

State of Florida



# Public Service Commission


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TALLAHASSEE, FLORIDA 32399-0850

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

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**DATE:** December 14, 2017

**TO:** Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

**FROM:** Todd M. Brown, Public Utilities Supervisor, Division of Accounting & Finance 

**RE:** Docket No. 20130265-WU – Application for staff-assisted rate case in Charlotte County by Little Gasparilla Water Utility, Inc.

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Please place the attached emails in the above-referenced docket file. The email dated December 6, 2017, reflects the transmittal of staff's electronic work papers to the Office of Public Counsel. The attachments referenced in that email are not included here. The next eight emails, all dated December 8, 2017, reflect the transmittal of support documentation to the Office of Public Counsel. The attachments referenced in these emails were filed separately and can be found in Document No. 10506-2017.

Thank you.

Attachment

RECEIVED-FPSC  
2017 DEC 14 PM 2:43  
COMMISSION  
CLERK

## Todd Brown

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**From:** Martha Golden  
**Sent:** Wednesday, December 06, 2017 3:43 PM  
**To:** 'Vandiver, Denise'; Mark Cicchetti; Matthew Vogel; Todd Brown; Cissy Galloway; Laura King; Penny Buys  
**Cc:** Charles Murphy; Saylor, Erik  
**Subject:** RE: Docket 20130265 -- Application for staff-assisted rate case in Charlotte County by Little Gasparilla Water Utility, Inc.  
**Attachments:** Little Gasp PAA Rev Req-New Phase II-Final-12-1-17.xls; Little Gasparilla - Depreciation - Phase II 2017 -Full Yr Depr Pro Forma - FINAL 12-1-17.xls

Hello Denise, please find attached the excel files for the Little Gasparilla Phase II revenue requirement and depreciation calculations. I apologize for the delay in sending them to you. I had to be out of the office unexpectedly this week and did not have access to my files. Please feel free to contact me if you have any questions.

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**From:** Vandiver, Denise [<mailto:VANDIVER.DENISE@leg.state.fl.us>]  
**Sent:** Monday, December 04, 2017 2:37 PM  
**To:** Curt Mouring; Mark Cicchetti; Martha Golden; Matthew Vogel; Todd Brown; Cissy Galloway; Clayton Lewis; Laura King; Paul Vickery ([PVickery@PSC.STATE.FL.US](mailto:PVickery@PSC.STATE.FL.US)); Penny Buys  
**Cc:** Charles Murphy; Saylor, Erik  
**Subject:** Docket 20130265 -- Application for staff-assisted rate case in Charlotte County by Little Gasparilla Water Utility, Inc.

Good afternoon:

I'd like to request the supporting work papers for the staff recommendation filed December 1, 2017 for the accounting and engineering. Please provide the electronic work papers used, especially those used for developing the revenue requirement, the calculation of unaccounted for water, index and pass-through adjustments, and all pro forma plant adjustments.

Thanks so much in advance.

Denise N. Vandiver  
Office of Public Counsel  
111 West Madison Street  
Pepper Building, Room 812  
Tallahassee, Florida 32399-1400  
Phone: 850-717-0330

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 7:45 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** FW: Fw: Docket No. 20130265-WU - Little Gasparilla SARC - Update on Meter Replacements  
**Attachments:** PSC RR 131.pdf

Hi Denise, per my earlier e-mail, I will be forwarding several documents to you that were used for staff's recommendation. This is the documentation for the additional meter replacements that were completed by November 14.

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**From:** Jack Boyer [lwjd777@yahoo.com]  
**Sent:** Tuesday, November 14, 2017 4:31 PM  
**To:** Jack Boyer; Martha Golden  
**Subject:** Re: Fw: Docket No. 20130265-WU - Little Gasparilla SARC - Update on Meter Replacements

Hi Martha, Attached are RR wo 8-12 =56 more Remote reads installed. Total to date 131. Hope to reach 225 by year end. Thanks Jack and if you need anything else, Holler

On Tuesday, November 14, 2017, 4:07:36 PM EST, Jack Boyer <[lwjd777@yahoo.com](mailto:lwjd777@yahoo.com)> wrote:

Sent from Yahoo Mail on Android

On Tue, Nov 14, 2017 at 2:32 PM, Martha Golden <[MGolden@PSC.STATE.FL.US](mailto:MGolden@PSC.STATE.FL.US)> wrote:

Hello Mr. Boyer,

In your September 18, 2017 response to Staff's Sixth Data Request, you provided documentation showing that Little Gasparilla had completed 75 meter replacements as of September 1, 2017, including a copy of the meter replacement records. Has Little Gasparilla completed any additional meter replacements since September 1? If yes, please state how many additional meters have been replaced since September 1, and please provide a copy of the meter replacement records for the additional meters.

Please feel free to call me at (850) 413-7015 if you have any questions.

Thank you,

Martha

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 7:50 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** FW: Fw: Docket No. 20130265-WU - Little Gasparilla SARC - Request for Additional Information  
**Attachments:** DMK bill PSC.pdf

Hi Denise, these are additional DMK invoices that we requested from the Utility to fill in some missing invoices from the Phase II documentation.

