

MEMORANDUM

November 20, 1996

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (AGARWAL) ^{RA}

RE: DOCKET NO. 960814-WS - Investigation of possible overearnings in Manatee County by Keith & Clara Starkey d/b/a Heather Hills Estates

Please file the attached letter in the above referenced docket.

RA/dp

Attachment

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

- ACK _____
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 FPSC-RECORDS/REPORTING

FILE COPY

TO:

RAL AGAR WPL

From:

JOHN MORELLI

3 SHEETS TO

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Sheet 1 of 3 11/10/96
John J. Morelli, Sr.
110 50th Ave. West
Bradenton, Fl. 34207
Heather Hills Estates
phone/fax 941-756-5627

Mr. Jack Shreve, Atty
Office of Public Counsel
111 West Madison
Tallahassee, Fl. 32399

Dear Mr. Shreve,

This letter is a follow-up to our telephone conversations and our discussions on Friday (11/08/96) pertaining to the water utility here at Heather Hills Estates in Bradenton. It is also in reference to the conversations that I had with Mr. Raj Agarwal (FPSC atty) and, as per your instructions, with Mr. Billie Styles (assistant to Susan Clark) of the Florida Public Service Commission. I had to speak with Mrs. Clark's assistant because Mr. Agarwal has stated that I can not speak with the rest of the people associated with this case because they are all potential witnesses. (Are these public servants?)

As you know, another resident of Heather Hills (John Shanick) and I are the two residents of Manatee County most responsible for Florida Public Service Commission taking over the jurisdiction/regulation of the utilities in Manatee County. We worked very hard and at our own expense to ensure that the utilities in our community complied with state laws, a fact that was ignored/over-looked by our county commissioners giving them a free hand to do as they pleased all these years. Mr. Shanick and I also made two (2) trips to Tallahassee to speak at the commission hearings and with other FPSC personnel involved with the Heather Hills docket (FPSC Docket #96-0814-WF).

At our last hearing/meeting in Tallahassee when the new rate structure, charges and rules were confirmed we were told that this new restructuring of rates would be installed even if the utility or any other entity filed a protest against the decision. Due to the utility (Starkey) giving out false and mis-leading/incomplete information 14 residents (at the urging of the utility) filed a protest on the last day. We were also told at this meeting by Mr. Bob Casey that they had already set aside dates in January and March of 1997 in case a protest was filed.

On Friday (11/08/96) I called Mr. Agarwal in reference to the pro-rated bill of a neighbor that had just sold her deceased mother's place. The rate for less than six (6) weeks of a quarterly bill was over \$43.00 with no water used. Under the new rate structure we would pay a rate of \$48.45 for the entire quarter. The charge should be under \$20.00! At this time Mr. Agarwal gave me some news that was very infuriating!

Mr. Agarwal stated that they were now going to allow Starkey (the utility owner/operator) to continue charging at the old rate. He also stated that Starkey had asked that the hearing be held in the summer (when 2/3rds of our residents are gone) rather than in January when we are all here. Mr. Agarwal said, and faxed me a copy of the request, that Starkey was going to approach the so-called homeowners association on 11/16/96 to buy this out-dated utility. In the first place this proposed "sale" has nothing to do with the rate re-structuring. In the second place this allows Starkey to approach this association (which is a private club that does not represent us all) with false and mis-leading information.

All this was done without informing us or giving us a chance to counter these actions. I was told that we were not interested parties therefore they did not have to disclose these new actions. He said that we should have filed as "intervenor" to be kept involved and informed. No one ever told us that this was necessary before knowing how important this situation is to us. This seems under-handed and not in the best interests of the majority of our residents as proven by the FPSC audit.

On top of all this I faxed a copy of a six (6) page document to Mr. Agarwal in the last 30 days. Since the utility would not give our residents the true facts, I worked with the FPSC developing rate charts that compared the new rates with the old rates. A synopsis of the facts and events plus the charts were in this package and was mailed to "every" resident of Heather Hills Estates at the time and expense of Mr. Shanick and myself. We felt that this was the only way to inform the residents of the facts. Mr. Agarwal reviewed this package and said that everything looked OK to him. Then this all happens without our knowledge.

At this point I called you. You advised me to call Mr. Billie Stiles, the assistant to Commission Chairman Susan Clark, since I can not deal directly with Mrs. Clark because she is a potential witness. Mr. Stiles confirmed that the hearing had already been re-scheduled to August 1, 1997 (over a year after our last hearing). Mr. Stiles stated that this time was needed to give them and the utility time for depositions and testimony, etc. I told him we were ready now. They have had plenty of time already. The utility has waited until the last day all along trying to prolong this action.

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The majority of our residents will be here in January. The utility knows that these residents will not (and some can not) put out hundreds of dollars to come from Canada, Maine, New York, Michigan Illinois, etc just for this. This same tactic has been pulled in the past. This change is unfair to our residents. Now they will not even have a comparison of rates because the old rates will still be used.

We have asked for your help in filing any papers necessary to ensure "our" rights and due process. John Shanick and I would both appreciate being named as "intervenor" or whatever is necessary. Most important we believe that the original hearing date should be re-instated and the new rates should be charged. Look at the audit report. Did the FPSC make a mistake in their report? Are their employees this incapable?

We also plan to protest any sale. We are looking at more legal action to recoup past overcharges and expenses from this so-called utility. The "actual" overcharges are much more than the \$1,800.00 reported by the commission as proven by their audit. We feel that any proposed sale at this time may be a ploy to circumvent this action and make reparation more difficult.

Thank you for all your help in the past and for your present concern. Everything you have done has been greatly appreciated. Your help and your expertise have been invaluable. As a public official you are a credit to our state.

Please file the papers or whatever you can do in the name of John Shanick and myself, John J. Morelli, Sr. We really can not thank you enough.

cc: Governor Lawton Chiles
Raj Agarwal
Billie Stiles
Susan Clark

Thank you,
John J. Morelli, Sr.
John J. Morelli, Sr.

John Shanick
405 49th Ave. Terr. West
Bradenton, Fl. 34207