

MEMORANDUM

To:	Christopher Richards – Public Utility Analyst 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 crichard@psc.state.fl.us
From:	Tara Hollis, CPA, MBA
Date:	March 20, 2019
Client:	North Peninsula Utilities Corporation (NPUC)
Project:	Docket No. 20180138-SU
Subject:	Response to Staff's Fifth Data Request

1. Contractual Services - Engineering (731) - After reviewing previous data request responses, staff discovered that Cadenhead Environmental Engineering quoted an amount for permit renewal as \$1,600. Please provide the amount due directly to DEP for the permit. Please provide the invoice paid by NPUC for permit renewal and how long the permit is valid for.

NPUC paid Cadenhead Environmental Engineering \$1,600 to prepare the permit renewal application. The permit application was submitted to FDEP along with a check for \$3,000 from NPUC. The new permit has an effective date of September 3, 2018 and has a term of 5 years. See Attachment 1 for additional information.

2. Contractual Services - Management Fees (734): Please provide supporting documentation for each of the Overhead and Administration costs listed below.
 - a. Current office lease.
A copy of the lease agreement is included in Attachment 2. PMI is continuing to operate under this lease agreement signed 11/3/2009.
 - b. Auto expense for \$500 per month.
Currently PMI staff use personal vehicles to provide service to NPUC. This includes various trips to the plant and service area on a weekly basis. Auto expenses include mileage reimbursement to cover gas, vehicle repairs/maintenance, tires, etc.

c. Miscellaneous for \$300 per month.

This includes various miscellaneous expenses incurred throughout the year including printing supplies (ink, toner), small equipment purchases (i.e. dot-matrix printer for bills, laptops), incidentals, office supplies, etc.

3. Miscellaneous Expenses (775) - City of Ormond Beach: Please provide an explanation for the purpose of the hydrant meter deposit of \$1,000 paid to the City of Ormond Beach. Was this an expense that NPUC will incur on an annual basis? Will NPUC receive this deposit back from the City of Ormond Beach, and if so, when?

After Hurricane Irma, NPUC had some issues with the system backing up do to flooding. NPUC hired American Inline to fix the issues with the system. American Inline required NPUC to provide water at the work site, so NPUC had to get a temporary hydrant meter installed onsite. The City of Ormond Beach required a deposit of \$1,000 for the hydrant meter. Other than some minor administrative and usage expenses, the majority of the deposit has been refunded. This is not a recurring expense.

4. Miscellaneous Expenses (775) - Roto-Rooter: During the audit, staff listed two expenses paid to Roto-Rooter dated September 27, 2017 for \$603.93, and November 25, 2017 for \$650. Please provide an explanation of the work performed by Roto-Rooter. Are these recurring expenses?

See Attachment 3. The invoice for \$603.93 was for work necessary as a result of Hurricane Irma. Roto-Rooter was not able to completely fix the situation, so American Inline was hired to complete this work.

The invoice for \$650.00 was for clearing out lines that had roots in them at that address.

NPUC utilizes Roto-Rooter at various times throughout the year to help clear lines, etc. and perform other repairs as necessary to maintain the aging system.

Attachment 1

Bob

Cadenhead Environmental Engineering Services, Inc.



1982 SR 44, #201, New Smyrna Beach, Florida 32168
Phone: (904) 307-6824 (cell), Email Address: mark_cadenhead@bellsouth.net

March 2, 2018

Ms. Dennise Judy
Department of Environmental Protection
Domestic Wastewater Section
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Dear Dennise:

Re: North Peninsula Utilities WWTF (fka Seabridge WWTF)
Permit Number: FLA011188

Please find enclosed one original version and one copy of the permit renewal application. Also enclosed is a check in the amount of \$3,000.00 for the application fee.

The application is timely in that it was submitted 180-days prior to the expiration date of September 3, 2018.

Please also note the following:

- The 90-page field checklist is only contained in the original version due to length and was not copied.
- The Permittee wishes to change the name of the facility.
- The contract with American Bioclean is pending.
- A copy of the backflow prevention device(s) testing will be sent under separate cover.
- Two groundwater monitoring events were missed in 3rd and 4th quarters 2017. The results of the 1st quarter 2018 are attached and presented in the tables of Attachment II.
- Corrosion is an issue at the metal plants. Chapter 7 of the Operation and Maintenance Performance Report addresses the issues noted by the engineer.
- The previous permit listed one of the metal plants as Contact Stabilization which is not correct. Only the concrete plant operates as Contact Sabilization.

If you or your staff has any questions, you may reach me at the letterhead address or at (904) 307-6824.

