1	BEFORE THE					
2	FLORIDA I	PUBLIC SERVICE COMMISSION				
3	In the Matter of:	DOCKET NO. 100330-WS				
4						
5	APPLICATION FOR INCREASE IN WATER/					
6	WASTEWATER RATES IN ALACHUA, BREVARD, DESOTO, HARDEE, HIGHLANDS, LAKE, LEE, MARION, ORANGE, PALM					
7	BEACH, PASCO, POLK, PUTNAM, SEMINOLE,					
8	SUMTER, VOLUSIA, AND WASHINGTON COUNTIES BY AQUA UTILITIES					
9	FLORIDA, INC.	/				
10						
11	PROCEEDINGS:	GAINESVILLE SERVICE HEARING				
12	COMMISSIONERS PARTICIPATING:	CHAIRMAN ART GRAHAM				
13	PARTICIPATING.	COMMISSIONER RONALD A. BRISÉ COMMISSIONER EDUARDO E. BALBIS				
14	DATE:	Monday, September 12, 2011				
15	TIME:	Commenced at 1:07 p.m.				
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17	PLACE:	Alachua County Health Department 224 SE 24th Street				
18		Gainesville, Florida 32641				
19	REPORTED BY:	LINDA BOLES, RPR, CRR Official FPSC Reporter				
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FLORIDA PUBLIC SERVICE COMMISSION

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CHAIRMAN GRAHAM: Good afternoon, everybody. I want to welcome you all here today. This is the service hearing for Aqua Utilities Florida, Inc. Docket Number 100330.

My name is Art Graham, and I am the Chair, currently the Chair of the Public Service Commission. I am being joined by Ronald Brisé, who is a fellow Commissioner on the Public Service Commission. with us is Ralph Jaeger, Marshall Willis, and Andrew Maurey. We are waiting on one other Commissioner to arrive, Eduardo Balbis. He's actually just parking his car, so he should just be here in a minute. But I want to welcome you all here and thank you all for coming and giving up your time. I know there's a lot of things that we could all be doing at 1:00 on Monday afternoon. So I appreciate you coming down and giving your time and giving your testimony.

This gives us the opportunity to actually add your comments, your testimony to the official record. So at due time, we'll be, anybody that wants to speak, we'll be swearing everybody in and you'll actually be part of the record. And you may be asked questions by the Aqua Utilities attorneys, and more than likely those questions will be for you to clarify one or two of your

statements that you've made.

I want to make sure that when you come up here, that you give your name and address, and if you would please spell your last name. I just want to make sure that we've got the correct spelling of your name. And if there is anybody that wants to, to speak that has not already filled out -- that has not already filled out a speaker card, please make sure you've filled out a speaker card. And that reminds me, if you have a cell phone, please turn it on vibrate or off.

UNIDENTIFIED SPEAKER: Speak up, please.

CHAIRMAN GRAHAM: I think this mike is about as loud as I can get it.

All right. Is that better?

UNIDENTIFIED SPEAKER: That's better.

CHAIRMAN GRAHAM: All right. Well, since we're continuing to wait, any preliminary matters, Staff?

MR. JAEGER: None that I know of, Chairman.

CHAIRMAN GRAHAM: All right. Let's take appearances. Let's start over here with Aqua Utilities.

MR. MAY: Good afternoon, Commissioners. I'm
Bruce May with the law firm of Holland & Knight. We
represent Aqua Utilities, Florida. To my right is
Mr. Rick Fox. Mr. Fox is the President of Aqua

Utilities Florida, and at the appropriate time he would like to make some very brief opening remarks.

Also, Mr. Chairman, at the appropriate time I have a preliminary procedural matter to discuss.

CHAIRMAN GRAHAM: Okay.

MR. KELLY: Good afternoon. Is this on?
Okay. Hi. Good afternoon. My name is

J. R. Kelly. I'm with the Office of Public Counsel.

I'm here with Mr. Steve Reilly, and we represent you,
the ratepayers, in this matter.

And, Mr. Chair, I'd also like to make some brief remarks at the appropriate time.

CHAIRMAN GRAHAM: Sure thing.

MR. JAEGER: Good afternoon. I'm Ralph

Jaeger, Staff counsel, appearing on behalf of Staff.

MR. BERNSTEIN: Good afternoon, Commissioners.

I'm David Bernstein from Adams & Reese representing the

Intervenor YES Companies, LLC, doing business as

Arredondo Farms. To my left is Andrew McBride, one of our attorneys.

And we also have three management personnel to my left who would like to speak at the appropriate time to make some comments: Jeremy Gray, who is the District Manager for YES; Mallory Starling, who is the Community Manager for YES; and also Michael Green, who is the

on-site Maintenance Supervisor. All three would like to speak at the appropriate time.

## CHAIRMAN GRAHAM: Okay.

MS. BRADLEY: If I can get close enough to this. I'm Cecilia Bradley, and I'm here for Attorney General Pam Bondi. And actually we assist Public Counsel in representing all of you. So I would like a few comments, Your Honor, Mr. Chairman.

# CHAIRMAN GRAHAM: Thank you.

All right. What else do we have here? All right. We'll start with the preliminary matter that Mr. May has, and then we'll hold off and wait for Commissioner Balbis.

## MR. MAY: Thank you, Mr. Chairman.

Notice of the four hearings that will occur this week, today in Gainesville, tomorrow in Palatka, tomorrow evening in Eustis, and then on Friday in Chipley, has been made. And in keeping with the procedure that we used a week and a half ago, week before last, we would propose to submit a composite exhibit which provides that notice has been properly published and properly mailed to the customers at the customer hearing in Chipley at the end of the week.

We're still waiting on the actual document back from a couple of the newspapers. So that would -- I've talked

to your Staff about it and they thought that might be the most efficient way to handle that.

CHAIRMAN GRAHAM: Okay. So are we going to give that an identification number now or wait until we get that documentation back?

MR. JAEGER: I think it would be easier to just wait until we do it in Chipley.

CHAIRMAN GRAHAM: Okay.

MR. JAEGER: And, Chairman, we never read the notice. I don't know if you want to go ahead and get that out of the way or not.

CHAIRMAN GRAHAM: Yes, please.

MR. JAEGER: By notice, this time and place has been set for a Customer Service Hearing in Docket Number 100330-WS, application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc., which we normally refer to as AUF in most of our documents.

CHAIRMAN GRAHAM: One last housekeeping thing. We have quite a few people here that want to speak, so we're going to limit everybody to five minutes. After everybody has spoken, if there's still something you want to add, we'll allow you to speak again at the end.

But we just want to make sure that we go through 1 everybody that wants to speak the first time in a pretty 2 timely manner. And if you guys will all -- we're all 3 here to try to get as much information as possible on 4 the record. I know a lot of people are probably pretty 5 excited. If we could keep it so there's no public 6 display, no booing, no clapping, and no cheering, let's 7 just sit back and let them get through whatever, whoever 8 is up here at the mike giving their testimony. And, and 9 that being said, we'll start with opening comments, and 10 we'll start with Mr. May. 11 MR. MAY: Mr. Chairman, Mr. Fox, the President 12

MR. MAY: Mr. Chairman, Mr. Fox, the President of Aqua, would make our opening comments.

MR. FOX: Commissioners, is it okay if I turn around?

CHAIRMAN GRAHAM: Sure.

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MR. FOX: Just the mike. All right. Hopefully that works.

Good afternoon. My name is Rick Fox, and I'm the President of Aqua Utilities Florida. Before I begin, we have a number of AUF employees here today that will be available to answer any of the questions that you may have.

Present today in the back, and I'll ask that they stand and you can turn around and see what they

look like: Harry Householder, he's our Manager of Operations statewide; Stacey Barnes, our Customer Field Service Manager; Tricia Williams, our head Environmental Engineer, she's over here to the right, my right; and Paul Thompson, Area Coordinator for this area. Some of these AUF employees who are in the back of the room have computer access and they can go into your account and hopefully address any issues that you may have. So please feel free to contact them at your convenience.

Commissioners, I want to thank you for the opportunity to speak briefly to our customers in Alachua and Marion Counties this afternoon, but more importantly thank you for giving us a chance to listen to our customers and to hear what they have to say. At the end of the day we are a service company and we value all customer input on the services we provide.

We know that there is never a good time to ask for an increase in rates. No one wants to pay more for water or for electricity or for anything else for that matter. Yet we also know that everybody wants and needs and demands safe and reliable water service. That comes with a cost, and that's why we're here today.

I want you to understand that our rate case is fundamentally driven by the cost of the improvements that we've made to our utility systems. I would like to

take just a minute to go over some of those improvements.

Over the past three years Aqua has spent over \$11 million on capital projects to comply with environmental regulations and to improve water and wastewater quality, service, and reliability for our customers. These projects include things such as rehabilitating and replacing tanks, upgrading electrical systems, and replacing pumps and meters.

Specifically at our Arredondo Estates system we've recently replaced a hydropneumatic tank. We've also replaced and repaired water lines and installed new pumps, motors, chemical feed equipment, and water meters.

At our Arredondo Farms system we recently completed a major upgrade to our wastewater treatment plant to improve the quality of the treated effluent.

As part of this effort, we've upgraded our collection system, rehabilitated percolation ponds, and remediated sinkhole issues.

As part of the second phase of our aesthetic water quality improvement program, we're committed to working with our customers in Arredondo Farms and Arredondo Estates to address hard water issues that had been present long before we acquired the systems.

Also, since the last customer meeting, we've continued to work cooperatively with Arredondo Farms, YES Communites on a process to address mutual challenges related to customer move in, move out, and meter maintenance. We've also made significant improvements to our water treatment and distribution system in Marion County. This work includes upgrading electric service and replacing distribution system mains, hydropneumatic tanks, pumps, and motors.

We understand that you as customers expect the water service to be reliable, reasonably priced, and provided in an environmentally sound manner. I want you to know that we are committed to meeting that expectation.

As I described at the beginning, the costs that drive this rate case are directly related to these infrastructure improvement projects which I've described. I want you to know that our company continuously monitors and takes aggressive measures to control our costs. However, the cost of the system improvements which we've made can no longer be absorbed by our company without an increase.

I know a lot of you want to speak and we are here to listen. So I just want to thank you for coming out and taking time out of your day to be here. I look

forward to hearing what you have to say, and I'll be available after the meeting to answer any questions that you may have. Thank you.

CHAIRMAN GRAHAM: Mr. May, does that conclude you?

MR. MAY: Yes.

CHAIRMAN GRAHAM: Mr. Kelly.

MR. KELLY: Mr. Chairman, I'm going to turn around also, if that's okay.

Good afternoon. My name is J. R. Kelly, as I mentioned earlier, and I'm with the Office of Public Counsel. I'm here with Steve Reilly, the gentleman over here in the second row.

The Office of Public Counsel, just to let you know, we are not part of the Public Service Commission.

We're independently funded by the Florida Legislature to represent you, the ratepayers, in front of issues just like this rate case that come in front of the Public Service Commission.

Now why are we here today? We're here because our office appealed the \$2.61 million rate increase that the Public Service Commission granted a couple of months ago. Since then, some other Intervenors such as YES Farms [sic] and the Attorney General's Office have also intervened to protest this rate increase.

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The issues that we're going to raise on your behalf, I'm just going to summarize real quickly some of them. Number one, quality of service. We do not believe, and we believe the evidence will show that Aqua's quality of service is not satisfactory. We believe, more importantly, it's unsatisfactory. As a result of that, we intend to argue that the rate of return that this company is entitled to receive should be lower than normal.

We also object to certain pro forma plant additions. That's a fancy way of saying certain assets be included in their rate base that you would end up paying for.

Used and useful, that is something you're going to hear during the course of this case. And the bottom line is this, we do not feel that you, the ratepayer, should pay for something that is not 100 percent used by or useful for you, the ratepayer.

We believe that Aqua has overstated their test year revenues, meaning the amount of money they're trying to argue to the Commission they should be entitled to receive. We believe they've overstated those due to several areas -- several errors such as weather, billing errors, and economic conditions of today's communities and society.

One of the big issues we're going to argue in this case is that the affiliate -- the amount of affiliated charges and costs should be disallowed. And by that what I mean is that's where Aqua Utilities

Florida is paying money to their affiliate, either a parent or someone else within their corporate family that, once again, they're going to ask you to pay for. We do not believe that they are reasonable, they've increased substantially over the past few years, and we're going to argue that they should not be included.

We believe that their rate case expense that

We believe that their rate case expense that they're asking for is very excessive, and we intend to argue against that. And, finally, general affordability of the rates that they're asking for to be generated by the amount of revenues that they're asking for we believe is unreasonable and, therefore, we're going to argue against that.

We currently have engaged several topnotch experts from around the nation that are poring through the voluminous documents now and conducting discovery along with our attorneys and putting the case together.

How can you help? Well, folks, this is a absolute must for you folks that are here today to come up here and speak. Your voice, your voice is so vitally important for the Commissioners behind me to hear. You

need to come up and share your opinion with them.

If you don't feel like testifying, the Chairman will talk later about how you can submit comments in writing, but we urge you to come up. You don't have to be an eloquent speaker, just speak from your heart. And the things that I would ask you to do are this. One, be truthful. Be truthful. Number two, speak to the quality of service that you receive from Aqua, good, bad. I don't care what you're going to say, just be truthful and come up here and share what you feel about it; how it's been in the past as well as how it is today.

Also, speak to the impact of this rate case to How is it going to affect your lifestyle, how you're living today? The affordability aspect of this.

And, lastly, the impact of the rate -- excuse me -- the impact of the rate increase to your communities. How has Aqua's service affected the value of your homes, your communities, excuse me, and, more importantly, how this potential increase would affect the value.

Thank you again so much for showing up today, and please take the time and the opportunity to come up here and speak to the Commissioners. Thank you.

CHAIRMAN GRAHAM: Thank you, Mr. Kelly.

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YES.

MR. BERNSTEIN: Thank you.

CHAIRMAN GRAHAM: Back that podium up just a little bit. There you go.

MR. BERNSTEIN: Good afternoon. Mr. Chairman, Commissioners, Staff counsel, again, I'm David
Bernstein. I represent YES Companies, LLC, doing business as Arredondo Farms. We appreciate your attention, we appreciate the opportunity to be here today, and we look forward to the continuation of this process.

My client is an affordable housing provider.

My client owns and operates affordable housing

communities throughout the country, most notably this

particular property which is at issue today in Alachua

County, the City of Gainesville.

This particular type of affordable housing is what is known in the trade as workforce housing. Many of the people would love to be here today to testify before you that reside at this property, but thankfully some of those folks have jobs and are working today and cannot be here. But their neighbors, their constituents, their friends are. You'll be hearing from them today as we go through this proceeding.

To put it in perspective, when we talk about

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affordable housing, rental rates at this property for renting a land lease lot for the placement of a manufactured home run at the average of \$271 per month. \$271 per month to make it affordable. Yet the average water and sewer bill from Aqua Utilities for those same folks averages \$125 per month, or essentially 50% of their monthly housing cost. It is outrageous. It has caused substantial damage to my client in terms of diminution of value to their property, the ability to provide affordable housing to the City of Gainesville in this long-standing community.

And one of the things you're going to hear today is testimony about move outs, testimony from people that not only reside there, but people who have literally pulled out and left because they can't afford to live there because what should be affordable, simply by virtue of utilities, has become outrageously unaffordable. The utility prices exceed Gainesville Regional Utility rates and on average substantially. When you couple that with poor water quality and inferior service, testimony of which was brought before the Commission in a prior hearing and which you're going to hear about again today, you can appreciate why the Intervenor takes this matter very seriously and looks to the Public Service Commission for appropriate relief.

And toward that relief, the PSC recommended a continuation of the monitoring program which the Commissioners had ordered previously in this case, a continuation of it. And when we hear Mr. Fox talk about having met with YES Communities, it's a result of that mandate. It was not voluntary. It was a result of that order. When we hear about improvements that have to be made, it's a result of having fallen out of compliance with environmental law and legal requirements. It's a result of in effect having to do it, not wanting to do it.

Witness testimony that you heard previously in this case, and it leads to the appeal and the process continuing in this matter, include the poor appearance, taste, and odor of the product, water that none of us would want to drink; bottled water requirements at this community; degradation to plumbing and appliances by low quality. All of this is in the record in this case and will be continued today by witness testimony. Sediment, hardness, failure to treat water lines for softening. We heard some testimony today about the possibility of that getting attention, and it is about time.

High frequencies of leaks causing large bills, exorbitant bills, the failure to properly bill, to overcharge, make restitution, but only after turning off

service, having cessation of service to families who have children, to families who have medical and disability needs, and to families who can least afford to be without the essential service of water and sewer. This is the real world, guys, when we're talking about Gainesville affordable housing and having your water and sewer turned off because your water bill or sewer bill inexplicably but later remorsefully was shut off.

Absolutely outrageous. Customer service agents who hang up or don't answer the phone, all of this is in your record. You're going to hear more testimony about it today.

Water and sewer bills at this community alone have increased way beyond what this Commission has afforded in other cases. For example, in the year 2009 water rates went up 93%, 93% on the folks who could least afford it. Couple that with a 10% increase in 2010, a 10% increase in 2011, and you're beginning to understand why folks are being forced out of their homes because of an essential service they cannot afford. All of us have the right to water and sewer, all of us have the right to affordable utilities, and, in fact, as the Commission knows, it's the mandate of this Commission to be sure they are affordable. This in spite of the Public Service Commission receiving evidence from

Arredondo and many other customers either directly or indirectly through the Office of Public Counsel.

Today you will hear various witnesses who will once again prove that the quality of service, the water and customer satisfaction attendant to those services is unacceptable, that it doesn't meet even minimum standards, let alone warrant rate increases.

Respectfully, when the Commission found that the quality of service and customer satisfaction was, quote, marginal, unquote, it is our position it was being generous.

You cannot reward inefficiencies,

deficiencies, and deferred maintenance with rate

increases. You cannot reward the falling out of legal

compliance with rate increases. It's a fundamental

error, whether it be water or wastewater.

The witnesses you will hear from today include residents, as mentioned, past and present, unfortunately some who no longer have their home. The Property

Manager for this particular property, the District

Manager who runs over 50 properties in this state, and a Maintenance Supervisor, all of whom are going to present evidence before you, which we appreciate your attention to, which we know you're going to find as compelling as those citizens sitting here who have to live through it

day in and day out.

I know the PSC takes its charge very, very seriously. We respect and appreciate each and every one of you, Chairman, Commissioners. We appreciate the work you're doing, and we know you're taking this as serious as we do. We're in this to make sure justice is done. And since you are charged to make certain utility charges are affordable, we appreciate that you'll be looking at that today in the context of the disaster that has occurred at Arredondo Farms.

I'm going to give you brief, very brief evidence of that in terms of statistics just in the year 2011. At Arredondo Farms, a community of 336 occupied home sites, affordable housing home sites, there have already been 71 move outs this year, devastating the investment of the property owner, destroying property rights, and effectively condemning this property.

71 move outs. Exit reports indicate 37 of them overtly attributable and due to overbilling or utility issues related to the charges, or inefficiencies, or water quality, or dissatisfaction, or all of the above by Aqua Utilities.

52% of the move outs in this community, 52% are documented and there could be more. But since we started documenting them, at suggestion of counsel, 52%

are documented as having been attributable to utilities. Exit surveys prove this. It is outrageous. They cite as examples for leaving their water was shut off often because of billing errors, when in fact payment had either been made or was in the process of being made.

Or they came to the manager and stated they simply can't afford utility rates that are nearly as expensive as their lot rent.

We all have different housing experiences. Some of us live in communities that are stick built, some of us live in rental communities, some of us own homes and pay mortgages. But I challenge everyone at the podium, everyone here today, Commissioners, Staff, everyone here to think about how much you pay for water and sewer, whether you're billed right for it at 50% of your housing expense. Does your water and sewer get shut off for no reason at all? Quite often have you been forced out of house and home?

And, you know, if you're living day to day, week to week, you're working hard, maybe you're not putting on a tie in the morning, maybe your name is on your shirt, maybe you're going down to pump gas, maybe you're going to work at that convenience store, maybe you're teaching school, maybe you're a nurse, a fireman, a police officer, whatever your case may be, you deserve

better than that. And we shouldn't have to come before the Public Service Commission, yet alone have to come again and again before the Public Service Commission, and then all of that have to occur before the President of the utility company finally gets up and says "I want to talk to you." We appreciate that. Look forward to it. We've got plenty to talk about. But it shouldn't have to come to today for that to happen. We'd appreciate whatever you can do for these good folks in Alachua County and Arredondo Farms. Thank you very much.

CHAIRMAN GRAHAM: Thank you, sir.

Ms. Bradley.

MS. BRADLEY: Mr. Chairman, Commissioners, if you'll forgive me, I'll turn this way so I can talk to these folks.

I'm Cecilia Bradley, and I'm here for Attorney General Pam Bondi on your behalf. We work with the Public Counsel to represent you, so that's why it is so vital that you speak today and you tell us what your concerns are. They do report after all these hearings and they'll say, well, this many people complained about this and that many people complained about something else. And if you say, well, so and so has already said that, I don't need to say that, you do. Because

otherwise it'll only show a small portion of the people that had those concerns.

So it's important no matter what your, whether positive or negative, whatever, that you let us hear from you, and we hear everything that you're concerned about or that's causing you problems. Because otherwise it's hard to represent you if we don't know what your concerns are. So this is very important to all of us here today. And it helps the Commission to know whether you have concerns. If so, what those concerns are, and how it affects your life.

We understand that water is pretty important to everyone. I was with my father not very long ago and he pointed down a road and said that's where his first church was and said they had a path, not a bath. So he values water services very much in this day and time that everybody has indoor plumbing and water, and sometimes we tend to take it for granted until we see situations where people can't afford their water or people can't get clean water, and then we realize how important it is. That's just a fundamental need. People can't survive without good water. So our, our utilities are very important to us, and it's important that you share whatever your concerns are with us. We appreciate that.

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We look forward to hearing from you. you for being here. I know some of you have left work or taken time off or you're taking your lunch break, and I know there's a lot of people that would like to be here if it wasn't for work, but we appreciate all of you being here and taking time away from whatever you were doing. Thank you.

CHAIRMAN GRAHAM: Is that all the attorneys of record?

MR. BERNSTEIN: Yes, sir.

CHAIRMAN GRAHAM: All right. The Public Counsel is going to be calling everybody up here one at a time to speak. Once again, you'll be limited to five minutes at least the first time through. And if you want to speak more after that, just please give us some time because we want to make sure that we can get through everybody before people have to start leaving.

When you're up here, you're up here to give testimony, not to ask questions. You can put rhetorical questions out there, but this is not the time for the utility companies or other people up here to be answering questions.

There is no friendly cross. If you need to clarify something on the record, we'll make sure that we do clarify that on the record. And I think that is

about it.

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Mr. Jaeger.

MR. JAEGER: I think you covered it all.

CHAIRMAN GRAHAM: Okay. That all being said, we will start. Mr. Kelly.

MR. KELLY: You want to swear them in? CHAIRMAN GRAHAM: Oh, I'm sorry. We've got to swear them in. Everybody that is here to speak, if I can get you to stand and raise your right hand.

(Witnesses collectively sworn.)

Thank you.

UNIDENTIFIED SPEAKER: May I ask a question, Commissioner?

> CHAIRMAN GRAHAM: Sure.

UNIDENTIFIED SPEAKER: You say we're not allowed to ask questions. This is the only time that we can ask questions. We were at, like in Tallahassee at the Agenda Conference, we can make our statements. Then once we're done, we're no longer part of that meeting. Okay? And when you folks say something that we would like to ask a question about, we're not allowed to. This is the only forum that we have where we can ask you questions about what you're doing. Not, not really in-depth questions, but just simple yes or nos or -- and I'm wondering why we can't ask questions because we need

1 clarity. I didn't come here to complain. I came here 2 for clarity so I can better understand how you folks do 3 what you do. I would hope you would let us ask some simple questions. Thank you. 4 5 CHAIRMAN GRAHAM: Thank you. Mr. Kelly. 6 MR. KELLY: The first person to speak is 7 Ms. Linda Miller. 8 9 Whereupon, LINDA MILLER 10 11

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MS. MILLER: I guess I'm facing that way.

CHAIRMAN GRAHAM: Face this way.

MS. MILLER: This way?

