

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of,
ALAFAYA UTILITIES, INC.,
ESTABLISHMENT OF A REUSE
RATE ASSOCIATED WITH
REUSE PROJECT PLAN

DOCKET NO: 960288-SU

ORIGINAL

PROCEEDINGS: INFORMAL CUSTOMER MEETING

DATE: THURSDAY, NOVEMBER 5, 1997

TIME: Commenced at 6:30 PM
Concluded at 7:51 PM

PLACE: Holiday Inn - UCF
12125 High Tech Avenue
Orlando, Florida

REPORTED BY: AARON S. KAUFMAN, RMR

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APPEARANCES:

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7 Division of Water and Wastewater.

8 **JOANN CHASE,**
9 Public Utilities Supervisor,
10 2540 Shumard Oak Boulevard,
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12 Division of Water & Wastewater.

13 **ROSANNE GERVASI,**
14 Senior Attorney,
15 2540 Shumard Oak Boulevard,
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17 Division of Legal Services.

18 **JENNIE LINGO,**
19 Economic Analyst,
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21 Tallahassee, Florida 32399-0873,
22 Division of Water and Wastewater.

23 **EDITH H. XANDERS,**
24 Regulatory Analyst,
25 2540 Shumard Oak Boulevard,
Tallahassee, Florida 32399-0873,
Division of Water and Wastewater.

**ALSO PRESENT: GERALD CHANCELLOR, Hartman &
Associates.**

**LEE MILLER, Florida Department of
Environmental Protection.**

1 Next to me is Edith Xanders. She's also
2 with the PSC Staff in Water and Wastewater
3 Division.

4 Next to her is Rosanne Gervasi. She's a
5 legal attorney with the Public Service Commission.

6 In back of the room is Jennie Lingo. She
7 helped you sign in tonight. She's also with the PSC
8 Staff in the Division of Water and Wastewater.

9 And somewhere in the room is Neal Bethea
10 who's just coming in. He's also with the Staff and
11 he's here with us tonight.

12 Also in attendance in the audience is the
13 Utility. I don't know if you know them but they're
14 over here to participate as well.

15 We have a representative from the DEP,
16 Department of Environmental Protection, also here
17 just in case any very engineering technical
18 questions might come up that we can't handle, they
19 have offered to come here and be in attendance and
20 perhaps help us.

21 We have provided in the back of the room a
22 special report. It's the green thing. Encourage
23 you to take one if you haven't. It provides a
24 little bit of information about the case, about the
25 Staff, and some phone numbers if you have any

1 questions when you get back to your homes or later.
2 Has some information about the commissioners.

3 And also the very last page is a page that
4 you can detach. If you don't feel like you want to
5 speak tonight but you have comments that you want to
6 make to the Commission that gets to the attention of
7 the Commission.

8 Also if there's something that you didn't
9 think of tonight but you think of later on, you can
10 just write it on here. The address is on the back.
11 So that's, we encourage you to take that with you.

12 Like I mentioned earlier, we're here to
13 present Staff's preliminary recommendation on the
14 utility's reuse plan and how to recover the cost of
15 this reuse plan. We want to stress, however, that
16 it's a preliminary plan. That Staff's
17 recommendation at this time. It could change based
18 on any information, any additional information we
19 might get in our investigation. It is ongoing. And
20 also based on any input, comments, that we get from
21 customers tonight. So I do want to stress that it's
22 a preliminary recommendation.

23 Also, the decision in this case will be
24 made by the commissioners. They, and you're going
25 to hear more about the process itself from Ms.

1 Gervasi later on. But, basically the commissioners
2 will vote on a Staff recommendation that we take to
3 them. So, even though what we're presenting you
4 tonight is our preliminary recommendation, the
5 commissioners are in no way bound by that. So you
6 do need to understand that that also could be
7 different than what you're going to hear tonight,
8 based on information and decisions that they're
9 making.

10 After we've completed our presentation, I
11 am going to start. There have been some customers
12 that circled their name that they would like to
13 speak. I'm going to call them up and ask you to
14 come to the microphone. Like I said, we have a
15 court reporter who's going try to get this down.

16 At the end of the names that I've called
17 up I will probably ask, based on the discussion, if
18 there's anybody that didn't sign up to speak that
19 would like to speak. So, you will have an
20 opportunity at the end if you hear something that
21 you want to comment on or add to.

22 Okay. We have some boards over here that
23 have -- well, let me first of all say that I have
24 three extra copies of the wastewater reuse plan. We
25 only have three, and they have the maps and all in

1 them. If you would like to have one to look
2 through, you're welcome to look at those.

3 Now, the reuse plan that is here and the
4 information that Staff has been receiving all has,
5 all deals with the company's proposed plan that they
6 filed. And what they filed was not a plan that they
7 wanted to implement. They filed five different
8 scenarios, or possible ways of doing the, or
9 starting their reuse plan.

10 The first scenario that they were talking
11 about is an institutional scenario. We do not have
12 a board on that. But basically what that is is
13 service to noncommercial customers. And by
14 commercial, there's a school, there's a cemetery,
15 there's some common areas. That plan.

16 That would cost roughly 1.2 million
17 dollars to provide reuse to those areas and that
18 does not include the retrofit.

19 Let me explain if you -- by retrofit, I
20 mean those are existing areas and they would have to
21 have reuse lines installed; meaning, roads would
22 have to be dug up and wherever there are water and
23 wastewater lines there would have to be a third line
24 put in, reuse line. So, the 1.2 million would not
25 include the cost of that.

1 The first, the other scenarios that they
2 looked at were residential scenarios and I'm going
3 to go through each one.

4 The first scenario which is up there, the
5 Residential Scenario No. 1, is to provide reuse to
6 the existing area called Alafaya Woods, the existing
7 subdivision. This, under their plan this would
8 assume that 846 homes could be served from the
9 existing effluent that is available from the plant,
10 at their projected average annual rate based on some
11 information that they've got.

12 The construction of this would be
13 approximately 2.8 million dollars. And again, this
14 would not include retrofitting the lines; meaning,
15 putting in the wastewater lines. That would be in
16 addition to that 2.8 million.

17 The next one is Residential Scenario No.
18 2, and that includes serving the existing
19 subdivisions of Twin Rivers and Riverside.

20 That too assumes 846 homes could be
21 served; because again, it's served by the existing
22 flows of the wastewater plant.

23 And the construction for providing the
24 reuse to this area, including the lines and any kind
25 of plant upgrades, would be 2.5 million dollars.

1 Again, excluding the cost of retrofit or putting in
2 reuse lines.

3 The third one is Residential Scenario No.
4 3. That includes the Ekana Green and Little Creek
5 subdivisions, which are both existing. And the
6 larger area up there on the right is the Flying
7 Seminole Ranch which is a proposed development that
8 you all are probably familiar with here.

9 This particular scenario in the, these two
10 existing subdivisions already have reuse lines in.
11 They were put in at, at the time the developments
12 were built, and the Flying Seminole Ranch will have
13 reuse lines when it is developed. It's now a
14 requirement, city ordinance, I believe it is, that
15 requires developers to put in reuse lines when they
16 put in water and wastewater lines. So, the new
17 areas will have reuse lines put in as they're being
18 developed.

19 So this particular area, since lines are
20 in, either in the existing area or in the new area,
21 does not have the cost of retrofit.

22 It also, because it does involve new
23 customers, new development, it can increase the
24 amount of customers that can get reuse; because as
25 you have existing development, you have existing

1 sewer customers or wastewater customers and they're
2 generating more effluent which then generates more
3 reuse.

4 So in this particular one it can serve
5 more reuse customers than either Scenario No. 1 or
6 No. 2. And the construction costs are approximately
7 1.6 million dollars. And again, there would be no
8 retrofitting costs.

9 The last residential scenario is Scenario
10 No. 4. This includes the three areas that we just
11 talked in Scenario No. 3; and also, the rest of the
12 new territory that the Utility just received which
13 is under, which is undeveloped at this time. It
14 includes the Live Oak subdivision, River Oak.
15 There's a private farm. And there's just an
16 undeveloped area up there that really doesn't have a
17 name, but I think it's just some undeveloped area in
18 the county.

19 The advantage of this scenario is that
20 all, is that this is all new territory. The lines,
21 again, will be put in, the reuse lines will be put
22 in by the developer in accordance with the city
23 ordinance, and it will generate additional
24 wastewater flows.

25 So again, the more customers, the more

1 sewer customers that connect, the more reuse will be
2 available, the more customers that can receive the
3 reuse. So it can serve more customers by virtue of
4 the additional growth.

5 The total eventual proposed reuse demand
6 will be 1.5 million gals per day based upon a fifty
7 percent participation level; meaning, fifty percent
8 of the people that live there would take it.

9 That's another aspect to reuse,
10 residential reuse. Nobody is required at this point
11 in time that we know of to take reuse. So, this is
12 another thing as utilities start providing reuse to
13 residential customers, you kind of have to just, you
14 know, encourage them to take it. It's not a
15 requirement. So you have to sort of judge how you
16 charge it and where it's provided and all that based
17 on where you think the most people will take it.

