



## P R O C E E D I N G S

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2 (The following transcript constitutes the  
3 material that was recorded during this proceeding. Due  
4 to technical difficulties, the beginning of the meeting  
5 was not recorded.)

6 **MR. JACKSON:** This is during wintertime. He  
7 does have a sprinkler system during the winter  
8 (inaudible). It's a utility (inaudible).

9 Looking at this, from -- my background is  
10 in accounting. Looking at this and doing budgets  
11 most of my life, looking at the increase -- at the  
12 time I didn't have a sheet in front of me showing  
13 what the average usage was for a resident. You're  
14 saying it's 5,000 gallons. It seems extremely small  
15 for me for an average person. But, anyway, even at  
16 that, you're still looking at a 22 percent increase.

17 Now I understand that they haven't had an  
18 increase since the year 2010 from that standpoint.  
19 But what I'm reading here, in 2014, their revenues  
20 and expenses were the same, so they broke even. I  
21 would assume that that includes wages and everything  
22 else along the way. So that means to me they didn't  
23 lose money in 2014.

24 And you pulled something up on the screen  
25 a little while ago that I didn't really understand.

1 You said it was some kind of, like, exemplary month  
2 or period and it showed a \$20,000 loss. Is that a  
3 different year?

4 **MS. HUDSON:** Their test -- we base our rate  
5 case on the test year. Their test year goes from  
6 July 1st, 2014, to June 30th, 2015. So it's not --

7 **MR. JACKSON:** (Inaudible) they lost \$20,000.

8 **MS. HUDSON:** In that period.

9 **MR. JACKSON:** Okay. So they lost \$20,000 in  
10 that period. When I was looking at, you know, at the  
11 revenues they have there versus that, you have a  
12 22 percent increase. That would increase the rates  
13 \$162,000 based on the average, on the \$5,000 -- a  
14 5,000-gallon average. If you have people using  
15 10,000 gallons, from that standpoint then you're looking  
16 at a 62 percent increase in the revenues. Like I say,  
17 I'll have to take your word for what you're saying that  
18 the 5,000 gallons is what the average is. It just seems  
19 -- it seems awfully small from seeing what, you know,  
20 looking around and seeing what my son has and others.

21 I know that he has to run his sprinklers  
22 because the homeowners association, if you don't  
23 have a good-looking yard, you get in trouble.  
24 They'll write you a note saying, "Water your yard,  
25 put dirt on your yard, put fertilize on your yard or

1 it'll be fined," or, you know, whatever -- I don't  
2 know the extent they can do. I don't know his  
3 homeowners association, but they do get in trouble  
4 if they don't have a good-looking yard.

5 He had -- he got some letters about three  
6 years ago. I helped him take a whole two -- a whole  
7 truckload of dirt, spread it over his whole yard so  
8 to help fill in -- fill it in to do that. The yard  
9 was -- I don't know what was wrong -- it was put in  
10 with sod, his whole yard was sod. There was some in  
11 the front yard that didn't take well. You know, we  
12 tried to do it. It's finally recovered. It's doing  
13 well. (Inaudible.) So it, you know, increased the  
14 amount of his bill. I would assume that everybody  
15 in the neighborhood has got to water their yards;  
16 right? It's just hard to believe it would be that  
17 small (inaudible).

18 Another thing that -- my question is I know  
19 the cost of living -- you know, I own a business. I own  
20 a trucking company. I haven't been able to give my  
21 drivers an increase in five years of any kind. The  
22 money is not out there. The business is not out there.  
23 I know there are some businesses that do real well,  
24 those kind of things, people that, you know, like that.  
25 Maybe utilities, if you go to the government to get

1 increases, people who go to the government to get  
2 increases and do that, and it gets passed on to me and I  
3 can't pass it on to my suppliers. Right now all I  
4 (inaudible) the rates I've got now. The only thing that  
5 saved us the last two or three years is luckily fuel has  
6 gone down. I don't know -- now it's going in the other  
7 direction, I don't know what's going to happen the next  
8 few years with that. All I can tell you, you know, is I  
9 don't know what the costs are there, but I know their  
10 costs are probably (inaudible), but I've had to absorb  
11 them for the last four or five years from that  
12 standpoint.

13 (Inaudible) five years, it's been 2 percent  
14 the last five years. The cost of living has not been  
15 more than 2 or 3 percent max. So we're looking at 10 to  
16 12 percent. So (inaudible). This is going to be for  
17 five years. Further, if you look at (inaudible). So  
18 it's 22 percent in that time. Again, I don't agree with  
19 that being the proper amount. I think we're looking at,  
20 you know, the higher rate if you use about 10,000  
21 gallons. So the people that use 10,000 gallons, you're  
22 talking about a 62 percent increase in their rate.  
23 Okay? That, to me, is exorbitant. Okay?