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CHAIRMAN GRAHAM: Yes. Welcome, Ms. Miller.

MS. MILLER: I was the last one that said I'm coming with you guys and I'm the first one up. I'm brand new out at Arredondo, but I find it to be a lovely community of people that care. They're not wealthy, they're not hoodlums, they're just caring, lower income people. And these people occasionally need breaks in life, unlike some people. I used to be there once. But

you could -- you have -- there's a tendency perhaps for people to look at their own lives and say why, what's the matter with these people? They could do this, they could be an attorney, they could do this, they could do that. Through circumstances in life you can't be everything. You can't be anything sometimes. But these people work hard. They deserve to have drinkable water.

My granddaughter is expecting her first baby in two months and she's really worried. She's worried because she drinks the water, although she switched to bottled water which they can't afford. And then, you know, what happens next? They're living in a place that might be a potential time bomb.

When you look at the economic makeup of our community, we're talking -- we have three police officers, I believe, maybe two, but three police officers that live there. I tell you what, when the police live there, you have such a sense of security it's unbelievable. But you've got people like this, you know, retirees, people who work during the day, people who are here for the cause. And that brings us to the affordability again, because none of these people have money, none of them. It's hand to mouth. You know, paycheck to the end of the month, will it meet?

You know, a big deal is being able to afford a

pizza. My husband and I, the other night we went to Bo Diddley's and listened to the music. Thank heavens it was free because we're out of money for the month. So this is, this is a big thing on the amount that they want us to pay for what every living human being has a right to; clean, safe water.

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The other thing I want to mention is that when my husband and I moved here, we moved from a two-bedroom condo, a very nice place. It was above our budget but we thought we could manage it. Well, it ended up not being there. We got a raise immediately. And we thought, well, can we afford this? Do we want to afford this? And suddenly it became unaffordable anyway because things changed. And so we went over to Arredondo because I thought it was pretty from the road. You know, women have these little things they like to look at first. And I said, you know, that really looks nice there. And my husband agreed and we drove around and we stopped and asked questions. We must have been over there four or five times before we ever decided to move in. But when we did, we felt like we had moved in to a place that truly cared about the people that live there and a place that really wanted the best interest of their tenants and sometimes their property owners. have other things I thought about, but those, those are

the biggest. Just think about the people, think about 1 what they can afford. 2 I was married once to a millionaire, and that 3 sounds perfectly ridiculous at this point in my life, but the thing I'm saying is would this have bothered me? 5 No. I lived in a nice house. I didn't have anything 6 that ever went wrong, except for the divorce of course. 7 But that was it. You can't do it all but you can do 8 something. Thank you. 9 10 CHAIRMAN GRAHAM: Hold on just a second, Ms. Miller. 11 Mr. May. 12 MS. MILLER: Linda Miller. 13 EXAMINATION 14 BY MR. MAY: 15 Ms. Miller? 16 Yes. Oh, I'm sorry. I thought he spoke. 17 No problem. I'm Bruce May. I represent Aqua. 18 And just we're going to be filing some responsive 19 testimony to your testimony, so I want to make sure I 20 have all the information as accurate as possible. 21 You indicated you live in Arredondo. Is that 22 Arredondo Farms or Arredondo Estates? 23 UNIDENTIFIED SPEAKER: Farm. 24 MS. MILLER: Farm? We haven't lived there

FLORIDA PUBLIC SERVICE COMMISSION

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long. Farm. 1 Yes. 2 MR. MAY: Thank you. That's all the 3 questions. 4 MS. MILLER: Is there anything? Okay. CHAIRMAN GRAHAM: Other attorneys of record, 5 if there's something that you want to see clarified, 6 7 just please motion so I'll know to recognize you. 8 MR. BERNSTEIN: Thank you. Commissioner, if I 9 might ask a question. We have some folks we've been alerted to that are on their lunch hour come over and 10 11 just have a minute to say something. Would it be all 12 right if we went perhaps a little out of order just to 13 let those folks come? They've got to get back to their job, if possible. I don't know which ones they are. 14 15 UNIDENTIFIED SPEAKER: I would appreciate that 16 myself. 17 MR. BERNSTEIN: There's only a couple, but they've got to get back to work, if that's okay. Would 18 19 that be all right? 20 CHAIRMAN GRAHAM: Anybody that's here that's 21 on their lunch break that just want to have a couple of 22 things to speak, if I could get you to come up here and sit on this front row. Sir, you can sit right there 23 24 where you are. I'll get you right away. 25 UNIDENTIFIED SPEAKER: All right. Cool.

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CHAIRMAN GRAHAM: But anybody else sit here on
the front row and we'll just make, we'll just make sure
that we, that we -- J. R., make sure that if it's in
that stack, just pull it out.

MR. BERNSTEIN: Thank you, Commissioner.

CHAIRMAN GRAHAM: Sir, please.

Whereupon,

# SCOTT RONEY

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MR. RONEY: My name is Scott Roney. I live at Arredondo Farms. And I'm not used to public speaking, so bear with me.

First off, you had mentioned --

THE COURT REPORTER: Sir, sir, could you pull the mike up just a little bit?

MR. RONEY: -- sediment issues. Take your bottle of water and take ice cubes made from the water there at Arredondo Farms, put it in a glass and you don't want to drink it because of the sediment that you find in the bottom. I don't even feed the Arredondo Farms water to my cat for issues that may come up in the future. That being said, I'm sure other people are

going to mention that.

I'm a very small business owner. You guys are business. That's fine. You say you've got to raise the rates because you have to upgrade your equipment or buy new equipment, do different things. The only thing you don't have to face is competition. I have competition every day. If I have to up my equipment or, or buy new things, I have to absorb that. We can't go anywhere else, can we? You guys have us under your thumb. Simple.

And last but not least, you said your acronym is AUF. I think you should add UL to the end. Thanks. That's all I have to say.

MR. JAEGER: I didn't get his last name.

MR. RONEY: Roney. R-O-N-E-Y.

MR. MAY: Is that E-Y?

MR. RONEY: E-Y.

MR. KELLY: R-O-N-E-Y.

MR. MAY: That's what I was going to ask. Thank you, Mr. Roney.

MR. RONEY: Thank you. Thank you for your time.

CHAIRMAN GRAHAM: Thank you, sir. Thank you for coming.

Sir, please.

Whereupon,

## CLIFTON PRIDGEN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MR. PRIDGEN: Good afternoon. My name is Clifton Pridgen, P-R-I-D-G-E-N. I am a resident at Arredondo Farms, have been a resident for several years. My bill has fluctuated for the time I've been there. The last bill I got was an enormous bill, an enormous bill. I called and tried to set up something. Things have changed. At the end of the day my water got cut off. I called to talk to somebody. I got a very rude, very rude young man who just simply told me that if I didn't pay the bill, my water wasn't going to get turned back on, and I wouldn't get any service until I got -- until they got all of their money. Through the help of Arredondo Farms my water got turned back on.

The last bill I got was still an enormous bill. And I just want to know how can it go from, you know, \$56 to \$456 in one month? Can we figure out what's going on with the water, I mean with the reading of the meters or equipment that you're using or people that are reading the meters and get that straightened

1 out? That could possibly make a big difference in all of these people being here saying that Aqua Waters is an 2 3 unreputable place. I appreciate your time. I have to 4 go back to work. Thank you. 5 CHAIRMAN GRAHAM: Sir, what is your address? 7117 S.W. Archer Road. MR. PRIDGEN: 6 UNIDENTIFIED SPEAKER: What lot? 7 MR. PRIDGEN: 2129. 8 Thank you. Any questions? CHAIRMAN GRAHAM: 9 EXAMINATION 10 BY MR. MAY: 11 Mr. Pridgen, thank you for coming out. Just a 12 couple of very quick questions. 13 You mentioned a bill that you received from 14 Aqua that you have concerns. Approximately what month 15 and date was that bill issued to you? 16 That bill, I believe, was June or July. 17 Of this year? 18 Yes. 19 Okay. Thank you, sir. 20 Q CHAIRMAN GRAHAM: Ms. Bradley. 21 **EXAMINATION** 22 BY MS. BRADLEY: 23 Mr. Pridgen, can I ask you, you said something 24 25 about a \$456 bill.

1	A Yes.
2	Q Can you tell me, do you remember how much
3	water you had used during that period of time?
4	<b>A</b> I think, at the time I think they said it was
5	like 1,000 some odd gallons of water, I believe. I'm
6	not sure.
7	<b>Q</b> Okay, sir. I appreciate it.
8	A The \$450 at one time just kind of like you
9	know, all I could see was that.
LO	<b>Q</b> I understand. Thank you.
L1	CHAIRMAN GRAHAM: Thank you, sir.
L2	Ma'am.
L3	Whereupon,
L <b>4</b>	LAURA DENMARK
L5	was called as a witness on behalf of the Citizens of the
16	State of Florida and, having been duly sworn, testified
17	as follows:
18	DIRECT STATEMENT
19	<b>MS. DENMARK:</b> My name is Laura Denmark. I
20	stay in Lot 2119 at Arredondo Farms. My water bill is
21	higher than my light bill, and I work six days a week.
22	I don't know, understand why it's higher than my light
23	bill. I don't drink the water; it's made me sick.
24	Washing clothes, it's messed up my clothes. Calling to
` F	get gustemen demuise it door not hannen. They're very

rude, nasty.

When I first moved into Arredondo, I think me and Mallory, we had to send over the fax about five or six times before they actually -- and they still had not gotten my name correct on my new place I had moved into. They cut the water off because it was still in somebody else's name after a month of me living there. And then I moved out of that one and bought my first home, which I was excited about. And then they canceled -- they gave me a whole new account number. Then they're talking they're going to turn me into collections if I don't pay that last bill, but I'm still with the same service. I tried to make arrangements, never get a call back, never get any notification or anything. So that's all I really have to say.

CHAIRMAN GRAHAM: Thank you, ma'am. We do thank you for coming down.

Mr. May.

## EXAMINATION

# BY MR. MAY:

Q Thank you, Ms. Denmark. You mentioned that you had a concern regarding calling customer service?

A Uh-huh.

Q Approximately what date and month did you attempt to call customer service?

1	A Every month that we every month there's
2	something wrong. I know I think I moved in April.
3	And myself and Mallory and her attendee, other
4	co-workers in the office had faxed over my paperwork so
5	I could get service in my name. And it still, after
6	four or five times of faxing it, it still was never
7	turned in my name until they cut my water off. And they
8	said they never received the fax, and that was a month
9	later.
10	${f Q}$ And you indicated that you had moved in and
11	moved out of several different places?
12	A No. Just one.
13	<b>Q</b> Okay. So you moved from one location within
14	Arredondo Farms to another?
15	A Correct. Correct.
16	<b>Q</b> And in your first location what was your
17	account name, what was the account name? In what name
18	was your account in?
19	A My name.
20	Q And your second?
21	A My name.
22	<b>Q</b> Okay.
23	A It never changed.
24	<b>Q</b> And so what was your first lot number? Do you
25	recall?

1 UNIDENTIFIED SPEAKER: 2020. UNIDENTIFIED SPEAKER: 2 2020. 3 MS. DENMARK: Yeah. 2020. BY MR. MAY: 4 And your current lot number is? 5 Q Α 2119. 6 7 Q Thank you. CHAIRMAN GRAHAM: Thank you. Thank you, 8 9 ma'am. MS. DENMARK: Uh-huh. 10 CHAIRMAN GRAHAM: Ma'am. 11 12 Whereupon, MARILYN EVANS 13 was called as a witness on behalf of the Citizens of the 14 State of Florida and, having been duly sworn, testified 15 16 as follows: DIRECT STATEMENT 17 MS. EVANS: Good afternoon everybody. My name 18 is Marilyn Evans, E-V-A-N-S. My address is 7117 S.W. 19 Archer Road, Lot 2425. 20 My issue is with Aqua. Last year of 2010 I 21 have got a past due bill for sewage usage -- sewage, 22 sewage for that whole year. I called to find out what 23 was, you know, what it had come from, and they said that 24 it was on their behalf because they technician came out 25

and he read the meter wrong. So I said, "Well, how is that my fault?" So they said by me using that that whole year I had been responsible for paying the bill, and I think the bill was about seven something. I'm not for sure the exact amount, but I know it was seven something. Anyway, they gave me a payment plan for \$66 and some change. And they said if I was a penny less or a day over, my water was going to get turned off.

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So I began to pay that 66 something. Within two months come to find out they sent another bill for me -- they upped my bill for 101. That was in January of 2011. And I had continued to pay that bill all the way up until April this year, 2011. And I was just getting so many different bills. Like the bill kept going up like a thousand and something dollars. And one time I was about finished paying the bill, I think it was, I'm trying to think, April, yeah, around April, I think April was my last time paying the past due. I called -- I came -- I got -- I can't remember who the girl's name was, but she told me all I had to pay was \$19 on it. Paid the \$19 saying that I still have to continue to pay the 101 through the rest of the year of this year, 2011. If not, then my water is going to get cut off.

And I think the bill, yeah, the bill was still up, up a thousand dollars. I had to talk to Ms. Mallory because I almost had to move out my house. I have three children and I could not live in a house without water.

And they end up turning off my water. I was in my house for three days without water. I had to go to my mother's house. So I'm sorry I'm emotional, but anyway.

CHAIRMAN GRAHAM: Take your time.

MS. EVANS: Due to Arredondo Farms helped me out I'm able to stay in my house, and I really appreciate that because I was fixing to lose my house. I'm a hardworking young mama trying to take care of my children, and for them to turn off my water -- and like everyone else say, their customer service is so rude. And I don't have all their names. I have it on my paperwork because I wrote down every name that I, that have talked to me so rude. And I just don't understand. People live paycheck by paycheck, people trying to -- like some of the people work here, fixed incomes. And how we have to sit here and deal with that, the way they treat us. But that was my situation with Aqua.

CHAIRMAN GRAHAM: Take your time, ma'am.

MS. EVANS: Sorry.

CHAIRMAN GRAHAM: That's okay.

MS. EVANS: That's all I have to say.

CHAIRMAN GRAHAM: We do appreciate you coming 1 down here, ma'am, and talking to us. 2 Mr. May? 3 MR. MAY: No questions. 4 CHAIRMAN GRAHAM: Ma'am, thank you very much 5 for coming. 6 7 THE WITNESS: Thank you. CHAIRMAN GRAHAM: Sir, did you have to speak? 8 MR. MOORE: I didn't want to but I'd like to. 9 I didn't sign in and I didn't raise my hand, but if I 10 could say something real quick. 11 CHAIRMAN GRAHAM: Well, we have to swear you 12 in first. 13 MR. MOORE: Okay. 14 (Witness sworn.) 15 CHAIRMAN GRAHAM: Thank you. And, sir, 16 afterwards we can get you to fill out one of those 17 forms. 18 MR. MOORE: Okay. 19 20 CHAIRMAN GRAHAM: Thank you. 21 Whereupon, RICK MOORE 22 was called as a witness on behalf of the Citizens of the 23 State of Florida and, having been duly sworn, testified 24 as follows: 25

## DIRECT STATEMENT

MR. MOORE: My wife rented a lot in that park over 30 plus years ago, 7117 S.W. Archer Road, Lot 2330. We don't, we don't live there anymore. She doesn't live there anymore. We don't live there anymore. But we rent the property to a gentleman that works for me, a very hardworking man. Very hardworking man, probably older than all of us in this room. Works harder than -- a little background. I've been in business in Gainesville and Alachua for over 42 years. He's one of the hardest working employees I've had in that time, and he's probably one of the oldest.

And I have not seen his -- well, I take that back. I have seen his bills. And I don't remember how much they were, but they were just astronomical. And I guess the biggest, listening to these people, and every one of them will say -- I don't really know how the Public Service Commission works. I know that they watch over monopolies. But you gentlemen could go out to that park and ask the people that live there for a glass of their water and we wouldn't be having this hearing. I don't understand. You have the power to subpoen their records on how much they charge these people. You could subpoen a their bills and you would see what's going on. I don't understand why they have to be up here telling

1 you this. Again, I don't know how this works, but I would think that it would be very easy for y'all to do 2 and would not waste a whole lot of people's time and get 3 on to helping these people out. Thank you. 4 CHAIRMAN GRAHAM: Sir, thank you very much. 5 Sir, just a second. 6 7 **EXAMINATION** BY MR. MAY: 8 I didn't get your last name. 9 My name is Moore. The actual, the actual is 10 my wife under Horner is the actual name that the lease 11 is under, or was under. 12 CHAIRMAN GRAHAM: Thank you, Mr. Moore. 13 Sir, please. 14 Whereupon, 15 16 EUGENE DAVIS was called as a witness on behalf of the Citizens of the 17 State of Florida and, having been duly sworn, testified 18 as follows: 19 DIRECT STATEMENT 20 BY MR. DAVIS: 21 My name is Eugene Davis. I live at 7117 S.W. 22 Archer Road, Lot 46, Gainesville, Florida 32608. 23 been living out there for --24 CHAIRMAN GRAHAM: Sir, one more time. 25

was kind of quick.

MR. DAVIS: My name is Eugene Davis. I live at 7117 S.W. Archer Road, Lot 46, Gainesville, Florida, 32608, in Arredondo Farms. I've been living out there for almost five years. I've always paid my bill on time, and here, I think it was last year, all of the sudden I get a bill for almost \$900. So, you know, I called these people right away. These, these people, they're not people -- they don't know how to talk to people. You know, they're real rude. And that goes from the lady that I started talking to to whoever, the manager or whoever that I was talking to, he was rude too. They're telling me the same thing that everybody else is telling you. If this bill is not paid or if we don't set up some kind of payment plan, we're going to cut off the water.

Well, my thing is how did my bill go from 40 something dollars to 900 something dollars when I pay my bill every month? You know, they tell me about, well, we didn't include some kind of service. But that ain't my fault. That's your fault. You know, I don't work for you. You know what I'm saying? That's your people's fault. Why should I have to be punished for what your people messed up? They told me this: "If you don't pay that bill, your water will be cut off."

The water out there, I wouldn't give that water to my dog. You wash your car, the car is white when you get through washing it. And if you -- you can't leave the water running because the bill go from, whew -- I mean, it just, it just soars.

I've seen countless amount of people move out of there for their water bill. You know, they get a bill, one month the bill is \$40, the next month it's -- I've seen people have \$4,000 bills. How do you have a \$4,000 bill in one year? It doesn't make sense.

These people are robbing people. They're robbing honest people, hardworking people. They're robbers, and they know they are too. You know what I'm saying? They got these so-called lawyers over here and all that, that don't make no sense. You know what I'm saying? But they know what they're doing. You know, it's not right. You know what I'm saying? We're hardworking people. I got to go to work. I got up here because I needed to say what I had to say so I can get out of here and go to work so I can finish paying Aqua Utilities' bills. You know what I'm saying? Because that's what I'm paying. You know what I'm saying?

Their -- my water bill is as high as my light bill, and that doesn't make no sense at all, at all.

How can your water bill be as high as your light bill?

I run my air conditioner all day long every day and my water bill is higher than the light bill. That's crazy. You know, they're robbing us. Y'all need to do something about it. I mean fast too because people moving out every day. They come in -- I've seen people come in one month; the next month they're gone. I ask them why? "The water. I got a bill for \$500." "You just moved here. You got a bill for \$500 already?" It don't make sense.

And then you -- and then they, they, they got their, their people out here, they come out and they turn on, they open the sewers up, I mean the fire hydrants up and let all the water run out. Then they charge us for the bill. You know, they let the water run like it's nothing, and then we end up paying that bill for them. You know what I'm saying? They do it all the time. I have never seen a company that has employees out on the site seven days a week. They're riding around seven days a week out there. You know, it doesn't make sense. It didn't used to be like that. And like I said, they're robbing us, robbing us blind. And something needs to be done about this because if you don't, they're going to continue robbing me.

Me, me, myself, I'm in the process right now of moving from out of Arredondo Farms. I don't want to,

but the water, the water just is killing me. You know what I'm saying? And it doesn't make sense. Like I say, we are honest, hardworking people and we're getting taken advantage of by a company that they're doing it because they can, because they know you need the water. But like I say, right now I'm in the process of moving right now because of that water. And that's all I've got to say.

CHAIRMAN GRAHAM: Sir, Mr. Davis, I want to

CHAIRMAN GRAHAM: Sir, Mr. Davis, I want to thank you for coming.

Mr. May.

# **EXAMINATION**

# BY MR. MAY:

Q Thank you, Mr. Davis, for coming. Again, I'm going to be -- we'll be providing a responsive pleading around November 3rd, so I want to make sure we've got all the information as accurate as we can.

Did you speak at the last customer meeting?

- A No, I did not.
- Q You didn't speak in the last customer meeting regarding your back bill for wastewater service?
- A No, I did not. Sir, I have a -- unlike you, I can't just come up here any time I get ready. I have to work to pay Aqua Utilities' bill. You know what I'm saying? I have to go to work just to pay that bill. I

can't come to every meeting. I just got off work at 6:00 this morning. I come in here. I haven't even slept that much.

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Q Now the, the bill that you received, that was for wastewater service, wasn't it?

I don't know what it was for. Whatever it was for, it shouldn't have been -- I shouldn't have gotten a bill for \$900 because it was a fault of their, of your company. You know what I'm saying? If you make a mistake, then you need to eat that bill, not me. If I, if you give me a bill to pay, if I'm paying that bill, then how you going to come up here and sit up here and tell me that down the line, when you figure out that you say that you wasn't giving, billing me for a service, then you gonna, all the sudden you're gonna give me a bill for almost a thousand dollars? That's not my fault. That's your fault. Your company should have ate that bill. You know, the people that you work for, they should have ate that. And they still need to eat it because I need to get my money back. You know what I'm saying? I'd like to get that back. I have to pay them \$50 extra every month just to try to catch up on that bill.

- Q Did the company offer you a payment plan?
- A Yeah. They offered -- I got -- that's the

only reason I got water because I got a payment plan.

But I shouldn't have to have this payment plan. If

y'all -- if they do their job like they're supposed to,

then everybody wouldn't be up here right now.

The water is so poor. I tell you, you need to go out there and live for just a half a day, not a whole day, a half a day, and then you would see what I'm talking about. You know what I'm saying? Like I told you right now, I wouldn't give that water to -- my wife has got a little small dog and we don't even give her the water because the water is just that poor. You know what I'm saying? And I've been -- and it's been like -- I've got a water softener in my house and the water is still poor.

CHAIRMAN GRAHAM: Thank you, Mr. Davis.

MR. MAY: Thank you.

chairman graham: Is there anybody else that's in the audience that has to get out of here in the next half hour or so and get back to work? If so, please come up front, we'll let you speak. If not, we're just going to go through the list as Public Counsel has it.

Okay. Mr. Kelly.

MR. KELLY: I apologize. Is it Wellar Miller? Whereupon,

# WELLAR MILLER

FLORIDA PUBLIC SERVICE COMMISSION

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MR. MILLER: Yes. I'm Wellar Miller. I live at Arredondo Farms, 7117 Archer Road, Lot 2205. The water pressure out there is unreal. I hate to say it, cows got more pressure than what I got. I mean, you turn the cold water all the way on and you crack the hot water. And my wife is a diabetic and she doesn't feel the heat like everybody else, so she has to be really careful. I have to take a shower before her due to the fact of worrying about her burning herself. That's how bad the pressure is.

And as far as drinking, and I need to drink lots of water and she does too -- I don't know a horse out there that would drink it. That's how bad it is. It's really, really bad. You know, it's pretty bad when a horse won't drink water because it's so bad.

I'm not happy with the pressure and what it costs. It's unreal. I'm on a fixed income. I drove a truck for 23 years. I have congestive heart failure and they tell me I got to retire. I've worked since I was six years old, and to sit up and do nothing hurts. It hurts bad. But I can't do nothing. I got a pacemaker

defibrillator. Who's going to hire me? Nobody. I don't read, I don't spell. But that's the way life is. I can't afford a rate increase. I just can't afford it. It's not there.

Arredondo gave me a break. I got the American dream; I got a house. I got the American dream and I love it. But if it wasn't for them people, I couldn't do it. And the utilities are going to kill me? That makes it fun. You know, all I want to do is fight for my life. And when my son comes in from the United States Navy, I want to be able to see him. And I'd love to take him to dinner once in while, but he ends up taking me to dinner because we can't afford it. And I'd love to take him to dinner bad. That's all I've got to say.