18 The construction cost for this, for this
19 entire development here would be about 3.9 million
20 dollars. It includes added filtration units at the
21 treatment plant. There is more cost at the
22 treatment plant because of the additional wastewater
23 flows, more filtration costs. And just the
24 transmission lines to get it out to the territory.

25 Those are the residential scenarios, and

1 then of course the industrial scenario that we
2 talked about.

3 The Staff of the Commission preliminarily
4 had, our Staff recommendation is that Residential
5 Scenario No. 4 makes the most sense for this Utility
6 at this time.

7 Now I do want to stress that what we are
8 trying to decide in this case is where does it make
9 the most sense for this Utility to begin providing
10 reuse. That's not to say they're not going to be
11 providing reuse to areas that are not included in
12 this particular scenario. I think that it will
13 hinge on, as I understand it, a lot of things.

14 One is the participation rate of the
15 customers here in this area that would take it.

16 Another is the wastewater flows that are
17 generated. As the growth comes and additional flows
18 are generated, if there's enough to go around with
19 that area, they would move on to other areas within
20 their service area is my understanding.

21 But, we really don't have anything
22 concrete as far as a long range plan for this
23 Utility to provide reuse to their entire service
24 area. Just only how it, they would begin doing it.

25 Now coming up with -- once we realize that

1 this one makes maybe the most sense for the Utility
2 and to begin providing reuse, we had to come up
3 with, how should these reuse costs be recovered.
4 And Ms. Xanders is going to give you a little more
5 detail on that.

6 But basically what we were looking at is
7 that the reuse customers are going to be getting the
8 most benefit from this, and that the existing
9 wastewater customers of Alafaya Utilities are not
10 perhaps going to be getting the reuse. So we wanted
11 to look at how much of the cost should be borne
12 through wastewater rates, through your sewer rates,
13 as opposed to through reuse related charges. And
14 Ms. Xanders would like to give you a little bit more
15 detail about that.

16 MS. XANDERS: Okay.

17 MS. CHASE: Let me before we do that, let
18 me just say that Sara Whitaker from the St. Johns
19 River Water Management District is also here in
20 attendance. So if there's any questions along that
21 line that we can't field, I think she would probably
22 be happy to help you out there.

23 MS. XANDERS: Okay. In determining our
24 preliminary recommended rates in this case the Staff
25 believed that there were two things that we needed

1 to consider.

2 First, how much the current customers are
3 going to benefit from reuse; and second, whether the
4 reuse project is needed for the wastewater disposal
5 needs of the current customers.

6 Based on these considerations, Staff
7 concluded that the current customers receive little
8 benefit from the reuse project and that the project
9 is not needed to meet the current wastewater
10 disposal needs of the current customers.

11 Therefore, our preliminary recommendation
12 is that new customers pay for the reuse project
13 through increased service availability charges in a
14 reuse rate for the reuse customers.

15 The Company has accepted this
16 recommendation and has modified it by adding a reuse
17 availability charge which would apply to those
18 customers who have a reuse line in front of their
19 home but who have declined the service. The Utility
20 and the Staff are still researching the legality of
21 the availability charge.

22 In addition, the Utility is proposing a
23 \$150 min -- excuse me, meter installation charge.

24 Before I fully describe the charges which
25 are located on page 4 of your green handout, I must

1 reiterate what something that JoAnn said earlier
2 which is that this is Staff's preliminary
3 recommendation. The Commission has not yet made a
4 decision in this case and they are not bound by
5 Staff's recommendation.

6 Also, this recommendation could change
7 between now and when we file the recommendation
8 based on additional information and customer
9 comments.

10 The first part of the recommendation is to
11 increase the service availability charges so that
12 all new customers pay for the project.

13 As you can see on the sheet, the current
14 plant capacity charge is \$410. Staff's preliminary
15 recommendation increases this charge to \$640.

16 All new customers will be paying for the
17 reuse through the increased service availability
18 charge even if reuse is not available to them.

19 The reason this charge will be applied to
20 all new customers is that without reuse the Utility
21 will not be able to take any new customers. Since
22 reuse is helping the Utility grow, only customers
23 should pay for this growth.

24 The Utility is also proposing a one
25 hundred fifty dollar meter installation charge even

1 though they are proposing a flat rate.

2 The reason for this charge is that if
3 usage becomes too high and the Utility does not have
4 enough effluent, it may change to a metered rate.
5 Therefore, this charge is being proposed to easily
6 facilitate the change between a flat rate and a
7 metered rate.

8 Based on Staff's calculations, the Utility
9 is proposing a flat rate of nine dollars per month
10 for residential customers.

11 Further the Utility is proposing a metered
12 rate of sixty cents per thousand gallons for general
13 service customers such as golf courses and common
14 areas.

15 Lastly, the Utility is proposing a five
16 dollar availability fee. And like I said earlier,
17 this would be charged to customers who have a reuse
18 line in front of their home but who have declined to
19 take it.

20 Now this is Rosanne Gervasi and she's
21 going to tell you about the process.

22 MS. GERVASI: Good evening and thank you
23 all for being here. Can you hear me okay?

24 I want to tell you a little bit about the
25 process that's taking place and the procedures

1 involved; and then I'll turn it back over to Ms.
2 JoAnn Chase so that we can begin taking your
3 comments.

4 If you wish to speak this evening, again,
5 we ask that you wait to be called and go up to the
6 microphone that's located in the middle of the room
7 here and first state and spell your name; and then
8 give us your address and also the subdivision that
9 you reside in; and then proceed to make any comments
10 that, that you'd like to tell us about.

11 We'd ask that you'd speak clearly and
12 directly into the microphone.

13 If, again if you would prefer to give us
14 your comments in writing, you can do so by using the
15 last sheet attached to this green form here and send
16 them in directly to the Commission.

17 By law the Commission is required to
18 review the Utility's proposed reuse plan, and to
19 determine whether the projected costs of the plan
20 are prudent, and whether the proposed rates are
21 reasonable and in the public interest.

22 The Commission is required by law to allow
23 the Utility to recover all prudent costs of a reuse
24 plan in its rates.

25 The law also requires the Commission to

1 issue what's called a Proposed Agency Action Order
2 to approve or disapprove the Utility's plan.

3 Currently the Staff, including those of us
4 who are here tonight, we're investigating the
5 Utility's proposal in order to make a recommendation
6 to the Commission on whether the plan should be
7 approved, which reuse option should be approved, and
8 what the rates and charges should be.

9 This meeting is part of that investigative
10 process. After the meeting tonight we will review
11 the transcript that's made of the meeting and we'll
12 go over any comments that you send in to us also in
13 writing.

14 When we complete the investigation, we'll
15 write a detailed report called a Staff
16 Recommendation and file it with the Commission on
17 whether the plan should be approved and what the
18 rates should be.

19 The Commission will consider and vote on
20 the Staff recommendation at an agenda conference in
21 Tallahassee, which is a public meeting. We
22 anticipate that we'll file this recommendation in
23 January, for the February 3rd agenda conference.
24 There's a possibility that we may be able to get it
25 filed sooner than that.

1 If you've signed up to receive a copy of
 2 the recommendation, when you receive it, we'll let
 3 know exactly when the recommendation will be
 4 considered; but we're anticipating at this time that
 5 it will be considered on February the 3rd in
 6 Tallahassee.

7 At the agenda conference the commissioners
 8 have the opportunity to ask questions of the
 9 Commission Staff, of Utility representatives, and
 10 also any customers who are present.

11 You're certainly willing -- able to. to
 12 make your comments directly to the commissioners at
 13 the conference before they vote. You're welcome to
 14 attend.

15 If you're interested in attending, we, we
 16 recommend that you get there by 9:30 in the
 17 morning. Although the water and wastewater items
 18 usually are not taken up until the afternoon, the
 19 schedule is subject to change and you don't want to
 20 make the trip and then find that the item has
 21 already been voted on.

22 We can send a copy of the recommendation
 23 to about ten of you. We'll try to accommodate all
 24 of you who have signed up to receive one. If you
 25 are interested in receiving a copy, please make sure

1 that you've signed, signed up to receive one on the
2 form that, that was in the back of the room, is
3 still in the back of the room, to receive the
4 recommendation, as well as the order.

5 There will be an order that the Commission
6 will issue confirming their decision at the agenda
7 conference. This is the Proposed Agency Action
8 Order, which will say what the Commission intends to
9 or proposes to do; unless an interested person such
10 as a customer or group of customers files a protest
11 to the order within twenty-one days of the issuance
12 of the order.

13 If no protest is received within that
14 twenty-one days, then the Commission's decision will
15 become final, by operation of law, either approving
16 the plan and setting forth the rates and charges or
17 denying the plan.

18 The order will tell you if you get a copy
19 of -- if you sign up for a copy of the
20 recommendation, you'll also get a copy of the
21 order. The order will give you notice of when that
22 protest period expires.

