

Diamond Williams

080121-WS

From: ROBERTS.BRENDA [ROBERTS.BRENDA@leg.state.fl.us]
Sent: Friday, September 24, 2010 1:56 PM
To: Filings@psc.state.fl.us
Cc: Bruce May; Caroline Klancke; cecilia_bradley@oag.state.fl.us; Erik Sayler; Katherine Fleming; Kimberly A. Joyce; Ralph Jaeger; Tim Devlin
Subject: e-filing (Dkt. No. 080121-WS)
Attachments: 080121.ltr. to PSC Clerk w. minutes from the July 8.2010 Zephy Shores mtg attached.pdf

Electronic Filing

a. Person responsible for this electronic filing:

Charlie Beck, Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
beck.charles@leg.state.fl.us

b. Docket No. 080121-WS

In re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

c. Document being filed on behalf of Office of Public Counsel

d. There are a total of 6 pages.

e. The document attached for electronic filing is the Minutes of Aqua Water Meeting Held at Zephyr Shores on 7/8/10.

(See attached file: 080121.ltr. to PSC Clerk w. minutes from the July 8.2010 Zephy Shores mtg attached.pdf)

Thank you for your attention and cooperation to this request.

Brenda S. Roberts
Office of Public Counsel
Telephone: (850) 488-9330
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9/24/2010

DOCUMENT ACCEPTED
08014 SEP 24 2010
FPSC-COMMISSIONER'S OFFICE

JEFF ATWATER
President of the Senate



J.R. Kelly
Public Counsel

STATE OF FLORIDA
OFFICE OF PUBLIC COUNSEL

GO THE FLORIDA LEGISLATURE
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LARRY CRETUL
Speaker of the House of Representatives



September 24, 2010

Anne Cole, Commission Clerk
And Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket 080121-WS

Dear Ms. Cole

Please find enclosed a copy of the minutes of a meeting held at Zephy Shores on July 8, 2010. These minutes were prepared by Ms. Julie Knox, a customer of Aqua Utilities of Florida.

Please contact me if you should have any questions.

Sincerely,

Handwritten signature of Charlie Beck in cursive.

Charlie Beck
Deputy Public Counsel

CJB:bsr

cc: all parties of record

2010 SEP 24 10 14 AM
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FPSC-COMMISSIONER

MINUTES OF AQUA WATER MEETING HELD AT ZEPHYR SHORES ON 7/8/10

Minutes transcribed by Julie Knox, American Condo Park

Gus Alexakos representing Zephyr Shores called meeting to order at 4 P.M.

All Speakers were introduced: From Aqua Water:

- Jack Lehvarcik – President
- Troy Rendall Engineer (in charge of rates)
- Trisha William – Engineer (scientist)

- Charlie Beck – Atty. for Public Counsel
- Earl Poucher – Atty. For Public Counsel

Elena McCullough – Candidate for Fl. House District 61

Julie Knox representing American Condo

Mr. Lehvarcik, President of Aqua Water: Thanked everyone attending and let them know we were there to discuss water quality issues and formulate where complaints are coming in.

He explained how they get systems and issue of water hardness, taste, and odor, color. How they take independent samples of 7 systems from field representatives and can determine which systems are having problems and fix them the most cost effective way.

He explained the Sequestration agent added to our water started in March, to adjust hardness of water (examples: spots on glasses, floaters in water) this would be monitored monthly along with monthly sampling to increase or decrease the Sequestration agent.

He explained today he only wanted to talk about the condition of the water. What does it smell like? Taste like? And so forth

After a Survey with consumers of Aqua he gave us the results:

- 46% said they had a problem
- 64% problem with odor
- 68% problem with taste
- 48% problem with reliability
- 45% not satisfied with customer service
- 92% not satisfied with value of water

Discussion pertaining to Systems that lack valves to flush systems, installing those valves, comprehensive flushing systems and monthly flushing plans.

Charlie Beck (P.C.) asked what is the picture on the stage? **Aqua's President Mr. Lehrvarieik** explained that it's a tank with 2 lines they use for the adding the Sequestration agent to the water.

Wanda Rigottio, ACP-Z Resident asked if the pumps were used just for pumping chemicals into and where is it located?

Aqua replied yes that was what the pumps were used for and they are located near Sergio's Pizza on Hwy 54

Ida Rehl, Zephyr Shore Resident commented those days before the meeting in Tallahassee in March, her water tasted like it came from an artesian well but it only lasted for 3 days. She asked why Aqua doesn't use a filtering system, commented on the water crystallizing in drinking glasses. Aqua has only raised our rates; we do not get quality water.