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**From:** Jack Boyer [lgwu7777@yahoo.com]  
**Sent:** Thursday, November 09, 2017 3:10 PM  
**To:** Martha Golden  
**Cc:** Jack Boyer  
**Subject:** Re: Fw: Docket No. 20130265-WU - Little Gasparilla SARC - Request for Additional Information

Ms. Golden,  
Attached please find the invoices you requested in your 11/9/17 e-mail.  
Little Gasparilla Water Utility,  
Audrey Rice  
On Thursday, November 9, 2017, 8:16:54 AM EST, Jack Boyer <lwjd777@yahoo.com> wrote:

Good Morning! Please find the invoices below or get them from DMK. Need ASAP  
Love

Sent from Yahoo Mail for iPhone

Begin forwarded message:

On Wednesday, November 8, 2017, 8:39 PM, Martha Golden <[MGolden@PSC.STATE.FL.US](mailto:MGolden@PSC.STATE.FL.US)> wrote:

Hello Mr. Boyer,

Staff inadvertently omitted the following questions from Staff's Sixth Data Request that you previously responded to on September 18, 2017. In order to assist with staff's review of Little Gasparilla's completed pro forma projects, we request that you provide the following additional information related to the pro forma project documentation that was filed with the Commission by Little Gasparilla on April 28, 2017:

Please refer to Exhibit E, Soft Costs, Engineering Cost Section, and provide the following additional information:

1. DMK Invoice No. 10885 dated 3/31/2016 includes an aging summary at the bottom of the invoice. Of those aging summary invoices, three invoices are missing from the Utility's filing. Please provide a copy of the following DMK invoices: (1) Invoice No. 10434 dated 9/30/2015 for \$1,430, (2) Invoice No. 10507 dated 10/31/2015 for \$2,887.28, and (3) Invoice No. 10640 dated 12/31/15 for \$540.

2. DMK Invoice No. 11611 dated 1/20/2017 for \$600 includes the description of "Boundary with improvements Lot 8, Update Certifications per client, Spot/Foundation location and UC FEMA." Please clarify what this invoice is for and which project or projects it is associated with.

Please feel free to call me at (850) 413-7015 if you have any questions.

Thank you,

Martha

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 7:55 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** Little Gasparilla Insurance Information  
**Attachments:** LITTLE\_GASPARILLA\_WATER\_CO\_INC201791151053.pdf

Hi Denise, staff requested an update on the cost of the insurance on the new building. This is part of the information the Utility provided. I will be sending another e-mail that has the letter from insurance company regarding the insurance on the building.

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**From:** Jack Boyer [lwjd777@yahoo.com]  
**Sent:** Wednesday, November 15, 2017 10:29 AM  
**To:** Martha Golden  
**Subject:** Fw: FYI - Finance Agreement

Martha,

I have requested a letter from our insurance company explaining why everything jumped in cost so dramatically.

Attached is our financing agreement and shows the brake down of each insurance.

I am just praying that the SBA will allows the \$50,000 deductible?

Will follow up as I receive!

Thanks Jack

Sent from Yahoo Mail for iPhone

Begin forwarded message:

On Tuesday, September 5, 2017, 11:41 AM, Kandie Fogo <[kandie@keyagency.net](mailto:kandie@keyagency.net)> wrote:

*Jack,*

*Attached is a copy of the Finance agreement additional premium. The last page shows the policy costs break out.*

*Please do not hesitate to contact our office should you have any questions or concerns.*

*Thank you,  
Kandie Fogo*

*Key Agency Inc ~ Since 1952 ~ Celebrating 65 Years of Service !*

*941-460-1288*

\*\*\*Key Agency's office hours are 9am to 5pm Monday ~ Friday.

I am out of the office on Wednesday's \*\*\*

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 8:01 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** Little Gasparilla - FW: Letter of Premium Explanation  
**Attachments:** LETRHEAD.pdf; LITTL-8.pdf

Hi Denise, this is the rest of the information regarding the insurance on the building. It includes a letter from the insurance agency explaining why the costs have increased, and another document that lists the premiums for the various types of insurance over the last few years.

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**From:** Jack Boyer [lwjd777@yahoo.com]  
**Sent:** Thursday, November 16, 2017 4:19 PM  
**To:** Martha Golden  
**Subject:** Fw: Letter of Premium Explanation

Martha Have not read attachment because we just started having email problems at the office. Just wanted to get it to you.  
Thanks

Sent from Yahoo Mail for iPhone

Begin forwarded message:

On Thursday, November 16, 2017, 3:09 PM, Kandie Fogo <[kandie@keyagency.net](mailto:kandie@keyagency.net)> wrote:

*Jack,*

*Please find attached the letters of explanation as requested. Please read through this and let me know if you need any additional information.*

*Please do not hesitate to contact our office should you have any questions or concerns.*

*Wishing you and yours a*



*Our Offices will be closed November 23rd & 24th for the holiday.*



*Kandie Fogo*

*Commercial Lines ~ CSR*

*General Lines Agent*

*Key Agency Inc. ~ Since 1952 ~ Celebrating 65 Years of Service !*

[kandie@keyagency.net](mailto:kandie@keyagency.net)

Direct [941.460.1288](tel:941.460.1288)

Fax [941.474.7283](tel:941.474.7283)

Office [941.474.9511](tel:941.474.9511) ext 288

\*\*\*Key Agency's office hours are 9am to 5pm Monday ~ Friday.