23 And it's important to take note of that
24 deadline if you do disagree with the order, and if
25 you decide to file a protest so that you'll do so on

1 a timely basis. Because like I said before, if
2 there is no protests received within that time, the
3 order will become final.

4 It's also important to understand what it
5 means to file a protest. If a customer protests the
6 order or any other substantially interested person
7 files a protest to the order, then what we'll do is
8 send, set up the matter for a formal hearing. Which
9 is a long, complicated, expensive process that's
10 much like a trial, with the commissioners acting as
11 judges.

12 The parties including the customers would
13 need to prove up their cases, and parties generally
14 do so by using attorneys and expert witnesses such
15 as consultants, engineers, accountants.

16 The hearing would involve pretrial
17 activities such as motion filings and formal
18 discovery and the like.

19 All witnesses would be subject to
20 cross-examination just like in a trial. And
21 documents and other evidence could be moved into the
22 record just like in a trial.

23 If the case goes to hearing, the customers
24 can again participate. The hearing will be held
25 somewhere here in this general area. But this time

1 instead of just coming up and informally giving your
2 comments, you would be testifying and your testimony
3 would be subject to cross-examination.

4 Then following the hearing, Staff will
5 analyze the record that's made at the hearing and
6 then formulate another Staff recommendation for the
7 Commission. File another recommendation which will,
8 which would go to another agenda conference, but
9 this time the decision would be final. After a
10 hearing the decision is final, and if you are
11 dissatisfied with that final decision, your recourse
12 would be to appeal to the court.

13 The only other thing I wanted to mention
14 to you is that there is a separate agency called the
15 Office of Public Counsel, which represents the
16 interests of utility customers and they do have an
17 eight hundred number. If you'd like it, come see me
18 after the meeting and I'll be glad to give it to
19 you.

20 Thank you very much for your time.

21 MS. CHASE: Okay. I'm going to call the
22 customers up who have circled their name saying they
23 would like to speak.

24 The first one at the top is Thomas G.
25 Varda (sic).

1 THOMAS VAYDA: It's Thomas G. Vayda.
2 That's V as in Victor, A-Y-D-A. 1004 Merien Court,
3 Oviedo, Florida, and it's in the Twin Rivers
4 subdivision.

5 I'm not a lawyer. I'm a retired military
6 officer. So if I say something that's inappropriate
7 from the standpoint of the law, I apologize.

8 I look upon the Public Service Commission
9 as really the watchdog for the citizens. So, that's
10 really how I'm presenting this.

11 I was, I received the notification of the
12 rate increase and it invited current customers to
13 bring forth their concerns. That's, that's the
14 tenure of my presentation.

15 I moved to Oviedo four years ago. At that
16 time Oviedo -- I was really impressed with the
17 city. The city had developed an excellent reuse
18 plan for the discharge I believe of the Iron Bridge
19 plant. And, they had passed bond issues, I believe
20 the amount was eight million dollars, I'm not
21 exactly sure of this, to provide me in Twin Rivers
22 development and the other developments in the area,
23 it wasn't for all houses, it was for the newer
24 developments because of the logistics concern, the
25 ability to tap into reuse water.

1 Because of this and other factors I moved
2 to Oviedo. And my neighbors and I engineered our --
3 in fact, everybody I talked to were very excited.
4 We engineered our sprinkling systems to accommodate
5 this reuse system. And in fact, you know, as a
6 statement of fact, you can't have a lawn in Central
7 Florida without using some form of irrigation.

8 What happened -- and these are the areas
9 that there may be legal technicalities that differ
10 slightly with what I'm saying, but this is the
11 viewpoint of a customer.

12 The City of Oviedo proceeded. They did
13 all the engineering for this which involved
14 considerable taxpayer money. I talked to the city
15 engineers about this, and so my lot that was
16 specifically designed for reuse water.

17 At that point Alafaya Utilities blocked
18 this because Alafaya Utilities said they had
19 exclusivity for the area. They were the providers.

20 However, Alafaya Utilities was not willing
21 to provide reuse water. I don't have the details of
22 why they were not willing. It may be because they
23 didn't have the capacity. But the residents like I
24 feel it's because they prefer to sell me drinking
25 water at a much higher price.

1 I think from the State of Florida's
2 standpoint and from, you know, for the best use, and
3 I'm sure from the St. Johns River District, when you
4 have the ability to reuse the water from the Iron
5 Bridge plant and put that to use and conserve the
6 precious aquifer water which the, or the purified
7 water that the Alafaya Utilities is providing me for
8 drinking, then it's better for the state of Florida
9 and better for the environment.

10 So I was excited from the standpoint of a
11 person whose concerned about the environment as I'm
12 sure you and the PSC are concerned and the State of
13 Florida is concerned, and I wrote you about this;
14 however, I received no reply at that point.

15 Other than I received a boiler plate from
16 the City of Oviedo's manager saying he was sorry. I
17 had misunderstood what was going on. And, that, the
18 City of Oviedo was continuing to pursue this issue.

19 I was transferred to the Middle East and I
20 came back. Actually I retired as of 1, November,
21 from the military. And I talked to the city
22 engineer and I understand this is still in the
23 courts, you know, as far as the blockage to allow
24 the City of Oviedo to provide me with wastewater
25 rather because -- and in fact, Alafaya Utilities

1 obviously at this point has done nothing to provide
2 me with reuse water.

3 And my concern is, I don't think the
4 Public Service Commission should grant any type of,
5 how should I say, provision to Alafaya Utilities
6 until they solve the existing issue, which is; if
7 they can't provide reuse water to my community and
8 the other communities within Oviedo, but they can
9 provide reuse waters to a select few which you
10 presented this morning; then for those unit -- then
11 for those communities that they cannot provide reuse
12 water, they should allow the City of Oviedo to go
13 forward with their plans.

14 And this should be incorporated in this
15 whole proceeding. Because even though this, you may
16 say, this isn't directly related to this, I don't
17 believe Alafaya Utilities is going to move forward.
18 And again, this is just my own feeling.

19 But based on what the city manager told
20 me, they're certainly not going to agree to this
21 because it's in their economic interest, not in the
22 public interest, to have me continuing, and I'm sure
23 the other citizens, to use the higher priced water
24 on my lawn than to -- so you can tell it's a little
25 emotional for the citizens here -- rather than have

1 the ability to use what the City of Oviedo went to
2 all of this taxpayer expense to provide me reuse
3 water, and that's my contention.

4 I had not been aware of some of the plans
5 that you presented this morning; and I really
6 applaud the PSC for not having existing customers
7 pay for the new facilities which Alafaya Utilities
8 proposes. And I really, you know, as an individual
9 customer, not only do I applaud you, I agree with
10 you. I shouldn't have to pay so that others can get
11 the benefit of reuse water.

12 But I think as a concerned citizen, and
13 I'm sure my neighbors would agree, although I don't
14 have any proxy to give to you, I think that first
15 the Commission should, or Alafaya Utilities, if they
16 in fact are good citizens -- although I understand
17 they're not residents. The ownership is not
18 resident to my knowledge here. But if in fact they
19 are good public citizens, they should allow the City
20 of Oviedo to proceed with whatever plans they have
21 to provide those customers that they cannot
22 accommodate with reuse water and then I would be a
23 happy citizen.

24 That's my statement. I don't want this to
25 be held as an emotional statement because it also

1 affects my, not only from the standpoint of the
2 people here, it affects my, you know, our concern
3 for the State of Florida and the environment, but it
4 does affect my pocketbook as you proposed a nine
5 dollar rate, which I think was a proposal several
6 years ago, about nine dollars per month. I think
7 that's what the city engineer was thinking it was
8 going to cost.

9 Well, my water bill, and I'm sure the
10 other folks here that live in Oviedo, I put a lot of
11 my earnings on my lawn. And since I'm not, since
12 I'm retired right now, this is really important to
13 me because I didn't anticipate this; because I felt
14 moving to this area that had the bond passed, that I
15 wouldn't have to put all this money into my lawn.

16 And that's the end of my statement. Thank
17 you very much for hearing me.

18 MS. CHASE: Okay. Thank you for your
19 comments. I'd like to make just a few comments
20 about that.

21 We on the Staff are somewhat aware of the
22 bond issue, mainly though hearing from it from
23 customers. We don't have any firsthand knowledge of
24 the city's bond, but we have heard about it before.

25 Let me correct or just clarify one thing

1 that you said.

2 The, Alafaya Utilities provides your
3 wastewater service only, not your water service.
4 That's provided by the City of Oviedo.

5 THOMAS VAYDA: Oh, is that the way it
6 works?

7 MS. CHASE: That's the way -- the City of
8 Oviedo provides your water service. Alafaya
9 Utilities provides wastewater only. And now they
10 are going to be providing reuse service to some as
11 well.