CHAIRMAN GRAHAM: Mr. Miller, I want to thank you for coming.

MR. MILLER: Okay.

MR. MAY: No questions.

CHAIRMAN GRAHAM: Thank you, sir.

MR. KELLY: Ben Anderson.

Whereupon,

# BEN ANDERSON

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified

as follows:

## DIRECT STATEMENT

MR. ANDERSON: Hi. My name is Ben Anderson,
A-N-D-E-R-S-O-N. I live in Arredondo Farms at 7117
S.W. Archer Road, Lot 2629. I've lived there less than
a year now, but actually I've had over four years of
experience with Aqua. I used to live directly across
the street in Arredondo Estates about four years ago and
I had Aqua Utilities then. At that time I was not happy
with the quality of the water; however, I was paying \$30
to \$40 a month for it. And when I moved into Arredondo
Farms this year, the bill had gone up to on average
\$120, which means my water bill quadrupled in four
years. And I don't know any other utility that
increases at that rate.

I'm also very unhappy with the quality of the water. It's ruined almost every dish I have, plates, silverware, glasses. Even after repeatedly washing them, trying to use any type of, any type of soap or cleaning product that will take off hard water, it doesn't work at all. It's still there, and there's no way to get rid of it even if you sit there and scrub it all day. I've tried.

I've also had a lot of bad experience with --we have low water pressure as well. Even, as other

people have said, when you turn the water all the way on, it's very low pressure. And I don't think this company should be allowed to ask for more money on top of a rate that's already unaffordable for most of the people that live there. Thank you. That's all I have to say.

CHAIRMAN GRAHAM: Thank you, Mr. Anderson.
Mr. May.

### **EXAMINATION**

## BY MR. MAY:

- Q Thank you, Mr. Anderson. Have you contacted Aqua about the, your concerns with respect to hard water?
  - A Yes, I have.
  - O And when was that?
- A I actually completed the survey. I was called and gave them my feedback, and I said that was the, one of the main problems was the hard water.
  - Q And approximately what date was that?
- A That was probably in June. And they also had contacted them about it and they came out to my house as well.
  - Q Okay. Thank you, sir.

CHAIRMAN GRAHAM: Thank you.

MS. BRADLEY: Mr. Chairman.

1	CHAIRMAN GRAHAM: Yes. Hold on.
2	Mr. Anderson, just a second, please.
3	EXAMINATION
4	BY MS. BRADLEY:
5	Q You said you completed a survey?
6	A Yes.
7	<b>Q</b> Whose survey was that? What kind of survey
8	was it?
9	A It was a phone survey, I believe.
10	<b>Q</b> Was it one that who, who did the survey
11	then?
12	A I believe it was Aqua.
13	<b>Q</b> Okay.
14	A I'm not 100% sure.
15	<b>Q</b> Okay.
16	A It was regarding their service.
17	<b>Q</b> Okay. Thank you.
18	CHAIRMAN GRAHAM: Thank you, sir.
19	Mr. Kelly.
20	MR. KELLY: The next speaker is Derrick Boles.
21	Whereupon,
22	DERRICK BOLES
23	was called as a witness on behalf of the Citizens of the
24	State of Florida and, having been duly sworn, testified
25	as follows:

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## DIDECT CTATEMENT

	DIKECT STREET
2	MR. BOLES: Yes. I live at Arredondo Farms,
3	Lot 2629. And I just wanted to say I've lived there
4	almost well, under a year. And you can't even wash
5	your clothes there. Like your dark colored clothes,
6	just it takes all the color out of them so it ruins you
7	clothes. Your skin is very dry from all the calcium in
8	the water, so you have to spend all this money on
9	lotion. And you can't even wash your car because your
10	whole car is completely like, has this white film over
11	it and like it covers it completely. And I really,
12	truly believe that Aqua should be ashamed of themselves
13	for how they're treating these people.
14	And, I mean, I'm 30 years old and I've had
15	water. And my mom, she lives in Trenton and it's a wel
16	and she gets better water than I get. And that's just

ridiculous. And, you know, God don't like ugly. So that's all I have to say.

CHAIRMAN GRAHAM: Sir, can I get your name again? Can I get you to spell it?

MR. BOLES: Derrick Boles.

CHAIRMAN GRAHAM: How do you spell the last name?

MR. BOLES: B-O-L-E-S.

CHAIRMAN GRAHAM: Okay. Mr. May.

FLORIDA PUBLIC SERVICE COMMISSION

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1	EXAMINATION
2	BY MR. MAY:
3	<b>Q</b> Yes. Mr. Boles, are you a customer of Aqua?
4	A Uh-huh.
5	Q And is the account in your name?
6	A No.
7	<b>Q</b> Okay.
8	A But I pay your bill.
9	Q Could you tell me whose account that is in?
LO	A Ben Anderson, the guy that just spoke up here.
11	<b>Q</b> Okay. Thank you. No further questions.
L2	CHAIRMAN GRAHAM: Thank you, sir.
L3	MR. BOLES: Thanks.
L <b>4</b>	CHAIRMAN GRAHAM: Thank you very much for
L5	coming down today.
L6	Mr. Kelly.
L7	MR. KELLY: Michael Burke.
L8	Whereupon,
L9	MICHAEL BURKE
20	was called as a witness on behalf of the Citizens of the
21	State of Florida and, having been duly sworn, testified
22	as follows:
23	DIRECT STATEMENT
24	MR. BURKE: My name is Michael Burke. I live
25	at 7117 S.W. Archer Road, Lot 131, in Arredondo Farms.

We've heard a lot today about sediment buildup, sewer backup, and a lot of other problems with billing errors and so forth.

Just to give you a little bit of background where I come from in this, I've lived in Arredondo Farms for close to six years. Out of that six years, I spent five years as the only maintenance man at Arredondo Farms for three out of the five. Everything these people are telling you about sediment buildup, sewer backups, and everything else is well documented by Aqua. Aqua has known about these problems. They've done nothing with all of their rate hikes to try to fix these problems in all of this time that I've been there.

Okay. I've been called out in the middle of the night to take care of sewer problems, to take care of water problems. And water problems, when I get to the house at 4:00 in the morning and we do the check, the problem isn't on our side of the water meter, the problem is on Aqua Source's side of the water meter. Aqua won't respond until maintenance from Arredondo Farms responds first because of the dividing line of the water meter. Their first response to everything that goes into their phone calls for problems is "Arredondo Farms, you check it out first. It's not our problem."

Every time you call their customer service, it

does not matter what day it is, what time of the night or what time of the day it is, or who it is that's calling, their people are rude. Not only the first line people that you get on the phone, but the people that are backing those people up are rude. I have never, ever in my life encountered people as rude as Aqua Source has working for them. And the only thing I can surmise from that is they're doing it just to make you mad enough to get off the phone and they don't have to deal with your problem.

Now sediment buildup, just an example of sediment buildup that these people are talking about. Everybody is telling you come out here and spend a half a day out here and you can see for yourself what's going on. Come over to somebody's house and get a glass of water, okay, and let it sit on the counter, don't drink it, let it sit on the counter for about two minutes and look at the bottom of the glass. Okay? There is a sediment in this system that has been there for a long time and they have done absolutely nothing to address that issue or try to do anything about it, and yet they keep getting these rate hikes saying "We're going to make it better." Well, it's not getting any better. It's getting worse, Mr. President. Okay?

This has got to be stopped. And the only

recourse we have is to stand up here in front of you people, the Public Service Commission, who regulates them and says, no, you can't or, yes, you can have this money that you're asking for. And we're all sitting here saying, "Don't give it to them because they ain't earned the right to have it." It's as simple as that, gentlemen. They have not earned the right to have a rate increase. They have not done anything in the past that their previous rate increases said they were supposed to be going to do. They've not done it. Why do we want to give them another one now?

An example with sediment buildup, like I started to tell you about, we go to some of these houses that have got poor water flow. Okay? We go in there and Aqua Source's response to this whole sediment problem is, and the low water flow in the houses is, "Well, these houses are so old, okay, and they need to drain their water heaters at least once a year." Just a rhetorical question to all of you up there, do you drain your water heaters in your house once a year? Do you flush your water heaters in your house once a year?

CHAIRMAN GRAHAM: The answer to that question is no.

MR. BURKE: Well, Aqua Source expects us to do that. We get, they get a house that goes vacant, okay,

somebody has been in there for a year or so, they get a house that goes vacant, and before they put it back up they send you in, you turn off all the water, you drain the water system down, you open up the water heater by taking out the element, and, by the way, once you got it out, you might as well throw it away because it ain't no good anyhow and put a new one in while you're at it, okay, because the sediment has built up among the coil on that so bad that it's practically already all shorted out, or in a lot of cases you've got to go replace it because it has shorted out from the sediment. All right? And you stick a shop vac hose in the opening and you suck out the sediment from the bottom of the water heater, because the water heater is the low point in the system. Okay? That's the entry point for the water to the house, it comes through the water heater and tees off at the water heater, your cold water supply does. But you fill up your water heater first before it gets out into the lines of the house. Okay?

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Every time the water heater is shut off, where does that sediment go? Because there's no pressure keeping it anywhere, it settles back in the low points of the system, blocks up the whole system in the house. Okay? It gets stuck inside the small crevices and in small orifices and things and in places where lines go

from three-quarter inch down to half-inch. Okay? It clogs up in those areas. It clogs up on their faucets. Anywhere where it can be constricted, it clogs up the lines, cuts down on the water pressure. This is all sediment coming from their system.

Okay. You suck out -- we had a 26-gallon capacity shop·vac. Okay. We'd stick that hose in there and we would suck out a good two to four gallons worth of just pure white sediment from the bottom of the water heaters. And I'm talking in houses no more than four years old. I'm talking in houses two to three years old. And I'm talking about the exact same sediment buildup in houses seven to ten years old. Okay? And I'm talking, you can go in and suck at least a quarter -- a quart out of a house that's just been freshly put in six months ago.

CHAIRMAN GRAHAM: Mr. Burke, you're running a little over time.

MR. BURKE: Well, then I'll reserve what else
I have about sewer backups for another time. I would
like someone else to speak.

CHAIRMAN GRAHAM: I was going to say, sir, please stay. We'd like to hear the rest of it at the end, but we've just got to allow for everybody to get through this.

1 MR. BURKE: I'll be here. 2 CHAIRMAN GRAHAM: Okay. Thank you. 3 MR. BURKE: I'll be here. Thank you, 4 Chairman. **EXAMINATION** 5 BY MR. MAY: 6 7 Thank you, Mr. Burke, for coming out this You indicated you're the repairman for 8 Arredondo Farms? 9 10 I was, yes, sir. I've retired. Were you employed by YES? 11 I was employed by YES Communities, and I was 12 also employed by the company that YES Communities bought 13 it from, Clayton Homes. 14 And when you -- approximately when did, when 15 did YES Communities purchase this mobile home park in 16 this area? 17 In January, 2009? 2008, January 2008. 18 And you were the repairman prior to that 19 20 purchase? Yes, I was. 21 MR. MAY: Mr. Chairman, as a procedural 22 matter, I think that Mr. Bernstein had indicated that 23 there would be some YES employees that would be 24 testifying today. YES is a party to this proceeding, 25

1	and I would ask for some guidance. Are you all going to
2	be filing prefiled direct testimony?
3	MR. BERNSTEIN: Not prefiled direct testimony,
4	but we have testimony that's going to be given today by
5	employees.
6	MR. BURKE: Excuse me, Mr. May. I am, I am
7	testifying here today as a resident.
8	MR. MAY: Absolutely. Absolutely.
9	MR. BERNSTEIN: He's not right. There are
10	
11	MR. BURKE: All right. And there's the
12	maintenance man he's got, not me.
13	MR. BERNSTEIN: There are, there are
14	representatives, if you will, of YES that are going to
15	speak today as they did in Tallahassee. Because of
16	time, we're going to let everyone else here go first, if
17	that's okay.
18	MR. MAY: That's fine.
19	CHAIRMAN GRAHAM: Hold on just a second. Are
20	you finished with Mr. Burke?
21	MR. MAY: I am. I'm sorry. Yes.
22	CHAIRMAN GRAHAM: Thank you, Mr. Burke.
23	MR. BURKE: Thank you, Chairman.
24	CHAIRMAN GRAHAM: Thank you very much.
25	Sir, go ahead.

MR. MAY: Yes. It's the classic issue when you're, when you're dealing with prefiled direct testimony, we have not had an opportunity to discover any of the, any of the underlying facts that may go into their testimony. We would reserve the right to call them to the hearing in December after conducting discovery and cross examine them at that time.

CHAIRMAN GRAHAM: I don't have a problem with that.

MR. BERNSTEIN: None at all.

CHAIRMAN GRAHAM: Mr. Kelly.

MR. KELLY: Jack Waters.

Whereupon,

## JACK WATERS

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MR. WATERS: Good afternoon. Thank you for giving me the opportunity to share my experience of the service and the quality of service from Aqua Utilities. I'm going to narrow the scope of my comments. I share a lot of the angst (phonetic) and a lot of disappointment than the others as far as billings go, but I'm going to narrow the scope of my comment to the quality of

service. And then narrowing again, I'm going to tell you about the quality or lack of quality of the effluent and wastewater service.

Here's my specific story. Twice within one year, the dates are February 20th, 2010, and January 17th, 2011, I woke up, and these are, I want to say they're both weekend mornings, my memory has failed me here, I woke up and visited the restroom and immediately found a toilet full of raw sewage, immediately found a bathtub full of raw sewage. Going to the second bathtub, bathroom in my house, which is a 3/2, three bed, two bath, I found a toilet full of raw sewage, I found a bathtub full of raw sewage, and raw sewage overflowing that tub and down into my air conditioning and heating register in the bathroom floor.

Well, there's not a lot of choice there. The decision is easy. I called -- the first time I called Roto-Rooter, who came out to my property. I live at Number 89, Arredondo Farms, 7117 S.W. Archer Road. I called Roto-Rooter, they came out. They went out pretty far. I couldn't get a statement of how far that auger went, but -- or their snake, but he said he went from my cleanout under the house out to the street. Now I believe the street he's talking about is a street that runs north of my property and intersects the street I

live on, and that's four houses away. He said, "I'm not sure where your, your sewer line ends and the sewer line becomes the park's sewer line." He says, "I think I was there, and I had to go out into that line to actually clear out what was blocking it." He said, "I can't yet tell you even what that was."Well, long story short, he fixed the problem, and that was on February 20th, 2010.

One -- 17 January 2011, I had the same wake-up, exactly the same scenario. Again, tubs and toilets full of raw sewage. I didn't have the overflow into the heating and air conditioning vent this time. This time I called the local plumber, it was B&H Plumbing, and they did basically the same thing. They were actually a little better than Roto-Rooter. They went out, and again without out having a written record of it, the plumber nonetheless told me that he went out far enough that he couldn't have been on my property when he was undoing these blockages. And I don't know where your responsibility ends and the park's begins, but he didn't think it was on my line anywhere. And those are the two stories I have.

I find it a little ironic that I'm giving you this testimony at the Board of Health, who I should have called immediately, immediately, and have them come out and deal with it. But, anyway, I wish someone from the

1 Board were here. But that's, that's my story. That's 2 my experience in a nutshell. I've lived there 12 years. I've owned in my life eight houses: Two condos, six 3 freestanding homes on property. I have never, ever had 4 this experience before I moved into Arredondo. And 5 that's all I have. Thank you very much. 6 CHAIRMAN GRAHAM: Mr. Waters, did you, did you 7 contact Aqua Utilities about these problems? 8 MR. WATERS: No, I didn't. I was just 9 thrilled that I had, after cleaning up, that I had the 10 service back. But it's happened twice. And I may not 11 contact them the next time it happens; it may be my 12 lawyer. Thank you. 13 CHAIRMAN GRAHAM: Hold on. Hold on just a 14 second, sir. 15 Mr. May. 16 **EXAMINATION** 17 BY MR. MAY: 18 Thank you, Mr. Waters. Did you say that you 19 own your home now? 20 I will in 2014. Yes, I am an owner. 21 And you are leasing the land on which the home 22 23 That's correct. Right. 24 Α From YES Communities? 25 Q

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- A Yes, sir.
- Q Okay. Thank you. No further questions.

CHAIRMAN GRAHAM: Thank you.

MR. KELLY: Regina Lewis.

MS. LEWIS: Good afternoon.

CHAIRMAN GRAHAM: Welcome, Ms. Lewis.

Whereupon,

#### REGINA LEWIS

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

### DIRECT STATEMENT

MS. LEWIS: Yes. My name is Regina Lewis.

I'm a resident at 721 -- I mean, 7117 Southeast -Southwest -- I'll come back in a minute. I'm on oxygen,
so I'm getting kind of warm. That's why I asked to
leave out. And I'm going to mention that now, that I'm
talking the -- if I sometimes run out of the distilled
water and I use just the water from the house faucet, it
plugs up the oxygen equipment so bad because that, like
you said, that calcium is so thick until, you know, I
found myself like losing air. And the nurse, she told
me, she said, "Don't put that water in there, period."

And I've got a few things jotted down.

Basically I moved there, I've been there a couple of

years now. Well, more than a couple of years now. And, but the management has really been behind Aqua situation. I've had problems with them when I came in. Like they say, the customer service is very rude. I go a long time -- I know to go over their customer service to the manager. The managers have been pretty good. I'm not going to say nothing bad about the managers. But the customer service that answers the phone are very rude. They are.

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My water situation is, like I say, the cloudiness of the -- you can, like he said, you try to duck (phonetic) the water but you try to use -- if you're using the ice out of the -- my refrigerator has the icemaker in the door. And like he say, once you pour the drink on it and get it cool and just let your glass sit, you be like, oh, my God, what I done drunk? Because at the bottom of is so thick, you know. And like I use a clear jar type glass, and it's just so cloudy, you know. And it's so terrifying because I lost my father a while back, not out there, but he had, also had pump water. And I thought about all the stuff that he used to be -- I used to fuss at him about drinking that water, and I never dreamed I would have moved in any area where I had to see that same water. And I see that water and I be like, oh, my God.

terrifying because of the fact, like you say, just walk up to your dishes if you leave them in the water, you know, with detergent, you know. And then you, you know, wash them and you look at your dishes coming out the dishwasher and you're like, oh, my God. And then you got the grandkids and kids, you know. And you just look and you just be like, oh, my God, this is so terrifying.

Because I called the other day because they had a water, something about the water. And she said, "Well, it's all right now." And I looked at it and I went -- it looked worse now than it did before, you know? It's so cloudy. It's just like it's terrifying when you put it in a glass. You be like, huh-uh, you better not do this because it's way -- don't drink it. If you drink it, you'll be pushing (phonetic) yourself out.

But the bottom line is with the bill situation, they know my name because I call them every time. So they know Regina Lewis. So you ain't got to really ask them; they know it. Because after I get these humongous bills, what they do, they get, they say I'm aware of it. So then they bring it all the way down to like \$77 or fifty some dollars. Which I don't even own a washer and dryer because when I first -- not that I can't afford one, but I had to put it out my house

because I'm thinking that this is what's causing these humongous bills, \$400 and \$600 bills.

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And then they tell me -- well, I told my daughter, stop paying it through the phone because evidently it's their -- it's not as much as -- I don't know if they're stealing or they just got somebody illiterate that's doing their, keeping their records or what. Because, you know, I pay bills over the phone on, you know, through the card, debit card, and there's no recording. The next thing I know there go a bill (phonetic). And then they say, "Oh, no, Ms. Lewis. You didn't pay it." You know, I know at income tax time, anybody that got a little income tax money, they're going to try to at least cut off two or three bills, you know, just add some money in there. So she gonna tell me that, "Oh, no. That was, that bill wasn't included." Yes, it was. But then you got to call all the bills in. And so I always make the management over at the trailer park aware when they go to fluctuating back up.

And it's terrible how they do. They bring it down because they see I'm raising sand about the bill.

Oh, there go that lady, that Regina lady again. You know, that's what they said. There she is again. So then after a while my bill comes down for a little while. And then I was going to move. I was going to

move, and it came down for a little while. So I said, well. I really like it because it's out in the rural, it's a nice area. I like the, I love the trailer, I love the area and everything.

But just like they said earlier, it's sad when you have to say that a water bill is higher than a light bill. And by me being on oxygen, my air is on at all times and it's constantly. So any time you got a water bill matching your light bill, that's sad. And you ain't even -- and I got a garden tub. I can't do nothing but decorate it. I'm scared to take a bath in it, you know. I'm serious. Because of the fact that it's -- your water bills -- there's no excuse for it in my home. There's no excuse for it in my home. Because, like I say, I don't own a washer and dryer, you know. I don't even own a washer and a dryer.

And one thing I wanted to mention about the water pressure. Taking a shower, big as I am, I'm a big woman, you know, you got to wait until you dribble off you, you know. And that's sad. I'm serious. You know, I'm wetting and soaping myself up, and I just got to wait until I get a good dribble. That's sad. I mean, I'm, you know, it's like to me, it's your water pressure, the calcium in your water, and these customer service people with their rude attitudes. And it's just

like to me somebody illiterate that's, y'all accounting, y'all accounting people, they like they, they're not doing a very good job. They're not doing a very good job at all. Because I know bills have been paid, they have cheated me.

And because, like you say, when you got other things and other problems because -- and then I'm wondering now, because I ain't been had to be on no oxygen, just since I've been out there. Now they tell me I need oxygen. I'm like, okay, why do I need oxygen? It might have been something in the water all the time. I'm serious. It might have been something in the water.

So I just pray that you all touch -- that God touch your hearts, that y'all do right about us. And this part about paying for your machines, I'm a business woman also, entrepreneur. If I want to build up my business, I buy building machines, but I don't fluctuate with the prices of my clientele. I don't do it and y'all shouldn't do it. You know, I mean, if you've got to get a better equipment to make your money come in quicker or whatever, that's good, but don't allow us to pay for what you've got to do. You know, that's not even business at all.

CHAIRMAN GRAHAM: Thank you, Ms. Lewis. Thank you for coming.

1 MS. LEWIS: All right. 2 EXAMINATION BY MR. MAY: 3 Ms. Lewis, just a couple of very quick 4 questions. 5 Uh-huh. 6 Α I did not catch the lot number. 7 It's 2639. And don't y'all make my bill go up 8 9 because I came up here. 10 We will not. Α Because I'm going to tell you. 11 Is the account in your name, Ms. Lewis? Q 12 Yes, it is, sir. 13 Α Q Thank you. 14 CHAIRMAN GRAHAM: Thank you, Ms. Lewis. 15 MS. LEWIS: All right. Thank you all. 16 MR. KELLY: Mr. Chair, the next speaker just 17 came in and has to be back at work at 3:00. 18 MS. HELM: She late. That's not fair. 19 MS. FILER: It's only going to take me five 20 minutes. 21 MS. HELM: Let everybody talk. She's been 22 here -- she's late, man. That's not fair. 23 CHAIRMAN GRAHAM: It's your call, Mr. Kelly. 24 MS. FILER: If she needs to go up, let her go. 25

It takes me about five minutes to get to work. Let her go ahead and go up and then I can go right after her. That will be fine.

MR. KELLY: Ma'am, would you like to come up? Whereupon,

### JOYCE HELM

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

#### DIRECT STATEMENT

MS. HELM: I sure will. My name is Joyce Helm and I stay at Arredondo Farms, 2621. This is my second time at a meeting. The last one they had, they only sent papers out to about five people. There was only five people speaking. Now there's a lot of people. So I hope they can be heard because they didn't send notices to everybody last time. It was downtown, the last meeting that I came to it. And I'm to this one because the water is really bad and the prices is high. If you have a visitor, your water bill is going to be higher, just a visitor for one night. And it's just me and my husband, and we pay like almost \$150 for water.

And when my daughter comes for a couple of days, she live in Boynton, and when I wash her baby bottles out and put them in to boil them, you should

have seen the baby bottles. It had film all in the baby bottles.

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And let me tell you, okay, and I always have a problem with my toilet. I'm always calling them to come fix the flap because it have all that debris in the bottom of the toilet. Not in the toilet where you flush, in the bowl.

