State of Florida

FILED 4/28/2020 DOCUMENT NO. 02244-2020 FPSC - COMMISSION CLERK

Public Service Commission

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

DATE:	April 28, 2020
то:	Adam J. Teitzman, Commission Clerk, Office of Commission Clerk
FROM:	Jefferson Doehling, Engineering Specialist, Division of Engineering JD MR LK
RE:	Docket No. 20190080-WS - Application for limited proceeding rate increase in Brevard County, by Aquarina Utilities, Inc.

Please file the attached email correspondence from Martin Friedman, Re: Aquarina Utilities' response to staff's inquiry, lift station plant in service, in the above mentioned docket file.

JD/pz

Attachment

From:	Jeff Doehling						
To:	Patti Zellner						
Subject:	FW: Docket No. 20190080 (Aquarina) - Data Request						
Date:	Tuesday, April 28, 2020 8:46:54 AM						
Attachments:	DN 20190080 (Aquarina) - Plant in Service Request.pdf						

From: Martin S. Friedman [MFriedman@deanmead.com]
Sent: Wednesday, April 15, 2020 2:32 PM
To: Jeff Doehling
Cc: Kevin & Holly Burge
Subject: FW: Docket No. 20190080 (Aquarina) - Data Request

Jeff,

As I mentioned when you called, I don't recall ever having seen 3 bids being required for individual parts purchases (even vehicles for that matter), specifically the small costs involved here. Notwithstanding that objection, see Mr. Burge's response below.\

If you need anything else give me a call, Marty



Martin S Friedman Attorney at Law <u>MEriedman@deanmead.com</u> D: 407-310-2077 Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A. 420 S. Orange Avenue, Suite 700, Orlando, FL 32801 Orlando | Fort Pierce | Tallahassee | Viera/Melbourne **f** in **y a 8** Bio **v**Card

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From: Kevin Burge <aquarinautilities@bellsouth.net>
Sent: Wednesday, April 15, 2020 12:41 PM
To: Martin S. Friedman <MFriedman@deanmead.com>
Subject: Re: Docket No. 20190080 (Aquarina) - Data Request

Marty,

We did use our normal vendors. One of the issues we have for Aquarina is that we are isolated. The location is cost prohibitive. There are hardly any vendors we can get to purchase from or do the work. They are pretty much sole providers out there. We do make every effort to obtain the lowest price for work and purchases.

If the cost is low enough or if it is an emergency, it's not worth getting or we can't waste the time to do it.

Thanks

Kevin

From: Martin S. Friedman [MFriedman@deanmead.com]
Sent: Thursday, April 09, 2020 12:46 PM
To: Jeff Doehling
Cc: Clayton Lewis; Marissa Ramos; Justin Sewards
Subject: RE: Docket No. 20190080 (Aquarina) - Data Request

Jeff,

The 60hp is used for fire protection/irrigation. It was not used for golf course irrigation. As you surmised, the other items were solely for golf course irrigation. Marty

From: Jeff Doehling <JDOEHLIN@psc.state.fl.us> Sent: Thursday, April 9, 2020 12:13 PM To: Martin S. Friedman
 MFriedman@deanmead.com>
 Cc: Clayton Lewis
 CLewis@PSC.STATE.FL.US>; Marissa Ramos
 mramos@psc.state.fl.us>; Justin Sewards
 subject: RE: Docket No. 20190080 (Aquarina) - Data Request

Marty,

In regards to the Non-Potable plant in service request (Item 2 in the attachment), which assets are used to provide service solely to the golf course?

Respectfully, Jeff

Jefferson Doehling Engineering Specialist Division of Engineering Florida Public Service Commission

From: Martin S. Friedman [MFriedman@deanmead.com]
Sent: Wednesday, April 08, 2020 4:11 PM
To: Jeff Doehling
Cc: Clayton Lewis; Kevin & Holly Burge ; Jeff Small
Subject: RE: Docket No. 20190080 (Aquarina) - Data Request

Jeff,

Keep in mind that the lift station on a barrier island subject to corrosive elements. The two panels rusted out and all the inside of the panel were original. The electrical components needed to be replaced. The electrician was reluctant to even repair it anymore. The pump was old. It would have cost more to repair than to replace. The utility only replaces equipment if it makes financial sense.