12 THOMAS VAYDA: I apologize. I had a
13 mis --

14 MS. CHASE: No, that's okay.

15 THOMAS VAYDA: On my, but then it's the
16 issue of the effluent that would be put back on my
17 lawn.

18 MS. CHASE: Exactly.

19 THOMAS VAYDA: You know, and the issue
20 was, since they had exclusivity for wastewater --
21 now I understand a little bit better, because I've
22 been in the mid-east for the last year and a half --
23 that they refused to allow the city to use the Iron
24 Bridge, I guess the output of the Iron Bridge, which
25 currently I think is dumped in the, I can't

1 pronounce the name, Econlockhatchee River, to be
2 channeled back into much more productive use and the
3 city could use less water I guess. I misunderstood
4 and appreciate your clarification.

5 MS. CHASE: Right. Okay. But, along
6 those lines though, I do think it's kind of
7 unfortunate if this bond issue has been passed that
8 it can't be used. And perhaps there's something
9 that we can do as far as exploring that with the
10 city.

11 THOMAS VAYDA: Could, could, I was
12 wondering is it possible that Alafaya Utilities
13 could provide their viewpoint on why they would
14 not? I know they don't have the water, but, and if
15 they're going to say to the people here, because we
16 don't want to take less money, we want to take your,
17 you know, more money, you know, if it's purely
18 economic I wish they would clarify that because
19 you've clarified something I really didn't have a
20 good feel on.

21 MS. CHASE: Okay. Well, I will ask them
22 in just a moment.

23 But, there is the, there is the issue of
24 the bond. Because one of the, in the existing
25 areas, one of the holdbacks to providing reuse there

1 is the retrofit. It's going to be quite expensive.
2 And if there's a bond issue there, if there was some
3 way, and I don't know that there is, but if there
4 was some way that the city and Alafaya could perhaps
5 work together on that bond issue, to provide --

6 THOMAS VAYDA: That would be great.

7 Because I think that's what the city wanted to do.
8 They wanted to work with Alafaya but Alafaya blocked
9 -- all I know is from the city engineer, Alafaya
10 blocked the issue because of an economic thing and
11 they didn't have the effluent themselves.

12 So, but you've clarified a lot and I'm
13 sure the people here would love to hear a way if we
14 could lower our utility bills.

15 MS. CHASE: Well, let me --

16 THOMAS VAYDA: And help the State of
17 Florida.

18 MS. CHASE: Let me clarify though. I
19 don't know that that's an answer. I don't even know
20 if it's possible. I'm just saying that perhaps it's
21 something we could explore with the two different
22 parties.

23 And also, one of the things we can do, I
24 mean I can ask if the Utility is prepared tonight to
25 respond to this but perhaps we can ask them.

1 THOMAS VAYDA: That would be superb
2 because that's all we really --

3 MS. CHASE: What we are doing in this
4 recommendation is simply saying where we think it
5 makes most sense for this Utility to start providing
6 reuse. We're not, we're not saying, and I don't
7 think its their intention that they would never
8 provide reuse to the existing territories.

9 But perhaps we could ask them for a little
10 bit more concrete plan on when that might take
11 place. Or, if it's not going to take place for any
12 length of time, whether the city could be allowed to
13 go in there and provide it, if they are willing and
14 able to provide it now, and again, I don't know what
15 the city is willing and able to do.

16 THOMAS VAYDA: Sure.

17 MS. CHASE: Now, one thing we did do is
18 invite the city to come to the meeting tonight.

19 Does there happen to be anybody in the
20 audience representing the City of Oviedo?

21 I didn't think so. But, that is something
22 that perhaps we could just simply try to communicate
23 with the parties and see if there's an answer to
24 that. But I do understand the dilemma.

25 When we evaluated this plan though, it

1 just doesn't make economic sense right now for this
2 company to go in and retrofit and provide reuse to
3 the existing territories when the new territory is
4 there with reuse lines.

5 THOMAS VAYDA: Ma'am --

6 MS. CHASE: And the new territory will
7 actually generate more reuse so it goes to more
8 people.

9 THOMAS VAYDA: You know, I think, you
10 know, my objection isn't that, you know, over what
11 you just said. It's just that, if they can't
12 provide the service to my home, then there should be
13 a provision both from the standpoint of the ecology,
14 and from a financial standpoint of the citizens of
15 the state, or Oviedo, if they can't provide the
16 service, then if the city is willing to go forward
17 with an issue that they had already engineered, then
18 the city should be able to provide me with that, if
19 they're willing. That's all I want.

20 MS. CHASE: I think that's a good
21 question, something we can explore. I don't know
22 the answer to that.

23 THOMAS VAYDA: Do I need to change the
24 letter that I sent informally because I had that
25 concept mixed up about the water?

1 MS. CHASE: No, there's no, there's no,
2 need to change that.

3 THOMAS VAYDA: Okay.

4 MS. CHASE: Okay. The next individual is
5 Mr. Ketcham, is it? Okay.

6 ARTHUR KETCHAM: My name is Arthur James
7 Ketcham. And first off let me say I'm not anywhere
8 near as eloquent as this man. I'm just a common,
9 everyday guy. I live on 1098 Dees Drive. My last,
10 spelling of my last name is K-E-T-C-H-A-M. I live
11 on Dees Drive in Alfaya Woods.

12 That's all the information you need?

13 My concerns are totally opposite of this
14 gentleman here because he's totally for the reuse
15 and I'm totally against it, all right, and I'm going
16 to tell you why.

17 One, I personally, along with a lot of
18 people I've talked to on my street, the other day I
19 took a walk last Sunday and I spoke to at least
20 fifty people, and out of those fifty people, one,
21 one person, all ranges of professions and different
22 financial situations, only one person, in fact, he
23 gave me an argument, he wanted this. And the other
24 forty-nine, not one wanted it.

25 And, my personal reason for not wanting it

1 -- and I understand some of these gentlemen are
2 from the Utility. They could possibly -- I had this
3 argument four years ago with Alfaya Woods, the
4 association. They had a meeting. And, I'm really
5 quite appalled that not more people show up. Like
6 the City of Oviedo doesn't show, and more people. I
7 mean there's thousands of people out there and it's
8 like, most people want to come home and have a beer
9 and watch TV and they don't care, they really don't
10 care.

11 My main concern, and, I had an argument
12 about this four years ago and I lost that argument,
13 I mean I know I was right and I still say I'm right,
14 in fact, I can prove I'm right, and that's the
15 smell. And, thank you. Everybody says, no, it
16 don't smell.

17 Well, you drive down Alfaya Woods
18 Boulevard where the reuse now is on sprinkler system
19 and let it hit you in the car, with the window open
20 like I had, it hit me. In plain English it stinks.

21 And I had this argument four years ago,
22 and somebody from, I think Altamonte, tried to tell
23 me, no, it don't smell, it don't smell. And I was
24 there with my wife at that particular meeting, that
25 was at town hall, and the gentleman, whoever was

1 there, was giving me a heck of a time that it
2 doesn't smell.

3 Well, I was in the window cleaning
4 business for, and in fact I still am, for ten years
5 and I'm out in, out in Altamonte. And I can name
6 you a couple of malls up there that have the reuse
7 system in there, and the reason that they turn it on
8 at three, four o'clock in the morning is because the
9 business people there can't stand the smell and it
10 takes away customers.

11 Now, I don't want that same smell on my
12 yard, and there's no way that I would use it to wash
13 my car. Okay?

14 I understand, I mean I may be wrong. I
15 was in construction for thirty-two years but I
16 understand that the smell is from the sulfur; is
17 that correct? Anybody know? They add a lot of
18 sulfur to the water from what I understand? That's
19 not the smell? Well, then you tell me because it
20 stinks, and it stinks terrible.

21 And, am I right, Wally? He's a neighbor
22 of mine.

23 AUDIENCE MEMBER: You're smelling a
24 garbage smell. That's what you're smelling.

25 AUDIENCE MEMBER: It's not garbage. It's

1 from the sewer.

2 AUDIENCE MEMBER: It's from the sewer. It
3 smells like garbage.

4 MS. CHASE: Excuse me, I'm sorry, we're
5 going to have hold your comments because we do have
6 a court reporter but you're welcome to come to the
7 mike.

8 ARTHUR KETCHAM: Ladies, also I object to
9 another bill. Okay? We have a water bill. We have
10 Alafaya Utilities' bill. And now you're either
11 going to make two parts to that bill -- I'm not sure
12 how you have it planned. You're either going to
13 make two parts to that bill or we're going to get a
14 third bill, all for water. And I think it's
15 ridiculous, I really do.

16 I just so happen because I'm spoiled. I
17 come from Long Island, New York, which has the
18 cleanest, best water in the whole world. And here
19 you're smiling because it's true. They have a pure
20 aquifer there that's a hundred feet deep. And in
21 fact, they tried to put a development there and all
22 of Long Island went crazy and they didn't even get
23 it because...

24 When you come from the best water and come
25 to Oviedo which has the "stinkiest" water you can

1 have anywhere, I mean, you know, it just tears up
2 your water. It tears -- I know that doesn't have to
3 do with you but I just have to get it off my chest.
4 I mean your water tanks don't last ten years and
5 your copper pipes eventually have to -- lot of
6 people that live here don't know this but they're
7 going to be changing all their copper pipes. And I
8 just got a price for that for twenty-two, twenty-two
9 hundred dollars. All right? Because you start
10 getting pinhole leaks in your copper from the
11 destructive water that they have.