And when I first moved there I did have a hard time getting a bill every month. I will call every month. And I asked the lady about three months in calling, I said, "Ma'am, how many times did I call?" "Twelve." She said I called her 12 times. I said, "Do you think I just called to say hi? I want a bill." Because I heard when you first move there, if you don't get a bill, they wait months and months to give you a bill. That way it's high and you can't pay it. So I've been here a year, but we've been telling them we're moving because of the water because it shouldn't be as high as your light bill. It's just me and my husband and it's higher than the light bill every month. never had a 50 something dollar light -- water bill. You know, that's just ridiculous, man. You know, this is -- I don't want to move because I like where I live at. It's quiet. I love it, you know. The people are nice. It's just that water.

When you take a bath, by me being dark, I look white. I look white. I started to come here like that too, but I had to put lotion on my legs. It's ridiculous, man. And when your grandkids come, you got to tell them, "Oh, don't do, don't use so much water," you know, because you're gonna to pay that high water bill. Sad, man, that they getting fat off water. They're getting rich off water; bad water at that. I can see if it was GRU or, you know, I wouldn't mind giving them my money. Because when I used to live somewhere else, the water bill and the lights was together, it was, what, 140. Now the water bill is 140 and the light bill is 170 something. You know, that's just ridiculous, you know. It's just me and him, and we have this problem with the water.

And when I first moved there, I had aquariums. I had fishes in there. And I never seen fish that had babies. It had like a lot of little babies in there. Soon, the next day, all the fish was dying. I had one fish. Right today I got one fish left, and that is ridiculous. But the aquariums, they got so much crud around the, the filter, it's ridiculous. I'm surprised that fish is still living, I really am. And it's ridiculous.

And I think I done said enough. And I hope

y'all can hear us because they wanted a raise last time and I think they got it. For what, I don't know. You know, I really don't know. Yes, I remember some of these people and I remember that guy back there. Yes. He was, he was here last time. But he called hisself taking care of our bill, but I said, "Baby, they taking care of that bill, but they gonna get it back down the line by raising our bill higher," and which it is. One something a week -- a month for two people. I think that's ridiculous.

And we are -- I have been looking for another place because of the water. I don't want to move. My husband, he hate moving. That's why we've been here over a year. We was going to move out a couple of months later, but he didn't want to mess up his credit, you know. But our year is up. But I've been telling them that I was moving. It's not because of them, it's because of the water.

And I done said what I have to say. And I hope they don't get a raise. I hope they can pay us back some of that money they took from us.

CHAIRMAN GRAHAM: Ma'am, hold on just a second.

# EXAMINATION

BY MR. MAY:

Q Thank you, Ms. Helm, for coming out. Just to make it clear for the record, is the account now in your name?

A Yes. It's in my name.

11.

- Q Do you recall notifying Aqua back in --
- A I called y'all so many times about that water.
- Q Do you recall notifying Aqua that you had moved to Titusville?

A No. They keep saying I moved. I said, "How I keep moving and I have to keep calling y'all every month?" They got me moving to Titusville, but I don't understand that. I had to call them about 12 times to get my bill right. And during that time they started billing me months and months. And when I did get it, it was like \$500 and \$600. Yes, y'all had it all wrong. Every month I would call. Somebody wouldn't put it in right.

And one time I did call when I first found the water was bad, you know, they got smart with me. They said, "Well, you don't have to use it." I said, "You're right. But I have to flush the toilet and wash my dishes." And there was times when we was, my husband was just working. We couldn't even afford bottled water. We couldn't afford to buy bottled water because of Aqua.

1	CHAIRMAN GRAHAM: Hold on, Ms. Helms. Just
2	hold on just a second.
3	BY MR. MAY:
4	Q You spoke at the last customer meeting?
5	A I sure did, and it looks like nothing was
6	done.
7	<b>Q</b> Following that customer meeting, did Aqua
8	reach out to you and try to address
9	$oldsymbol{\lambda}$ Yes. They know they was wrong, so they called
10	theirself giving us some credit back on the bill. But,
11	hey, it's still high. It's not like five or 600 no more
12	because I'm getting a bill every month, but there was
13	times y'all wasn't sending me a bill every month. I
14	have to call and call.
15	MR. MAY: No further questions.
16	CHAIRMAN GRAHAM: Thank you, Ms. Helm.
17	THE WITNESS: Thank you.
18	MR. KELLY: Mr. Chairman, you need to swear
19	her in.
20	CHAIRMAN GRAHAM: Oh, I need to swear you in.
21	(Witness sworn.)
22	Thank you, ma'am.
23	Whereupon,
24	ANNETTE FILER
25	was called as a witness on behalf of the Citizens of the

State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MS. FILER: My name is Annette Filer,

F-I-L-E-R. I live at Arredondo Farms, 7117 S.W. Archer

Road. My complaint is that with the water, it's just

like everyone else, but I've also noticed there's a

smell that's with the water. After it has been sitting

for a couple of days, and if you go and try to take the

top off of it, there's a smell. And not only there is a

smell, this is a residue that you will find on the top

of it also.

I am on a fixed income. My daughter and her three kids live with me. They're ages of ten, three, and one. And when you have a three-year-old come to you and tell you that the water smells and she don't want to take a bath, there's a problem.

I work every day with chemicals. So when I go home, I don't want to have to smell water also. The clothes, when they come out of your washing machine, they're hard, extremely hard. Your dishes, when they come out of your dishwasher, there's a sediment, there is a buildup and it's like a soap scum. But if you let your water sit like your bottled water right there, just let it sit for a day, go back, take that top off, get

that whiff of it. It's not a good smell at all.

My only concern is that I have a ten-year-old. She suffers from eczema. And each time that they take their bath, each time that they get out and dry off, because their skin is becoming so dry, her eczema is flaring up more and more. So as of this month we're going to have to take her back again because of her eczema is flaring up. So we're constantly, constantly taking her in because of her eczema.

And, like I say, it's just the smell that bothers me, and I don't like the way it smells. So -- and if it's smelling like that and we're drinking it, although we're supposed to be on a boil notice now, because when you're boiling it, that tells me there should be, there's something definitely wrong with it there. Like I say, I work with chemicals every day with the State Materials Office, and I don't want to have to go home and smell my water after smelling chemicals all day, so.

CHAIRMAN GRAHAM: Thank you, ma'am.

MR. MAY: No questions. Thank you for coming.

CHAIRMAN GRAHAM: Thank you.

MR. JAEGER: Chairman, can I have one

24 question?

CHAIRMAN GRAHAM: Yes, you may.

# EXAMINATION

BY MR. JAEGER:

- Q I didn't get the lot number and --
- A 2016.
- Q 2016.
- A Uh-huh. Six.
- Q And the smell, is that rotten eggs or chlorine or --

A It's not chlorine. The smell is more like -my granddaughter describes it as someone with bad feet,
she says.

MS. FILER: That's what she -- it has a smell. There's a little, there's a little tinge of an odor that's there. And sometimes when it's coming out of the faucet you can actually smell it. Like I say, when we're running the bath water, you know -- and it's not an excuse that she don't want to get in there to take the bath. She loves taking a bath. But you can actually smell it. And her -- the thing is if she smells something that smells bad to her, she don't want to be bothered with it.

And like I say, each time that they get out, their skin is really dry, and we're constantly, you know, keeping something on because they're constantly

itching all the time. You know, there's no rash there but they're constantly saying that they itch, they itch, they're itching, they're itching. So when that's going on, to me that's a problem.

MR. JAEGER: That's all I have, Chairman.

CHAIRMAN GRAHAM: Thank you, ma'am.

MS. FILER: Thank you.

CHAIRMAN GRAHAM: We -- if there's anybody that has to leave and doesn't have time to sit here, if I can get you to come up to the front row. We're going to go until about 3:00, then we've got to take about a five- or ten-minute break so the court reporter can rest her fingers. Every two hours we've got to take a break to rest her fingers. So if there's anybody that's got to leave, please come on up. We'll do you now.

Sir, please, please come sit in the front row there.

Whereupon,

#### DONALD HAINLEY

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MR. HAINLEY: Yes. My name is Donald Hainley, H-A-I-N-L-E-Y. I live at 7117 S.W. Archer Road, Lot

2104. 1 The first thing I'd like to find out about is 2 3 my bill. I look at my bill -- excuse me. I'm a 4 disabled Vietnam vet. I've got to use my specs. 5 CHAIRMAN GRAHAM: Okay, sir. 6 MR. HAINLEY: I look at my bill and I see where I'm charged with water base facility charge, water 7 at 0 rate, and then I'm charged again with water base 8 facility charge, water at current rate, and the same 9 thing with the sewage. Why am I being charged double? 10 I don't understand that. Could somebody explain that to 11 12 me? CHAIRMAN GRAHAM: Do you have an e-mail 13 address? 14 MR. HAINLEY: Yes, I do. 15 CHAIRMAN GRAHAM: Can you give it to us? 16 MR. HAINLEY: It's Donald Hainley. 17 MS. HAINLEY: No, it's not. It's Hainley, 18 H-A-I-N-L-E-Y, Donna, D-O-N-N-A, at Yahoo.com. 19 MR. HAINLEY: That's my wife. 20 CHAIRMAN GRAHAM: I'm sorry. What's the tail 21 of that? 22 MS. HAINLEY: Yahoo.com, all small letters. 23 CHAIRMAN GRAHAM: Okay. I don't know if they 24 have the answer for you right now, but any questions you 25

have, you can go ahead and say them now and I'll make sure they get back to you.

MR. HAINLEY: Yes. I'd just like to know why I'm being double charged on everything.

CHAIRMAN GRAHAM: Okay.

MR. HAINLEY: I mean, my bill is \$80 a month. When I lived in Pennsylvania, my water/sewage bill was anywhere from \$36 to \$40 a month, and I don't understand that. Because like everybody else, my electric bill is 110. My water bill is 80. That's, that shouldn't be right when I'm being double charged for old charges and new, and current charges. Why is that? I'd like somebody to explain that to me.

CHAIRMAN GRAHAM: Okay.

MR. HAINLEY: And I've lived in Arredondo

Farms for two and a half years now. I've gone through
three heating elements in my hot water heater because of
the water, and Mike can tell you because he's the one
that put them in. I've gone through three coffee pots.

And to prove it, I've brought samples to where my wife
cleaned our coffee pot, and this is what came out of our
coffee pots. I'd like to give this to the president of
the company to take back to examine what this come out
of my coffee pot, if he'd like to.

CHAIRMAN GRAHAM: You can set it right there,

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sir. We'll make sure he gets it.

MR. HAINLEY: Okay. And I'm like everybody else, the water is nasty. I mean, it stinks so bad. And it just -- you drink something out of a glass and at the bottom of the glass there's all that little white stuff at the bottom of it. It's, it's just totally -- and we're paying this kind of money for water? No. This is ridiculous. So somebody has got to do something about Aqua.

If I had a choice to where I could move to another water company, I'd do it in a minute. But I can't do it, so I have to live with this. That's all I've got to say about it.

CHAIRMAN GRAHAM: Hold on just a second.

# EXAMINATION

# BY MR. MAY:

**Q** Mr. Hainley, thank you for coming out and speaking today.

One, one quick question. What's the date of your bill?

- A This bill? This is for September 6th. This is my new bill.
  - Q Thank you, sir.
  - A I mean, last month I paid \$83 for my water.
  - Q And is that water and wastewater or just --

1	A Water and sewage.
2	Q Water and sewage?
3	A But it's double, double payment on here. You
4	can see it. Current sewage charges at current rate,
5	\$16.83. Current sewage charges, \$49.03. I mean, that's
6	double payment there.
7	Q Mr. Hainley, Mr. Fox and
8	A If you'd like to see this bill, I'm sure I'll
9	show it to you.
10	Q Absolutely. Mr. Fox will be, he's prepared to
11	talk with you after the meeting this evening.
12	A I won't be here. I to go.
13	<b>Q</b> Well, I think Mr. Stacey Barnes is in the
14	back. He'll be glad to go over your bill with you, if
15	you'd like.
16	A I'll do that because I have to I have other
17	things I have to do.
18	Q Sure.
19	CHAIRMAN GRAHAM: Thank you, sir.
20	MR. HAINLEY: Okay. Thank you.
21	CHAIRMAN GRAHAM: And, sir, contact us if you,
22	if you don't get the response to those questions.
23	MR. HAINLEY: I will.
24	CHAIRMAN GRAHAM: Thank you.
25	Ma'am.

Whereupon,

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## LINDA LEE

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MS. LEE: My name is Linda Lee. The last name is spelled L-E-E. The address is 3492 Breeze Way in Lake Wales, Florida. I missed the meeting in Sebring. That's why I'm here today. I'm kind of representing myself, my husband and our neighbors. Our biggest concern is not so much the quality of the water; it's tolerable. There's times the chemical smell, the chlorine smell is high. But it's the fees, the prices that they charge. The bill has just about tripled in the past year. When you live on a fixed income, it makes it very hard to pay your bills. You've got the same amount of money coming in every month and the bills just keep going up and up and up. And there's no improvement in service, no improvement in quality. all of the neighbors in Breeze Hill are retired. of them have had to go out and get jobs so they could pay their bills, which that's what I'm facing. scary. Something has got to stop some place. But my main concern is just their fees, the charges that we

get, and why they've doubled and tripled. That's all I have to say.

CHAIRMAN GRAHAM: Thank you, ma'am. Thanks for coming.

MR. MAY: No questions.

CHAIRMAN GRAHAM: Ma'am.

Whereupon,

# KIMBERLY MESSERSMITH

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

### DIRECT STATEMENT

MS. MESSERSMITH: I'm Kimberly Messersmith. I live at 7117 S.W. Archer Road, Lot 2506, in Arredondo Farms. I also have concerns about the quality of the water as I care for an elderly lady in my home who is now bedridden. I have to buy water for her because she can't drink the water. It would just compromise her health more.

And I too am noticing the odor. And it doesn't smell like rotten feet; it smells like sewage. The rates are also ridiculous. I lived in a two-bedroom apartment and paid less than \$40 a month. I'm paying \$130 a month for my, at my trailer for two people. It's ungodly. Being on fixed incomes, like everybody else --

I mean, I'm young. I should be able to go out, have
dinner with my boyfriend. I can't. That's all I have
to say.

CHAIRMAN GRAHAM: Thank you, Ms. Messersmith.

MR. MAY: No questions.

CHAIRMAN GRAHAM: Thank you very much for coming.

Ma'am.

Whereupon,

# BARBARA SACKS

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MS. SACKS: Hi. I'm Barbara Sacks. I live at 7117 S.W. Archer Road, Lot 2615.

My husband John and I have lived there for almost 14 years. When we first moved in there, the rates were tolerable. They were okay. But the last, I'd say the last five, six years they have just, just gone crazy with how much they charge.

You can't drink it. You can't give it to your pets. As everybody else has stated, showering with it, doing your laundry. It's ruined clothes; a good Gator shirt of my husband's, which he was not happy about.

But just intolerable. And we say thank you and give them a payment every month for making, you know, our life pretty miserable.

So, like I said, when we first moved there -I love living there, I love our home, but this is just,
just really ridiculous. And I write little notes on my
bills when I send them back to them. You know, "You
should be ashamed of yourself," and things like that.
But I hope you guys can help us. We'd really appreciate
it.

commissioner BALBIS: Thank you. Thank you for coming. I have a question. Since you've lived there for 14 years, have you seen a decrease in the quality of the water?

MS. SACKS: Oh, absolutely.

COMMISSIONER BALBIS: Okay.

MS. SACKS: I mean, we never had to buy bottled water before. We never had to do that. You could drink it, you could make your sweet tea, you could do all that. Taking a shower, you didn't have to do extra conditioning for your hair, you didn't have to --your clothes weren't ruined. And, you know, and then the last, I'd say the last five, six years it's just been bad.

COMMISSIONER BALBIS: So the past five years

there was a big change? 1 MS. SACKS: Yeah, five, six years. Yes. 2 3 the rates have gone up considerably, along with poor That's -- you know, I wouldn't mind paying it service. if you could drink it, if you could, you know, live on 5 it and, and be okay and not be sick. Like, we have a 6 little dog. I wouldn't even give it to my dog, 7 Bullseye, to drink. So I hope you can help us. 8 COMMISSIONER BALBIS: Thank you. 9 CHAIRMAN GRAHAM: Ms. Sacks, hold on. 10 MR. MAY: No questions, Ms. Sacks. 11 CHAIRMAN GRAHAM: Thank you for coming, 12 13 Ms. Sacks. MS. SACKS: Thank you. 14 CHAIRMAN GRAHAM: Yes, sir. 15 MR. LEE: You didn't swear me in. I came in 16 late. 17 CHAIRMAN GRAHAM: I can do that. 18 (Witness sworn.) 19 Thank you, sir. 20 21 Whereupon, PAUL LEE 22 was called as a witness on behalf of the Citizens of the 23 State of Florida and, having been duly sworn, testified 24

FLORIDA PUBLIC SERVICE COMMISSION

as follows:

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## DIRECT STATEMENT

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MR. LEE: My name is Paul Lee. I live in Arredondo Farms. My wife and I both are senior citizens, retired, retired, fixed income, so we -- and we take care of some grandkids. I guess that's the norm for most black families these days. But we count every penny. I mean, we squeeze every penny. I'm disabled. I've had three back surgeries.

I was sitting down getting ready to come up here today and I told her to bring me something cold to drink. I thought it would have been tea or maybe Kool-Aid, I wouldn't see the color. But she brought me a quart jar of water that I thought it was lemonade or something. I asked her, "What is this?" Then I tasted it and I said, "I can't" -- on the way over here I went to getting a little nauseated and I know it was from the water because I hadn't eat breakfast, because I haven't even had coffee. We've replaced about four coffee They last about three or four months.

The bowl tank, we've got one of those little float things that when it goes up and it slides up that little thing, after about four or five months you need to replace it. The sediment in the water hardens up on there, then the water is running all the time. So, you know, every, every little thing costs these days. You

can't live anywhere free.

and I understand when this gentleman was up saying the replacement of equipment and upgrade, well, I think he needs a refund. It hasn't helped the quality of his water any. In the military we had a thing saying CYA, cover your behind. In a business you project problems so you can always have, almost have an inkling of what you might face in the future so you don't have to -- when those things do occur, you can start pulling maintenance so they won't be overwhelming when they do get there. The prices that they want to pass down to the customers are just regular maintenance they could have been doing.

We can't -- people that live in Arredondo

Farms are mostly blue collar workers, fixed incomes, and

it's a nice community. I like it. My daughter lives

around the corner. I'm close to my grandkids. But if

things don't happen with this, with the rates, and

especially if we get a rate increase, we're not going to

be able to afford to stay there. And we're buying the

trailer, but we're not going to be able to stay there if

we can't come to some kind of compromise on water

quality and water bill rates. Thank you.

CHAIRMAN GRAHAM: Hold on just a second.

MR. MAY: No questions. Thank you for coming

1 out.

MS. LEE: I boiled that water. I don't know what happened to it, but I boiled his water.

CHAIRMAN GRAHAM: We are, we are going to have to take a break now for about ten minutes so the court reporter can rest, and we'll be back about ten after 3:00. Thank you.

(Recess taken.)

Okay. I think we're about ready to get started again. Once again, I want to thank all of you that are still here. I know we've already spent two hours here, and it is warm, but I do thank you for your patience and for, and for the things that you're saying.

Mr. Kelly, if you'll get us started again.

MR. KELLY: I apologize if I don't pronounce this correctly. Khanh-Hung Chu.
Whereupon,

# KHANH-HUNG CHU

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MR. CHU: Good afternoon. My name is Khanh Chu. The last name is Chu, C-H-U.

MR. KELLY: I'm sorry.

MR. CHU: I'm living at 7117 S.W. Archer Road, and I'm the owner of two lots, 2627 and 2126. And I have a lot of problems with our water company in the

past.

In the year 2007, before that they have their own water meter reader. At that time in order to read the water they need to send somebody there once a month to read the water meter, but they don't do that. I talked with, with the repairman. They said that usually they are estimate like about twice a year. But they estimate my lot for four months in a row, and they always overestimate. They overestimate about two months and they charge me a lot. And I'm the best customer they've got because I don't pay month by month the bills. I have extra money, so I usually pay advance payment. I pay like \$600, \$700. So, like, I don't have to pay my bill for about half a year, you know.

And when I call them, they, they always try to toss me around like a toy (phonetic). They say, "Oh, you complain too late. It's over a month, so I cannot fix anything." And they say, "You want to talk to my supervisor," so they don't fix anything. And so later on I have to send letter to them. And I sent three letters to them: The first time by email; the second and the third time, by certified mail. I sent one to

their address, one to the mailing for, for the bills in New Jersey, and the other in Pennsylvania, and they just ignore my three letters.

And they cheat me when they changed the old system of the water meter to the new water system. I'm lucky on that day I saw the man who replaced the old meter with the new one. So I write out a number of the water meter reader because I know that they're overestimating and giving the number higher than it's supposed to be, you know. And the man, his name is Frank Burnett. I have his signature.

CHAIRMAN GRAHAM: One more time, what's his last name?

MR. CHU: His last name is Burnett,

B-U-R-N-E-T-T. And his first name is Frank, F-R-A-N-K.

I write down the number with the old meter, I write down the number of that and asked him to sign his name on that. And when the bill, they estimated the water, my water for four months in a row, and when the four bill coming up they stated the actual number and the estimated number, they matched perfectly. And it's a lot higher. In fact, they cheat me with -- when I deduct from that, they cheat me with 37,090 gallons of water, and I don't have (inaudible).

My first email I sent out on January 2007, the

second letter on February 2007, the third letter on June 2007. And I got so mad. I mean, they just ignored me. Yeah. And even with the meter reader, with the new meter reader, that means everyone with a new system, they say that they can drive a car and they can use the remote control and read the water meter. They don't need to send a person to go from one lot to another, you know.

And when they start -- as I said, I own two mobile homes. I collect a lot of things. The one I live and the other I use like my storage place. And so the one I don't live, I don't use a drop of water for months. And when -- what the new meter reader does, they send me a bill. The first bill was 100 gallons of water. So they cheat me again. They say that I used 100 gallons of water.

And one time -- I live in one mobile home and save the other for my storage place. And one day I found out that my water pipe is broken. And so I called -- I know it sounds stupid. I don't know that you can go to, to go outside and just use the pliers and twist the switch and you can turn the water off completely. I didn't know at that time. I thought that somebody from the water company must go and knock something, you know, so you can turn the water off, you

know. So I give them a call right away. I said, "It's an emergency. Please tell somebody to come to my residence, to my lot, and turn off the water because my water pipe is broken right now." And because it's broken, so I cannot use that. So I moved to the other mobile home, you know. And I thought that somebody already come and turned it off within a couple of days, you know. And three or four weeks later I come back, the water is still on. So I had to call them again. And thanks to them, you know, the response to most of this, you know, that they, my fault it's completely damaged. Because when the water pipe is broken and you don't turn it off right away, after a few hours it becomes like a small river, you know, because of the water pressure, you know. And so my whole floor is damaged because of it.

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CHAIRMAN GRAHAM: So let me -- I don't mean to interrupt, but I'm trying to understand. So when you had a pipe that was broken in your home, you called them, one of their service people to come out to turn the water off over at the meter?

MR. CHU: Yes.

CHAIRMAN GRAHAM: And then they, somebody, somebody came along later after that and turned the water back on?

MR. CHU: They -- no. I guess nobody turned it off because at that time I thought that it takes them a couple of days, you know, one, two days, three days at most. So, I mean, because of the water pipe is broken, so I cannot use that, you know. And I don't know how to turn it off at that time, you know. So I just moved to the other mobile home. And I'm busy with my work too. So I thought, I assumed that they must do their job, you know. And three or four weeks later I come back, the water is still on. I look under the mobile home, it's like a small river because of the water pressure, you know.

And I talked with my -- a lot of people around have problem with them too. I talk with my neighbor, he's name is Dennis Dicer (phonetic). Unfortunately he no longer live there, over there anymore. I mean, they always try to cheat you, cheat you with something some way or another, you know. As he told me that, he told me that when he first moved in, they charged him with like a 15,000-gallon water, and he gave a call to them and they're nasty to him too. And they said, "Oh, you must use a lot of water." He said, "I live by myself. How can I use a lot of water?" And the lady answered him, "You might have a swimming pool." Can you believe that? That's the customer service, that's what she

answered. And said, "How can I have a swimming pool? I live in a mobile home. How can I -- a mobile home park. How can I have a swimming pool?" And so he told me that he complained about that too, Mr. Dennis Dicer. He too complained about that. He said he had to call them like three or four times.

