>15,354</u>	<u>15,354</u>
Net Owner's Investment:	32,635 \$ <u>80,858</u>	\$ <u>80,858</u>

	1999	<del>19</del> 2000
2. Sewer		
Cost of Plant In Service:	\$ <u>582,081</u>	\$ <u>602,982</u>
Less Accumulated Depreciation:	<u>574,433</u>	<u>578,305</u>
Less Contributed Plant:	<u>97,078</u>	<u>&lt;2,555&gt;</u>
Net Owner's Investment:	\$ <u>&lt;89,430&gt;</u>	\$ <u>27,232</u>

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

	1999	<del>19</del> 2000
1. Water		
Revenues (By Class):		
a. <u>Residential</u>	\$ <u>76,429</u>	\$ <u>81,997</u>
b. _____	_____	_____
c. _____	_____	_____
Total Operating Revenues:	\$ <u>76,429</u>	\$ <u>81,997</u>
Less Expenses:		
a. Salaries & Wages - Employees	\$ <u>19,844</u>	\$ <u>1,150</u>
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
c. Employee Pensions & Benefits	_____	_____
d. Purchased Water	_____	_____
e. Purchased Power	<u>5900</u>	<u>5,328</u>
f. Fuel for Power Production	_____	_____
g. Chemicals	_____	<u>3,793</u>
h. Materials & Supplies	<u>1520</u>	<u>3,829</u>
i. Contractual Services	<u>29060</u>	<u>43,677</u>
j. Rents	_____	<u>950</u>
k. Transportation Expenses	<u>4300</u>	<u>449</u>
l. Insurance Expense	<u>500</u>	<u>11,290</u>
m. Regulatory Commission Expense	_____	<u>4839</u>
n. Bad Debt Expense	_____	_____
o. Miscellaneous Expense	<u>5072</u>	<u>11,214</u>
p. Depreciation Expense	<u>17470</u>	<u>22,682</u>
q. Property Taxes	<u>4834 41</u>	<u>41</u>
r. Other Taxes	<u>4834</u>	<u>3439</u>
s. Income Taxes	<u>0</u>	<u>0</u>
Operating Income (Loss)	\$ <u>&lt;22,112&gt;</u>	\$ <u>&lt;21,684&gt;</u>

2. Sewer	1999	<sup>2000</sup> <del>19</del>
Revenues (By Class):		
a. <u>Residential</u>	\$ <u>24,723</u>	\$ <u>39,623</u>
b. _____	_____	_____
c. _____	_____	_____
Total Operating Revenues:	\$ <u>24,723</u>	\$ <u>39,623</u>
Less Expenses:		
a. Salaries & Wages - Employees	\$ <u>6,776</u>	\$ <u>1,150</u>
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	_____	_____
c. Employee Pensions & Benefits	_____	_____
d. Purchased Sewage Treatment	_____	_____
e. Sludge Removal Expense	_____	_____
f. Purchased Power	<u>7,616</u>	<u>8,008</u>
g. Fuel for Power Production	_____	_____
h. Chemicals	_____	<u>5,752</u>
i. Materials & Supplies	<u>1,120</u>	<u>11,530</u>
j. Contractual Services	<u>21,912</u>	<u>46,911</u>
k. Rents	_____	<u>1,425</u>
l. Transportation Expenses	_____	<u>674</u>
m. Insurance Expense	_____	<u>2,499</u>
n. Regulatory Commission Expense	_____	<u>1,338</u>
o. Bad Debt Expense	_____	_____
p. Miscellaneous Expense	<u>4,998</u>	<u>16,950</u>
q. Depreciation Expense	<u>750</u>	<u>13,262</u>
r. Property Taxes	<u>1,646</u>	<u>3345</u>
s. Other Taxes	<u>2,806</u>	<u>1338</u>
t. Income Taxes	<u>0</u>	<u>0</u>
Operating Income (Loss)	\$ <u>&lt;17,981&gt;</u>	\$ <u>&lt;74,619&gt;</u>

H. Outstanding Debt:

	<u>Creditor</u>	<u>Date Borrowed</u>	<u>Balance Due</u>	<u>Interest Rate</u>	<u>Expiration Date</u>
1.	<u>Fidelity Federal</u>	<u>8/25/2000</u>	<u>200,000</u>	<u>10%</u>	<u>2020</u>
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____

I. Indicate Type of Tax Return Filed:

<input checked="" type="checkbox"/>	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 Mr. Jon Whitmer
2. Firm Conklin, Porter + Holmes
3. Address Palm City, Florida
4. Telephone (561) 283-8704