12 And I mean I've been here nine years and
13 the water has, maybe it's got about five percent
14 better in nine years, you know.

15 But, going back to where you're at with
16 your proposals, obviously Alfaya Woods is in one of
17 your proposals. And the way I understand it
18 correctly, that regardless of which one of these,
19 say one of these gets, hypothetically one of these
20 gets approved, then you assume down the line, I know
21 you said that you don't have a total long range plan
22 but your long range plan I would surmise is down the
23 line that all those five years would be covered
24 under the reuse plan.

25 MS. CHASE: I think that the, I don't like

1 speaking for the Utility, but from what I'm gathered
2 from this report, I believe that their plan is to
3 the degree that effluent is available, they would
4 start providing it to the other areas other than
5 there now.

6 Alfaya Woods is not in the Residential
7 Scenario No. 4.

8 ARTHUR KETCHAM: No, no. It was in one or
9 two. I don't know.

10 MS. CHASE: Yeah, it was in one or two,
11 but that eventually it perhaps could be provided
12 there, assuming there is enough effluent or enough
13 reuse to go around.

14 ARTHUR KETCHAM: I personally, ma'am,
15 don't understand why people want smelly water to
16 wash their car and water their lawn. I mean I can
17 understand the reuse idea. I can totally approve of
18 it. But the smell blows me away. It blows me
19 away. And I'm not alone, believe me, I'm not
20 alone.

21 So I think that's something that the
22 Utility ought to really put a lot of stress to.

23 I do, I resent totally having another
24 bill. I do really totally resent that. If my bill
25 was basically the same, it went up a couple dollars

1 or something. I don't like something that's thrown
2 at me saying, whether you use it or don't you use
3 you got to pay for it.

4 I -- that's basically all I have to say.

5 MS. CHASE: Okay. Thank you very much.

6 And by the way, Ms. Gervasi was smiling at
7 your comment on Long Island because she's from there
8 also.

9 ARTHUR KETCHAM: Well, then she knows what
10 I'm talking about. It's good water.

11 MS. CHASE: The next customer would be
12 Chip White. Chip White? Okay.

13 Allen Brooks?

14 ALLEN BROOKS: My name is Allen,
15 A-L-L-E-N, middle initial H, last name, Brooks,
16 B-R-O-O-K-S. 1021 Hornbeam Street, Oviedo. I live
17 in the Alafaya Woods part. Okay.

18 I believe, sometimes in the short past the
19 City of Oviedo filed a plan to provide reuse water
20 to the existing developments with construction and
21 distribution and providing that water.

22 The Utility of course took steps, probably
23 through the courts, to prevent the city from
24 implementing that plan, saying no, you can't do it
25 because it's our service area.

1 Of course in the final analysis the
2 Utility now decides, we aren't going to do it
3 either. So what they have done has said that the
4 city can't do it, but we aren't going to do it.

5 And Alafaya Woods, along with Twin Rivers,
6 are the two of the largest developments, with the
7 largest number of customers, providing the largest
8 revenue base available to this Utility on which they
9 base their future growth; and yet the citizens are
10 supposed to be denied the use of reuse water because
11 the Utility is unwilling to make the investment.
12 Yet they want to prevent the city from making the
13 investment. There's something that isn't right
14 there.

15 Public Service Commission, public means,
16 public service, serving the public we hope. There's
17 no reason why we should be denied the use of this
18 reuse water. It is my understanding that the water
19 is chemically treated. We don't use it to wash
20 clothes. We don't use it to wash cars. It's used
21 to water grass and golf courses.

22 It's very interesting that the way the
23 presentation has been prepared for you by the
24 Utility, a little financial legerdemain here starts
25 off with the residential plan No. 1, 2.8 mil; No. 2,

1 2.5 mil; No. 3, 1.6 mil; No. 4, 1.5 mil.

2 Doesn't take a blind man to see that the
3 most expensive one at the top is Alafaya, and the
4 least expensive one at the bottom is the one that
5 they probably prefer, 1.6. All that does is to
6 attempt to persuade you of costs that it makes the
7 most economic sense.

8 I don't think so. I mean those are just
9 numbers that are thrown up to influence you.

10 I really think that before you make your
11 final recommendation to the PSC, No. 1, you need to
12 step back and see why all the citizens of Alafaya
13 Woods and Twin Rivers are being denied a reuse water
14 project simply because Alafaya Utilities says it's
15 their area and no one else can come in and provide
16 the water. Yet they won't do it either. I mean
17 that's a neither/nor, not an either/or, and it's
18 just not right.

19 I wholly agree with your recommendation
20 that you should not ask us who are being denied the
21 use of reuse water to bear any of the cost of this
22 project if we're going to be denied any reuse water,
23 none.

24 You say the benefits are minimal. We say
25 the benefits are nil. There are none and we

1 shouldn't get any cost from this project.

2 Thank you.

3 (Audience applause).

4 MS. CHASE: Thank you, Mr. Brooks.

5 The last customer I have on my list that's
6 indicated they want to speak is Joseph Braun,

7 B-R-A-U-N.

8 JOSEPH BRAUN: Good evening. My name is
9 Joseph Braun; J-O-S-E-P-H; B-R-A-U-N. And I live at
10 1415 Cura, C-U-R-A, Court, Oviedo, Florida 32775.

11 And you've had people talk against this
12 project, people have talked for this project, and,
13 people being for and against it. I'm impartial
14 because a friend of mine called me a few days ago
15 and said, Joe, I think you ought to get involved in
16 this because it's going to have a big impact on the
17 community and you might be able to help us
18 understand where we stand on this.

19 I'm impartial not because I'm for or
20 against it. Because I think basically everybody is
21 for saving water, using it more properly, reducing
22 lawn watering bills and all the other good things
23 that may come out of this. But, I've tried in a few
24 days to gather as much information as I could and
25 there wasn't too much information available.

1 And I know when I buy a car I go to many
2 dealers and look at many cars. I go to the library,
3 go on the Internet. If I pick a new doctor I do the
4 same thing. I get references. And there's nothing
5 I really buy, whether it's a product or a service,
6 that I'm going to pay for, particularly the rest of
7 my life, that I don't check out pretty carefully and
8 I haven't been able to do this.

9 So one thing I may suggest to the
10 Commission is that you think about how little we
11 know about what's going to be happening to us. And
12 as Allen says, our retired soldier here said, that
13 we pay the bills and we pay the taxes. The
14 Commission and the Utility wouldn't be able to pay
15 the salaries of their employees if they didn't have
16 us pay the bills, and there certainly wouldn't be
17 any profit or dividends.

18 Though I think it's important that we do
19 several things. One, get us out of the dark, and I
20 think before we can really decide this, at least I
21 can, and the people that I work with can, that we
22 should be told, who pays the -- a comparison of what
23 other communities pay for installing and paying for
24 it on a monthly basis for similar services. How can
25 we make a decision if we have nothing to compare it

1 to?

2 We're not the first one in the area or the
3 state, certainly the country, that are using reuse
4 water and somebody must have these figures. I like
5 to know whether the Public Utilities Commission has
6 it or the Alafaya Woods has it. Hopefully they do,
7 because I worked for a lot of big companies and we
8 always did. And/or the city, or maybe the St. Johns
9 River people have this information.

10 And also I think we ought to have the list
11 of the people in this area at least, or preferably
12 that have had Alafaya Utilities service them with
13 reuse water and let's talk to a customer that has
14 the product or service. Find out what their
15 experience has been with Alafaya Utilities. Because
16 I sure do that when I buy a car. What kind of deal
17 or what kind of service. And it's if bad, I don't
18 buy it.

19 We don't have a choice here. It's either
20 going to go and we're going to get it, or it's not
21 going to go and none of us are going to get it. So
22 we don't have the choice like we normally have, even
23 to pick your doctors, unless you're in a HMO.
24 That's another big story.

25 I sort of feel like the Congress passing

1 this midnight increase which they thought they could
2 slip through the Holiday Inn here in the darkness of
3 night.

4 And I wonder if anybody ever surveyed the
5 citizens that are going to be affected by this? Do
6 they need it? Do they want it? Is it a desirable
7 thing? Is it an undesirable thing?

8 I'm active in the Greater Oviedo ARP.
9 Three hospital, regional hospital senior programs.
10 The chamber of commerce. A veterans organization.
11 Two professional organizations. I'm sure I left out
12 some. And I really enjoy talking to people. Oh,
13 the University Club. I'm a student at UCF. I guest
14 lecture at UCF. So I talk to a lot of people all
15 the time. And I have yet to meet one person out of
16 I'd say hundreds, where I brought this subject up,
17 that didn't feel like they were getting, I don't
18 want to use the word that's in my mind, getting,
19 God, I can't think of a synonym.