And in my case, I keep calling them three or four times to complain to them. They just ignore me.

Say, "Sorry. Your complaint is too late. It's over one month. We cannot fix that." And it's their fault. You know, they overestimated four months in a row. And I sent three letters to them and I sent a copy of

Mr. Burnett's, Mr. Frank Burnett, certified the number of the water is correct. So they cheat me over (inaudible) gallons of water. They just ignored me completely.

CHAIRMAN GRAHAM: Did you ever get any correspondence back from them, like either an email or a

THE WITNESS: Never. Never. They ignored me completely. I sent an email. You know, you cannot say that the email got lost, no way, you know. The email to the customer service at aquaamerica.com. And the second and the third letter, I sent it certified mail. I used the cheapest card. The one that they send, when people

receive they just sign but they don't send any proof 1 2 back to me, to the sender. But I sent it to two 3 address, one to New Jersey, the one for the building address, and the office in Pennsylvania, and they ignore 4 5 me. 6 CHAIRMAN GRAHAM: Okav. 7 MR. CHU: Thank you. 8 CHAIRMAN GRAHAM: Hold on a second. 9 Mr. May, anything? 10 EXAMINATION BY MR. MAY: 11 12 Mr. Chu, thanks for coming out. The letters 13 that you indicated you had written to Aqua, those were 14 in January of 2007? 15 January 2007, January 4th. The second -- that 16 was the email. And the letter in my handwriting, 17 February 22nd, 2007. And the third one, June 18th, 2007. 18 19 Q Thank you. 20 And it includes the bill, a copy of the bills 21 that they overestimated and then the signature of Mr. Frank Burnett, but they just ignore me completely. 22 23 0 Thank you, sir. 24 Α Thank you so much. 25 CHAIRMAN GRAHAM: Thank you, Mr. Chu, for

coming out today.

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Mr. Kelly.

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MR. KELLY: Patricia Copeland.

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CHAIRMAN GRAHAM: Ms. Copeland, welcome.

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Whereupon,

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PATRICIA COPELAND

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was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

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## DIRECT STATEMENT

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MS. COPELAND: Thank you. I'm Patricia Copeland. I live at Arredondo Farms, 7117 S.W. Archer Road, Lot 113.

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I've got to say that I can't hardly use my water because it's undrinkable. You have to boil it in order to drink it, and still you can't really drink it because of the scum on the water and the cloudiness. And also that my toilet, I've lived there a year and a half, over a year and a half, and I've got a two bedroom, two bath. And the bathroom in the master bedroom I haven't been able to use because of the sewage backing up for that period of time. I have to use the other bathroom instead. And it's just, just bad. And the smell of the water, it's, it's very bad also. And I just, I don't like it.

1 And I've liked this place every since I moved in, it's like a dream come true, and I really don't want 2 to move because it's something that I've always wanted. 3 It's just that I, I don't like the water system. I just 4 don't like it. And I really don't want to move out 5 because of the high water bill. And I don't think it's 6 right that we have to pay such a high price for water. 7 CHAIRMAN GRAHAM: How long have you lived 8 there? 9 MS. COPELAND: I've lived there over a year 10 and a half. That's all I've really got to say. 11 CHAIRMAN GRAHAM: Thank you, ma'am. I want to 12 thank you for coming out today. 13 MS. COPELAND: Thank you. 14 MR. KELLY: Mary Washington. 15 16 Whereupon, MARY WASHINGTON 17 was called as a witness on behalf of the Citizens of the 18 State of Florida and, having been duly sworn, testified 19 as follows: 20 DIRECT STATEMENT 21 MS. WASHINGTON: Hello. My name is Mary 22 Washington, and I live at Arredondo Farms, 7117, 23 7117 S.W. Archer Road, Lot 110, Gainesville, Florida 24 32608. 25

I've lived there, I think, going on about 11 years now. When I first moved there, the water was okay and we could drink it. Now it's not okay and we have to buy water. I'm disabled and I live on a fixed income. And with having to try, having to buy water and then pay a water bill, it's -- and they want to raise it up. They need to lower it down instead of raising it up because the water is not good, it's not -- I have two fish tanks, and the scale, the film on the fish tanks, you can, it's white because of the water.

If you put water in a glass, you can see the, the water, the whiteness in the glass, and so it's not fitting to drink. But we have to use it to cook, and we buy water to drink, but we still have to use the water to cook. And so it's, it's not good water.

And they really need either to go down further in the ground -- I think they're on -- my opinion is I think that they're, the rocks or the lime or something in the water it's coming from maybe, and they either need to go further down, drill further down, get good water or something and so that we can have good water and people won't get sick and things. Because eventually if you keep drinking, using that water, something is going to go wrong with you in your system, in your stomach because the water is not good. And if

the fish can't hardly live in it, then you know it's going to be bad for the human being body.

So we need you all to please do something to help us that we can get good drinking water. We need water. We need to drink water. Drinking water is very important for your well-being. And so if you don't have good water to drink, then naturally you're going to, over time you're going to get sick. So we would really appreciate you all doing something so that we can get good drinking water.

And, and our, the bathrooms, they're, you can see the buildup in the bathroom. Even though you use stuff in there to clean the bathrooms, there's still a buildup from the water in the bathrooms. At one time our, our washing machine, we had to change the faucet on it because the, the water had caused a buildup on the, on the faucet and so it had to be changed out.

And so we're asking you all, again, I'm asking you all to please do something for us concerning the drinking water so that we can have good drinking water.

CHAIRMAN GRAHAM: Ma'am, you said that you were there for 11 years. Do you know when you started to see the water quality go bad?

MS. WASHINGTON: I'm not quite sure, but I think it's been about, maybe about five years now I

1 think, if I'm not mistaken, that the water has gone bad and been bad. And I don't know what happened to it, but 2 3 it wasn't always bad water. When I first moved there the water was okay. But now it's, it's not, it's not good water. It's not good for drinking. It's not good 5 for really taking a bath. It's not good for hardly 6 7 anything too much. And I don't know what's causing it. And I'm saying that if they, maybe if they drill further 8 down in the, in the ground, that maybe they'll get, be 9 able to get good water because it got to have something 10 to do with the lime, the rocks or something. 11 CHAIRMAN GRAHAM: Thank you, Ms. Washington. 12

MS. WASHINGTON: Okay. Thank you.

MR. MAY: Thank you, Ms. Washington. No questions.

MR. KELLY: I apologize if I get this wrong. Is it Earl McKeever?

> MR. McKEEVER: McKeever.

MR. KELLY: Thank you. Sorry about that. Whereupon,

## EARL MCKEEVER

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

#### DIRECT STATEMENT

FLORIDA PUBLIC SERVICE COMMISSION

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MR. McKEEVER: No, you're all right.

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My name is Earl McKeever, that's

M-C-K-E-E-V-E-R, at 7117 S.W. Archer Road, Lot 137.

That's Gainesville, Florida, 32608, Arredondo Farms.

I've been there for a little over a year and a half, going on two years now. I didn't have a lot of experience with the water, even customer service.

My first experience with customer service was about the water. Their answer to me was to buy a water softener. I said, "Well, what good is a water softener gonna do?" They said, "Well, we don't deal with hard water. That's not our responsibility." I said, "Okay. No problem." I went to Lowe's and talked to them about a couple of things. They told me I could buy a filter system to tie into the water line which would filter the water into the home. I said, "Well, how much would that be?" They told me about four or five hundred dollars. I said, "That's out of the question." I said, "Well, do you have anything cheaper?" They told me I could buy filters that actually plugs on to your fixtures in your house. I got one for my shower. The thing is that has to be changed something like -- well, it's supposed to last 45 days. I change it something like every maybe three weeks. Them filters run about \$16. But I have a three-year-old daughter, so really I don't have a choice

but to do that.

The same -- the reason with the -- the reason I didn't get the water filter that they was talking about, because he said it might not last that long. So if I paid \$500 for it, it don't last that long depending on the hardness of your water, then I'm going to have to replace that also.

But what everyone is saying about the water, I will agree with them. Prime example, I wash my vehicle -- I have a black truck. I can wash my vehicle with that water and it turns the vehicle white, I mean, completely. I mean, it's -- I prefer to go to the car wash, but I shouldn't have to do that.

We use bottled water. We go through an average of four 25 packs of bottled water a week. And we use it for cooking and drinking because of my daughter.

My wife is disabled. Like the one lady was speaking about oxygen, my wife is on a ventilator, which you have to use water with that. Well, we have to buy water for that also because we can't use that water because it kept clogging it up. We didn't know why until they came out and told us that it was stopped up. And they said, "Well, we're going to run a little test on it to see what's clogging it up." Well, come to find

out it was the sediment in the water. Okay? So we stopped doing that and we started buying bottled water for that also.

I don't know. I mean, other than saying I don't agree with the rate increase, something has got to be done about the water and we're open for suggestions. I mean, but I have dealt with the customer service. I'm getting the same answer that everybody else is getting: Buy a water softener or do something else. They don't want to talk to you.

As a matter of fact, last month I went out of town for three weeks, cut my water off to the house. The next thing you know, I get my water bill for, to pay for -- I paid it, what, the 29th, I think it was the 29th when I got back, and it was the same price that it would be if I was there for the whole month. And there's no way when it was off, when I was gone for three weeks and it was off. And that's all I have to say.

CHAIRMAN GRAHAM: You're -- dealing with customer service, some of the other people said that they are rude. Were they rude to you?

MR. McKEEVER: Yeah, they really are. Yeah.

CHAIRMAN GRAHAM: Okay. Anything?

#### EXAMINATION

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DV	MR.	MAY:

Q Thank you, Mr. McKeever. Do you recall approximately when you contacted customer service when they were rude to you?

A Now this was in 2010, around February. You know, I even -- they told me to send letters to my Congressman and all this here about my complaints, and I did. I actually sent letters to everyone. And everybody was telling me -- I kind of like got the runaround with it. So I ended up going to Arredondo Farms about it and letting them know about it also.

Q Thank you, sir.

CHAIRMAN GRAHAM: Thank you, Mr. McKeever.

MR. KELLY: Jeremy Gray.

Whereupon,

#### JEREMY GRAY

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MR. GRAY: Good afternoon.

CHAIRMAN GRAHAM: Good afternoon.

MR. GRAY: My name is Jeremy Gray. I'm the District Manager for YES Communities. I oversee the operations at Arredondo Farms located in Gainesville.

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YES Communities operates 68 similar communities in 12 states. Our business is to provide affordable housing. This has seen -- we've seen a severe impact by the rates of Aqua imposed on the water and wastewater. In 2009, they imposed a 93% increase on total water and wastewater, making a customer that uses approximately 5,000 gallons per month pay \$120 per That usage costs now today nearly \$125. That month. represents close to 50% of our lot rent, which is \$271.

Residents have had to walk away from their home, as you've heard here today. 52% of our residents who move out tell us that it's due to the water bills. Since January of this year, we count approximately four residents per month. To date, that would average 32 residents that Arredondo has had to move out. It costs us \$1,998 each month -- each time we have to refurb, remarket, and relist that home. That's nearly \$64,000 we've incurred in expense to year this date.

That doesn't even include the rent loss or the rent concessions we've done for these customers. rates are literally putting us out of the fair housing market -- or affordable housing. I apologize. These, these rates are substantiated by Aqua's revenue requirements, but the problem is Aqua's internal operating problems interfere -- their expense -- inflate their expense and reduce their revenue. This is a vicious cycle. They ask for revenue increases because they can't bill their residents properly. We do not understand this and we do not experience this at any other community in our portfolio. The gross mismanagement by this, by Aqua and their systems at Arredondo, the contribution — this contributes an extremely high rate for the customers, poor water quality, billing errors that result in highly, extremely high back charges, and rude customer service, as you've heard, which has, you know, brought a negative impact to our business.

Our goal is to provide affordable housing in Gainesville. But when our residents continue to be surprised by bills for incorrect charges or billing errors, our residents no longer find us an affordable place to live. We've seen bills range from \$300 to \$2,000 where Aqua sent out -- to fix and correct their error. And this is a utility company that cannot figure out how to even read their meters, charge the appropriate charge, send their customers accurate and timely bills, and now they want a rate increase.

We've spent countless hours with our executive team and our maintenance technicians trying to help these customers resolve their problems. However, these

issues haven't -- these issues continue to grow and it's 1 become an enormous problem. These issues have 2 encumbered the value of our property, increased massive 3 4 write-offs, increased the turnover costs, impacted our resident retention, increased the payroll expense, and 5 reduced the amount we can charge for rent. 6 We take our relationship with our residents 7 seriously, and it's frustrating that we are forced to 8 deal with a utility company like Aqua. Thank you, and 9 respectfully thank you for your time. 10 CHAIRMAN GRAHAM: Mr. Gray, I have a question. 11 MR. GRAY: Yes, sir. 12 CHAIRMAN GRAHAM: How many other communities 13 14 do you have? MR. GRAY: We have 13 in the State of Florida. 15 68 across the 12 states that YES owns. 16 17 CHAIRMAN GRAHAM: Mr. May. EXAMINATION 18 BY MR. MAY: 19 Thank you, Mr. Gray. Are you a customer of 20 21 Aqua? No, sir, I'm not. 22 Α Are you an employee of YES Communities? 0 23 Yes, sir. Α 24 What's the difference between YES Communities 25 Q FLORIDA PUBLIC SERVICE COMMISSION

1	and YES Companies?
2	A YES Communities is part of YES Companies. We
3	are also part of the YES Sales, YES Finance. We own
4	several different companies within, under one portfolio.
5	<b>Q</b> You said you had operations in 13 different
6	states?
7	A Yes, sir. No.
8	Q What are those states?
9	CHAIRMAN GRAHAM: No. 13 in Florida.
10	MR. GRAY: 13 in Florida. 13 in Florida. We
11	have in Jacksonville, we have a Gainesville, and we have
12	Tampa, Tampa areas. I mean, I can name each city, if
13	you prefer.
14	BY MR. MAY:
15	Q At any of those other locales do you, are you
16	in the water and utility water and wastewater
17	business?
18	A Yes, sir, we are.
19	Q So you're in the business?
20	A We do understand business. Yes, sir.
21	<b>Q</b> Okay. What's your address?
22	A My address is 5415 Waterside Drive,
23	Jacksonville, Florida, 32210.
24	Q Your phone number?
25	<b>A</b> 904-386-1898.

Q Email address?
A Is Jgray, A-Y, @yescommunities.com.
Q Now how many other states do you operate water
and wastewater utility systems?
A That I wouldn't, I honestly wouldn't be able
to tell you. I'm just familiar with the State of
Florida.
Q Who in your company would?
A Kim Kurtz.
Q Is she here today?
A She is not here today, sir.
Q Has your company filed a civil lawsuit against
Aqua Utilities Florida in the circuit court here in
Alachua County?
A Yes, sir.
Q Are you familiar with that lawsuit?
A I'm not super familiar. I've been briefed on
it lately.
Q Have you been here for the entire meeting?
A Yes, sir.
Q By my notes, there's approximately 26
customers of Aqua who have spoken thus far.
A Yes, sir.
<b>Q</b> Have you spoken to any of those customers
prior to this hearing?

1	A I have today from Arredondo Farms, yes.
2	Q Did you provide them with any talking points?
3	A No, I did not.
4	Q Did anyone from your company provide them with
5	any talking points?
6	A The I'm not really sure how to answer that.
7	We, we asked them if they had questions of what was
8	going to happen today, and that really was about it,
9	which was re-explained here at the beginning of the
10	meeting.
L1	<b>Q</b> You had indicated earlier that your, your
L2	company is in the water and wastewater business in
L3	Florida and other, and other states. What other states
L <b>4</b>	is your business in, is your company in the water and
L5	wastewater business?
L6	A That point I'm not familiar with.
17	<b>Q</b> Who in your company would know that?
18	A Kim Kurtz as well.
19	Q Kim Kurtz?
20	A Yes, sir.
21	<b>Q</b> I have no further questions. Thank you.
22	A Thank you.
23	CHAIRMAN GRAHAM: Thank you, sir.
24	UNIDENTIFIED SPEAKER: I have a question.
25	CHAIRMAN GRAHAM: Yes, ma'am.

1 UNIDENTIFIED SPEAKER: Are you still going to 2 hear from the residents? I thought that the, the employees were going to speak last. 3 CHAIRMAN GRAHAM: Mr. Kelly. MR. KELLY: I'm going down the list. 5 CHAIRMAN GRAHAM: He's just going down the 6 7 list. This is as they came in. UNIDENTIFIED SPEAKER: Okay. Thank you. 9 MR. KELLY: Will Conrad. 10 CHAIRMAN GRAHAM: Mr. Conrad, welcome. 11 Whereupon, WILL CONRAD 12 was called as a witness on behalf of the Citizens of the 13 State of Florida and, having been duly sworn, testified 14 as follows: 15 DIRECT STATEMENT 16 17 MR. CONRAD: My name is Will Conrad. I live at 7117 S.W. Archer Road, Lot 151, Gainesville. 18 I've lived in Arredondo Farms since March of 19 When we first moved in the water was fairly, 20 fairly decent. In 2005 I had to put a water filter in, 21 22 a new water softener. I had to replace the dishwasher, two coffee pots for the sediment that comes through. 23 They stopped working. My shower, when you take a 24 shower, there's a gray film that goes in the track of 25

the sliding glass door of the shower. I have a water 1 cup in there. If you leave water, shake it out, leave 2 it set, it turns all white. 3 Billing, sometimes we don't get a bill at the end of the month. Then we'll get a two months bill. 5 And let's see. If I don't recycle the water softener, I 6 can't wash dishes because it just leaves dishes nasty. 7 That's about it. 8 CHAIRMAN GRAHAM: Thank you, sir, Mr. Conrad. 9 Mr. May. 10 MR. MAY: No questions. Thank you, 11 Mr. Conrad. 12 MR. KELLY: Steve Howard. 13 CHAIRMAN GRAHAM: Mr. Howard, welcome. 14 Whereupon, 15 STEVE HOWARD 16 was called as a witness on behalf of the Citizens of the 17 State of Florida and, having been duly sworn, testified 18 19 as follows: DIRECT STATEMENT 20 MR. HOWARD: My name is Steve Howard. I live 21 at 7117 S.W. Archer Road, Lot 113. 22 I'm a caretaker for Patricia Copeland who 23 lives at that residence also. I just wanted to say that 24 we moved in there not long ago. We had Aqua turn on the 25

water, and the first thing I noticed was a bunch of trash going down in the toilet bowls and really nasty type waters were discharging into the bowl out into the, the drop down. And we started using the commodes and we had problems with the wastewater clogging up and the toilets flushing, and we didn't realize that then we was starting to have problems with the water. That was practically -- you could not drink it or you'd get a bellyache and you'd have to run to the bathroom before you knew it.

water were too high for her. She lives on a fixed income, and so she has to live from month to month on what she gets on SSI. I'm concerned about whether she's going to be able to stay there or not. It depends on how much these people are planning to charge her for her bills because she has no other than what she gets on SSI. I don't have any money income at all. I try and take care of her the best I can, but I don't know how much longer she's going to be able to live at this residence if they keep going up on this water bill.

That's all I have to say.

CHAIRMAN GRAHAM: Sir, you said when you first got the water turned on that -- I guess it was dirty when it first started running through the toilet?

1	MR. HOWARD: Yeah.
2	CHAIRMAN GRAHAM: How long before it started
3	clearing up?
4	MR. HOWARD: Well, I just, I kept noticing
5	stuff building up around the rim where the water fills
6	up there and it just kept building up and building up,
7	and I keep swiping it out.
8	CHAIRMAN GRAHAM: So it's kind of like a white
9	calcium scale?
10	MR. HOWARD: Well, no. Actually it was black
11	particles in it like something really trashy kept
12	building up around the, where the water sits in the
13	bowl. So I keep scrubbing and scrubbing and it keeps
14	coming back, you know. That's about it.
15	CHAIRMAN GRAHAM: Mr. May.
16	EXAMINATION
17	BY MR. MAY:
L8	Q Mr. Howard, thanks for coming out this
L9	evening.
20	You indicated that you're the caretaker for
21	and I didn't get the name.
22	A Patricia Copeland.
23	<b>Q</b> And the account with Aqua is in Ms. Copeland's
24	name?
25	A Yes.

1	<b>Q</b> Okay. Thank you, sir.
2	A Uh-huh.
3	CHAIRMAN GRAHAM: Thank you, sir.
4	Mr. Kelly.
5	MR. KELLY: Gloria Shepherd.
6	Whereupon,
7	GLORIA SHEPHERD
8	was called as a witness on behalf of the Citizens of the
9	State of Florida and, having been duly sworn, testified
10	as follows:
11	DIRECT STATEMENT
12	MS. SHEPHERD: Hello. I live at 7117 S.W.
13	Archer Road, Lot 37. This is my second residency at
14	Arredondo.
15	I moved into Arredondo in about '93. At that
16	time it was only my husband and I, and in 2000 we had a
17	child. I was told by the doctor not to give her the
18	water; it had no fluoride in it. It was tearing up her
19	bottles. And this was back in 2000. Okay?
20	We moved out in 2003. We have had to move
21	back in to care for the guy that resides at Lot 37,
22	which is across the street. The water is worse than
23	ever. I just talked to him on the phone during the
24	break. The bill last month, one month bill, was \$130.
25	You cannot drink it. It tears up the clothes,

just like everybody here is saying. And just about two months, it might have been less than that, we had a water break in the park. I called my -- the guy that I take care of didn't even call. I called. It was about 7:00 at night. I noticed the water was going down, so I called. They told me that there was nothing they could do about it until Arredondo did something about it, and they were about as rude as you can be. They were like, "We are well aware of the leak. Do not call us again. Call Arredondo."

We're also on a fixed income. The gentleman that we're living with is on a very fixed income. And I don't work. I am a student. There are two other people here that will verify that, that I am a student. We're on a fixed income. And \$130, and then again you get an electric bill that's only \$160, it's a little ridiculous. And then we pay Mallory \$271 a month. I mean, you tell me. I think it's a little ridiculous, and you can't even drink it. I can use it for cooking, and I have to use it for washing. I have no choice. We buy bottled water on a fixed income.

CHAIRMAN GRAHAM: Ma'am, when did you say you moved back in? You said you moved out in '03.

MS. SHEPHERD: We moved back in in 2010. I've been there almost a year and a half in Lot 37, but I was

in Lot 45 before that. 1 2 CHAIRMAN GRAHAM: Mr. May. EXAMINATION 3 BY MR. MAY: 4 Thank you, Ms. Shepherd. I think you 5 indicated, and I just want to be sure about this, you 6 indicated that you experienced water quality problems in 7 2000 and then moved out in 2003? 8 When we -- yeah. I had been there in '93, it 9 wasn't too bad. In 2000 it started going bad. 10 reported it several times. Oh, and by the way, one 11 other thing, between 2000 and 2003 my husband -- and I 12 talked to him on the phone a while ago too -- we 13 replaced the hot water heater element, we replaced it 14 four times before we ever moved out. 15 Thank you, ma'am. 16 17 Α Okay. CHAIRMAN GRAHAM: Mr. Kelly. 18 MR. KELLY: Mallory Starling. 19 Whereupon, 20 MALLORY STARLING 21 was called as a witness on behalf of the Citizens of the 22 State of Florida and, having been duly sworn, testified 23 as follows: 24 DIRECT STATEMENT 25

MS. STARLING: Hello. I first have some photos that I was hoping I could share with you guys, if I am allowed to.

CHAIRMAN GRAHAM: Sure. Give it to Staff.

MS. STARLING: I also have a copy here, but I just wanted to reference basically what you guys are looking at just quickly.

The first photo that you guys have is a, apparently a valve at the main well that they were -- I don't know if it was broken or what. No one was communicating. As you can see, flooded the playground. That went on for well over an hour without any notice being given. These types of things, either leaks or shutoffs or when they're backwashing, it affects people's water pressure. No notice is given, and obviously this is affecting people's daily activities.

CHAIRMAN GRAHAM: Ma'am, before you continue, do you have dates for these pictures?

ms. STARLING: They are on there. If they're not printed on the back, I put them on the back of the page.

CHAIRMAN GRAHAM: If you'd just call out the dates just so when they go back and research, it's --

MS. STARLING: Okay. This one, this was February 9th of this year.

CHAIRMAN GRAHAM: Thank you.