Aqua responded by saying that filters are not the solution; if the Sequestration agent does not work they could use lime or soda ash. It takes at least 2 months for the Sequestration agent to work; American Condo Park Residents could have to wait longer than that because of the hardness of their water.

Danny Walen, Zephyr Shore Resident complained that when he puts his dentures in tub at night when he gets up in the morning black soot is around cup he also replied that Aqua is raping us on the water bills.

Aqua's engineer responded the black around the cup is caused by magnesium

John Roberge, ACP-Z Resident complained that if you leave a clean glass with water overnight scum appears in glass the next morning with a crusty edge. He also said the rates are ridiculous that his mother's water bill from the city of Zephyrhills for 600 gallons is only \$26.57 and Aqua's bills for 600 gallons is \$61.25 Water bills for 1300 gallons from Aqua is \$69.89 and for 1200 gallons from the city of Zephyrhills is only \$29.42 your base rate is much higher than the city of Zephyrhills. Why?

Aqua's President responded one of the reasons we can charge base rate is the actual rate would be higher based on 35% base rate and 65% for gallonage for Two Tiers 1 & 1 1/2 We didn't like putting Zephyrhills in those tiers. The reason for the increase is to level off and try to work an address structure. We are trying to get a lower structure for these two parks. 5000 gallons of water usage should be \$45.00

Linda Moreck, Zephyr Shore Resident replied she does not drink the water, she buys bottle water her water bill with Aqua is over \$115.00 per month and she has cut back to washing clothes every two weeks. She also replied that her cat wouldn't even drink the water.

Joe Vaughn, Zephyr Shore Resident commented that he has Rust, Rust, and Rust in the washing machine. Do you have any idea what that is like. He also asked what is the base rate of Water and sewer and why is it so high? **Aqua responded** the base rate is to cover fixed costs then explained thru discussion.

[REDACTED] replied that you couldn't even brush you teeth or drink water from the icemaker. Also, commented that no one from Aqua is drinking the water from the glass pitcher in front of him or her.

Joan Smith, ACP-Z Resident commented her bill last month was for 4000 gallons total of \$114.59 and your man came out said no leaks. I paid the bill in fear of you ruining my credit. Something must be wrong I live by myself. **Aqua responded** they would look at her average bill and look into the matter.

Jim Houston, Zephyr Shore Resident asks why Aqua couldn't use the county water. **Aqua's President responded** because they add ammonia, and Trihalomethanes I don't like adding nitrogen to water. We at Aqua use regular chlorine for water we feel that is a better choice. When you buy water off someone else water changes. **Jim replied** you use too. **Aqua's President responded** when Pasco County switched to chloramines, we would rather stay with chlorine.

Florence Black, Zephyr Shore Resident wants clarification in letter sent to everyone about the rate increase also mentions the usage of water has decreased. **Aqua responded** explained tiers and base rates again; also that water usage declines in summer.

Bob, Zephyr Shore Resident commented he has no issues with his water except the rates.

Elena McCullough - Candidate for Fl. House District 61 explained that she feels we as residents are concerned about the water quality and rate increases. Is there anything Aqua can do about the rates and what changes do you have planned? **Aqua responded** that Aqua is currently under monitoring as a result of the March 16th, 2010 agenda in Tallahassee. We will be sending Monthly reports, meter checks, estimation checks, water quality results (your taste) **THIS IS NOT A RATE CASE MEETING, THIS IS JUST A QUALITY MEETING.** Affordability Aqua would like uniformed rates. We're hopeful by September we should have the rates if they were to be if changed. We don't make the decisions, Representatives do.

[REDACTED] asks of chlorine and that water will turn to Jell-O not good. In May of 2006 her water bill was \$47.16 now it is \$152.81.

Wanda Rigottio, ACP-Z Resident presenting a cooking pot that she had boiled water in for 20 minutes it had white spots, crusting particles in it. She commented that most people are on Social Security and cannot afford the bills. That she has to use a stage 3 filter on her house and a stage 2 filter for her ice maker, coffee pot and bottle water. (Brita Filter) The sewer rate is higher now. And why can't aqua divide the price between everyone? She also asked Aqua if they check the water quality before flushing the system?

Gus Alexakos, Zephyr Shore Resident asked Aqua if the Sequestration agent you are using is harmful to our health? **Aqua responded** no it is not it only binds up the calcium.