20 AUDIENCE MEMBER: A raw deal.

21 JOSEPH BRAUN: What?

22 AUDIENCE MEMBER: A raw deal.

23 JOSEPH BRAUN: A raw deal, thank you. I
24 have yet to meet one in any of these groups, who are
25 also neighbors and friends, have yet to meet one

1 that really knows what's going on, not one. And
2 that's pretty sad, and I think that's something that
3 the Commission ought to consider before they make
4 the decision. And that's one reason I suggested
5 that maybe somehow you help us get this
6 information. Tell us where we can get it. And I
7 don't think this can be done by January. Because
8 we've waited a long time for reuse water, and
9 another month or so wouldn't make a difference.

10 I think that takes care of all my notes.

11 MS. CHASE: Mr. Braun, could you tell us
12 what subdivision you live in?

13 JOSEPH BRAUN: Lake Rogers.

14 MS. CHASE: Lake Rogers?

15 JOSEPH BRAUN: Lake Rogers. It's a nice,
16 small development with 61 homes.

17 MS. CHASE: Okay. I'd like to make a
18 couple of comments about what you said.

19 First of all, about the -- like I said, I
20 do have three copies of the Utility's plan and you
21 all are welcome to take that and hopefully share
22 them with others if you want to look through it for
23 a little bit more detail on these particular
24 scenarios.

25 JOSEPH BRAUN: Thank you.

1 MS. CHASE: But, I want you to recognize,
2 now we don't, we don't have all of the Staff that is
3 working on this case with us here, but we do have
4 engineers back in Tallahassee that have looked at
5 these numbers. I mean they haven't just giving us,
6 given us a number that said, it's going to cost
7 whatever. They have given us a breakdown of all of
8 the costs that are involved in it and they are
9 looking at those and their investigation of course
10 is ongoing. So --

11 JOSEPH BRAUN: That's why I asked for the
12 information because I, in two other states -- one
13 was a high power line in our area which we
14 defeated. Another one was a 635 HUD development in
15 another state which went to the Supreme Court which
16 was defeated. I know how you guys work and I
17 appreciate what you do.

18 MS. CHASE: Okay. The other comments you
19 made, which are very good comments as far as the
20 comparison of what other communities are paying, we
21 are looking into that and that information will be
22 part of the recommendation. And if you have signed
23 up to get it, you'll see that.

24 But that is something that we too are
25 exploring as far as what other, what the other

1 communities in this area are paying, or charging for
2 reuse, whether it's a metered rate or flat rate and
3 stuff like that.

4
5 JOSEPH BRAUN: How quickly will we find
6 out who these people are?

7 MS. CHASE: We have, we have some of that
8 information back in Tallahassee, and we'll be happy
9 to -- we have your address now. We'll be happy to
10 send you what we've been able to collect, just so
11 you will know what other communities in the area,
12 other utilities, are charging for service.

13 Your idea about surveying the citizens is
14 probably a very good idea. To the degree this
15 Utility is going to have a long range plan on who
16 gets reuse when, that's probably a very good idea is
17 to do a survey of their customers. And, you know,
18 what, because reuse is not mandatory. Reuse service
19 is not mandatory for residential customers at this
20 point in time. And so --

21 JOSEPH BRAUN: Okay. I --

22 MS. CHASE: -- and one of the things
23 they're going to need is how many people are going
24 to take it. And how many people are going to take
25 it is going to be important to know whether it's
worth putting a line down the street. Are you going

1 to have enough people that are going to want it and
2 take it.

3 So, that's a very good suggestion. One
4 that we'll look into.

5 Thank you very much for your comments.

6 MS. CHASE: One other individual, Mark
7 McDaniel.

8 MARK MCDANIEL: My name is Mark McDaniel.
9 I live at 1001 California Creek Drive, in Twin
10 Rivers.

11 I haven't decided whether I'm for or
12 against reuse water. My main concern is that I
13 don't understand why if I decide not to use water I
14 have to be charged an availability fee?

15 What business comes to town and sets up
16 shop, and because they build a, incur an expense of
17 setting up their business, want to charge me because
18 their business is available to me if I don't use
19 it? My phone company has all kinds of different
20 services but if I don't use caller ID, I don't get
21 charged for it.

22 Why can't they come up with another plan
23 where they just charged people who are going to use
24 it and maybe go on a graduated yearly scale? They
25 start off with twenty dollars a year and drop it to

1 eighteen, to sixteen, to fourteen till they get it
2 down to the nine dollar rate. If that's the way,
3 excuse me, they want to, if they want to help defray
4 their costs, charge the people who are going to use
5 the water, not everybody in the city.

6 And that's mainly, my main concern.

7 MS. CHASE: Okay.

8 (Audience applause).

9 MS. CHASE: Thank you for that comment.
10 One of the, that is one of the things of course
11 we're looking into.

12 There are other areas in Florida that do
13 charge an availability charge and that, that is to
14 defray the cost of the line that's down in front of
15 the streets. Whether or not that is legal for a
16 private utility to do in Florida we don't know yet.
17 We're looking into that.

18 But let me just tell you the logic. Not,
19 you know, not whether it's a good or a bad thing.
20 But the logic of it is that they have to put the
21 line down there and it is voluntary whether or not
22 customers take reuse. It's not a mandatory thing.
23 Like water and sewer if you put a line down,
24 everybody on the block has to hook up to water and
25 sewer. You don't have a choice. That's not true of

1 reuse.

2 So to help defray the cost and to help
3 encourage people to take reuse, they have the
4 availability charge. It helps keep the rate, the
5 reuse rate down for those that are taking it. Make
6 it more advantageous for others to take it.

7 Again this goes along, goes along the line
8 of reuse is a good thing both, you know,
9 environmentally. The State of Florida supports
10 reuse as a way to, for irrigation and so forth, and
11 it does preserve the water in the aquifer.

12 But this is something we're exploring. I
13 don't know that that is the actual answer. If there
14 isn't an availability charge, then the reuse rate to
15 those that do take it will be higher, which is the
16 downside. So it's something that we need to
17 explore.

18 MARK MCDANIEL: That's the user's problem,
19 it's not my problem. It's the company's problem.
20 If I don't want to use it, that's not my problem.

21 MS. CHASE: All right. I appreciate the
22 comment.

23 ARTHUR KETCHAM: I just wanted an answer
24 to this. I didn't get one.

25 WALLACE MARCANTONI: Can I say something?

1 MS. CHASE: Yes, certainly. State your,
2 when you get there state your name and spell it for
3 the record.

4 WALLACE MARCANTONI: Okay. My name is
5 Wallace Marcantoni, M-A-R-C-A-N-T-O-N-I. I live
6 1099 Dees Drive.

7 The water that is on Alafaya Woods right
8 now in the sprinkler system, I have no idea if it's
9 reuse, if it's treated, if it's garbage water, I
10 have no idea but it stinks. I don't know if I want
11 reuse water in my house or not. But if that's the
12 water that is going to come through my pipes to
13 water my grass, I definitely don't want the water.

14 I don't want to be told that I have to pay
15 for something if I don't want to use it. I don't
16 want to be told either that it's an availability.
17 If you want to, you have to pay. I don't care. If
18 I want to, I'll pay for it, the five dollars or nine
19 dollars or whatever it's going to be.

20 They want to get richer, that's fine.
21 They want to pay their bill, that's fine. Let them
22 just do it on the next, you know, twenty years or
23 whatever.

24 To me, that plan No. 4 where nobody living
25 right now looks like the best plan. Nobody going to

1 get affected. The next people who going to buy a
2 house in Oviedo, let them pay for their reuse
3 service.

4 I don't want to pay for any reuse if I
5 don't like it. If they want to put the pipes
6 through my street at their own expense, that's fine,
7 but I don't want to pay for that. Not even have the
8 chance to hook later on. If I want to hook later on
9 to that water, then I'll pay for that.

10 I have to work two jobs to make ends meet
11 in my house. I don't need anymore bills any higher
12 than they are and every year the bill gets higher
13 and higher for whatever. I want to spend time with
14 my family and I can't. I have to work two jobs to
15 make ends meet in my house. They probably don't
16 have to do that and I'm glad that they don't have to
17 do that.

18 But basically, I go for plan No. 4, the
19 one that's right now on the board. Nobody is going
20 to get affected. Let them get their money in the
21 next fifty years if that's what they want to, not in
22 the next two years or whatever.

23 Maybe later on if I decide that I want to
24 have water reuse in my house, then I'll pay for
25 that. But until that time I don't want to pay fifty

1 cents or nine dollars or five dollars or most
2 definitely not paying \$640 or \$150 dollars for the
3 meter. If I decide I want to have it, then I'll pay
4 the amount of money. Which I won't pay it because I
5 won't have it because I don't have the money. I
6 don't want to work three jobs to keep my family, you
7 know, above the water.

8 MS. CHASE: Thank you.

9 (Audience applause).

10 MS. CHASE: I have been asked to, just one
11 minute, sir. I have been asked to speak to the
12 smell of the reuse water.

