

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 30, 2008
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: Caroline M. Klancke, Attorney, Office of the General Counsel *CMK*
RE: Docket No. 080183-WU - Joint application for approval of transfer of Tamiami Village Water Company, Inc.'s water system and Certificate No. 388-W in Lee County to Ni Florida, LLC.

Please place the attached documents in the above-referenced docket file. Thank you.

CMK/th

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08 MAY 30 PM 1:48
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DOCUMENT NUMBER-DATE

04620 MAY 30 8

FPSC-COMMISSION CLERK



A Resident Owned Manufactured Home Community

16555-A N. Cleveland Ave.
U.S. 41 North
N. Ft. Myers, FL 33903

Office (239) 995-7747
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May 28, 2008

Ms. Ann Cole Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak boulevard
Betty Easley Conference Center
Room 110
Tallahassee, FL 32399-0850

Re: Docket No. 080183-WU
Joint Application of Tamiami Village Water Company, Inc. and Ni Florida, LLC for
Approval of Transfer of Tamiami Village Water Company, Inc.'s Wastewater System.

Dear Ms. Cole:

Tamiami Master Association, Inc. is writing to clarify statements made by Mr. John J. Ustica, President of the Tamiami Village Water Company, Inc. in his letter dated May 17, 2008.

Tamiami Master Association, Inc. is comprised of Tamiami Subdivision, Inc., Tamiami Cooperative, Inc. and Tamiami RV Park, Inc. The Associations are governed under Chapter's 513, 617, 719, and 723 of the Florida Statutes. These entities represent 718 residents in the Village and 242 RV sites along with two commercial office buildings and a maintenance center.

Tamiami Master Association, Inc. still contends the issue on 3125 Pluto Circle is a matter of opinion. There is no concrete evidence to support Mr. Guilbeault was responsible for the pipe break. The age and condition of the existing water line was not taken into consideration and an assumption was made as to the liability of the pipe break. Mr. Ustica is fully aware of the existing problems with the current system.

Tamiami Master Association, Inc. also contends the situation on 3159 Mercury is a matter of opinion with no foundation to support Mr. Ustica's claim. At no time prior to this letter did Mr. Ustica claim the driveway was the cause of the waterline break. In fact, he would be hard pressed to actually prove his case as the line repair was not located directly under the damaged portion of the driveway. Improper compaction caused an improper distribution of weight which led to the damaged driveway. Mr. Ustica can review this situation with his employee Mr.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

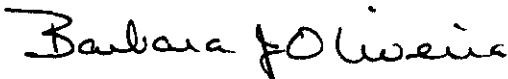
Joseph Jacobs. The fill beneath the driveway was not restored to meet the weight of the driveway and a professional concrete company was called in to correct the situation.

In regards to the other leaks mentioned, had Tamiami Village Water Company, Inc. routinely tested the system as outlined by Ni-America and Florida Utility Group, LLC at a meeting held on May 27, 2008, some of these issues may have been prevented.

The Precautionary Water Boil situation became an issue when the office was notified by Mr. Ustica's employees that the entire park had been notified. Had we been properly informed of the true delivery standards, the office would have insured all residents received proper notification of the situation. Mr. Ustica did mention he has an answering service and he does. But when I personally contacted them and asked for an update, the information was not available. I asked to have a representative from the Water Company contact me and was informed the answering service would take my message, but no one would be returning my calls.

Our concern still remains that if a local company has problems handling the concerns of one of its largest customer, the transfer of this utility to an out of state company with the Utility Operations being based more than 100 miles away is not in the best interest of Tamiami Village.

Sincerely,



Barbara J. Oliveira, PCAM®

Manager

Tamiami Master Association, Inc.

Cc:

Mr. John J. Ustica

Caroline Klancke, Esq.