Sincerely,

Mark Cadenhead, P. E., MBA, President
Cadenhead Environmental Engineering Services, Inc.

Attachment 2

AMENDMENT NO. 1 TO LEASE AGREEMENT

THIS AMENDMENT NO. 1 TO LEASE AGREEMENT (this "Amendment") is entered into this 1st day of December, 2009 by and between DORJIM, LLC (the Landlord) and Robert L. Hillman of Peninsula Management, Inc. (the Tenant), for the purpose of amending that certain Lease Agreement dated May 11, 2007 (collectively referred to as the "Lease"), to reflect changes to the Lease Agreement.

WITNESSTH

WHEREAS, LANDLORD and TENANT desire to amend and modify the terms, covenants, provisions and conditions of the Lease, all in a manner herein specified.

NOW, THEREFORE, for good and valuable consideration, the mutual exchange and receipt of which are hereby acknowledged by the parties, it is mutually understood and agreed by and between LANDLORD and TENANT that the lease is hereby altered, modified and amended in the following respects.

2. TERM


The term of this lease is 36 months, beginning on the 1st day of December 2009, and terminating on the 30th day of November, 2012. The Tenant shall have the right to extend the term of the lease for an additional 36 month term, after the initial expiration date on the terms and conditions set forth herein. Tenant shall provide written notice to Landlord sixty (60) days prior to the expiration of the initial term if Tenant decides to extend the term. Landlord reserves the right to increase the rental on the extended term to compensate for inflation, rising costs, etc. The amount of such increase, if any, is negotiable between Tenant and Landlord. If the Tenant chooses to extend the term, the details of the extension will be set forth in an addendum to the original lease.


3. RENT

(b) Rent: The total rent under this lease is Thirty Nine Thousand, Four Hundred Forty Four Dollars and Eighty Four Cents (\$39,444.84) plus applicable sales tax. Tenant agrees to pay Landlord such amount in the following manner:

	<u>Annually</u>	<u>Monthly</u>
Dec. 1, 2009 – Nov. 30, 2010:		
Rent	\$12,761.64	\$1,063.47
Sales Tax @ 6 ½%	<u>\$829.44</u>	<u>\$69.12</u>
Total	\$13,591.08	\$1,132.59
Dec. 1, 2010 – Nov. 30, 2011:		
Rent	\$13,144.44	\$1,095.37
Sales Tax @ 6 ½%	<u>\$854.28</u>	<u>\$71.19</u>
Total	\$13,998.72	\$1,166.56
Dec. 1, 2011 – Nov. 30, 2012:		
Rent	\$13,538.76	\$1,128.23
Sales Tax @ 6 ½%	<u>\$879.96</u>	<u>\$73.33</u>
Total	\$14,424.72	\$1,202.06

This is an original document:


Landlord


Tenant

26. SPECIAL PROVISIONS

Tenant is responsible for the maintenance, repair and/or replacement of Heating and Air Conditioning Equipment, up to \$1,000.00 (One Thousand Dollars). Landlord is responsible for the repair and/or replacement costs after the first \$1,000.00 covered by Tenant.

The Lease and Amendment No. 1 shall remain effective, and except as expressly modified by this Amendment, the Lease and Amendment shall remain in full force and effect through the term of this Amendment No. 1.

IN WITNESS WHEREOF, the parties have executed this amendment as of the day and year first mentioned above.


EXECUTED THIS 3 DAY OF Nov., 2009

LANDLORD: DORJIM, LLC


James Hackett, Managing Member, Dorjim, LLC

Date: 11-3-09

TENANT: Robert L. Hillman of "Peninsula Management, Inc."


Robert L. Hillman

Date: 11-3-09

Attachment 3

SAVE THIS INVOICE FOR YOUR GUARANTEE
SEE BINDING TERMS ON REVERSE



Roto-Rooter
P.O. Box 6142
Daytona Beach, FL 32122
(386) 252-4303 • (386) 253-1128 Fax
License CFC #1427721

DATE OF SERVICE: 9/25/17
LOCATION: Daytona Beach
SERVICE TECHNICIAN'S NAME: Teny # 96
INVOICE NO: 155214

SEWER & DRAIN PLUMBING PUMPING
INDUSTRIAL EXCAVATION DRAIN TILE

Operated as an Independent Contractor

CUSTOMER NAME: North Penton A Utilities
SERVICE ADDRESS: 3214 John Anderson Dr.
CITY: Ormond Bch STATE/PROVINCE: FL ZIP/POSTAL: 32176
CUSTOMER NO.: APT. NUMBER: FEDERAL I.D. # 59-3424211
CUSTOMER PHONE NO.: P.O. NUMBER/AUTHORIZATION:
BILLING ADDRESS (IF DIFFERENT FROM SERVICE ADDRESS): CITY: STATE/PROVINCE: ZIP/POSTAL:

