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**ORIGINAL
FILE COPY**

MEMORANDUM

April 3, 1992

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF WATER AND WASTEWATER (LINGO)

RE: DOCKET NO. 900025-WS, APPLICATION FOR A STAFF-ASSISTED RATE CASE IN PASCO COUNTY BY SHADY OAKS MOBILE-MODULAR ESTATES, INC.

Please incorporate the attached letters into the docket file.

\FJL

Attachment: Shady Oaks Owners Assn. letter to Vandiver (03/25/92)
 Shady Oaks Owners Assn. letter to DWA (03/25/92)
 Sims Letter to Shafer (02/16/92)

cc: Division of Water and Wastewater (Lingo, Rieger)
 Division of Research and Regulatory Review (Vandiver)
 Division of Legal Services (Feil)

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 FPSC-RECORDS/REPORTING

TO: Denise Vandiver, Regulatory Analyst
Florida Public Service Commission
Division of Water and Wastewater

FROM: Shady Oaks Owners Association *RW*

RE: Docket No. 900025-WS, staff-assisted rate case
Shady Oaks Mobile-Modular Estates, Inc. (aka S&D Utility)

STATEMENT OF CONCERN REGARDING QUALITY OF SERVICE
September, 1991 through March 25, 1992

DATE: March 25, 1992

We wish to address the following areas of concern with regard to the performance of the above-named utility in the five month period following Commission Order #25296 on November 4, 1991.

MAINTENANCE

The condition of the existing percolation pond and surrounding area gives no evidence that any maintenance has been performed in this period, nor have we observed any being done. The grass is very high and tree roots and grass grow into the water from the edges. The color of the water is a very bright green. Effluent overflow onto the surrounding areas is also evident.

We are concerned that construction of the interconnect to the county sewer line has not even been started. Commission ordered rates have been consistently paid by all of the residents of Shady Oaks since August 1, 1991 following court orders to do so.

Chlorination of the water system has been noticeably heavy on several occasions, the most recent being the past several days. It is almost undrinkable.

OPERATIONS

As we mentioned in our last report, we are concerned that the entire park is being shut down unnecessarily for work on one segment of the system. There are separate shut-off valves to various service loops in the system, and it is our feeling that installation of meters or repairs on any given section should only necessitate the shutdown of that section.

Meter installation seems to follow a very random pattern. While Block H's installation has now been completed, there have been some random meters installed for no apparent reason in other areas, one of which is on one of the vacant lots in an undeveloped area of the subdivision. Digging to find the lines has resulted in landscape being disturbed in several instances.

CUSTOMER RELATIONS

We are still concerned about hours of access to the utility's office, whether for bill paying or other inquiries. Currently the office is scheduled to be open only two (2) hours per week, and these are not consistent - they change from month to month, and sometimes during the month. This inconsistency creates a difficulty in knowing when the office will be open, which we feel creates a hardship especially for the older residents of Shady Oaks.

Our greatest concern at this time is access to the utility in the event of an emergency situation. At present the only telephone number being provided is that of Mr. Sims' home in Tampa, which can be called collect, but not if being answered by machine. If a customer wishes to leave a message on the machine he must pay a toll charge. But even this is not of prime concern; in the event of emergency we need to talk to a human being. Can the utility not provide a 24 hour service for the customers immediate needs, whether it be by hired service or by personal beeper carried by the owner or his representative?

We would appreciate your attention to our concerns. We cannot apply elsewhere for service; we would like this utility to pay attention to our concerns.

TO: Florida Public Service Commission
Division of Water and Wastewater

FROM: Shady Oaks Owners Association *RS*

RE: Water Outage at Shady Oaks, Zephyrhills
January 22, 1992

DATE: March 25, 1992

We would like to submit the following account of what occurred in Shady Oaks on January 22, 1992 (based on notes made by Dorothy Bird, community representative.)

At approximately 9:30 a.m. there was a water outage to the entire subdivision that lasted for the entire day. Mr. Sims had been seen in the park and on the utility premises shortly before the water outage occurred, but calls to his office in the park were not answered, except by answering machine. These were the first calls made, by several of the residents. When there was no response to the Shady Oaks office number (782-2686), customers then called the utility's Tampa number. (This incurs a long distance charge to the calling party, unless the call is made collect.) The collect calls were unable to be completed as the utility's phone, which is also the owner's home phone, was being answered by an automatic answering device. Several customers placed direct calls and left a message on the machine along with their name, and in most cases their telephone number. Among these were Association president Robert Lindahl, whose wife Gloria left a message with her name and number at approximately 10:20 a.m., and Dorothy Bird, who left word at the Zephyrhills number about 10 a.m. and a message at the Tampa number at 11:40. Calls were made by various customers throughout the day. A number of calls were also made to the PSC Consumer Affairs 800 number during the course of the day.

In the meantime, the clubhouse bulletin board had been checked thoroughly for notice of a shutdown; there was no notice posted. Presuming that electric service may have been cut off for some reason, a call was made to Withlacoochee River Electric Company. Their representative checked and found no problem with the electric service.

At noon, Mrs. Bird explained the situation to Neil Bethea, assistant to Greg Shafer, at the Water and Wastewater Division in Tallahassee. Mr. Bethea said he would look into it and call back. At 1:05 p.m. Mrs. Bird received a call from Hank Landis, the engineer handling Shady Oaks. Mr. Landis said he would try to locate either Mr. Sims or his certified operator to have the water restored. It was recommended that we contact the DER and the Health Department to see if any type of assistance was available.

The residents were of the opinion that the outage was probably caused by a tripped breaker and that if we could gain access to the pumphouse it would be easy to alleviate the situation. Since the pumphouse was locked, and due to the volatile nature of the situation at Shady Oaks, no one was willing to commit trespass.