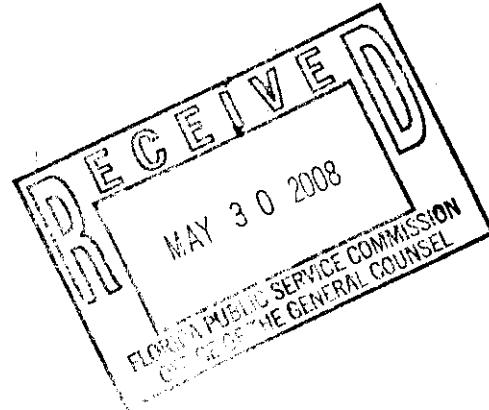

**Tamiami
Village & RV Park**

A Resident Owned Manufactured Home Community

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May 29, 2008



Caroline Klancke, Esq.
Office of the General Counsel
Florida Public Service Commission
Director
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 080183-WU, Joint application for approval of transfer of Tamiami Water Company, Inc.'s water system and Certificate No. 388-W in Lee County to Ni Florida, LLC.

Dear Attorney Klancke:

The Tamiami Master Association Board of Directors, in their opinion, made a good faith effort and met with Mr. Richard Melcher of Ni-America and Mr. John Wittenzellner, Jr. of Florida Utility Group, LLC on May 27, 2008 and discussed the concerns of the above transfer.

During this meeting the following concerns were discussed:

- Why would a company pay 10 times the rate base for transfer when the standard rate base is 3 times?
- Ni America has not requested nor mentioned acquisition costs in its application for transfer, will this be requested at a future date?
- Ni America has not requested nor mentioned a rate structure change in its application for transfer, will this be requested at a future date?
- What type of assurance from Ni America are you prepared to offer today to Tamiami Village and RV Park that you will not be requesting acquisition fees and rate increases if you become the owner of this utility?
- What type of local routine service and emergency service will you be offering?
- Will there be a local office?

Although Ni-America was willing to incur substantial costs to have both Mr. Melcher and Mr. Wittenzellner, Jr. present for the Board Meeting, Mr. Melcher was not prepared to discuss the acquisition costs of the Tamiami Village Water Company nor address the Board Member's concerns with regards to Ni America coming back at a later date to recoup the acquisition costs from its customer base. Furthermore, Mr. Melcher verbally assured those present, Ni America would not be requesting acquisition fees at a later date, but was unwilling to put this in writing.

Rate structures were discussed, but Mr. Melcher was not prepared to discuss this as rate increases must be presented to the State for approval. The Board again expressed their concerns, yet Mr. Melcher was only verbally willing to offer assurances.

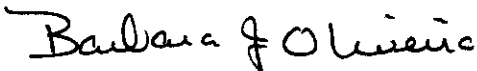
Ni America would be contracting with Florida Utility Group, LLC to maintain the water system and provide the required services. Mr. Wittenzellner, Jr. is President of this LLC and discussed the areas of service and office location. Florida Utility Group's office is located in Hudson, Florida and there are no plans to establish an office in this area at this time. Hudson is North of Tampa which in turn is over 100 miles from Tamiami Village and RV Park. The Board was informed that there are mandated service requirements relating to compliance issues to the utility system that are required and associated costs would be incurred by the customer. The Association was not aware of these compliance issues, did Tamiami Village Water Company, Inc. meet these guidelines? Neither Mr. Melcher nor Mr. Wittenzellner, Jr. was prepared to provide the Association with potential costs associated with these service requirements. Does this mean that Tamiami Village is going to be held financially accountable for Tamiami Village Water Company's failure to comply with these State mandated service requirements?

Unfortunately, there were only verbal assurances issued with no written assurances available. The Board of Directors discussed at length the rights and responsibilities to submit their case for consideration and the potential financial burden to the Association. As previously mentioned, Tamiami Village is a +55 community with many on very limited/fixed income. One of the main reasons for the Association's objection is the potential financial burden that could be placed on our residents. This same financial burden limits the Association in their ability to pursue the protest. Therefore, I ask that the Commission to please consider the Association's concerns and insure these concerns be placed in the correspondence side of the docket file in this case.

Tamiami Village would like the ability to address the Commission at the Agenda Conference. Please provide us with the necessary steps to insure the Association's ability to comply.

Thank you for your assistance with this situation. The Board of Directors appreciates the State's help with this situation.

Sincerely,



Barbara J. Oliveira, PCAM®

Manger

Tamiami Master Association, Inc.

Cc: Office of Commission Clerk and Administrative Services