REPAIR CODE	ESTIMATE AND DESCRIPTION OF WORK TO BE PERFORMED (The approximate starting date is _____, and the approximate completion date is _____). Neither date is guaranteed. Unexpected conditions or problems could cause delays. A definite completion date is not of the essence.)	\$ AMOUNT
	3214 BORN c/o HOLDING WATER + c/o IN DRIVE WAY OF 3212 Pull AISP + c/o TO CLEAR FROM MANHOLE AT 3216 ORNBACH SOUTH FOUND INC LINE HAS LOGS + AMOUNTS OF SAND + WAS NEVER ABLE TO GET CLEAR FROM TOWN - HAD TO RUN FROM THERE I WAS ABLE TO	

WORK ORDER AUTHORIZATION I authorize the services indicated and agree to pay the amounts specified. I have read and agree to the terms on the reverse side, including the limits on Roto-Rooter's responsibility specified in those terms.

(SIGNATURE) _____ (PRINT NAME) _____
CHANGES TO ESTIMATE I authorize these changes
ADJUSTMENTS/CHANGES IN WORK TO BE PERFORMED (Use additional invoice if needed to describe changes)
 CRACK CAN FEEL LIKE I AM GOING TO HAVE LARGE AMOUNT OF SAND. RECOMMEND YOU TO REMOVE CRAWLER TO CLEAN INSPECT THE POSSIBLE LINE IS BROKE

COMPLETION I acknowledge completion of the above described work which has been done to my complete satisfaction.
 (SIGNATURE) _____ (PRINT NAME) _____
 (E-MAIL ADDRESS) _____
 Send plumbing tips, product/services information and coupons via email.

PAYMENT
 CASH CHECK NO. _____ * CREDIT CARD NET 10 DAYS
 OVER 30 DAYS = LATE CHARGE OF 1 1/2% PER MONTH * In the event check is returned, the CUSTOMER is responsible for all related bank fees.
 LABOR \$ _____
 PARTS \$ _____
 PRODUCTS \$ _____
 OTHER \$ _____
 TAX \$ 595.00
INVOICE TOTAL \$ _____

NEXT VISIT _____ **PLEASE PAY FROM THIS INVOICE**

RESIDENTIAL GUARANTEE		COMMERCIAL GUARANTEE	
LABOR		LABOR	
<input type="checkbox"/> Main/Branch Lines	6 months	<input type="checkbox"/> Main/Branch Lines	30 days
<input type="checkbox"/> Toilet Auger	7 days	<input type="checkbox"/> Toilet Auger	24 hours
<input type="checkbox"/> Plumbing Repair	6 months	<input type="checkbox"/> Plumbing Repair	90 days
<input type="checkbox"/> Plumbing Replacement	1 year	<input type="checkbox"/> Plumbing Replacement	90 days
<input checked="" type="checkbox"/> Extended Guarantee	1 year		

REASON FOR NO GUARANTEE: NO WARRANTIES ON UTILITIES WORKS + LARGE AMOUNTS OF SAND!
 T. VAHM

Rely on the experts at Roto-Rooter for complete plumbing and drain services. Call 1-800-GET-ROTO (438-7686).
 Visit us at rotorooter.com for coupons, helpful hints and more. Complete our customer survey at: rotorooter.com/contact-us/customer-survey.
 And, follow us online for news, timely updates, and other plumbing and drain information.

- facebook.com/rotorooter
- twitter.com/rotorooter
- rotorooter.com/blog
- youtube.com/rotorootertv

(Service Technician's Signature) Teny #96



Roto-Rooter
 P.O. Box 6142
 Daytona Beach, FL 32122
 License CFC #1427721

(386) 252-4303 Daytona Beach
 (386) 761-5002 Port Orange
 (386) 677-5145 Ormond Beach
 (386) 427-4220 New Smyrna
 (386) 253-1128 Fax
 1-800-GET-ROTO

Operated as an Independent Contractor

Billed To: North Peninsula Utilities ID# 3092
 PO Box 2803
 Ormond Beach FL 32175
 Attn:BOB

Accounts Receivable Statement

Invoice# - 155214	30 Days Past Due		
Work Completed	09/27/2017		595.00
Work Site - North Peninsula Utilities 3214 John Anderson			
Interest	10/29/2017		8.93
		Due	\$603.93
		Total Due:	\$603.93