13 I'm not an engineer. I'm not really aware
14 of all the requirements, but I do know that reuse
15 water does have to meet state standards set by the
16 DEP. And as far as treatment. And to my knowledge,
17 maybe Mr. Miller can help us but I don't know if
18 smell is one of the things that you look at, but.

19 LEE MILLER: Smell is not normally a
20 problem. I don't understand. There's not any lawn
21 irrigation in your neighborhood. How can it be
22 reuse smell?

23 ARTHUR KETCHAM: It's reuse water; is that
24 correct, sir?

25 MS. CHASE: No, no.

1 ARTHUR KETCHAM: Where's it come from?

2 MS. CHASE: Excuse me, excuse me.

3 Remember, we have a court reporter, I'm sorry. This
4 is Mr. Miller by the way, with DEP, Mr. Lee Miller.

5 No, I didn't really realize your
6 question. The water in Alafaya Woods is provided by
7 the City of Oviedo. It is not -- there is no reuse
8 water?

9 LEE MILLER: No.

10 MS. CHASE: Is there someone from the
11 Utility that has -- you want to get to the mike and
12 maybe address that.

13 GERALD CHANCELLOR: Gerald Chancellor,
14 Hartman & Associates, Orlando, Florida.

15 The water that you're speaking of I'm
16 certain is coming from the irrigation wells that are
17 probably controlled by your homeowners association.
18 And those wells, the water out of those wells is
19 more than likely coming from part of the aquifer
20 that contains hydrogen sulfide which gives you a
21 rotten egg odor. And unless you treat that water,
22 like the City of Oviedo treats its water with
23 aeration and chlorination to remove the hydrogen
24 sulfide, you're never going to get rid of it.

25 As far as the reuse water having that

1 odor, I've never seen a reuse system have any odors
2 of that nature. You have to be very specific about
3 your reuse lines and everything. Because the reuse
4 water that is provided to the customers is very,
5 very difficult to tell from the water that is coming
6 through your drinking water pipes.

7 ARTHUR KETCHAM: Thank you.

8 MS. CHASE: This gentleman here, did you
9 have a comment?

10 RICHARD MELNICK: Yes, ma'am.

11 MS. CHASE: Would you like to go to the
12 microphone, please.

13 RICHARD MELNICK: My name is Richard
14 Melnick. 1043 Hornbeam Street, Alafaya Woods.

15 MS. CHASE: Would you please spell your
16 last name.

17 RICHARD MELNICK: M-B-L-N-I-C-K.

18 This question I think should be addressed
19 to the Utility company. Why is it when we walk down
20 the street we have a terrible odor of sewage all
21 around Hornbeam, Sugarberry, anyplace in the whole
22 area. We walk down the street just to take a walk
23 and all you do is smell sewer. And I don't think
24 that's right either.

25 MS. CHASE: What subdivision do you live

1 in?

2 RICHARD MELNICK: Alafaya Woods. And I
3 don't know if the sewers are operating properly or
4 whatever. But I've lived in many areas, I've never
5 had this.

6 That's all I have to say.

7 MS. CHASE: I don't believe they have any
8 comment on that.

9 I will say one of the things that the
10 Commission does is to look and check with the
11 Department of Environmental Protection to make sure
12 they're meeting all state standards. And they are.
13 There are no violations that they have --

14 RICHARD MELNICK: Can't even take a
15 walk-in our area.

16 MS. CHASE: Okay. Is there anyone else in
17 the audience that did not sign up to speak? Yes,
18 sir.

19 TOM TYRRELL: My name is Tom Tyrrell;
20 T-Y-R-R-E-L-L. I live at 900 Calafut Court,
21 C-A-L-A-F-U- T. That's in the Lake Rogers
22 subdivision. I just had a few questions after
23 listening to everyone.

24 If this projected plan No. 4 is approved,
25 there is no cost to anyone that's an existing

1 customer; is that correct? Or is there still going
2 to be this -- or is there going to be any charge to
3 us?

4 MS. CHASE: The existing customers there
5 would be no charge. The charges would be to the new
6 customers that come on in the form of service
7 availability and reuse rates.

8 TOM TYRRELL: Okay. And, who will, who
9 will make the decisions as to which areas they will
10 move into if in the new developments they're not
11 gaining enough customers to, to use the water output
12 that they're getting?

13 MS. CHASE: That's a, that's a Utility
14 decision, Utility planning decision. You're talking
15 about once they, if they are not able to get rid of
16 enough effluent in this area --

17 TOM TYRRELL: Right.

18 MS. CHASE: -- where would they go?

19 TOM TYRRELL: Right.

20 MS. CHASE: That is the decision of the
21 Utility. And they will --

22 TOM TYRRELL: So they just, they just pick
23 whichever one they want to go to and no one has any
24 control, they just do what they want?

25 MS. CHASE: Well, you know, again, I

1 think --

2 TOM TYRRELL: I'm just asking.

3 MS. CHASE: And, it's a utility management
4 decision, yes, it is, as far as how they provide
5 reuse within their service territory.

6 I think there's been some good comments
7 tonight. For instance, you know, a survey of the
8 existing area to find out where the customers are
9 that are interested in it would probably be a good
10 idea. Something we might consider asking them to
11 do. Stuff like that.

12 But, ultimately it is a utility decision
13 because, No. 1, they have to get rid of the
14 wastewater effluent. And, you know, they're going
15 to be in problems with DEP if they don't, and they
16 run the risk of doing that. So, it is their
17 ultimate burden.

18 TOM TYRRELL: If they're going to address
19 some things, could we maybe ask them why they
20 blocked the Oviedo, City of Oviedo from implementing
21 this wastewater use or reuse water?

22 MS. CHASE: I think that's something we
23 can explore on the staff level.

24 TOM TYRRELL: Okay.

25 MS. CHASE: And that will be explained or

1 addressed in our staff recommendation.

2 TOM TYRRELL: And I thought I also heard
3 that, that depending on the usage, at some point
4 they might find it necessary to change from a flat
5 rate to a metered rate. I wondered who, who draws
6 the line as to where they get to make that change?

7 They get us all hooked up and then all of
8 sudden they want to meter our rate instead of giving
9 us a flat rate. Does the Commission have any
10 control of over that --

11 MS. CHASE: Yes.

12 TOM TYRRELL: -- or is that their decision
13 when they do that?

14 MS. CHASE: That is a Commission
15 decision.

16 What would make that happen is if they
17 initially start with a flat rate and people take too
18 much of it and they don't have enough to go around,
19 which is another possibility, then metering it makes
20 a lot more sense, and that would be something that
21 they would apply to the Commission for a metered
22 rate. But that's the decision making that's going
23 on there, is whether they have too much or too
24 little of the effluent to dispose of, the reuse.

25 TOM TYRRELL: No retrofit cost. If

1 they're going to get these things approved, and
2 you're going to approve, why do they keep deleting
3 the retrofit cost? I mean, they should be able to
4 project what it's going to cost to put this in the
5 ground. It's done every day. I don't know why we
6 just keep getting these figures about what it's
7 going to cost to implement it but there's no cost
8 to...

9 You know, that's, that's something else
10 that we as the customers are going to be absorbing
11 that retrofit cost? Or are they going to be coming
12 back to the Commission to get the rates increased
13 because retrofit costs more than what they
14 projected?

15 MS. CHASE: The, that's a very good
16 question. The retrofit costs are a big question.

17 Now, the reason that they're left out of
18 the numbers that I gave you tonight is because we're
19 trying to compare one plan to another. And in the
20 new areas, where the reuse lines are going to be put
21 in by developers and donated to the utilities, there
22 is no cost for those lines. So we wanted to compare
23 apples and apples.

24 In the existing area you have the plant
25 cost and the transmission lines to get it out there;

1 but in addition to that you're going to have the
2 retrofit costs. And there's a real question as to
3 whether the customers in that area should pay that
4 or should the Utility put it in and collect it from
5 their wastewater rates and all of their wastewater
6 customers pay it. Those are very good questions and
7 they have not, they have not been answered.

8 TOM TYRRELL: What I see happening is
9 they're going to get these new customers in these
10 new developments. They're going to, they're going
11 to get this approved. It's going to come through
12 for the new developments. They have blocked the
13 City of Oviedo from providing wastewater or reuse
14 water to us. They're going to get what they want.
15 We're going to still have two hundred dollar a month
16 water bills in the summer to water our grass.

17 And, you know, what, what I'd like to see
18 happen is if they get this plan approved for the new
19 developments, which I have no problem with
20 whatsoever, if they get this plan approved, they
21 need to discontinue their blocking of the City of
22 Oviedo from providing us with that reuse water.
23 Because I'm going to tell you, to pay two hundred
24 dollars to water my grass is horrible. It's
25 horrible.

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MS. CHASE: I understand that concern.

Okay.

TOM TYRRELL: So I mean all, I want the water. I've been in the construction business. We use it in all the big developments. I know there's no problem with it. I want someone to provide me with reuse water. And if they can't do it, please don't stop Oviedo from doing it.