Let me know if you need anything else. Marty



Martin S Friedman Attorney at Law <u>MEriedman@deanmead.com</u> D: 407-310-2077 Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A. 420 S. Orange Avenue, Suite 700, Orlando, FL 32801 Orlando | Fort Pierce | Tallahassee | Viera/Melbourne **f** in **y a S** Bio **v** Card

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From: Jeff Doehling <<u>JDOEHLIN@psc.state.fl.us</u>>

Sent: Wednesday, April 8, 2020 3:03 PM

To: Martin S. Friedman <<u>MFriedman@deanmead.com</u>>

Cc: Clayton Lewis <<u>CLewis@PSC.STATE.FL.US</u>>

Subject: Docket No. 20190080 (Aquarina) - Data Request

Marty,

I hope this email finds you well. In regards to the lift station plant in service request (Item 3 in the attachment), could you please provide me a brief explanation as to why the improvements/repairs were necessary?

Respectfully, Jeff

Jefferson Doehling Engineering Specialist Division of Engineering Florida Public Service Commission

Aquarina, Utilities, Inc. Proforma Plant in Service Request

	NARUC						Dep	Annual	Net PIS Balance at YE		Net A/D Balance at YE	
Item	Acct #s	Item	In service	Estimate	Retirement	Net Addition	Rate	Dep Exp	2018	2019	2018	2019
1	304.000	Reverse Osmosis Bldg Roof	TBD	\$16,500.00	(\$12,375.00)	\$4,125.00	3.03%	\$125.00	\$4,000.00	\$3,875.00	(\$125.00)	(\$250.00)
_												
2		Motors and Pumps		Invoice								
	311.100	Non-Potable		Enclosed								
		75 HP Golf Course Pump New	2018	\$6,724.42	(\$5,043.32)	\$1,681.11	5.00%	\$84.06	\$1,597.05	\$1,512.99	(\$84.06)	(\$168.11)
		75 HP Gold Course Pump Repair	2018	\$3,636.10	А	\$3,636.10	5.00%	\$181.81	\$3,454.30	\$3,272.49	(\$181.81)	(\$363.61)
		60 HP VFD Drive/ Pump	2017	\$4,990.00	(\$3,742.50)	\$1,247.50	5.00%	\$62.38	\$1,185.13	\$1,122.75	(\$62.38)	(\$124.75)
		NP Pumps wiring	2017	\$557.75	А	\$557.75	5.00%	\$27.89	\$529.86	\$501.98	(\$27.89)	(\$55.78)
		75HP VFD Drive NEW	2017	\$9,125.00	(\$6,843.75)	\$2,281.25	5.00%	\$114.06	\$2,167.19	\$2,053.13	(\$114.06)	(\$228.13)
		75HP VFD Drive Replaced	2017	\$980.00	Α	\$980.00	5.00%	\$49.00	\$931.00	\$882.00	(\$49.00)	(\$98.00)
		-		\$26,013.27	(\$15,629.57)	\$10,383.71		\$519.19	\$9,864.52	\$9,345.33	(\$519.19)	(\$1,038.37)
	320.000	Potable									. ,	,
		7.5 R/O Motor	2017	\$850.00	(\$637.50) A	\$212.50	4.55%	\$9.66	\$202.84	\$193.18	(\$9.66)	(\$19.32)
		R/O Motor Fittings and Repair	2017	\$408.71	А	\$408.71	4.55%	\$18.58	\$390.13	\$371.55	(\$18.58)	(\$37.16)
		60 HP R/O Pump Repair	2018	\$3,426.90	А	\$3,426.90	4.55%	\$155.77	\$3,271.13	\$3,115.36	(\$155.77)	(\$311.54)
		60 HP R/O Pump and Motor NEW	2017	\$8,290.19	(\$6,217.64)	\$2,072.55	4.55%	\$94.21	\$1,978.34	\$1,884.13	(\$94.21)	(\$188.41)
				\$12,975.80	(\$22,484.71)	\$16,504.36		\$797.40	\$15,706.97	\$14,909.57	(\$797.40)	(\$1,594.79)
3		Lift Station, Main		Invoiced								
	370.000	Panel, Enclosure, Pump		\$19,368.94	(\$14,526.71)	\$4,842.24	4.00%	\$193.69	\$4,648.55	\$4,454.86	(\$193.69)	(\$387.38)
				\$74,858.01	(\$65,015.98)	\$35,855.30		\$1,635.27	\$34,220.03	\$32,584.76	(\$1,635.27)	(\$3,270.54)

A No retirement needed because it was a large non-recurring expense that extended the life of the asset.