PAST DUE

1/15/18
 PO



SEE BINDING TERMS ON REVERSE

11/2/17

Roto-Rooter
 P.O. Box 8142
 Daytona Beach, FL 32122
 (386) 252-4303 • (386) 253-1128 Fax
 License CFC #1427721

DATE OF SERVICE # 1/25/17 LOCATION **Daytona Beach**
 SERVICE TECHNICIAN'S NAME Terry #96
 INVOICE NO. **154561**

CUSTOMER NAME **North peninsula utilities** OPERATED AS AN INDEPENDENT CONTRACTOR
 SERVICE ADDRESS **43 E. SEA HARBOR** CUSTOMER NO.
 CITY **Ormond Bch** STATE/PROVINCE **FL** ZIP/POSTAL **32176** APT. NUMBER
 FEDERAL I.D. # **59-3424211**
 BILLING ADDRESS (IF DIFFERENT FROM SERVICE ADDRESS) CUSTOMER PHONE NO. P.O. NUMBER/AUTHORIZATION
 CITY STATE/PROVINCE ZIP/POSTAL

REPAIR CODE ESTIMATE AND DESCRIPTION OF WORK TO BE PERFORMED (The approximate starting date is _____, and the approximate completion date is _____ Neither date is guaranteed. Unexpected conditions or problems could cause delays. A definite completion date is not of the essence.)
 \$ AMOUNT
 Home power kept being back up issue I could not find any c/c to verify where problem it was. Run camera from C/O BY STREET I WAS ABLE TO LOCATE C/O BY STREET WAS FULL. Run Teller I WAS ABLE TO CLEAR. He had camera I found roots where pipe clay meet. ran cable up to cut blade I was ABLE TO CLEAR ROOTS BUT HE HAD CAMERA AT

WORK ORDER AUTHORIZATION I authorize the services indicated and agree to pay the amounts specified. I have read and agree to the terms on the reverse side, including the limits on Roto-Rooter's responsibility specified in those terms.
 (SIGNATURE) Over the phone (PRINT NAME)

CHANGES TO ESTIMATE I authorize these changes
ADJUSTMENTS/CHANGES IN WORK TO BE PERFORMED (Use additional invoice if needed to describe changes)
 Double roots any more tested showing fine now all is well

COMMENTS c/o by street 17ft off ROAD towards house & get off manhole North Edge Back North. c/o is right change of property line.

COMPLETION I acknowledge completion of the above described work which has been done to my complete satisfaction.
 (SIGNATURE) _____ (PRINT NAME) _____
 (E-MAIL ADDRESS) _____
 Send plumbing tips, product/services information and coupons via email.

LABOR \$ _____
 PARTS \$ _____
 PRODUCTS \$ _____
 OTHER \$ _____
 \$ _____
 TAX \$ 650
INVOICE TOTAL \$ _____

PAYMENT
 CASH CHECK NO. _____ * CREDIT CARD NET 10 DAYS
 OVER 30 DAYS = LATE CHARGE OF 1 1/2% PER MONTH * In the event check is returned, the CUSTOMER is responsible for all related bank fees.

PLEASE PAY FROM THIS INVOICE

RESIDENTIAL GUARANTEE	COMMERCIAL GUARANTEE
LABOR	LABOR
<input type="checkbox"/> Main/Branch Lines 6 months	<input type="checkbox"/> Main/Branch Lines 30 days
<input type="checkbox"/> Toilet Auger 7 days	<input type="checkbox"/> Toilet Auger 24 hours
<input type="checkbox"/> Plumbing Repair 6 months	<input type="checkbox"/> Plumbing Repair 90 days
<input type="checkbox"/> Plumbing Replacement 1 year	<input type="checkbox"/> Plumbing Replacement 90 days
<input checked="" type="checkbox"/> Extended Guarantee 1 year	
REASON FOR NO GUARANTEE <u>no warranties on city man</u> <u>sewer lines !!</u> <u>Flahm</u>	

Rely on the experts at Roto-Rooter for complete plumbing and drain services. Call **1-800-GET-ROTO** (438-7686).
 Visit us at rotorooter.com for coupons, helpful hints and more. Complete our customer survey at: rotorooter.com/contact-us/customer-survey.
 And, follow us online for news, timely updates, and other plumbing and drain information.

- facebook.com/rotorooter
- twitter.com/rotorooter
- rotorooter.com/blog
- youtube.com/rotorootertv

(Service Technician's Signature) Terry #96
 (Print Service Technician's Name and Number)