



FLORIDA'S SPACE COAST

NANCY HIGGS, Commissioner, District 3 1311 E. New Haven Avenue Melbourne, FL 32901



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020553-415

July 11, 2002

Director, Division of Commission Clerk and Administrative Services 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

RE: NOTICE OF APPLICATION FOR AN EXTENSION OF WATER AND WASTEWATER SERVICE AREA - BURKIM ENTERPRISES, INC.

Dear Director:

AUS CAF CMP COM CTR ECR

I understand Burkim Enterprises has made application for an extension to its water and wastewater service area to provide water and wastewater service to the Snug Harbor Community. This application is to correct an oversight of the prior utility in not obtaining Commission approval.

Attached is a copy of an executed agreement between Burkim Enterprises, Inc. and the office of Public Counsel, the letter from the staff of the Public Service Commission and the language to be included in the consummating Order No. PSC-01-2511-PAA-WS. The agreement entered into on January 9, 2002, outlines specific requirements for plant upgrades within a 9 month time period. In order to avoid a protest of the Order, the utility and the Office of Public Counsel entered into the agreement and the staff would pursue if the utility fails to make the required upgrades within 9 months of the effective date.

I am very concerned with the system failures and the water quality issues the residents,
my constituents, are experiencing. We have had numerous phone calls and complaints
from the residents such as tank explosions, boil water notices, water quality, poor
pressure, pressure fluctuations, sulfur odors, no pressure for the fire hydrants, the water
being unsafe to consume as well as, the imposed rate increase.

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I propose a delay in Burkim Enterprises' request for the extension of its service area until Burkim Order No. PSC-01-25110-PAA-WS has been complied with including all of the specified upgrades of the utility plant to be made by Burkim.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Nancy Higgs, Brevard County Commissioner, District 3

NH/la

cc Stephen C. Reilly, Esquire
Associate Public Counsel
State of Florida Office of Public Counsel

Martin S. Friedman, Esquire, Rose, Sundstrom & Bentley, LLP 2548 Blairstone Pines Drive Tallahassee, FL 32301

Shirley Francone, President, Snug Harbor Community Association Marie Bergamini, Director, Snug Harbor Community Association Al Brandt, Treasurer, Snug Harbor Condo Association Jim Arpino, President, Snug Harbor Condo Association Troy Rendell, Public Utilities Supervisor, Florida Public Service Commission

AGREEMENT

The following Parties, Burkim Enterprises, Inc., ("Utility") and The Office of Public Counsel, ("OPC") hereby stipulate and agree to the following:

1. Commission Order PSC-01-2511-PAA-WS orders that the Utility shall complete all pro forma additions, as set forth in the body of the Order within nine months of the effective day of the Order.

2. To enforce this requirement of the Order, Staff shall inspect the Utility's plant at the conclusion of the nine (9) month period to verify that all of the plant upgrades have been accomplished. If for any reason all of the improvements have not been made, the above Parties acknowledge that Staff shall initiate a show cause proceeding that will require the Utility to show cause why it has not completed all of the plant upgrades. Sanctions available to the Commission in any such show cause proceeding shall include but not be limited to imposing fines upon the Utility and or reducing rates until such time as the upgrades have been accomplished.

 This Agreement shall be referenced in the Order issued by the Commission Consummating Order PSC-01-2511-PAA-WS.

This Stipulation and Agreement is entered into by the following Parties this day of January, 2002.

BURKIM ENTERPRISES, INC.

Martin S. Friedman, Esquire

Attorney for Burkim Enterprises, Inc.