MS. STARLING: Next photo is, this is from the 10th of this month. This was a home site. This was a mobile home that was a 1982. She was forced to tear the home down because her water bill was as much as the lot rent. The home was too old for her to sell. She could no longer afford to live there, so she tore it down.

The next two photos that are also dated, these homes were removed within the last 30 days. These were both homes that they sold due to -- they could not sell them in here because of the water prices and the ongoing issues.

This photo -- the third photo, I also -- she drafted an email that she brought with me stating that due to Aqua directly she was forced to remove the home out of the property. And I can provide that email as well from this homeowner.

The next two photos, as you see, they're both Lot 2. This is the infamous sediment. This first photo is, literally we pulled the bottom element out and the sediment just started gushing out. The one bag here, that was referenced in Tallahassee. That was, almost filled up a 5-gallon bucket, which was obviously, we weren't able to contain all of it. The home, I believe, was no more than five years old. I don't know as far

as -- as they've said before, people call with the sediment. They're supposed to flush their hot water heaters on an annual basis. But, again, who does that? And it's just ridiculous.

Another photo, this is dated December 22nd of last year. This is again before the element is even pulled out there's sediment literally just laying on the bottom of the hot water heater. Same hot water heater. Same date, December 22nd, spewing some type of jelly like calcium sediment.

Another photo. These are elements, which this home was -- I'm not sure how old.

UNIDENTIFIED SPEAKER: Five years.

MS. STARLING: Five years?

UNIDENTIFIED SPEAKER: It'll be five years this October.

MS. STARLING: Yes. This is a five-year-old home, and you can see it wasn't even in one piece. It had eroded so immensely.

This is a supply line dated April 4th. Those are pieces of sediment. She had no water pressure. And we pulled the supply lines, and this is obviously why she had no pressure. The sediment buildup was so excessive, no water was getting through.

This is September 6th. This is from another

lot, 28. That's a fill valve in the back of the toilet, which happens almost several times a week where we pull the fill valve off and it is full of sediment, which causes toilets to overflow, which causes flooding, which causes excessive damage because the sediment gets caught in the valve and the valve on the back of the toilet doesn't shut off.

These last two photos were taken, just to kind of give you an idea, these are all fill valves and hot water elements that were dated September 6th. This is what we went through in less than a three-week period, our maintenance.

So I wanted to show those to kind of put that into perspective as to what, you know, we're dealing with for our residents. And these aren't just our rental homes. We've also been working with our residents who are also on a fixed income that we worked out some sort of payment arrangements, or if there's something that we can do to help them out because we can't leave people without water or water pressure.

So that being said, I've got some notes.

Basically every day I'm faced with residents with Aqua issues. This is a stack of Aqua bills and shutoff notices and payment arrangements and incorrect billing issues that have been brought to me for us to help

figure out for multiple reasons: One, inaccuracy; two, 1 incorrect billing; three, excessive usage; four, back 2 billing. And a lot of these people come to me to help 3 because, one, they can't pay; two, they get so 4 5 frustrated with the customer service that we try to 6 intervene to get these bills paid, to set up a successful payment plan. And if we're not able to do so 7 with Aqua, it's been something that we've taken upon 8 9 ourselves to set up a payment plan, if it's helping them 10 pay a back balance to do a payment arrangement to get 11 them caught up so their water doesn't get shut off, 12 because at that point it just becomes a snowball effect. 13 CHAIRMAN GRAHAM: Ma'am, you're over your five 14 minutes, but I have a question. And you can continue 15 after everybody has gone through, but there's still

several people out here that need to speak.

Have you had any problems with getting Agua to help with payment plans?

MS. STARLING: Absolutely.

CHAIRMAN GRAHAM: Okav.

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MS. STARLING: It's -- that's the other thing, it's just been very time-consuming because all of these I can't just call and resolve. It's you call customer service, they send it to billing, and then billing will have to research it. And then either you have to call

back -- so that's the other issue, there's no streamline to the process. There's not just a one phone call, something's been handled. And it's, you know, taken on to our time that we do this to follow up to make sure that we're not losing more residents and their water isn't being shut off.

CHAIRMAN GRAHAM: Are you having the same problems with the customer service as far as people being rude?

MS. STARLING: Yes, sir. And we have, on these I document dates and names of who we spoke to.

CHAIRMAN GRAHAM: Mr. May.

commissioner Balbis: Ms. Starling, I have a question. On -- you had mentioned several times sediment in the pictures on sediment.

MS. STARLING: Yes, sir.

commissioner BALBIS: Of what you say are sediment. And I'm looking through it and it seems like, just from the pictures, that it looks like, you know, hardness that's precipitated out.

But if you look at the sixth one that shows a shop·vac, and maybe it's just the distance to it. That looks more like sand. Are you finding sediment as in sand or are you finding sediment that's precipitated out?

MS. STARLING: Well, that's just one. 1 was immediately after it was drained. 2 COMMISSIONER BALBIS: Okay. 3 MS. STARLING: And then it kind of solidified 4 into -- and it depends. Typically -- and I don't know 5 if it has to do with how hard the water is at what 6 times, but sometimes it's more into a, like a sand like 7 you're saying. And then other times it's huge chunks 8 almost like, what do you call it, like kosher salt or 9 something, like, you know, chunky. 10 COMMISSIONER BALBIS: But it's the same 11 material in all these pictures? 12 MS. STARLING: Yeah. Yes. Yes, sir. 1.3 COMMISSIONER BALBIS: Okay. That's all I 14 15 have. 16 EXAMINATION 17 BY MR. MAY: Ms. Starling, thank you for coming out today. 18 I have just a couple of follow-up questions. 19 Are you a customer of Aqua? 20 No, sir. But I have -- I did reside in the Α 21 community when I first moved to Gainesville and 22 experienced the same water issues. 23 And what is your position with YES 24 Communities? 25

1	A The Community Manager. I'm the local manager
2	here of Arredondo Farms.
3	<b>Q</b> And how long have you been employed there?
4	A October 10th will be a year.
5	<b>Q</b> Okay. Were you at the May 24th Agenda
6	Conference where the Commission voted to approve the
7	A In Tallahassee?
8	Q Yes.
9	A Yes, sir.
10	<b>Q</b> Okay. Subsequent to that, are you aware
11	whether Aqua has attempted to reach out to Ms. Kurtz to
12	discuss some of the concerns that were identified at the
13	May 24th Agenda Conference?
14	A The issues though that I deal with on a
15	day-to-day are the task force meetings, I mean, I
16	have been on them, and those are more those were
17	geared towards future, eliminating billing errors and
18	things such as that. What we're dealing with is more so
19	the quality of the water and the high rates and the
20	billing and the payments that these people can't afford
21	these water bills. And I try to intervene so I don't
22	lose anymore move outs than what I've already been faced
23	with.
24	<b>Q</b> You mentioned a task force. Can you explain
25	to the Commission what the task force with Aqua and YES

1	Communities is?
2	A Those were more so those were more on a Kim
3	Kurtz level that she was working on. Future reports
4	that may identify billing, I guess meter reads and stuff
5	like that.
6	Q Have you been part of that task force?
7	A Yes, sir.
8	Q Could you please for the record give us your
9	full name and address?
10	A Do I have to give my personal address in front
11	of everybody here for privacy?
12	Q If you have concerns, I don't want to put you
13	in that spot.
14	A I would rather
15	Q I would like to get it from your counsel.
16	A I will give it to you personally. I just, I
17	don't want it on the record.
18	Q No problem.
19	And I think you were here when I asked
20	Mr. Gray a couple of questions about YES Communities'
21	other business in the water and wastewater business.
22	Are you familiar with that business?
23	A No, sir.
24	Q And who, who should I ask within your company
25	about that?

1	A Kim definitely. Yeah.
2	<b>Q</b> Do you know whether any of the water and
3	wastewater utilities that you operate in the other parts
4	of the state are regulated by the Florida Public Service
5	Commission?
6	A No, sir. I have no idea.
7	<b>Q</b> Okay. You mentioned that you were focused
8	primarily on water quality issues?
9	A Quality and rates, just helping people pay
10	their bills or set up some type of payment arrangements
11	for them. Because obviously I think you've been
12	inundated with, you know, their concerns, and it's been
13	my personal concern to help them. This is affecting
14	their personal daily lives that this is, that these are
15	affecting.
16	<b>Q</b> Have you read the testimony that Aqua
17	Utilities' witness Mr. Preston Luitweiler has proffered
18	in this case?
19	A I'm not I don't know.
20	<b>Q</b> Are you aware that Aqua Utilities is, is
21	addressing the water hardness issues that you just
22	identified as part of its secondary water quality
23	improvement task force?
24	A I believe I heard that that was something that
25	they were, needed to be done. I don't know that I ever

1	heard it was going to be done.
2	Q Are you opposed to that initiative?
3	A To what?
4	Q To address hardness in the water.
5	A Am I opposed to it?
6	Q Yes.
7	<b>A</b> Oh, absolutely not.
8	Q Okay.
9	A I mean, you're saying to make it better? Yes.
10	Q Do you, do you know when YES acquired this,
11	this community?
12	<b>A</b> I believe January 2008?
13	UNIDENTIFIED SPEAKER: Uh-huh.
14	MS. STARLING: Yes.
15	BY MR. MAY:
16	Q Okay. Are you aware that the Commission has
17	previously addressed water hardness at this particular
18	community back in 1996?
19	A Yeah. You guys were also charging like not
20	even the minimal amount of the rates you're charging now
21	though. I think their thing is, you know, it's kind of,
22	to make light of it, it's like you're charging Outback
23	prices for a McDonald's hamburger.
24	Q I think maybe you misunderstood my question.
25	I asked you are you aware that the Commission has

addressed the water, the hard water quality issue for 1 Arredondo Farms in 1996? 2 Yes, sir. 3 Q Do you know whether YES Communities reviewed that order prior to it acquiring the facility? 5 No, sir, I do not. 6 UNIDENTIFIED SPEAKER: Speak up. I can't hear 7 8 you. MS. STARLING: Oh. No, I don't know that. 9 10 MR. MAY: Okay. No further questions. CHAIRMAN GRAHAM: Hold on just a second, 11 ma'am. 12 COMMISSIONER BRISÉ: Thank you, Ms. Starling. 13 A question about the sewer backup. You mentioned in 14 that, through the pictures that there's an issue with 15 that. If you can give me an idea of how many of your 16 customers complain about the sewer backup issues. 17 MS. STARLING: I would probably say -- that 18 end up being because of the main line backup? Maybe 19 five times a month. And that's after we, like they 20 said, we've had to identify that it's not from the 21 cleanout to the home, it's from the cleanout to the 22 mainline. So we have to call and verify with Aqua that 23 it has been something that we've checked. 24

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COMMISSIONER BRISÉ: Okay. Thank you.

CHAIRMAN GRAHAM: Thank you, ma'am.

MR. MAY: Thank you.

MR. KELLY: Michelle -- is it Einmo? Whereupon,

# MICHELLE EINMO

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

#### DIRECT STATEMENT

MS. EINMO: Yeah. Einmo. I may get emotional, so bear with me. My name is Michelle Einmo. I live at 7117 S.W. Archer Road, Lot 2604.

I have gone through a whole beginning of this year dealing with dental issues due to the lack of fluoride and the quality of the water, and my dentist has agreed with me and verified this information. I have a 12-year-old, a 6-year-old and a 3-year-old. My 12-year-old was six when we moved in in 2006, my son was one, and then I delivered and have a 3-year-old. The two youngest ones who have had the most influence from the water because between the ages of zero and five it's the most important time for fluoride and buildup of enamel for healthy teeth. They have now had teeth pulled, root canals, caps and fillings even for the little 3-year-old who just turned three, so it was all

done at two. It was very stressful because I had also broken my ankle at the time, so it was four months of having transportation with other people. That's really hard on the family.

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On top of that, she presented the picture of the water heater coils in my home. The house will be five years old in October, and that was the beginning of this year. The coils were already to the point where our circuit breaker was flipping every time it was trying to heat the water. It was really bad.

We have had to buy soft -- not softeners
because I can't afford it, but we've bought, it's called
Let Me Shine. It takes away the hardness in the water
when you run the dishwasher. And it's still not
removing the whiteness that's become on our plastic,
especially our plasticware. The bottles, the drinking
water that I use for formula is a concern for the teeth
for my 3-year-old.

Before that we had sewage issues. And even Mike came out in the middle of the night and had to pop the cap because Aqua Utilities refused to come out that day. And so they came first and figured out it had to be an Aqua issue.

We love our home. We have been through a lot between my husband and I both being on unemployment.

I'm a full-time student now. And we've replaced -- we have GE coming out yet again for our refrigerator.

They've replaced the icemaker twice, the motherboard, it says due to the water freezing up and the sediment building up in the lines. We got the dishwater issue, which GE said other than replacing it, there's not much they can do. And it's a \$100 deductible for every visit that I have to have them out there to figure out what's wrong. I can't afford \$100 every time.

On top of that, the first year that we moved in we got a bill for \$30,000. My husband figured out that that would cover all of Haile Plantation's swimming pools plus their water supply. When we called them, they, we had to go from customer service to somebody else to somebody else, and we finally, after being very agitated, got to a supervisor and it was corrected. But it took a lot of work. And I couldn't even tell you how many gallons it was. My husband would remember. I just remember the dollar amount. It just -- so I know where they're coming from. I haven't had that problem since then. But I have been on the water -- I'm on the phone immediately every time I see a problem.

Coffee pots, I've heard plenty of people talk about their coffee pots. I worked at JCPenney's as a supervisor. When I first started there I had lots of

appliances. My pot went in a year even with cleaning it with apple vinegar and doing everything I'm supposed to do for hard water. It doesn't help. It just destroys.

On the fluoride issue, I've done the research. My father has been on many boards. He's a physician. He even went to the university -- when we moved to Arkansas, he pushed for fluoride in the water. It's strange when you move from seven blocks -- and I get bottled water from my dad. He bottles gallons for me and brings it to the house so that my children have water that is safer to drink. It just, it doesn't make any sense why I have to spend money when I can just pour it out of a faucet. We're also having problems with the toilet now. I mean, it's just endless and it's overwhelming, especially as a mom of three. I mean, we would like to see it changed.

The dental is my biggest thing, the medical for the children, just, it's a concern. And that's all I have to say.

CHAIRMAN GRAHAM: Thanks, ma'am. Hold on just a second.

#### **EXAMINATION**

#### BY MR. MAY:

Q Ms. Einmo, thank you very much for coming this evening. I just wanted to clarify for the record, the

1 large bill that you referenced, you raised that issue in 2 the last rate case, didn't you, in 2008? 3 I've never been involved in any of the cases. 5 Okay. That, that billing issue that you just mentioned was not addressed in the last rate case? 6 7 No. We, we just, from our own home sitting on our bed dealt with the issue and had it fixed. But it 8 9 took about two days. 10 But you complained to the Public Service Commission about that? 11 12 No, I did not. Okay. And that occurred in 2007? 13 14 Α Yes. We moved in in 2006, so 2007. Thank you. 15 Q 16 COMMISSIONER BRISE: Thank you. My question 17 goes to that bill. And if you could walk us through 18 what the company said was the cause of the bill and all of that. 19 20 MS. EINMO: They had no reason. They weren't 21 sure. First it was the meter reading was incorrect. 22 Then it was we don't know how that happened. It was 23 just constantly never a direct reason of, I'm sorry, we 24 just, it was a billing error. I mean, it literally was

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a struggle. They just did not admit to the mistake, but

then they corrected it.

COMMISSIONER BRISÉ: Okay. So they did correct it. But beyond that, have you found other systemic issues like that since that point with respect to your billing?

MS. EINMO: Yeah. It's extremely high. For our house -- granted I do a great deal of laundry. I had a fish tank, which I gave away because of the amount of water. I had a butterfly garden that I maintained constantly, and even that I didn't want to pay the money to keep it up. It's on its own now. When it rains, it rains. And the bills were running about 150 to 175 a month, which was crazy when we lived with GRU and our bill was about 175 to 200 for water and electric about five blocks away. But we wanted a home, so there we are.

COMMISSIONER BRISÉ: Thank you.

CHAIRMAN GRAHAM: One more question.

COMMISSIONER BALBIS: Thank you, ma'am, and thank you for coming. You mentioned that your biggest issue was the fluoride. Just, you know, I have three small children and had a well and obviously didn't have a municipal water system, it didn't have fluoride. And we had the same concerns, and one thing that our pediatrician did do was prescribe fluoride supplements

that, that helped.

In my previous life -- you know, the State of Florida, I believe, does not mandate the use of fluoride and it's up to the individual utility and it is -- it's controversial either way. But just so you know that there is a way you can alleviate those concerns, that we had to do the same thing. So I just wanted to point that out.

MS. EINMO: Yes. That's what we -- and it's just unfortunate that we found out by the time the last one was three.

COMMISSIONER BALBIS: Right. Right. But thank you for coming.

MS. EINMO: Thank you.

CHAIRMAN GRAHAM: Mr. Kelly.

MR. KELLY: James Bowens [sic].

Whereupon,

# JAMES BOWERS

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MR. BOWERS: Good afternoon. My name is James Bowers, B-O-W-E-R-S.

MR. KELLY: I apologize.

MR. BOWERS: I probably scribbled it wrong.
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I want to address a couple of concerns. the water in my name when I first moved into my trailer. I own my trailer. My construction business failed, and I took the last five grand I had and bought myself a little trailer there. It's 30 years old. I bought it in August 2008, so I've been there for a little over three years. No one has talked about how much they shut off the water there, but I would say realistically it's at least every other month that the water is shut off for repairs or emergency repairs or whatever. Okay. They give you a piece of paper that's a notice that the water, when they, when they are planning on doing it, they'll give you a piece of paper, which when I first moved there they would slide underneath your mat on the step. And in very small print it would say, "We recommend you turn off your hot water heater and your icemaker for your refrigerator because of potential damage." Okay? It's in very small print.

So the first time they shut down, the notice they sent me blew away in the wind. So they shut down, shut down my water while I was at work and drained the water out of my hot water heater and then my element fried. Okay? Trying to get any cooperation out of them

at all for them to replace my heating element in my hot water heater was useless. Okay? I did it myself. It was a pain in the butt. I went to Lowe's, took the element with me, had them check it on an ohm meter which will tell you whether the thing is working or not, okay, and I reinstalled it myself.

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But before I reinstalled it, there was so much sediment in the bottom of my hot water heater that I had to do what the maintenance guy said, I had to take my shop vac and riq up a special hose to fit in where the element hole is because it was almost up to the bottom of my element. Okay? And once that sediment builds up to the bottom of your element, it basically just shorts it out. Okay? And I don't know how long that hot water heater has been there, but I would be more than happy to donate it to you all, okay, and buy myself a new one. It's only a 30-gallon one, a little small boy, okay, because I'm going to have to replace it pretty soon anyway. But I'm like -- you didn't see what's inside because I didn't get all of it out. Okay? And it's definitely not just like fine sand. There's big hunks of shell, rock, all kinds of crap in there. Okay?

And like I say, I'm serious, it wouldn't take me but a couple of hours to get that thing out of there and another couple of hours to reinstall a new one. And

I'll buy my own new one. You won't have to deal with that. Okay?

But the quality of the water there basically sucks. Okay? Life got a little hard for me and I got behind in my bill, okay, so they shut my water off. And it was about, I think I owed them about 180 bucks.

Okay. Well, they added on another security deposit plus a reconnect fee, so all of the sudden my \$180 bill went to \$300. I didn't have \$300. They said they weren't going to turn it on. They wouldn't arrange payment arrangements with me. They said, "Unless you've got 300 bucks, your water is staying off." Okay?

So I said -- I decided to take care of the stuff myself. A buddy of mine lives around the block, has a well, so I would go over to his house twice a week to fill up ten five-gallon buckets of waters and take them home and I would do my business with that. Okay? I would wash my dishes with it. I put a little chlorine bleach in my rinse water so that I would make sure all my stuff was sanitary. But for two months I did that. In those two months my -- they locked up my valve for the water, okay, Aqua locked it up. Had a physical lock on my water meter. Okay? They still charged me the basic charge even though I couldn't use any water. They still charged me 65 bucks a month for the months that I

couldn't even use their water. And then the last month that it was turned off they actually charged me for 1,400 gallons of water that I had no way of even -- I mean, I don't know where they figure this stuff out.

But where I come from, okay, you either provide me the service and I'll pay for it, but if you don't provide me the service, it's not fair for you to bill me for it.

Okay? I could not use their water and I did not -- so I actually had to cancel my account for them to stop charging me for water I wasn't using. To me that's a bunch of BS. Okay?

So I ended up putting, after two or three months, I'm not sure exactly, I ended up putting the water in my girlfriend's name. Okay? Recently in July I sprung a leak, a major leak. My water bill was 500 bucks for the month. Okay? My water is now -- well, it's now in Mallory's name because I couldn't afford to keep it turned on. Okay.

It's a joke. Okay. This should be a rate reduction hearing, not a rate increase. Okay? You guys got it all wrong. That's all I got to say.

## **EXAMINATION**

## BY MR. MAY:

Q Mr. Bowers, thanks for coming out this evening. You mentioned that you, after your water was

discontinued for nonpayment that you reopened the account in your girlfriend's name?

A Yeah. Actually the -- I couldn't figure out why I was still getting a bill when they had turned off my water. So I actually had to call them up and cancel my account to stop getting charged for water I wasn't using. And then because I could not get it turned on in my own name, I had my girlfriend to put it in her name because I didn't have the money to get --

Q So the account now is in your girlfriend's name?

A Actually the account now is in Arredondo Farms' name because I had a \$500 water bill --

MS. STARLING: It's not, it's not -- can I,
can I talk?

CHAIRMAN GRAHAM: You need to come up to the mike, ma'am.

MS. STARLING: He -- we -- this situation was new because his water was shut off. And, again, trying to retain residency, so his girlfriend and I have been speaking, they've given me copies of her bills, and I'm actually working on paying off that. I didn't want to bring the subject of the debt with the balance, so that was something that she had called Aqua and put me on her account so I could speak with them regarding that

account. So it's not, it's not in my name. 1 2 investigating it. But I told him not to worry, it was something that we could work out with his -- I talked to 3 4 his sister -- you know I've talked to your sister -- and his girlfriend to work out a payment arrangement, so. 5 CHAIRMAN GRAHAM: Mr. May. 6 MR. MAY: Yeah. 7 BY MR. MAY: 8 The account now is in your girlfriend's name? 9 10 Yes. Patricia Ruhlen. What's her last name? 11 R-U-H-L-E-N. 12 Α Okay. Thank you. 13 O CHAIRMAN GRAHAM: Thank you, sir. Thank you 14 for coming down today. 15 MR. KELLY: Mitchell Young. 16 17 Whereupon, MITCHELL YOUNG 18 was called as a witness on behalf of the Citizens of the 19 State of Florida and, having been duly sworn, testified 20 as follows: 21 22 DIRECT STATEMENT 23 MR. YOUNG: My name is Mitchell Young. I live at 7117 S.W. Archer Road, Lot 2417. I've lived there 24 about six months. The cheapest water bill we've had 25

since we've been there has been \$80. It's went anywhere from \$80 to \$190. I have my fiancée and our three kids live there. We do an exorbitant amount of laundry because they are very active kids, so I kind of understand a higher bill, but not \$190, not when my electric bill runs about \$150.

The customer service issue is ridiculous. We call in to report an outage because they didn't tell us the water was going out. We just turned the spigot on, the water is not working. So we call, they're rude with us. I've worked customer service for both Direct TV and Dell Computers, and if I talked to those customers the way we get talked to when we call in, I'd have been fired on the spot.

I've also worked as -- in the utility industry. There's not a utility I haven't done. I've drilled water wells myself, and the sediment and stuff that I see in the water, if we had drilled a well and left water coming up like that, we wouldn't have drilled another well for that company. They would have said you can find somewhere else to drill. Every time we had a complaint from a customer where there was still sediment coming up, whether it be sand or larger particles, go out there, drive some more pipe, get it down below the rock, and that's what it takes. When you have a well --

I've drilled, you know, wells for houses, I've drilled commercial wells which are called public supplies for businesses, and each time if there's sediment, you go back and you drill it deeper until you get out of the sediment.

It's crazy. My fiancée and I, we try to figure out every month, you know, how are we going to pay our water bill. Our kids overhear this talking.