Art Cook, Zephyr Shore Resident complained that he had a dry crusty scale on his foot and when he went back north after 3 weeks it disappeared.

John Abbott, ACP-Z Resident commented that when Aqua switched to electronic meters, where they calibrated to show higher water usage? My water bill is higher now. **Aqua responded** that the meters are tested and calibrated at the manufacturer.

John Fonk, ACP-Z Resident asked what qualifications do each of you have? **Jack Lehvarcik - President of Aqua** explained his background as a CEO, **Troy Rendall from Aqua** explained his degrees as an Engineer and his job is in charge of rates, **Trisha William - Engineer for Aqua** explained her background as a scientist.

[REDACTED] commented that she was representing Dave Bussey and American Condo Park had a few questions and comments. The Systematic Flushing program you, Aqua said it is scheduled for every four weeks, yet when I came back from vacation on 9th my water smelled like sewer. I walked into the house and accused my husband of not using air fresher and all he was doing was taking a shower. I called Aqua out and your employee informed me that our park is scheduled for flushing every 6 weeks, Yet, since I have been back I have seen them flushing our system out at least 3 times. Isn't it coincidence that our system has been flushed out all those times right before this meeting was scheduled? My other question is we understand you are negotiating the sale of several utilities with the FGUA, are we included in those negotiations and if so why are we included? Aqua's Employee also commented that Condo Blvd the street Julie's lives on needed a pop-off valve because it was at the end of the system. **Mr. Lehvarcik, President of Aqua Water** responded saying our system is scheduled flushing every 4 weeks unless some calls to complain about the condition of the water. On negotiations of the sale of Aqua he said the only negotiations they were involved in was a year ago and it was for Jasmine Lakes and Palms Terrace in Pasco County. Zephyr Shores has not been in the negotiations. We have no attention selling at this time.

A Zephyr Shore Resident asked how do we get the same amount of gallons in usage each month on our bills? **Jack Lehvarcik - President of Aqua** answered that the bills are rounded off to the next thousand gallons.

Trisha William - Engineer for Aqua commented that the state sets up a regiment of Tests. Aqua meets all standard & secondary requirements. In reference to water quality the Fl. Dept. of Environmental Protection is a resource you can call. The Southwest District is located in Temple Terrace, Fl, if you have any questions or complaints.

Wanda Rigottio, ACP-Z Resident asked why you couldn't use a filter for the whole system? **Jack Lehvarcik - President of Aqua** replied they are going to stay with flushing and Sequestration the other option would be using soda ash or lime for treatment in hardness of the water.

A Zephyr Shore Resident asked who pays for all the water wasted when the system is flushed. **Troy Rendall Engineer for Aqua** responded that flushing is a proper way and part of operation costs.

Mr. Lehvaricik, President of Aqua Water thanked everyone for attending and reminded them that there will be another meeting like today on the quality of water this meeting will be scheduled some time in September.

The meeting was adjourned approximately at 5:30 P.M.

After the Meeting was adjourned:

Julie Knox, representing ACP-Z introduced herself to Charlie Beck, and Earl Poucher – Attorneys for Public Counsel and asked them when the next meeting before the county commissioners in Tallahassee will be scheduled in reference to the monitoring. Charlie Beck – Atty. for Public Counsel replied that the rate increase and the monitoring issue would probably be combined and the meeting would be held with the commissioners in February of 2011.

~~Julie also introduced to Mr. Lehvaricik, President of Aqua Water. The~~ conversation went back to what Julie was told that our system needed a pop-off valve at the end of the system on Condo Blvd. at the front of the park. Mr. Lehvaricik pulled out the blue prints for the park and asked Julie to circle the houses that are having problems with smell and taste. Julie also circle Tiffani Court directly behind Condo Blvd. because that street is having the same problem. Julie Also commented that it would be nice that when customers call in complaints that they get a follow up call to see if the problem was taken care of.

Observation from Julie: When Frieda Killian from ACP-Z spoke in the middle of the meeting about her complaints and commented about the representatives from Aqua not even drinking the water that was provided for them in the pitcher and they wouldn't even drink it. A few minutes later Troy Rendall and Trisha William from Aqua poured a glass of water from the pitcher. Troy drank his water. Trisha did not drink the water. When the meeting was adjourned and we were leaving the building at 5:45 P.M. I observed Trisha William from Aqua taking her glass and pouring it out on the grass. She never drank it.