OFFICE OF PUBLIC COUNSEL

By:

Stephen C. Reilly, Esquire Associate Public Counsel

STATE OF FLORIDA

COMMISSIONERS.
LILA A JABER, CHAIRMAN
J. TERRY DEASON
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MICHAEL A PALECKI
RUDOLPH "RUDY" BRADLEY



CAPITAL CIRCLE OFFICE CENTER 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FL 32399-0850

Public Serbice Commission

January 9, 2002

Mr. Steve Reilly Office of Public Counsel 111 W. Madison St., #812 Tallahassee, FL 32399-1400

To Whom It May Concern:

Commission Order No. PSC-01-2511-PAA-WS orders Burkim Enterprises, Inc., ("Utility") to complete all pro forma additions, as set forth in the body of the Order within nine (9) months of the effective date of the Order. At the conclusion of the nine month period staff shall inspect the Utility's plant to verify that all of the plant upgrades have been accomplished. If for any reason all of the improvements have not been made, staff shall initiate a show cause proceeding that will require the Utility to show cause why it has not completed all of the plant upgrades. Sanctions available to the Commission in any such show cause proceeding shall include but not be limited to imposing fines upon the Utility and or reducing rates until such time as the upgrades have been accomplished.

In order to avoid a protest of this Order, the Utility and the Office of Public Counsel have entered into a stipulation and agreement acknowledging the above procedure that the staff will pursue if the Utility fails to make the required upgrades within the nine (9) month period of time. The Order to be issued consummating Order No. PSC-01-2511-PAA-WS, shall make reference to the parties agreement acknowledging the procedure to enforce any potential violation of Order No. PSC-01-2511-PAA-WS, with regard to the Utility's obligation to complete the plant upgrades.

Sincerely,

Troy Rendell

Public Utilities Supervisor

TR(burkim.ltr)

The order issued by the Commission to consummate Order No. PSC-01-2511-PAA-WS shall include the following language:

In order to avoid a protest of this Order the Utility and the Office of Public Counsel entered into a stipulation and agreement acknowledging the procedure Staff will follow if the Utility fails to comply with the Order's requirement that it complete all of the plant upgrades within nine (9) month's of the effective date of Order No. PSC-01-2511-PAA-WS.

CO WE TO

JACK SHREVE
PUBLIC COUNSEL

STATE OF FLORIDA

OFFICE OF THE PUBLIC COUNSEL,

c/o The Florida Legislature 111 West Madison St. Room 812 Tallahassee, Florida 32399-1400 850-488-9330

January 10, 2002

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Nancy Higgs Brevard County Counthouse 1311 E. New Haven Avenue Melbourne, Florida 32901 JAN 16 202

DIGTEROT FS COMMISSIONER'S OFFICE

Re: Commission Order No. PSC-01-2511-PAA-WS

Dear Nancy:

Thank you for your assistance in working with the utility customers of Burkim Enterprises ("Burkim"). At the conclusion of our telephone conference with the four community leaders, I was instructed not to protest the above PPA order. However, I was asked to do everything I could to better document the commitment of the Commission's staff to enforce the provision of the order that required all of the specified upgrades of utility plant to be made by Burkim within a time (9) month period.

I was successful in accomplishing the things I hoped I could accomplish when we last spoke on Tuesday afternoon. Please see the attached copies of executed agreement between Burkim Enterprises and the Office of Public Counsel, the letter from the staff of the Public Service Commission and the language that is suppose to be included in the consummating order for Order No. PSC-01-2511-PAA -WS.

Hopefully, the agreement together with the written commitment from the staff to strictly enforce the requirement to upgrade utility plant will help highlight the issue and help better insure that the improvements will be made in a timely manner. Needless to say our office will continue to monitor the situation and be actively involved in any potential enforcement procedure in the future.

Thank you again for all of your help.

Sincerely.

Stephen C. Reilly

Associate Public Counsel

Enclosures:

cc: Shirley Francone, President, Snug Harbor Community Association Marie Bergamini, Director, Snug Harbor Community Association Al Brandt, Treasurer, Snug Harbor Condo Association Jim Arpino, President, Snug Harbor Condo Association Troy Rendell, Public Utilities Supervisor, Florida Public Service Commission