

M E M O R A N D U M

November 26, 1996

TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (AGARWAL) *PA*
RE: DOCKET NO. 960814-WS - Investigation of possible
overearnings in Manatee County by Keith & Clara Starkey
d/b/a Heather Hills Estates.

Please file the attached letter in the above referenced docket.

RA/dp

Attachment

cc: Division of Water and Wastewater (Casey, Bethea, Edwards)

DOCUMENT NO.
1267296
11/26/96

TO: RAJ AGARWAL - FPSC
~~MR. JACK SHREVE~~
~~OFFICE OF PUBLIC COUNSEL~~

MR. SHREVE,

STARKEY finally put something in writing. Besides the obvious mis-leading statements he is telling the people that the clubhouse used the extra water to do this they would have to use over 2,600 GAL/DAY FOR EACH OF THE 365 DAYS. REMEMBER, WE HAVE NO POOL OR ANYTHING ELSE.

SINCE THIS IS IN WRITING CAN WE GET THE FPSC TO FINALLY DO SOMETHING? SINCE STARKEY IS A UTILITY CAN WE LEGALLY GET COPIES OF THE WATER USAGE FOR LAST QUARTER SO THAT WE CAN CALCULATE PEOPLE'S BILLS FOR THEM (USING NEW RATES) & SHOW "ACTUAL" PERCENTAGE OF PEOPLE SAVING MONEY? (I FIGURE 75% OR MORE)

3 PAGES TO FOLLOW

THANK YOU,

JOHN MORSELL
 JOHN SCHANICK

John Moulli
 John Schanick

November 20, 1996

Dear Homeowner:

We are aware that Mr. John Morelli and Mr. John Schanick have sent letters, have called the newspapers and are going door to door to solicit you with some incorrect information about the water and sewer situation. I have enclosed a "fact" sheet with information copied from the Public Service Commission and facts from our experience of selling water and sewer service.

Thank you for taking the time to read the enclosed information. Your Heather Hills Homeowners Association Board will have more information to share with you.

If you need clarification on a point you do not understand, please call the office and arrange a time to talk with us.

When buyers come in to find a home in Heather Hills, they remark that they are here because of the reputation that we have as a top quality park. I am sure you will want to help keep that reputation, since it directly affects the valuation of our properties.

Sincerely,

Keith & Clara Starkey

Keith & Clara Starkey

STATEMENTS FROM LETTERS
NEWSPAPER

* FACTS FROM PSC OR OUR
EXPERIENCE AS OWNERS

1. Overcharging

*1. PSC (Docket No. 960814-WS) August 1, 1996. Issue # 9: Is Heather Hills Estates Utility overearning? STAFF'S investigation concluded the utility is not overearning, however, staff is recommending a revenue neutral rate structure change employing the standard base facility and gallonage charge as outlined in Issue # 10. (That information can be seen at the office) Nowhere in the FPSC audit of the books of Heather Hills Estates were we found to be overcharging the residents.

2. Loss of water through old dilapidated aged lines, etc..

*2. PSC (Docket No. 960814-WS) August 1, 1996. Issue # 1: Is the quality of service provided by Heather Hills Estates in Manatee County satisfactory? STAFF ANALYSIS: A review of the Manatee County Health Department's records has revealed that the water facilities are in compliance with the appropriate environmental regulations.....Therefore, it is recommended that the quality of service provided by Heather Hills be considered satisfactory. Page 7 of the docket: ACCUMULATED DEPRECIATION:Staff used a 2 1/2 % depreciation rate starting with the original cost study in 1967..... (thus giving a 40 year depreciation for the lines). Each time there has been a break in the main lines, we have had it repaired.

3. Nine hundred thousand gallon of water unaccounted for.

*3 This water was used at the Clubhouse when we had our regular functions and suppers, sales, shuffle tournaments, etc.

4. Wages, assessments and billing

*4. These items were set forth by the FPSC in Docket No. 960814-WS August 1, 1996 and are on record at the office.

5. Chart with rates

*5 Rates before October 1, 1995 was \$72.54. Rates after the protest by Mr. Morelli and Mr. Schanick are \$75.96 (this rate now includes the Florida regulatory fee). An October 4, 1996 letter from Raf Agarwal states: As a result of protest filed to Order No. PSC-96-1126-FOF-WS, the rates approved by the Florida Public Service Commission previously in Order No. PSC-96-0434-POF-WS, issued on march 28, 1996 should remain in effect.

6. Utility will lose money on water supplied to the Golf Course.

*6 The Golf Course is billed for the water they use, the same as any other unit in Heather Hills

Additional facts if the new rate structure goes into effect::

1. Previous to the protest by Mr. Morcelli and Mr. Shanick you received 9,000 gallons usage of water/sewer for \$72.54. Now you will receive about 6,600 gallons for \$72.54 per quarter, (a loss of 2,400 gallons).
 2. If 60% of you will be paying less then 40% will be paying more to make up for those who pay less.
 3. All property owners (including those who use less and pay less) will be responsible for the expense of replacing of the water & sewer lines when needed. Before we became a utility we were responsible for that expense.
 4. There is now a shut off fee of \$10.00 and a turn on fee of \$10.00. Before it was was done at no charge to you.
 5. You now have to pay \$5.00 for each premise visit you request, unless we have made a mistake. Before we re-read meters at no charge to you.
 6. Currently if you do not pay your bill, we can shut the water off (collecting the above fees). Before we carried your account until you could pay for it.
 7. Subject to the FPSC Annual Commission Approved Index, rates can be raised annually. Before rates were raised only if the County increased their rates to us.
- If you have any further questions, we have a copy of the document, and you are welcome to read it in our office.