24 I understand that people that use less, you  
25 know, maybe they need to get a little break or something

1 like that. I know in the City of Jacksonville, JEA,  
2 people can apply for that. They have -- if they're  
3 having problems where they can't afford it and they're,  
4 you know, making a certain kind of money, they can get  
5 some help. In this neighborhood I don't think you can  
6 do it. You can't file against this agency to get any  
7 kind of money like that back. So they're -- you know,  
8 you have to pay this out of your own pocket.

9           And that 62 percent increase is just in the  
10 base rates. It doesn't include -- you're going to have  
11 another \$3.66 in additional taxes, which is a 50 percent  
12 tax on this break. Which I don't know what all the  
13 totals are, where that goes to, but, anyway, that means  
14 you've got a 72 percent increase in the rates. Okay?  
15 If you look at the 15,000 rate, 73 percent increase and  
16 go to an 83 percent including their taxes. So, I mean,  
17 for -- you're trying to catch up for five years. What  
18 it tells me is that whoever did this the year before  
19 either didn't do good budgeting or either the rating  
20 people didn't help them enough to let them know, say,  
21 hey, you need to put a little more into the budget and  
22 do it. I don't know why -- I don't know if there's  
23 anybody here from the utility to talk about it, but it  
24 would be nice to know what they need this extra money  
25 for and those types of things. Put in a new

1 infrastructure, is that what they've got to do? I don't  
2 know. You know, (inaudible) chemicals (inaudible),  
3 those types of things.

4 I don't know what they've done as far as, you  
5 know, labor and that kind of stuff, their people getting  
6 raises. That's fine. That's nice that they can get a  
7 raise. I wish everybody could get a raise from that  
8 standpoint.

9 My son has also been to the office there where  
10 the utility is located, and it appears that they're, I  
11 guess, multiple staff -- (inaudible) local businesses.  
12 So I don't know whether -- I know I've been in, you  
13 know, in that position where there are multiple  
14 businesses and it's prorated out. I don't know how it's  
15 prorated out, but, you know -- is the utility absorbing  
16 all the cost of this person and is that person used for  
17 (inaudible) utilities? I don't know. There's some  
18 things we need -- I would like to know (inaudible) and  
19 my son would like to know.

20 Another thing is, like I say, you know, do  
21 they have a good (inaudible) for their utility? Are  
22 they, you know, watching their stuff? Are they having  
23 repairs that are popping up because nobody is, you know,  
24 following up behind them and they're looking at pipes,  
25 those types of things? Are they checking it out? I

1 have a full-time person. That's all they do is check  
2 the oil in my trucks, check the belts. They check all  
3 those things. If I don't do those things, the guy on  
4 the road breaks down, okay, and being on the road it's  
5 going to cost three times as much to repair. You do the  
6 same thing. If you're not inspecting your equipment or  
7 if you don't, you know, keep your oil changed in your  
8 car, all of the sudden you've got a major bill. So I'm  
9 not sure what these people are doing or not doing from  
10 that standpoint.

11 But for me, in looking at this and reviewing  
12 it with my son, I just think that the whole cost is  
13 exorbitant. (Inaudible) an increase, okay, from that  
14 standpoint, but I just think this is extreme. And it's  
15 also, again, a tiered system that the people that are  
16 using a little more because they have to go water their  
17 yards, take care of their (inaudible). If you water  
18 your yard, JEA is going to charge you for that water  
19 going down the sewer. I get that at my house, same  
20 thing. Okay? So all those dollars that are going out  
21 there in your yard will get charged in your sewer bill.  
22 Okay? I believe that's the same way. Okay? And that's  
23 a lot of money. So if you're being required by the  
24 homeowners association to water your yard, okay, you're  
25 getting charged -- you're getting hit on the front end



1 by the utility and you get hit on the other end by JEA  
2 when you get your sewer bill. Okay? So, anyway, that's  
3 my view of the whole process. All right.

4 **MS. HUDSON:** Thank you.

5 **MR. JOHNSON:** Jackie Ayoub.

6 **MS. AYOUB:** My name is Jackie Ayoub, and I am  
7 the community manager at Chaffee Pines. We have 179  
8 homes in there.

9 **MS. HUDSON:** Spell your name for the record,  
10 for the court reporter that has to transcribe. Spell  
11 your last name.

12 **MS. AYOUB:** Oh, A-y-o-u-b. And we have 179  
13 homes in our community. We have a lot of elderly people  
14 in our community which are on fixed incomes. They don't  
15 get an increase every year but have to take those  
16 increases.

17 The only problem that we really, really  
18 have is the service that we receive. I can't tell  
19 you how many broken meters are in that community, so  
20 we know for sure those are being estimated. I've  
21 got a gentleman who came in over the weekend, and  
22 he's an older man, lives by himself. His bill  
23 doubled, so he called his son. The son comes over,  
24 runs the water. The meter does not spin. So how  
25 many -- how many months has that been going on?

1 I've looked at people's bills. The amount  
2 of gallons never change. So I think a lot of this  
3 is being estimated.