And I ask every person on this Commission, and this is, you know, this is a rhetorical question, but what do you tell your 8-year-old when he tells you he doesn't want a glass of water so he doesn't raise your water bill?

That's all I have.

## CHAIRMAN GRAHAM: Mr. May.

### **EXAMINATION**

## BY MR. MAY:

Q You indicated that you had contacted Aqua's customer service about a water outage.

A Yes.

Q Do you know, Mr., Mr. Young, do you recall the date and -- the date?

A I don't recall the exact date. It's been -there was one probably about a month and a half ago.

About a month and a half ago. And then there's been
several of them within the six months that we've lived

there where they've had to do flushing or a line has broke, you know.

And I understand if a line breaks and it's an emergency situation. But if you're going to do a flushing -- I mean, I'm sorry, I believe this company is large enough they can afford to do an automated phone call for their customer base and say we're going to be doing a flushing in your community on this date. You know, just to give you fair warning, pressure will either diminish or stop for a period of X amount of time, just as a customer service, you know. You know, a courtesy.

Q Thank you, sir. No further questions.

CHAIRMAN GRAHAM: Thank you, sir. Thanks for coming down today.

Mr. Kelly.

MR. KELLY: Mike Green.

Whereupon,

#### MICHAEL GREEN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

## DIRECT STATEMENT

MR. GREEN: How are you doing today? My name is Michael Green. I'm the Supervisor of Maintenance at

Arredondo Farms.

We, okay, we have over 100 rental homes, and I am responsible for maintaining them. Because of Aqua's poor response and the water problems, we have to take a very proactive source of solving and trying to prevent these problems.

We also have a program called Gold Key
Service, which we do a monthly inspection to make sure
that people don't have sediment problems, drainage
problems. We just do an overall check on the house and
make sure everything is in good condition and ask them
how they're doing with the water services.

I've actually gone into places, which is Lot 2 which we gave you some pictures of, and I've pulled out at least five gallons of sediment out of the lines. And I've had to replace two elements out of it. And within a two-week time I've actually had to go and replace the elements again. And this is due to eight inches, six, ten inches of sediment buildup in the lines. Which we've had to replace all the showerheads, the supply lines, actual shutoff valves, and the faucets in the home that we had to do this cleanout for, which is starting to be a very uncontrollable cost issue.

We also do leak detections on the homes. We make sure that their meters and stuff aren't running.

1 We actually even do a weekly, a weekly meter reading, which we go around to renters and non-renters of 2 everybody that has a water meter, even if the lot has a 3 home on it or not. We actually search the meters, make 4 sure they're not running. If there's somebody home, we 5 knock on the doors and we ask them, "Are you guys 6 running water at this time?" They'll tell us yes or no. 7 Most of the time it's not and the meters are just going 8 a hundred miles per hour. So what we'll do is even if 9 they're homeowners, just so we can keep them in our, in 1.0 our complex, we'll actually eat the cost and have to go 11 and fix these problems for homeowners. And we do it 12 weekly just so that we don't have \$3,000, \$4,000, \$5,000 13 bills that our tenants can't cover and then they have 14 to, them and their children have to move out. 15 Not only is it sediment -- which the sediment 16 17

Not only is it sediment -- which the sediment is built up like if you took a fish and you scaled it, that's what our sediment looks like. They're big chunks. The water is slimy. I've actually drained a hot water heater that looked like it had a jellyfish ground up inside it. And still our tenants pay an enormous amount for some water that is barely, barely good enough to use for animals.

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And we're just looking, from YES Communities, we're looking to try to get our tenants some kind of

1	help or some kind of relief from such poor treatments.
2	And that's all I have to say.
3	CHAIRMAN GRAHAM: Thank you, Mr. Green. Hold
4	on a second.
5	EXAMINATION
6	BY MR. MAY:
7	Q Mr. Green, thank you for coming out this
8	evening. And just a couple of follow-up questions.
9	You're an employee of YES Communities?
10	A Yes, sir. I'm actually the Maintenance
11	Supervisor.
12	Q Have you worked at any of the other
13	communities that YES owns in Florida?
14	A No, I haven't. I've actually, just for a
15	couple of days we just went down to Tampa and did a
16	little help out there.
17	<b>Q</b> Okay. Does do you know if the Tampa
18	community that YES owns does YES own a water and
19	wastewater utility down there?
20	A That I'm not sure.
21	<b>Q</b> Not sure? Okay. Are you a customer of Aqua?
22	A No, sir.
23	<b>Q</b> Okay. And do you know, have you or
24	Ms. Mallory Starling, have you all talked to any of the
25	customers before they appeared today?

1	A No. The only thing we done is pass out fliers
2	asking them to come and speak their heart and tell the
3	truth and to speak on the account.
4	Q As a late-filed exhibit could we get a copy of
5	that flier from you, please?
6	A Do we have any copies of any fliers? No, we
7	don't have any with us.
8	MR. BERNSTEIN: We'd be glad to provide it.
9	MR. GREEN: Would you like me to hand it to
10	you?
11	MR. MAY: Yes.
12	BY MR. MAY:
13	<b>Q</b> So there was lunch this morning before the
14	hearing?
15	A Yes, sir.
16	<b>Q</b> You all had the people here and you fed them
17	lunch?
18	A We were just trying to get everybody together
19	so everybody could caravan together. For the ones that
20	didn't have cars, our staff actually put them in our own
21	cars and brung them.
22	<b>Q</b> And, Mr. Green, how long have you been with
23	the company?
24	A I've been there since January the 3rd of this
25	year.

1	Q Were you did you participate in any of the
2	due diligence that YES Communities performed before it
3	acquired this facility?
4	A No, sir.
5	Q Do you know who did?
6	A No, sir.
7	<b>Q</b> Do you know who would know that?
8	A Most likely Mallory Starling.
9	Q Mallory Starling?
10	A Yes.
11	<b>Q</b> The lady who just spoke?
12	A The lady who just spoke, our park manager.
13	<b>Q</b> Are you going to be testifying at the hearing
14	in, at the end of November and early December of this
15	year?
16	A If that's what she calls for, I will be there.
17	Q Okay. Mr. Green, thank you for coming this
18	evening.
19	A Thank you very much.
20	CHAIRMAN GRAHAM: Mr. Green, hold on a second.
21	MR. MAY: I would like to offer this as a
22	late as an exhibit.
23	CHAIRMAN GRAHAM: Okay.
24	MR. MAY: I think it's Exhibit 13.
25	CHAIRMAN GRAHAM: It will be Exhibit 13. Do
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you have a short title?

MR. MAY: YES flier to customers.

(Exhibit 13 marked for identification.)

MR. BERNSTEIN: Commissioners, if I might.

CHAIRMAN GRAHAM: Yes.

MR. BERNSTEIN: Ms. Starling came today unfortunately without copies of the exhibits we wish to place before you into evidence which she spoke about, and we'll be filing, with your permission, counsel's understanding, a pleading supplementary to have those on record so you will have copies before you to corroborate the testimony that Ms. Starling gave you.

CHAIRMAN GRAHAM: Okay.

couple of questions. You went over some of the work that you did in dealing with customers having weekly meter readings, and you indicated you fixed the problems for the homeowners. What were some of the fixes that you did, and was it repairs and leaks in the home that

MR. GREEN: Our main thing is elements and the toilet fill valves. The toilet fill valves I consider number one because if you can see on -- you have a stack in the papers where it shows you the fill valve. If you see all the pieces that are inside of there, the actual

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1 top part is a flapper that closes and actually stops the water from filling up. But with those rocks in there 2 sticking up pointy and everything, it keeps the valve 3 open, which costs our tenants money every second it runs. 5 COMMISSIONER BALBIS: Okay. 6 7 MR. GREEN: So that's mainly what a lot of things we deal with. 8 COMMISSIONER BALBIS: Okay. Did you find any 9 meters that seemed to be inaccurate or was it that there 10 was a leak somewhere? 11 MR. GREEN: Mostly it was a leak. And when I 12 come down to find the leak, it's due to the sediment 13 that's built up into the thing and it just won't allow 14 it to close or cut off right. 15 COMMISSIONER BALBIS: Okay. All right. 16 17 you. CHAIRMAN GRAHAM: Thank you, Mr. Green. 18 Thanks for coming down today. 19 20 Mr. Kelly. MR. MAY: Mr. Chair, just for clarification, 21 did Mr. Bernstein offer to provide Late-Filed Exhibit 22 14? 23 24 MR. BERNSTEIN: Yes. MR. MAY: I think we might want to get a name 25

_	for that.
2	MR. BERNSTEIN: Those will be the customer
3	complaints that Ms. Starling referenced and testified to
4	and had in front of her today when she was testifying.
5	She does not have an extra set. I'd like to provide you
6	with a set and obviously we will file it with the
7	Commission.
8	MS. STARLING: Can I add two things, by any
9	chance?
10	CHAIRMAN GRAHAM: No, ma'am.
11	Mr. Jaeger.
12	MR. BERNSTEIN: The pictures as well. Yes.
13	We can do it as a composite.
14	MR. JAEGER: Customer complaints and pictures.
15	CHAIRMAN GRAHAM: Mr. Jaeger, do we need to
16	wait until we have that in our hand? Are we just
17	putting that as a place mark now?
18	MR. JAEGER: I think we, Chairman, I think we
19	can go ahead and put it in as a place mark,
20	Exhibit Number 14, customer complaints and pictures from
21	Ms. Starling.
22	(Late-Filed Exhibit 14 identified for the
23	record.)
24	CHAIRMAN GRAHAM: Mr. May.
25	MR. MAY: I was going to ask for permission to
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hand the court reporter Exhibit 13.

CHAIRMAN GRAHAM: One more time.

MR. MAY: Mr., Mr. Green had provided me with Exhibit 13, and I wanted to approach the court reporter or to hand it to you or whoever is keeping track of that.

CHAIRMAN GRAHAM: Thank you, sir.

All right. Mr. Kelly.

MR. KELLY: Mr. Charles Milton.

CHAIRMAN GRAHAM: Mr. Milton, welcome.

Whereupon,

### CHARLES MILTON

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

#### DIRECT STATEMENT

MR. MILTON: My name is Charles Milton,
7117 S.W. Archer Road, Lot 2330. And like the rest of
them, we've got bad water problems, water condition. I
threw them away now, but I had a couple of gallon Glad
bag baggies, looked like it had corn meal in it that was
lime rock that come out of our faucets. We have no
water pressure. The cold water side, you turn it wide
open, it'd probably take three or four minutes or more
to fill up a gallon jug. And the water quality is just,

well, we don't even drink it. The only thing we do is flush toilets, take a shower with it. We don't even give water to our dogs, none of our animals, because it's just, it's just nasty water.

And I, every time you call, for some reason I get stuck with New Jersey. And them people, they just, they've got the attitude of, well, I got water at my house. That's your problem. I tried to explain to them, I said the people out here, they're maintaining this stuff. They need to put some sort of a filter.

I've drilled enough wells that -- when they had the well out one time before here some months back, they could have put a screen in it. That would have probably knocked out 99% of the gravelly stuff. And as far as the other stuff, it dries and looks like baby powder. So you'd have to have a sock and that would eliminate most of it.

And my wife, she's diabetic. I'm 63, work all the time. So -- and I got a bill here for over \$2,000. So it's impossible for two people to use that much water. There's no leaks. And I call and they kept telling me, "Well, you've got a leak. You've got a leak." I do not have a leak. I checked everything in the house. I turned everything off, go out there and I set at the meter and watch it. The meter does not move.

Well, the next thing you know I get a seven, eight, \$900 water bill. I call them. "You got a leak." I said, "I don't have a leak. I checked it myself." "Are you a certified plumber?" I says, "No, I'm not, but I know a leak when I see one." They said, "Well, you need to

hire a certified plumber to come out there and check."

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Well, they had their maintenance man come out. I took off a Friday for him to check the meter. Never showed up. I had to work Monday; he showed up. And I don't know what he did, how he checked it or anything else. And I know I took -- I bought a gallon jug of water, marked it, and I checked the meter myself. The meter is maybe a tenth of a gallon off, which I don't care about that. I just, it's the attitude of the customer service. They don't want to talk to you. Every time you say something -- I said, "Well, I got a \$2,000 water bill. It says me and my wife are using 377 gallons of water a day. I'm not there half the time." And they said, "Well, that's your problem." They said, "Well, we're not going to turn it back on until you pay the bill." "I don't have that kind of money." "Well, make payment arrangements." Then she tells me, "But if you're one penny short, one day late, we're cutting your water off."

These people, they don't care. The best thing

Aqua can do is either get rid of their customer service or retrain them. The person they're talking to on the other end of the phone is a person, not an idiot like they take me for. And basically that's all I've got to say. As far as the bill, Mr. Barnes is going to try to get that straightened out. But the customer service, if I were running it, half of them would be fired.

CHAIRMAN GRAHAM: Hold on just a second. Do you have a question?

MR. MILTON: Like I say, they need to retrain them and let them know how to talk to people.

COMMISSIONER BRISÉ: Thank you for being here.

My question is just to clarify for my personal

knowledge. So that \$2,000 bill is for one month?

MR. MILTON: Well, it says it's a back bill for 298 days, 112,000 gallons of water, average daily usage 377 gallons. Like I say, my wife is unstable, I'm at work most of the time, and there's no leaks.

COMMISSIONER BRISÉ: Okay.

MR. MILTON: And I had, I had to agree to this payment schedule or they never would turn my water back on. And like I say, we don't drink it, we don't cook with it, because, I don't know, it might poison you. I don't know. But it's just nasty water for the price you pay. And so I buy water. I pay Aqua for water and I

1 buy water, you know. CHAIRMAN GRAHAM: 2 Mr. May. 3 EXAMINATION BY MR. MAY: 4 5 Not to belabor this, but could I take -- well, never -- I'll ask the question. You indicated, 6 7 Mr. Milton, that this was a back bill for 290 days? That's what -- they got down from 8 September the 10th to July the 7th of '11. 9 So this was a bill that extended over a period 10 11 of 290 days? That's what he said. But I got, I got 12 Yeah. 13 the bill here if you want it. I got copies. And the payment -- and you called and arranged 14 Q a payment plan? 15 Α 16 Yeah. And what was the payment plan? 17 Q It was \$175 a month for 13 months. She said 18 if I missed one day or a penny short, the agreement was 19 null and void, they'd want all the money at once. 20 And when did you, when did you call the 21 customer service representative approximately? 22 23 Α The date of the agreement is for August the 15th, but I called her before that. And when I went and 24 got the water turned on, they give me the runaround. 25

Proof of residency, I got that. And Rick Moore that was here earlier, he's my landlord, they filled out all the paperwork, sent it to YES. They faxed it up there. They kept giving them the runaround, the runaround. And one day Ms. Mallory said, "Well, we'll take the lock off." So they took the lock off, me and my wife got a shower. And the next day my wife called me, they turned the water back off. I come in and there was a lock back on it. So I told her, I said, "I'm just tired of it." So we're in the process of thinking about moving. But if you, if you want copies of this, you're welcome to it. I got copies.

Q I just wanted to again extend the offer.
Mr. Barnes --

- A Yeah. He said he's going to work on it.
- Q Sure. Okay. Thank you for coming out.

A But I was just, the main thing is just the customer service, they need to train them people.

Because they don't care who they talk to because you can't reach through the phone and slap them.

- Q Thank you, sir.
- A But like I say, he's going to try to work, work something out on that.

CHAIRMAN GRAHAM: Mr. Milton, Mr. Milton, we've got some questions.

1 COMMISSIONER BALBIS: Mr. Milton, I have one question. You mentioned that your landlord was here 2 earlier. 3 4 MR. MILTON: Yes. Rick Moore. COMMISSIONER BALBIS: Is that who you work for 5 6 us well? 7 MR. MILTON: Yeah. 8 COMMISSIONER BALBIS: Okay. And were you here when he spoke? 9 MR. MILTON: Yeah. 10 COMMISSIONER BALBIS: Okay. So you did hear 11 that he said you were the hardest working employee he's 12 ever had in 42 years? I wanted to make sure you heard 13 14 that comment. MR. MILTON: Yeah. I'm from the old school: 15 If you take a man's money, you give them the best job 16 you can. And people grumble about this job don't pay 17 this and all this. Well, I say, "You agreed to work for 18 it. If you don't like it, quit. Grab your cardboard 19 20 and marker and hit the interstate." CHAIRMAN GRAHAM: Hold on a second, 21 Mr. Milton. 22 MR. BERNSTEIN: Yes. Mr. Chairman, 23 Commissioners, we'd like to proffer the bill in as 24 Exhibit 15. Mr. Jaeger? 25

1	CHAIRMAN GRAHAM: Sure. We can do that.
2	Sir, can we get a copy of that bill?
3	MS. BRADLEY: Can we get a copy of the, the
4	agreement he signed?
5	MR. BERNSTEIN: We can do that too. Do you
6	have a copy of that, sir?
7	MR. MILTON: Yeah. Yeah. I made copies of
8	them because I didn't know what all you needed and
9	CHAIRMAN GRAHAM: Sure.
10	MR. BERNSTEIN: Composite 15.
11	CHAIRMAN GRAHAM: Thank you, sir.
12	MR. MILTON: All right.
13	CHAIRMAN GRAHAM: So this is Number 15, and
14	we'll call it
15	MR. JAEGER: Copy of composite copy of the
16	Milton bill and agreement.
17	CHAIRMAN GRAHAM: Composite/Mr. Milton.
18	(Exhibit 15 marked for identification.)
19	Are we all up to speed?
20	MR. KELLY: Are you ready?
21	CHAIRMAN GRAHAM: Ms. Bradley, are you good?
22	ms. bradley: I'm good.
23	mr. bernstein: Yes, sir. I apologize.
24	CHAIRMAN GRAHAM: Oh, you're fine.
25	Mr. Kelly.

MR. KELLY: Norma Bradley.

Whereupon,

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## NORMA BRADLEY

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

### DIRECT STATEMENT

MS. BRADLEY: Good evening. My name is Norma Bradley, and we live at 7117 S.W. Archer Road, Lot 2106.

Most of everybody have said what I wanted to say. But at least we've been there about seven years now, and the first couple of years that we was there we had no problems with the water. But maybe about five years ago it started getting bad. After we had been there for a couple of years, all of the sudden we stopped getting a water bill. And I was wondering where was the water bill. I went and checked all the bills to see did we get one, and we hadn't got one. And so I called to see what was going on with the water bill. Again, so it was kind of nasty, but she say, "Well, have you moved?" I said, "No. I haven't moved. I've been here for the last two years." But we had not got a water bill. And they sent us a water bill and it was for somebody else's, somebody else's name. So then I had to get back on the phone and call back and get that

straight. We finally got it straight. So I've been getting the water, getting our water bill on time. We pay it.

Our water bill went from \$41.06 up to \$129 and some change. It stayed there for a while, then it come down to \$90. Then it went back up to maybe 100 and something. And now it's down like maybe \$84, \$86. It's only two people live in the house, that's me and my husband. We have a little dog, and he don't use any water because we buy Zephyrhills water. We have to buy that to drink it. We don't drink the Aqua water. But I do cook out of it, cook sometime with the water. But we use Zephyrhills water, you know, because the residue and all that be in the, on the water. And my glasses got rings around the glasses where the water sit up. When we wash the car -- both our vehicles are white, so you can't tell the white residue on the car. But on the windshields it's all messed up from the, from the water.

And I would just like to say that here a while back, I think twice in a year the water line had broken. And I rode by one night and saw water just coming out aside the road, and I said, "Oh, my God. The water bill is going to go up again." And, sure enough, it did. It was fixed. And then about maybe a few months later, I think it might have been the same water line that was

broken again, and we just wondered what about the water bill. And I think I had spoke with someone in the office, I believe I did. And I was going to ask them, okay, with that line being fixed, when the water was coming out, okay, who's responsible for, you know, paying that, for all that water coming, the waste of the water? Are we going to have to pay for that, you know? And my husband said we probably do because you see the water bill has gone up. So, you know, that's how we take, took it like that.

And as far as giving us a notice when the water, when they going to shut the water off, we just got one notice, but it was after the water had been off this last time about 10:30 at night. I think the water came back on and went off about 7:00 something. It came back on about 10:30 the night before school started for our children here in Alachua County. And I said, oh, my goodness. The kids gonna, you know, the parents are going to be in a, you know, a big uproar because the kids got to have their showers and stuff to go to bed to get up and go to school the next morning. Nobody warned us about that. But then the next day we got a letter stating that it was something that had happened and the water would be off. And we had this boil thing on for a few days and we're not to use the water unless we boiled

it until they tell us to go back and use it. Because then I didn't trust that. I say, well, I'm going to boil the water for a few more days anyway. But still that residue is there.

And I just would like to say it's really, it's bad. It's bad. My husband and I, we're both on fixed incomes. We're both retired. And I thought this would be a time in our lives that we would be enjoying our retirement. But we can't because they're, we do have, you know, bills that have to be paid. And when the water bills -- sometimes it exceeds the light bill. And I don't think it's right for just two people living in the same house and using the same amount of water. And sometimes we don't even wash our car at home. We take it down and let some of the guys downtown wash our cars, but we still get paid -- you know, charged for the same amount of water. And that's all I have to say.

CHAIRMAN GRAHAM: Thank you, ma'am.

Mr. May.

MR. MAY: No questions. Thank you, Ms. Bradley.

MS. BRADLEY: Uh-huh. Thank you.

CHAIRMAN GRAHAM: Mr. Kelly.

MR. KELLY: Debra, is it Boudreau?

MS. STARLING: She left.

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MR. KELLY: Judi Donovan.

Whereupon,

#### JUDI DONOVAN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MS. DONOVAN: I live with my parents at 7117 S.W. Archer Road, Number 2407. And I'd first like to read a brief letter from them, and then I have some additional comments.

"We, William and Margaret Wright, live at the above address," which I just mentioned. "However, because we are elderly and disabled, we have asked our daughter, Judith Donovan, who lives with us, to represent us at this hearing today. We ask that she be allowed to speak on our behalf.

"We have lived at Arredondo Farms since

January 2000. Our water bills were reasonable. At one
point a few years ago there was trouble with the
underground pipes. And they came, "meaning Aqua, "came
and dug up our yard to get to the necessary pipes.

After that our bills became quite high. Then at one
point they leveled off, so we thought, and we were only
charged about \$55 a month. Then in March 2011 we

received a bill for over \$2,000 charging us for 99,300 gallons of water. That was when we began calling Aqua and Arredondo for help.

"In speaking with Aqua, we were told that they had not billed us for any water usage for 19 months and this was the bill to make up for that time period.

Since that time, each month our bill says we use approximately 6,500 to 8,500 gallons of water each month. That is ridiculous. We would have to use 217 to 283 gallons per day or up to nearly 24 gallons per hour every hour that we are awake. There are only three of us in the house. We have owned other homes in our lifetime and never had water bills that exceeded our electric bills every month, but that is the case here.

"Recently a man from Aqua came to our home and checked something and said that it appeared as though there was a leak underground, but the company has never been back to check this out further. Beside the fact that the water has a terrible taste to it and we need to purchase bottled water every week to drink in our home.

"We hope you can help us solve this ongoing problem of high-priced water bills and quality of water to our home. Sincerely, William and Margaret Wright."

My parents are 86 and 88 years old, and about 15 months ago I had to move in with them to help them

because they can't get around on their own. We have had to -- after numerous contacts with Mallory and the office, they suggested that the water usage obviously was very high. My parents only buy bottled water. You know, they're elderly; they take, they don't take showers every day. They only basically use the water to flush the toilet or wash. My mom washes three loads of laundry a week, period, end of conversation, because she's already had issues where she's had problems with her washing machine and water backing up and sewage backing up and what not. So we're limited to three loads a week. So there's no way that we're using up 240 gallons a day.

In fact, I have a copy of the August bill. It says average daily usage, 279 gallons. That's, that's unheard of. There's no way that that's correct. I'm sure there's a leak in the ground somewhere. But even though that was somewhat verified by someone from Aqua, there was never any follow-up.

When she found out, my mom called and found out that the bill that she had been paying, and she's always paid her bills every month, she's never been behind, and the bill that she was paying every month of \$52.72 says it's an actual read, but it says that there's no usage. And when we started looking further

into this situation, we found out that when the meter reader finds -- or let's say the usual process or the process they're supposed to follow is if there shows no water usage, that they're supposed to look into it. Well, this went 19 months. And my mom being 86, she got a bill, she paid the bill. It wasn't until after I started, you know, we got the very, very high bill and I started looking into it did I see that it showed no water usage. That was just for actually the service to the house, period, end of conversation.

