



Public Service Commission

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COMMISSION  
CLERK

**DATE:** September 16, 2002  
**TO:** Division of Commission Clerk and Administrative Services  
**FROM:** Division of Economic Regulation (Fitch)<sup>RF</sup>  
Office Of General Counsel (Holley)<sup>JAH</sup>  
**RE:** Docket No. 010396-WS, Application for a Staff Assisted Rate Case by Burkim Enterprises, Inc.

Pursuant to Order No. PSC-01-2511-PAA-WS, Burkim Enterprises, Inc. was required to complete pro forma improvements outlined in the body of that order. The order further specified that the docket shall be closed administratively once staff has verified that the pro forma has been completed. Attached is a memo resulting from staff's investigation of the completed pro forma items. Staff has verified the pro forma has been completed and requests that this docket be closed administratively.

OK  
SM  
9/16/02

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FPSC-COMMISSION CLERK

State of Florida




Public Service Commission  
-M-E-M-O-R-A-N-D-U-M-

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**DATE:** September 12, 2002

**TO:** Troy Rendell, Bureau of Economic Regulation

**FROM:** Ted Davis, Bureau of Economic Regulation 

**RE:** Burkim Enterprises, Inc. - Docket No. 010396 - WS

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Burkim Enterprises, Inc. (Burkim or utility) is a Class C water and wastewater utility located in Brevard County serving a coastal community south of Melbourne, Florida, known as Snug Harbor. On April 4, 2001, the Utility applied for a staff assisted rate case (SARC) to increase rates and charges to their customers in Brevard County. Included in their capital structure was recognition of upgrades being required by the Department of Environmental Protection (DEP) to bring the water and wastewater systems into compliance. On December 24, 2002, Order Number PSC-01-2511-PAA-WS was issued granting post test year (pro forma) expense recovery, and allowing the utility 180 days to complete all of its pro forma projects to comply with regulatory standards.

On August 21, 2002, I visited the Snug Harbor service area and inspected the utility to verify that the utility had completed these projects. At the water treatment plant the utility was required by ordering paragraph to:

- Refurbish the Chlorine Room
- Install a Dual Chlorine System
- Replace the Hydropneumatic Tank
- Install a New Electric Control Panel
- Replace the 6 inch Master Meter
- Constructs an Ammonia treatment Room
- Install an Ammonia Treatment System
- Enclose the Well Area with a Fence

The utility has completed these projects.

At the wastewater treatment plant the utility was required to:

- Add additional Fencing to Completely Enclose the Wastewater Plant
- Fence around Each Lift Station.
- Install a Second Motor/Blower Assembly
- Replace the Splitter Box and Add a Bar Screen for Influent
- Provide an Auxiliary Power Generator

The utility has completed these projects.

In some cases, it appears that the utility went beyond simply completing the project, and exceeded original goals recognized by this Commission. The only variation noted where the utility fell short of the approved expenditure was with the purchase of the auxiliary generator at the wastewater plant. The utility had submitted bids to purchase a new generator for \$18,000 to be installed (in place) at the plant. However, what was purchased was a used generator mounted on a utility trailer that cost \$13,000. They are spending the difference in cost by rewiring each lift station with a receptor so that the portable generator can be circulated to the lift stations during prolonged outages (storms, etc.). I believe this to be well thought-out and prudent.

Special attention appears to have been given to the refurbishment of the Chlorine room and the construction of the Ammonia treatment system. Not mentioned in bids for the Ammonia treatment system was an emergency shower that has been installed. Recent test for Trihalomethane (THM) levels have shown the system to be working and has reduced the THM count to satisfactory levels. The DEP considers all compliance issues resolved at this time.

It is my opinion that the utility has fulfilled every requirement necessary to have satisfactorily completed its pro forma plant projects, and the Docket can be closed.