4 We've had smelly water, really bad. One  
5 of the residents had to, you know, basically  
6 threaten to call somebody because of the egg smell  
7 in their home. They were told to pour bleach down  
8 their drains. Well, you do it one time and the  
9 smell comes back. So now they're spending money on  
10 bleach and water that they don't even want to bathe  
11 in. And then we have broken pipes and water is  
12 bubbling up out of the ground. They came and seen  
13 it on Monday, said they couldn't get it fixed until  
14 the following Tuesday. He had to call a plumber out  
15 to fix this. You know, the comment from Mr. O'Steen  
16 was he would charge it back to the residents for  
17 that, and I explained to him that that's the cost of  
18 doing business.

19 So those are mostly our concerns is the  
20 poor quality of service that we get. And when you  
21 call the office, you get a runaround. "No, you need  
22 to talk to them. No, you need to talk to this  
23 person." So I don't mind paying for service because  
24 we've used it, but I do mind paying for bad service,  
25 and I don't think it's fair to my residents. So

1 this increase I don't think is -- because there's no  
2 upgrades going on, none whatsoever. Thank you.

3 **MR. JOHNSON:** John Ploetner.

4 **MR. PLOETNER:** Scratch it. (Inaudible.)

5 Thank you very much.

6 **MS. HUDSON:** At this time we have no other  
7 speakers signed up, unless someone wants to make an  
8 additional comment. That pretty much concludes our  
9 meeting. And we'll be around for a little bit afterward  
10 if you want to come up and ask us questions.

11 **MS. WEATHERFORD:** Can we make comments without  
12 testifying, or if -- I know last time I testified, and I  
13 really didn't come prepared at this time. Should I come  
14 up there and make a comment?

15 **MS. HUDSON:** Yes. Just give us your name just  
16 for the record.

17 **MS. WEATHERFORD:** Okay. That's fine. I just  
18 have one comment to say.

19 Hi. My name is Elizabeth Weatherford.  
20 I'm in Cherokee Cove as well, 2349 on the Trail. I  
21 did testify last time. There was a whole lot of  
22 issues the first five, six years, and so we did come  
23 and testify at the last meeting before the rate  
24 increases. And they said that a lot of the problems  
25 were due to -- I want to say it's the infrastructure

1 or the facilities. And so I believe we made some  
2 increases and those should be fixed now, I would  
3 assume.

4 My main concern right this moment is it's  
5 not actually the rates but, once again, sometimes  
6 things happen and there doesn't seem to be a real  
7 good explanation. And maybe because -- maybe my  
8 concern is it seems like because they're such a  
9 small company, that when our neighborhood is  
10 affected and our water is affected by a broken pipe,  
11 that we generally are not informed in a timely  
12 manner until we're trying to cook our dinner and  
13 we're getting water and I have to put my glasses on  
14 -- I'm wearing them permanently now -- but before I  
15 was "There's something in the water." And I  
16 actually took pictures of it and texted it to my  
17 other neighbors. And, you know, when we called, it  
18 turned out there had been a broken pipe. There's  
19 nothing on the radio, there's nothing on the TV,  
20 there's nothing on our doors, there's nothing in our  
21 mailbox or on our mailboxes, just nothing. You just  
22 find out in the most disgusting way when you are  
23 trying to care for your family.

24 And I'm also a registered nurse. So that  
25 is something -- that's one of those things in life

1 when you -- when we live in a country and in our  
2 society and we pay for water, we expect to get  
3 clean, good, healthy water. And that's one of my  
4 concerns once again, which is probably related to  
5 service.

6 **MS. HUDSON:** Can I ask you a question? When  
7 did this incident happen that you just talked about?

8 **MS. WEATHERFORD:** It might have been about a  
9 year ago. It's been a while.

10 **MS. HUDSON:** Okay.

11 **MS. WEATHERFORD:** And I did call the office  
12 and I don't even remember the response, but it was  
13 really just kind of a "too bad" thing. A water pipe  
14 broke, you know. Boil your -- I don't even remember  
15 what the response was. I just -- because the first five  
16 or six years of living in Cherokee Cove you pretty much  
17 got used to all the water outages, you know, and coming  
18 home to this. We didn't have the notification system,  
19 and that still does not seem to have improved. You  
20 know, usually when you get a notice, it's a day or two  
21 after the fact, so you've already been drinking the  
22 water.

23 **MS. HUDSON:** Anyone else have any comments?

24 Okay.

25 And I want to go back to what I didn't

1 mention. When you go to our website, the docket  
2 number is also on the Special Report. You can use  
3 that to look up any documents that have been filed  
4 also in this case. So that's another way to keep up  
5 with what's going on in the docket.

6 So if there's no other questions, thank  
7 you for coming out.

8 (Meeting adjourned at 6:45 p.m.)  
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14 DATED this 25th day of May, 2016.

15 *Linda Boles*

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