I, before I lived with my parents I owned a home in Newberry, and at one point my daughter and my teenage grandson were living with us. Out in Newberry you have City of Newberry utilities, and with running the dishwasher every night, the washing machine nearly every day, and showers every day and sometimes twice a day, there was nothing that even closely resembled a bill like my parents have been receiving.

Also, on the bill that I have here, because from August of this year the, a gentleman who spoke a ways back said he was being charged twice, water base facility charge, water base facility charge. And for water usage there are four different rates on this bill that they're being charged for. And it appears that because they're billing her for 8,100 gallons of water,

that that's, that there's an excessive usage charge so that they're billed a certain dollar amount for certain gallons, and then above that they're billed at a higher rate. And that's just -- if you lived there, you'd understand. We don't even use -- I mean, just washing a few dishes. They don't even own a dishwasher. really seems ridiculous. Whether the meter reader did not come out to the house for 19 months, if he drove by, apparently clicked his little computer clicker and did not catch the water on that meter for 19 months, I don't know what happened. But if the meter was faulty or the meter reader did not read correctly, that was not my parents' problem. That was the company's problem. the company's meter and the company's meter reader. I think what's been difficult for me to

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I think what's been difficult for me to swallow while I've been here today is to understand that when you have GRU, Gainesville Regional Utilities, and they want a rate increase, that you're going to see in your neighborhood or somewhere within Gainesville Regional Utilities' area the improvements that, such as Mr. Fox and his company would like to make. But your company is located, or at least the billing address is Pennsylvania. And if you're charging high, high rates for poor quality of water at little Arredondo Farms and you want a rate increase, are those going to be used to

improve Arredondo Farms or other properties in Florida, or are they, is it going to be used in other states?

We're not seeing the benefit of the price that's paid, and I think that that's what's difficult.

And I know that everybody here has basically said the same things and maybe after three or four hours you're tired of hearing it, but I think it just relates to the fact that the water bottom line is poor. You cannot drink it. And the service is poor.

I agree with the lady before me. The water went off unexplainably on a Sunday night at 7:00, 8:00. Why was it off for a couple of hours on a Sunday night? No one was working on anything at that hour. And I think there's a lot of questions; a lot of things need to be resolved. I hope the Commission is the body that will address the problems that the people have here and hold Aqua Utilities accountable. Thank you.

CHAIRMAN GRAHAM: Thank you, Ms. Donovan.

#### EXAMINATION

# BY MR. MAY:

Q Ms. Donovan, thank you very much for coming out. And I think you have several documents in your hands. The -- we're going to be filing a response, some testimony responding to this, and we want to get to the bottom of your parents' concerns. And with the Chair's

permission, I was wondering if we could have the documents that you have on the dais there as a composite exhibit.

A I have -- my mom gave me -- I have a stack of bills that she gave me. The ones that I brought up here are the current bill for, that she paid in September.

And because she has this ongoing back balance of God knows how much, she's made arrangements too. But in sitting here and looking at this -- and this is a very difficult bill to read and I have a finance background. I am going to school right now for a degree in accounting. I am having a hard time reading this bill. I had to really study it to understand it.

She has an arrangement that she has to pay her whole bill plus a portion of a back bill. But I can see that from what she wrote on here and what she paid, she didn't pay her whole bill because she didn't understand this whole bill. And I'm going to have to speak to one of the gentlemen in the back so she doesn't have her water shut off.

O Sure.

A I have the current bill. I have one bill that shows how they were charged with a zero usage, and that went on for 19 months. And then I have a bill that shows the 99,300 gallons of water.

1	Q And I think you also had a letter that you
2	read from?
3	A Yes. I made a couple of corrections to it
4	because once I saw the bills, I saw that there were
5	we had averaged a few things and that they're more
6	exact.
7	Q And then I think you had another, in your
8	A That's just my note card.
9	Q Is that your note cards or did someone provide
LO	that to you?
1.1	A Oh, no. I wrote them. No.
L2	<b>Q</b> Okay. Could we just have I guess all of those
L3	as a composite exhibit?
L <b>4</b>	CHAIRMAN GRAHAM: Are those copies that we can
15	
16	MS. DONOVAN: Do you have a, do you have a
L7	copy machine here?
18	MR. DURBIN: Yes, ma'am.
L9	MR. WILLIS: Chairman, we can make copies. We
20	can make copies here.
21	CHAIRMAN GRAHAM: All right. So when we get
22	those copies back, we'll enter that as Exhibit 16.
23	MR. MAY: Ma'am, could we have your, your
24	other note card as part of that composite exhibit?
25	MS. DONOVAN: Sure.

CHAIRMAN GRAHAM: Composite, short title will 1 be Composite/Ms. Donovan. 2 MR. JAEGER: The bills are under William and 3 Margaret Wright. Do you want to --4 CHAIRMAN GRAHAM: No. We're just going to do 5 6 it under Donovan. That's the person testifying. (Exhibit 16 marked for identification.) 7 All right. Mr. Kelly. 8 MR. KELLY: Don Stauss. 9 Whereupon, 10 11 DON STAUSS was called as a witness on behalf of the Citizens of the 12 13 State of Florida and, having been duly sworn, testified as follows: 14 15 DIRECT STATEMENT MR. STAUSS: Don Stauss, 2220 S.E. 51st 16 Avenue, Ocala, Florida 34470. 17 I've shown Mr. Barnes back here my bill. I 18 have one with, the last bill, water base and all that 19 stuff, the old rate and the new rate, and they combined 20 21 both rates and billed me 228 bucks. I don't wash cars, I don't have a swimming pool. Just my wife and myself. 22 And on this new rate, am I correct maybe in 23 24 assuming that the Public Utilities Commission has 25 authorized Aqua to charge me a higher rate until this is

1	authorized officially? Is that correct?
2	CHAIRMAN GRAHAM: I believe so, sir. Yes.
3	MR. STAUSS: They're using my money hoping
4	that you will authorize them to give it to them legally.
5	CHAIRMAN GRAHAM: If we come back and the rate
6	is set below what it currently is, then you'll be
. 7	refunded that money with interest.
8	MR. STAUSS: With interest. How much
9	interest?
10	CHAIRMAN GRAHAM: I do not know off the top of
11	my head, sir.
12	MR. STAUSS: I'll ask Bernanke. He knows.
13	That's all I have.
14	Mr. Barnes back here was very nice in going to
15	check this. I think it may be a billing area error.
16	Excuse me. But he will have a man out at my house by
17	9:00 in the morning to check on this. I appreciate
18	y'all's time. Thank you very much.
19	CHAIRMAN GRAHAM: Thank you, sir.
20	Mr. Kelly.
21	I'm sorry. Mr. May, did you have any
22	questions?
23	MR. MAY: No, sir.
24	MR. KELLY: Susan Bier.
25	Whereupon,

# SUSAN BIER

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

# DIRECT STATEMENT

MS. BIER: Hi. I'm a power of attorney for Mr. George Edminster. He owns Lot 4, Unit Number 1, and Lot 107, Unit Number 4, in what's known as Arredondo Estates.

CHAIRMAN GRAHAM: Ma'am, what's your name?

MS. BIER: Susan Bier, B-I-E-R. He is currently in North Florida Regional fighting for his life. He's elderly. He's been there for five months. He also lives on Social Security. And he bought these properties with his late wife as a supplement to his income. As a small real estate investor the income is supposed to help offset being on a fixed income. Okay? But when you have to dip into your fixed income to pay tenants' rents for them because they can't afford their water bills, then, you know, what, what amounts to the taxes aren't getting paid the way they should. Okay? That's what this whole thing boils down to.

No one bought my lunch to come here. No one gave me gas money to get across town. Nobody even bought me a bottle of water. Your implications are that

these investors are buying these stories from people.

Okay?

Well, several months ago I received a call from Ed's tenant. Her name is Stephanie Altman. She's a single mom. She works two jobs to afford this. It's a 3/2 doublewide. She has her and her teenage daughter. Her daughter goes to school there, has a friend in the neighborhood. They love the neighborhood. They love the doublewide. I bend over backwards to try to keep these people in there because in the six months -- six years I've been with Ed, we've had problems keeping tenants in these properties. These are tax paying properties. Whether there's tenants in there or not, we have to pay those taxes. So I have a vested interest in keeping this tenant there.

So she calls me. I was out of town. And she said, "Well, I don't know what's going on here. My normal water bills, which are \$50, they want me to pay \$255." I told her, "In lieu of the rent, pay the \$255." I then paid a repairman, a friend of mine, to go over and check out and see why the bills were so high, and he found a leaky toilet. Well, they had let the toilet run. Okay? So we shut the water off to that bathroom, this is a 3/2, and they lived with one bathroom for a while until we could get to the bottom of the situation.

Well, the bottom of the situation was I paid two more bills, \$148 and \$113, before we could get to the bottom of the situation. Then I had my repairman go out. I think he turned the water back on to that bathroom.

She subsequently received a bill for \$373

after we had paid the \$516. This was over a course of
two or three months. Then apparently she went to pay
the bill and she says to me, "Oh, I'm so thankful. My
bills are back down to \$60." I said, "Wonderful."

Well, now I called Aqua. I asked for a copy of those
bills, which they told me they couldn't send them to me
because they didn't want to change the address. So I
said, "All right. Send them back out to Stephanie," so
I could go over the bills and see where this money went.

Well, according to her, she never received those, those
bills. Okay?

So now her bills are down to \$60. Well, she calls me this week, okay, and only the hot water is going to the washing machine. And the only way they can get water out of the kitchen sink is through the, you know, that thing that you wash the dishes with. Okay? So I'm ready to pay a plumber to go out there and solve these problems now.

Well, this has been an eyeopener coming to this meeting. Because what we thought were tenants,

poor quality tenants now might be reduced down to a poor quality water company. So I've got to hire, now I've got to hire a plumber to go out there and find out, get to the bottom of the sediment issues and find out, yeah, her bills are \$60 a month, but she's not getting any water. So that's all I have to say. This has been an eyeopener coming to this meeting. And I'm astounded that the meeting is about a rate increase instead of getting an alternative service out there to these tax paying customers. Because no matter who owns the properties, the taxes are being paid on the backs of the people paying their utilities and paying their rents. That's where the tax money is coming from, and ultimately yourselves.

CHAIRMAN GRAHAM: Thank you, Ms. Bier.

Ms. Bier, we have a question for you. You need to come to the mike, ma'am. Ma'am, you need to come back to the mike.

# **EXAMINATION**

# BY MR. MAY:

Q Thank you, Ms. Bier. Just one quick question.

Ms. Altman, the account is in Ms. Altman's name?

A Yes, it is.

Q And you gave two lot numbers, Number 34 and Number 27?

1	A Yeah. I think it's the Lot 34, Unit 1.
2	Q Okay.
3	A It is on 70th Terrace.
4	Q It's either one or the other, Ms. Altman's?
5	A Right. But it's 70th Terrace, and I think
6	it's 5328 70th Terrace.
7	<b>Q</b> Okay. Thank you so much.
8	A But I need a copy of all those bills so I can
9	recoup some of the money I put into this.
10	CHAIRMAN GRAHAM: Thank you, ma'am.
11	MS. BIER: Thank you.
12	BY MR. MAY:
13	Q And Mr., Mr. Barnes is in the back. He can
14	help you too this evening.
15	A Okay.
16	MR. KELLY: Cassandra Stade.
17	MS. STADE: I need to be sworn.
18	(Witness sworn.)
19	Whereupon,
20	CASSANDRA STADE
21	was called as a witness on behalf of the Citizens of the
22	State of Florida and, having been duly sworn, testified
23	as follows:
24	DIRECT STATEMENT
25	MS. STADE: Hello. My name is Cassandra

Stade.

2 MR. KELLY: I'm sorry.

MS. STADE: That's okay. I've lived in Arredondo since about the beginning of June. Within those four months it's been -- three months it's been shut off twice without any knowledge of it being shut off. Again, we did have to contact Arredondo before Aqua would do anything or even address the matter.

As far as the quality of water goes, it is very disgusting. I keep a bottle of water next to my bedside, and by the time I wake up in the morning it's covered in this powdery substance that's kind of like baby powder. But it smells chalky and it doesn't leave a nice residue in the back of your mouth.

As far as the pricing goes -- I have three jobs. I work as a full-time cashier, I work part-time, and I'm on call for another job. I support my mom, so paying an additional bill on the water that we really don't even use is kind of agitating. I don't have the money to spend on extra expenses.

As unsanitary as it is, I'd say I take one to two showers a week. And it's pretty sad if I have to debate on if I feel like taking a shower or if I can afford taking a shower. Honestly, I would rather take a shower as much as I like. But I know if it's going to

raise how my bill will be, it's really not worth it.

There are activities that can't be done, as people have said. Washing cars, not just for the residue that's left on the car, but the simple fact of how much it will cost just to run that kind of water. Even working out. I choose not to work out because I will have to take a shower, and I can't afford to take a shower.

Other than that, I can deal with the residue for the simple fact that I don't use water as much as most people do that are here. I go without. My highest bill has been \$72. I can imagine if I used it the way I would like to, it would be much higher. But if it was lower in price, I could imagine the residue would be more of a problem because I'd be using more amounts of it.

But all in all I would just rather have cheaper rates so taking a shower wouldn't be such a hassle. It's something that you look as a luxury and now I have to look as more of an expense.

CHAIRMAN GRAHAM: Thank you, ma'am.

Mr. May.

### **EXAMINATION**

# BY MR. MAY:

Q Ms. Stade, I don't think I caught the unit

FLORIDA PUBLIC SERVICE COMMISSION

1	number.
2	<b>A</b> 2122.
3	<b>Q</b> 2122. That's Lot Number 2122? Okay. And
4	your, your name is on the account?
5	A Uh-huh.
6	Q Thank you so much.
7	CHAIRMAN GRAHAM: Mr. Kelly.
8	MR. KELLY: The last speaker we have is
9	Mr. Dave Bussey.
10	CHAIRMAN GRAHAM: I don't think he's here.
11	MR. BUSSEY: Are there any other local
12	customers that would like to speak before I do?
13	MR. KELLY: You're the last one, sir.
14	Whereupon,
15	DAVID BUSSEY
16	was called as a witness on behalf of the Citizens of the
17	State of Florida and, having been duly sworn, testified
18	as follows:
19	DIRECT STATEMENT
20	MR. BUSSEY: Okay. Commissioners, it's good
21	to see you again, on better terms, I hope, and all the
22	rest of you folks. My name is David Bussey. I live at
23	4948 Britni Way, in Zephyrhills, Florida. I'm an Aqua
24	ratepayer. I'm also a part of a grass-roots movement
25	called FlowFlorida.com, and we're interested in trying

to do something about this on a statewide manner. I will be brief. I did have a couple of comments about customer service.

Customer service. I would think after the many years that this company has been in business they would have customer service down pat. I'm thinking of the restaurant business. Chains of McDonald's restaurants, everything is duplicatable. If it's not duplicatable, it doesn't work. Water and wastewater is not rocket science, and I'm just surprised that this company doesn't have it down pat. They ought to be able to come into a community after all their years of doing what they do and get it done the way it's supposed to be done, but here we are.

The other issue about customer service, addressing issues isn't what's important. Solving them is what's important. And I'm really -- it really distresses me to hear the responses that, well, this has been addressed, or weren't you here when that was addressed? I'd like to be there when they're solved, and so far we're not getting anywhere and I'll explain why.

Regarding the OPC, Mr. Kelly, they do a great job, but there are some areas where they can't help us. If I'm not mistaken, when it comes to my rates versus

your rates, they can't speak on our behalf. Give me a heads up here, if I'm wrong.

MR. KELLY: I'm not -- I'll answer questions.
I'm not sure what your question is.

MR. BUSSEY: Well, in the telephone conversation you folks had last Friday, Patty
Christensen was questioned by Mr. May about why she was talking about rates. Because she, from his point of view, she wasn't supposed to be bringing it up.

MR. KELLY: I haven't spoken to

Ms. Christensen this morning, sir. I'm sorry.

MR. BUSSEY: Well, it's my -- well, let me continue. It's my understanding that, that because our rates are different all across the state in the Aqua network, the Office of Public Counsel regarding rates cannot address those issues for the ratepayers. And the Commissioner is shaking his head yes, so we don't know. Okay. Please find out.

Regarding, regarding the ratepayers, I'm sorry, sir, Aqua ratepayers do not have any rights regarding rates in the State of Florida, and I'll prove it to you in a moment. We don't have any rights.

Please correct me if I'm wrong. Most people are wrong 50% of the time, and I'm one of most people.

I have a handout I would like to pass out. I'd like

to -- hopefully it'll be in the record. And if we start here with, and just pass them around. I have them identified, one for each of the areas here. What I'm going to talk about is rate setting, and it's titled "This is how we've always done it." The FPSC's mission statement in part talks about providing safe, affordable, and reliable -- the services in a safe, reliable, affordable manner.

The term affordable, please understand this, the term affordable -- I'm asking you to understand it. They do. The term affordable does not in any way apply to AUF ratepayers and should be deleted from the mission statement as the word affordable is nothing more than a fallout term. It's becoming a very popular word around here. It has no other meaning. There's no definition for it.

Section 367.081(2)(a)(1) of the statutes in part talks about that the Public Service Commission can either at their own discretion or when asked to do so, they can set rates which are just, reasonable, compensatory, and unfairly discriminatory. None of these terms are defined by the statutes. So the Florida Public Service Commission has chosen to give precedence to the needs of the IOU at the expense of the ratepayers. They have no other definition. And it's

nothing against Aqua, but I think instead of it being an Aqua bill, it should be a fallout statement because that's all we are. We're fallout. We're not customers. We're fallout. Okay. We're at the end of the process.

Okay. In page 3 of the FPSC's 2010 annual report, it states that the FPSC has a long track record of providing fair rates. This is not the case. They'll never be able to until legislation changes some things. Once again, fair rates is nothing more than a fallout word. All of the Florida Public Service Commission's spin about looking out for the customers regarding just, fair, and reasonable rates really isn't worth the paper it's written on. There's no definition for any of it.

In a recent telephone informal conversation this past Friday which I was a part of, the PSC stated clearly, in my opinion, okay, correct me if I'm wrong, stated clearly, in my opinion, that much of their decision-making is, regarding rate setting is based on procedures that have been developed and implemented over the past several decades due to some court cases that were decided. And this is way before Aqua became a part of this Florida system we're in. In other words, this is the way -- let me back up here. In other words, this is the way we've always done it, so this is the way we will continue to do it is what I got from the phone

conversation because everything is based on what these court cases, how they were decided, and then the mechanical methodologies that were developed by the PSC that, that complemented those court cases, everything's been done that way since then. And that's okay as long as the scenarios don't change. But the scenario has changed when Aqua became an IOU in the State of Florida because they don't do business the same way the other IOUs to. They don't have out-of-state parent companies that they send a lot of money to, our money. They have shareholders that they have to answer to. And believe me, folks, that's the only reason why they're here is to make money for the shareholders.

CHAIRMAN GRAHAM: Mr. Bussey, you're already at eight minutes. You need to close it out.

MR. BUSSEY: I will close it off. You've given much more time to other people, and I am at the last. And I will be as brief as I can. I know you don't want to hear these things, but I think it should be on the record.

I realize that the Staff is undermanned, underpaid, overworked. Okay? But to be quite frank, even if this were not the case, the ratepayers' concerns would still be ignored because of the way the current situation is. Focusing only on the mechanical

methodologies that you folks use at the PSC, no matter what the adverse impact is on Aqua ratepayers, it will continue to be the same policy because regardless of how much we will have to pay both now and in the future, taking care of the utility is the primary concern. It always has been and it will continue to be until legislation changes it.

The new scenario is the elephant in the room,

Aqua Utilities. They've upset the apple cart with

regard to the high rates, and yet the PSC has chosen to

treat them as though nothing unusual has happened.

Everything is just the same like it's always been. It's

not the same. I'm almost done, sir.

CHAIRMAN GRAHAM: You've got 30 seconds.

MR. BUSSEY: Oh, please. What may be good for Aqua is not good for the overall economy of the great State of Florida and its citizens. You have the power to do something about it and yet you choose not to. I encourage you to come to grips with this new scenario, this new kid on the block, Aqua Utilities. Direct the Staff to think outside the box. Find out what other state utility commissions and legislators are doing to combat similar situations where they are dealing with Aqua in their states.

I'm done. I appreciate the time. And one,

just one final brief remark. I went back through the 1 record, I've talked with Staff at a previous hearing 2 here a couple of weeks ago. It's very clear --3 4 CHAIRMAN GRAHAM: Mr. Bussey --MR. BUSSEY: This is a very important point. 5 I'll finish on this. 6 7 CHAIRMAN GRAHAM: Mr. Bussey, if you want to add any more comments, please put it in writing. We 8 need to move on. 9 MR. BUSSEY: No. It's all right. I'll meet 10 with you tomorrow. I'll finish it then. That's no 11 12 problem. Okay. Thank you. Is there anybody 13 CHAIRMAN GRAHAM: else that would like to speak? Has everybody given all 14 the testimony they want to give? 15 Mr. May. 16 MR. MAY: Just one procedural matter. Mr. Fox 17 again will be outside and be willing to meet with any 18 19 customer that has any issues and try to resolve them. CHAIRMAN GRAHAM: Did -- I think -- ma'am, did 20 21 you get your questions answered? 22 MS. BIER: Basically I don't have any questions. I need to see the bills that my tenant has 23 paid and see where my \$516 went. 24 CHAIRMAN GRAHAM: But you've spoken --25

1 MS. BIER: Because I paid her water bill so she could pay the rent, so I can take her rent and pay 2 3 my taxes. CHAIRMAN GRAHAM: Ma'am, you spoke to the 4 5 customer service person in the back? 6 MS. BIER: Yes, I did. 7 CHAIRMAN GRAHAM: Thank you. Mr. Kelly. 8 MR. KELLY: Nothing further. 9 CHAIRMAN GRAHAM: Commissioners? 10 Staff? 11 MR. JAEGER: Nothing further. 12 CHAIRMAN GRAHAM: Any of the Intervenors? 13 MR. BERNSTEIN: No, sir. 14 CHAIRMAN GRAHAM: Ms. Bradley? MS. BRADLEY: No. Thank you. 15 16 CHAIRMAN GRAHAM: I want to thank everybody 17 for coming. Thank you for your patience. We were 18 supposed to be out of this room at 5:00, so we've gone on a little long. But I do appreciate you giving up 19 your time, giving up your afternoon. We'll take all 20 this into account. We have six or seven more service 21 hearings. 22 23 MR. JAEGER: Five. CHAIRMAN GRAHAM: We have five more service 24 25 hearings. But if there's some things that you still

have some questions about, you can always email us. There is somebody in the back that can give you some contact information for us. And you can, Mr. Bussey, he can give you some contact information.

MR. JAEGER: Chairman, to clarify, there's five Aqua service hearings. I think you're going to a Gulf service hearing on Thursday, so there are other service hearings. But for Aqua there's just five.

Okay. All right. Well, CHAIRMAN GRAHAM: once again, I do appreciate everybody being here, and thank you for your patience. I know this is difficult for everybody. But know the fact that we heard you. Just like, just like all these other ones, you hear something new and something different in each one. And we do appreciate you giving up your time, and we'll work, we'll work our way through this. Thank you very much. With that all being said, we're adjourned.

(Proceeding adjourned at 5:27 p.m.)

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1	STATE OF FLORIDA )
2	: CERTIFICATE OF REPORTER COUNTY OF LEON )
3	
4	I, LINDA BOLES, RPR, CRR, Official Commission
5	Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.
6	IT IS FURTHER CERTIFIED that I
7	stenographically reported the said proceedings; that the same has been transcribed under my direct supervision;
8	and that this transcript constitutes a true transcription of my notes of said proceedings.
9	I FURTHER CERTIFY that I am not a relative,
10	employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties'
11	attorneys or counsel connected with the action, nor am I financially interested in the action.
12	DATED THIS day of September.
13	2011.
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15	LINDA BOLES, RPR, CRR
16	FPSC Official Commission Reporter (850) 413-6734
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