I am out of the office on Wednesday's \*\*\*

### How is my service?

Please contact my manager, Cindy Lewis [cindy@keyagency.net](mailto:cindy@keyagency.net) with your suggestions, comments or feedback.

Your input is greatly appreciated to ensure quality customer service.

*We write all lines of insurance. Home, Auto, Group Health, Life, Boats and Business. Please ask me for a quote. Thank you for the opportunity to serve you.*



*If you don't know insurance, know your insurance agent!*

Everyone lives in  
a flood zone.

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 8:08 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** Little Gasparilla - FW: Blu Tower Payments & Loan Closing Cost Question  
**Attachments:** DOC112917-11292017150452.pdf; image001.jpg

Hi Denise, this is some of the loan payment information you requested. This relates to the payments the bank as issued for the meter replacement program loan. This first page of the attachment was already provided in the Phase II documentation.

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**From:** Jack Boyer [lwjd777@yahoo.com]  
**Sent:** Wednesday, November 29, 2017 4:17 PM  
**To:** Martha Golden  
**Subject:** Fw: Blu Tower Payments & Loan Closing Cost Question

Martha,

Attached are the remote Read loan disbursement amounts Also LGWU has invested an additional \$8,000 plus.

So \$64,093.. to date.

Thanks jack

Sent from Yahoo Mail for iPhone

Begin forwarded message:

On Wednesday, November 29, 2017, 3:06 PM, Staci Stierle <[ss-tierle@my100bank.com](mailto:sstierle@my100bank.com)> wrote:

Here is the requested information with an explanation below. The total loan amount was \$62,400 as shown on the Loan closing statement.

04/03/17-Wire to BlueTower Inc.	\$25,901.81
07/05/17-Check made payable to USA Blue Book	\$ 8,672.60
09/08/17-Wire to Blue Tower, Inc.	<u>\$13,519.11</u>
	\$48,093.52

09/12/17-Check made payable to Island Dreams North \$8,000.00

The additional funds are in the checking account to be paid for installation.

Please let me know if there is anything additional that you need.

Staci

PLEASE NOTE THAT MY EMAIL IS CHANGING EFFECTIVE MONDAY NOVEMBER 13, 2017  
TO [SStierle@my100bank.com](mailto:SStierle@my100bank.com)

Staci J. Stierle

Vice President/Portfolio Manager

Centennial Bank formerly Stonegate Bank

500 US 41 Bypass North, Venice, FL 34285

(941) 237-2020 phone | (941) 237-2001 fax | [ssstierle@my100bank.com](mailto:ssstierle@my100bank.com) | [www.my100bank.com](http://www.my100bank.com)

NMLS #1674669



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## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 8:11 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** Little Gasparilla - Meter Replacement Loan  
**Attachments:** Remote read loan 7012178.pdf

Hi Denise, this is the bank statement that shows the interest rate for the meter replacement loan. The Utility told us that the loan is supposed to pay for 80% of the project and the Utility has to pay the other 20% of the costs.

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**From:** Jack Boyer [lwjd777@yahoo.com]  
**Sent:** Thursday, November 30, 2017 8:27 AM  
**To:** Martha Golden  
**Subject:** better copy

Martha, Better copy of the same loan. (loan # 7012178 for 80% of Remote read)

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 8:44 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** Little Gasparilla - Additional loan information  
**Attachments:** PSC resp email..pdf

Hi Denise, the attached file includes the bank statements showing the interest rates for the four big loans that are broken out separately in our recommended capital structure and identified as either a Stonegate loan or SBA loan. The file also includes the \$49,000 promissory note. Regarding the loan that I eliminated, Mr. Boyer confirmed on a phone call that they had paid that loan off and don't have it any more. The last page of the attachment is a breakdown from new panel homes on the cost of the building. That breakdown was already provided in the Phase II documentation, but handwritten notes are intended to show which part was paid through the loan and which part was paid directly by the Utility as their contribution to the costs. The other two documents are additional payment information that I requested related to the contractor's payments to Charlotte County Utilities for construction water used in the construction of the subaqueous pipeline. Those payments were made by Whippo, the contractor, but then Whippo was reimbursed through the construction loan. The \$1,500 deposit was refunded to Whippo per the Utility, so I removed it in the recommendation.

## Todd Brown

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**From:** Martha Golden  
**Sent:** Friday, December 08, 2017 8:50 AM  
**To:** Denise Vandiver  
**Cc:** Todd Brown  
**Subject:** Little Gasparilla - \$25,000 loan info  
**Attachments:** loan 402.pdf

Hi Denise, this is the bank statement that shows the interest rate on the loan for \$25,150. The Phase II documentation included a loan for \$45,000 (I think that was the amount). The Utility paid it off and replaced it with this smaller loan. I think this is the last of the loan information you requested. If you think something is missing let me know.