And one other quick thing. In our development our homeowners association president didn't even get a notice. Many people didn't get notice of this meeting. I don't know how it was decided where the notices went out but there were -- I don't know of anyone else in the neighborhood. We have, we have Joe and Alice here, two other folks from our neighborhood. Other than that I don't know anyone else that got the notice.

MS. CHASE: The notices went out to all existing customers of --

TOM TYRRELL: No, they didn't.

MS. CHASE: Well, how do you, how did you become aware that they did not get them?

TOM TYRRELL: I personally talked to at least a dozen people in our neighborhood, and there's between sixty and seventy homes. And, you

1 know, I provided the president of the homeowners
2 association with the letter myself.

3 MS. GERVASI: We can check into that, sir,
4 because we did ask the Utility to provide notice to
5 all of the existing customers in its service area.
6 So appreciate your bringing that to our attention.

7 TOM TYRRELL: Thank you.

8 MS. CHASE: Yes, sir.

9 ALBERT SPELSBERG: My name is Albert
10 Spelsberg. It's S-P-E-L-S-B-E-R-G. I live at 875
11 Calafut Court, C-A-L-A-F-U-T, Court in Lake Rogers,
12 and I am the president of the homeowners association
13 in Lake Rogers. I did not get a notice until Tom
14 brought the paper to me yesterday evening and I said
15 I'd be here, which was short notice.

16 I wasn't prepared for it. Had not seen
17 anything about this. I've been waiting for four
18 years to hear something about this. I thought it
19 was over with until last night.

20 But anyway as far as I've lived in that
21 neighborhood eight years ever since it was
22 developed. I was one of the first neighbors in
23 there. And the smell you guys are talking about,
24 there is a smell if you walk down certain times of
25 the day down towards those units Alafaya Utility has

1 down there that's evidently purifying the water. I
2 guess it's just part of the purifying the water.

3 I've always wondered what that smell was.
4 I did not buy down at that end of the neighborhood
5 because of that and I don't know how those homes
6 have even been sold down there because of that
7 because it's really nasty. It doesn't come into our
8 end of the neighborhood so we don't have to mess
9 with it. I walk down there and I smell it.

10 As far as the other smells along the
11 streets, along the common areas that you're talking
12 about, I've got a lot of my neighbors that have
13 drilled a well and I can't go on my back porch when
14 they're watering their lawns. In fact, I'd like to
15 see the Department of Environmental Protection or
16 somebody come in and see if there is some way to
17 purify that water, the air that's coming off that
18 water, so that I can go on my back porch. Of course
19 that's not the agenda here tonight. If I could stop
20 it, I'm going to talk to the city about that too,
21 but I think somebody ought to do something about
22 that.

23 I'm not for or against the effluent but
24 I've been in areas up north that have effluent and
25 it's a good thing. The grass is greener. The golf

1 courses prove that. I don't smell any smells on the
2 golf courses, so I go along with that. I like
3 that.

4 But I would like to know one thing. Is
5 this Utility, is this water going to be treated
6 before it gets to Oviedo from Orlando or after it
7 gets here? And if it's going to be treated after it
8 gets here, is there any potential for it being
9 stored in those drainage ponds there next to the
10 fire department in my neighborhood of Lake Rogers?

11 These are questions I would like to have
12 answered.

13 And also, if you do decide to come through
14 my neighborhood, are you going to tear up all the
15 French drains on my street; or are you going to go
16 down the middle of the street instead of tearing up
17 all the trees that we've all planted?

18 We don't know anything about what's going
19 to happen. This is something my whole neighborhood
20 would like to know and I as the president of the
21 homeowners association this year would like to have
22 a report from whatever you have.

23 That's about all I can say.

24 MS. CHASE: Okay. All right. Thank you
25 very much. We've got those comments.

1 Is there anybody else that would like to
2 make a comment? Okay.

3 BILL DINGELL: My name is, my name is Bill
4 Dingell. I live at 1007 Quaker Ridge Court in
5 Oviedo, in the Ekana subdivision. I'd just like to,
6 I think everybody has done an exceptional job and I
7 can only ask the Commission to please seriously
8 consider all the questions of these, of these
9 residents. They have gone through my list quite
10 well.

11 From what my total impact was on my, on my
12 particular, my particular subdivision, or my
13 neighborhood or all the way down the street,
14 wherever it might be, when am I going to see that
15 complete study? Obviously must be certainly
16 included in your green package there this evening.

17 And I also agree with the philosophy of
18 not paying a bill for a service that I don't want to
19 elect to have. I.e., I have a cable company come in
20 front of my house. If I don't want cable, I am not
21 charged a fee for that cabling in front of my home,
22 certainly a waterline or anything else. That is,
23 for the reuse waterline.

24 So that's my request of the Commission, is
25 to please respond to these questions in a serious

1 manner.

2 MS. CHASE: Okay. Thank you. Excuse me,
3 sir, did you say what subdivision you live in?

4 BILL DINGELL: Ekana.

5 MS. CHASE: Ekana. Okay. Are there any
6 other comments?

7 JOSEPH BRAUN: I'd like to make one, to
8 ask one last question.

9 MS. GERVASI: Could you please state your
10 name once again, please.

11 JOSEPH BRAUN: Sure. Joseph Braun.
12 Anything else? I just like --

13 MS. GERVASI: That's fine.

14 JOSEPH BRAUN: -- to offer the Alafaya
15 Utilities an opportunity to come to a meeting in the
16 community, which I'd be glad to help arrange, so we
17 could find out how you feel about things, get some
18 answers to these questions.

19 THOMAS VAYDA: Can I add something?

20 MS. CHASE: Yes, sir. Again state your
21 name.

22 THOMAS VAYDA: Thomas G. Vayda. I live in
23 Twin Rivers.

24 Two things that really, when I, when I
25 asked the city engineer about the quality of the

1 water four years ago from Iron Bridge, and I assume
2 it's from Alafaya, he indicated there wouldn't be a
3 smell and be a slightly higher, probably slightly
4 higher potassium content. So that's kind of what
5 sold me.

6 The second thing is, I really like the
7 idea of the survey he mentioned. But if the Alafaya
8 Utilities is going to do it, whoever sees this from
9 the Public Service Commission ought to assure that
10 all the good things about this reuse water are
11 brought forth because I can see the gentleman's
12 position in the front.

13 But the one thing that wasn't even
14 mentioned here is for those communities that do
15 receive it, I think it's even going to improve
16 property values. Because I know when I bought I was
17 really excited about the issue of being able to have
18 reuse water just from the economic standpoint. And
19 I think if your community doesn't have it, is
20 actually going to have an impact. And the people in
21 the communities that do have it will obviously keep
22 their lawns a lot greener because now they can
23 afford to water them in the summer.

24 The issue of the smell is very relevant,
25 but again, I think all the wells that I know of, all

1 the smell I know, at least along -- what's the Twin
2 Rivers street? Is that Lockwood? Yeah, at least
3 along Lockwood those are point wells that they put
4 in.

5 And also those ponds that are right there,
6 the city put in to provide the water for that
7 specific use. It's not from effluent.

8 Thank you.

9 MS. CHASE: Thank you. Is that it? Okay.

10 MS. GERVASI: I'd just like to reiterate
11 before we close, particularly since it has come to
12 our attention that certain of the customers may not
13 have received the notice, that if you haven't signed
14 up to receive the recommendation and the order, that
15 you share those documents with as many other
16 customers as you, as you can.

17 And, Mr. Spelsberg, as president of your
18 homeowners association, if you'd sign up to receive
19 one of those I'd appreciate it. Anybody else who's
20 in the position of being able to share those
21 documents with other customers we'd appreciate
22 that.

23 Thank you.

24 MS. CHASE: Okay. I'd like to thank you
25 very much for your comments. They were very

1 helpful. Things we can go back and work on and
2 consider and do a little bit more investigation.
3 Thank you.

4 And again, I do have a couple more of
5 these if you all would like to take them and share
6 with them, and share them, you're welcome to it.

7 Thank you.

8 (Thereupon, the hearing concluded at
9 7:52 PM).

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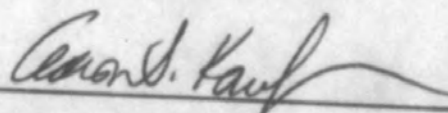
STATE OF FLORIDA)

COUNTY OF ORANGE)

I, AARON S. KAUFMAN, Commission Reporter,
DO HEREBY CERTIFY that CUSTOMER MEETING in
Docket No. 960288-SU was heard by the STAFF at the
time and place herein stated;

It is further CERTIFIED that I
stenographically reported the said proceedings; that
the same has been transcribed under my direct
supervision; and that this transcript consisting of
73, constitutes a true transcription of my notes of
said proceedings notes.

DATED this 14th day of November, 1997.



AARON S. KAUFMAN, RPR

Official Commission Reporter

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C E R T I F I C A T E O F R E P O R T E R

STATE OF FLORIDA)

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