B. Individual to contact on engineering matters:

1. Name Mr. Reginald Burge
2. Telephone (561) 334-3433

C. Is the utility under citation by the Department of Environmental Regulation (DER) or county health department? If yes, explain. Yes

We currently have levels of TTHM's which are currently exceeding the allowable MCL's. we are working to correct this problem

D. List any known service deficiencies and steps taken to remedy problems. \_\_\_\_\_

E. Name of plant operator(s) and DER operator certificate number(s) held. Mr. Pat Walsh #

F. Is the utility serving customers outside of its certificated area? No If yes, explain. \_\_\_\_\_

G. Wastewater:

1. Gallons per day capacity of treatment facilities existing 99,000 under construction \_\_\_\_\_ proposed \_\_\_\_\_
2. Type and make of present treatment facilities \_\_\_\_\_
3. Approximate average daily flow of treatment plant effluent 40,000
4. Approximate length of sewer mains:  
Size (diameter) \_\_\_\_\_  
Linear feet \_\_\_\_\_
5. Number of manholes \_\_\_\_\_
6. Number of liftstations 4
7. How do you measure treatment plant effluent? Master meter
8. Is the treatment plant effluent chlorinated? yes If yes, what is the normal dosage rate? \_\_\_\_\_

9. Tap in fees - Sewer \$
10. Service availability fees - Sewer \$
11. Note DER Treatment Plant Certificate Number and date of expiration: Number                      Expiration Date
12. Total gallons treated during most recent twelve months 17 millions
13. Sewage treatment purchased during most recent twelve months None

H. Water

1. Gallons per day capacity of treatment facilities existing                       
288,000 under construction                      proposed                     

2. Type of treatment chlorination

3. Approximate average daily flow of treated water 100,000

4. Source of water supply Ground water / wells

5. Types of chemicals used and their normal dosage rates                       
chlorine

6. Number of wells in service 2 Total capacity in gallons per minute (gpm)                     

Diameter/Depth 6" / 105' 6" / 105'                                          

Motor horsepower 7hp 7hp                                          

Pump capacity (gpm)                                                                                    

7. Reservoirs and/or hydropneumatic tanks:

Description	<u>Ground Storage</u>	<u>hydropneumatic</u>	<u>                    </u>
Capacity	<u>45,000 g</u>	<u>5,000 g</u>	<u>                    </u>

8. High service pumping:

Motor horsepower                                                                                    

Pump capacity (gpm)                                                                                    

9. How do you measure treatment plant production? master meter

10. Approximate feet of water mains:

Size (diameter)                                                                                                         

Linear feet

11. Note any fire flow requirements and imposing government agency  
\_\_\_\_\_

12. Number of fire hydrants in service \_\_\_\_\_

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

14. Meter installation or tap in fees - Water \$ 475.00

15. Service availability fees - Water \$ \_\_\_\_\_

16. Has the existing treatment facility been approved by DER?  
yes

17. Total gallons pumped during most recent twelve months 25 million  
~~12 million~~

18. Total gallons sold during most recent twelve months 17 million  
~~17 million~~

19. Gallons unaccounted for during most recent twelve months 8 million

20. Gallons purchased during most recent twelve months None

IV. Rate Data

A. Individual to contact on tariff matters:

1. Name Mr Keith Bunge

2. Telephone Number (516) 334-3433

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

1. Water:

- a. Residential Water
- b. General Service
- c. Special Contract
- d. Other

9.92 base rate 1.92 per 1000 gallons  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Sewer:

- a. Residential Sewer
- b. General Service
- c. Special Contract
- d. Other

3.54 base rate 1.62 per 1000 gallons  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



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

	1999	2000
1. Water Metered	1999	<del>19</del> 2000
a. Residential	342	354
b. General Service		
c. Special Contract		
d. Other - specify		
2. Water Unmetered	19	19
a. Residential		
b. General Service		
c. Special Contract		
d. Other - specify		
3. Sewer	1999	<del>19</del> 2000
a. Residential	342	354
b. General Service		
c. Special Contract		
d. Other - specify		

V Affirmation

I, Keith A. Borge 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 Keith A. Borge  
 Title President, Burkim Enterprises, Inc

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.

Signed: \_\_\_\_\_  
 Vicki Dorado

Title: \_\_\_\_\_  
 General Manager, CGD, Utilities, Inc.