At 3:53 p.m. Mr. Landis again contacted Mrs. Bird, after several unsuccessful attempts at reaching either Mr. Sims or Mike Dailey, the certified operator for Shady Oaks. Mr. Landis suggested we call the Sheriff's Department to request assistance in gaining access to the pump house. We did; Deputy Sanderson of the Sheriff's office told us they are not allowed to give authority to trespass and cannot assist or accompany anyone for that purpose.

Water was restored to Shady Oaks about 4:23 p.m. on January 22, but not by Mr. Sims or any employee or representative of the utility. A visitor to the park, who felt he was helping us out of a very inconvenient and unnecessary situation, somehow gained access to the premises and flipped a switch that restored power.

Mr. Sims did not return calls to anyone who had left their names and/or numbers on his answering machine. At approximately 7:30 p.m. a call was received by Mr. and Mrs. Clarence Kellnhofer (neither of whom had left their names) from Mr. Sims, who explained that he and his wife had been away for the day, his car broke down and he had just arrived home, and he would be out to fix the water. Mr. Kellnhofer told him the water was on. Mr. Sims did not come out to Shady Oaks.

At least one of our residents received a letter in late February from John Plescow, PSC Consumer Affairs representative, in which he stated that the PSC investigation showed that water was restored the same day, which was true although not by any efforts of the utility; and that the cause of the interruption in service was a burned out transformer and capacitor, according to information obtained from the utility. We dispute this finding, since service was able to be restored by a flip of a switch.

This water outage was a great inconvenience to all of the customers of this utility, but especially hazardous to those who have special needs due to advanced age or medical disabilities. There are several residents of Shady Oaks in their 90's and many in their 80's, and there are some who require special care for strokes and heart conditions. This situation would not have happened if proper provisions had been made by the utility to handle emergencies.

Note to Hank Landis: Re:telephone number to reach Mike Dailey - his car telephone number is 813-480-5435.

S & D UTILITY
P. O. Box 280012
Tampa, Fla. 33682-0012

February 16, 1992

RECEIVED

FEB 21 1992

Fla. Public Service Commission
Division of Water and Sewer

Mr. Greg Shafer, Bureau Chief
Division of Water & Wastewater
Florida Public Service Commission
101 E. Gaines Street
Tallahassee, Florida 32399-0850

Dear Mr. Shafer:

Concerning your letter of 1-23-92, we were waiting for a letter from Tri-Community Council, which, as you know from our prior correspondence, we have had Nancy Bartek who represents S & D Utility. I talked to Mrs. Bartek, and it is our understanding that we have been approved by Tri-Community for a complete analysis of our water system. Subject to her letter, we understand that this will involve the following analysis; upgrading our water system, which would include an analysis of the electrical system and pumps and water storage facilities, any leakage in any lines, replacement of any cut-off valves, and installation of water meters. Anything that we can do to cut down the cost of providing top-notch service to our consumers. When we receive this letter from her, we will forward it to you. This analysis will be conducted by Florida State University. We wish to especially bring to your attention that upon completion of this analysis this will be a 50/50 proposition. Also we are waiting for a letter of confirmation from Mr. Vora, D.E.R. Wastewater Financial Assistance, concerning the financial assistance afforded by them. He is to contact David Thulman, Chief Legal Counsel, D.E.R..

Concerning your question # 1, name change was filed. Intended name of the Utility is now and has been S & D Utility, the Corporation cannot be a sole proprietorship at present. Utility name is recorded in the name of Richard D. Sims, these steps have been put on hold due to Bankruptcy proceedings. Concerning the Bankruptcy proceedings, a matter of record. The possibility of additional potential proceedings, the Utility will continue to operate under the name of S & D Utility. The name S & D Utility is recorded and the Federal Tax Number has been applied for and received, as this was recommended by your audit and we have done so.

Question # 2, it appears that since we became under your jurisdiction in 1985, the Utility is still operating under a deficit.

Question # 3, it is obvious that the fine certainly could not be placed in any type of an escrow account since the Utility is operating at a deficit monthly. We believe that you have received copies of the prior escrow account. Enclosed are the copies to bring this information up to date.

Mr. Greg Shafer

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February 16, 1992

This account will be brought up to date by an addition of \$100.00 a month from the General Operating account to be put in the escrow account, if possible. This has been done for February.

Question # 4, we intend to install additional water meters the latter part of this month.

Question # 5, extremely informative deposition with the D.E.R. on 1-9-92. They were completely astounded as to why the Utility could not shut off water for non-payment. I advised them that this was the Circuit Judges' decision and that your Mr. Feil was handling this with the Circuit Court. They did ask me a particular question, what would I do when these funds are released by the customers if the Judge states I can shut off water for non-payment. I told them that the largest majority of these funds would be used to install water meters and for the expansion of the sewer plant, to hook into the Pasco County Wastewater System. I do believe that you have prior correspondence regarding this. If you have any questions concerning this please contact Mr. David Thulman, Chief Legal Counsel, D.E.R., Twin Towers Office Building, 2600 Blair Stone Road, Tallahassee, Fla., 32399-2400.

Question # 6, concerning question 6, number 5 answers it. Concerning customer relations, very shortly we will have all our billing stamped "It's our privilege to serve you, have a nice day." A total amount of 8 people visited the office during the month of January. There have been several people in the Park who have been ill, and the Utility has endeavored to express its compassion.

We have made application with a Mr. Gary Sica for a large loan to take care of the necessary problems with the D.E.R. and the P.S.C. His reaction has been extremely favorable.

Very truly yours,

R. D. Sims
R. D. Sims

RDS:ss