

**Ruth Nettles**

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**From:** Jan Voorheis [janvoorheis@gmail.com]  
**Sent:** Wednesday, May 13, 2009 7:36 PM  
**To:** Filings@psc.state.fl.us  
**Subject:** Docket 090093  
**Attachments:** HH Utilites May 09 Consumer Protest.doc

I would like to file a protest on Docket 090093.

Janet Voorheis  
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Docket Number 090093

For Jan Voorheis

Total number of Pages are 2

A consumer protest of the transfer of the utility from Starkeys to Heather Hills Utilities, Inc.

*Dme  
5/14/09  
R.V.P.*

Consumer Protest Letter on Docket 090093

May 12, 2009

To: Office of FPS Commission Clerk

Re: Docket 090093 Application for approval of transfer of Keith and Clara Starkey d/b/a Heather Hill Estates' water and wastewater utilities, holder of Certificates 577-W and 498-S to Heather Hills Utilities, LLC in Manatee County.

From: Janet Voorheis, 203 49<sup>th</sup> Ave Dr W. Bradenton, Florida 34207  
3420 Wormer, Waterford, Mi 48329  
s/ Janet L. Voorheis

It is difficult to write this letter when the application for transfer is incomplete. To this date, I have not received the April 22, 2009 legal notice from Heather Hills Estates Utilities, LLC that states the objections to the application must be made within 30 days. I was informed of this notice via the grapevine and then read it online at FPSC Docket.

We don't understand who Keith and Clara Starkey are trying to transfer the water and wastewater utilities to. Is it Rick and Chris Stephens, or Rick and Chris Stephens, LLC, or Heather Hills Utilities LLC. or Heather Hills Estates Utilities? Since the application states Heather Hills Utilities, LLC, a non entity, I would think this application is null and void.

We oppose the transfer of the utilities to Rick and Chris Stephens or any entity they own. They do not have the necessary net worth to keep this old outdated system running. It is important that the Stephens liabilities be identified, not just income and expenses. (Exhibit A, Page 19)

The Stephens state they own the park (Exhibit A, Page 12). The Manatee County Official Records clearly show that all the Stephens own is the Clubhouse and the recreational area. The Stephens do not own the park or subdivision. The subdivision residents own their lots and the county owns the street and open space.

According to the incomplete application the Stephens largest income source is dependent on collecting \$206,000 in assessments. The legality of this mandatory Clubhouse assessment will be challenged in the courts in the near future

If the Stephens paid \$120,000 for this old utility it is their problem. Please do not make it the ratepayer's problem. We already paid for this utility in the purchase price of our lots and the 40 plus years of paying utility bills with capitalization and depreciation cost. Please don't ask us to pay for this out-dated neglected utility again. Please do not allow the Stephens to seek an acquisition adjustment now or any time in the future. The identified amortization schedule (Promissory Note- Page 31) for the \$120,000 purchase price of \$15,000 a year for 10 years should not be charged to rate payers. Please demand

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the purchaser sign a statement that no acquisition cost above \$1000 or fair net book value of the Utility can ever be passed on or charged to ratepayers as an operational expense or in any other way.

The Heather Hills Estates utility is a pass through utilities system with no treatment center or land. The utility has no operating equipment, machinery and no treatment center. The Heather Hills Manatee County Plats clearly state that certificate of ownership and dedication of all common areas, open areas, streets, walks, alleys, parks or other easements is for the use of the general public forever. The utility only owns the old water lines and old sewer lines. All the utility needs to maintain is the 2 inch 40 year old water lines, the flushing/ turn off valves and making sure the sewer caps fit and sewers aren't plugged. Many of the sewer caps are held in place with a piece of plastic which probably will not last long. The meters are mostly original. From 1976 to 1995 the Starkeys over charged rate payers, because of this the FPSC asked the Starkeys to replace the meters at their expense. As usual the Starkeys ignored the request and FPSC did not follow through. Now ratepayer should not have to pay for the installation of new meters. The Starkeys should have to pay for this expense.

The system has been depreciated to \$902 and its remaining life time has to be very, limited. The Starkeys 2008 Annual Utilities Report increased the value of the Utilities Plant to \$23,535 from \$902 in 2007. The only different from 2007 to 2008 was the maintenance of the shut off valves which is a standard maintenance expense. In 2008 because of the 30 years of neglect \$23,000 was spent to get the valves in operational condition. It appears the expected maintenance expense was added to the value of the plant. Administrative Rule " g) Capitalization 3) cost of incidental repairs that don't prolong life and that were made to keep efficient operation shall be accounted as maintenance expenses " A fair book value needs to be established for the utility. It is probably worth under \$10,000. The Starkeys have been reporting losing thousands of dollars the last several years. We should not be charged for an inflated purchase price of \$120,000. Our utilities bills need to be based on the true book value of this utility.

Rick and Christine Stephens do not have knowledge of utility management. They have been trying to manage the Heather Hills Estates water and sewer system for a few months. Their management has been very confusing and lacking of information and clarity. They can't answer simple question about FS 367 or the Administrative Rules. There needs to be a complete review of this utilities billing and management practices. It appears that the follow administrative rules are not being properly administered: 25-30.335; 25-30.320; and 25-30.330 to identify a few.

The practice of this utility management is to inform the customer as little as possible with information that is incomplete and lacking in accuracy. This lack of having a completed application after 3 months is an example of their disregard of ratepayers and the rules and policies of the State of Florida.