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4 32302-0810, appearing on behalf of Aqua Utilities
5 Florida, Inc.

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7 Counsel, c/o The Florida Legislature, 111 W. Madison
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9 appearing on behalf of the Citizens of the State of
10 Florida.

11 RALPH JAEGER, ESQUIRE, FPSC General Counsel's
12 Office, 2540 Shumard Oak Boulevard, Tallahassee, Florida
13 32399-0850, appearing on behalf of the Florida Public
14 Service Commission Staff.

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Notice for Gainesville, Palatka,
Eustis and Chipley

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P R O C E E D I N G S

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2 **CHAIRMAN GRAHAM:** Good morning, everyone. My
3 name is Art Graham, and I am currently the Chairman of
4 the Public Service Commission. And I want to thank you
5 all for coming out here today. The purpose is we have
6 an Aqua Utility particulate rate increase, and this our
7 service hearing, and we want to hear from you first-hand
8 about the Aqua Utility service and what they applied
9 for. Officially, this is Docket Number 100330, and if I
10 can get staff to read the notice.

11 **MR. JAEGER:** Yes, Chairman. By notice, this
12 time and place has been set for a customer service
13 hearing in Docket Number 100330-WS, application for
14 increase in water and wastewater rates Alachua, Brevard,
15 DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange,
16 Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter,
17 Volusia, and Washington Counties by Aqua Utilities
18 Florida, Inc.

19 **CHAIRMAN GRAHAM:** Are there any preliminary
20 matters before us?

21 **MR. JAEGER:** Yes, Chairman.

22 I think the utility has proof of publication
23 and notice that they would like to have identified as an
24 exhibit, and that would be Exhibit 25, Mr. May?

25 **MR. MAY:** That is correct, Mr. Chairman. It

1 is a composite exhibit which demonstrates that notice
2 has been published and notice has been mailed for the
3 four customer service hearings that have occurred this
4 week beginning in Gainesville, and in Palatka, then in
5 Eustis, and today in Sunny Hills.

6 **CHAIRMAN GRAHAM:** We will give this a title of
7 composite exhibits, the notices from Gainesville,
8 Palatka, Eustis, and Chipley.

9 **MR. JAEGER:** Here are copies, if you need
10 them. I don't think there is any real need for them.

11 **MR. KELLY:** Mr. Chair, did you give it a
12 number? I apologize.

13 **CHAIRMAN GRAHAM:** Yes, Number 25.

14 **MR. KELLY:** Thank you.

15 (Exhibit 25 marked for identification.)

16 **CHAIRMAN GRAHAM:** Okay. Once again, my name
17 is Art Graham, and I'm joined here with two fellow
18 Commissioners. On my right is Commissioner Lisa Edgar,
19 and on my left is Commissioner Ronald Brisé. I also
20 have some staff members from the PSC. We have Marshall
21 Willis and we have Mr. Jaeger and we have Mr. Maurey.
22 And since we are introducing each other, let's take
23 appearances of counsel.

24 **MR. MAY:** Thank you, Mr. Chairman. Good
25 morning, customers and Commissioners. I am Bruce May of

1 the law firm of Holland and Knight. We represent Aqua
2 Utilities Florida in this rate case. To my right is
3 Mr. Rick Fox. Mr. Fox is the President of Aqua
4 Utilities Florida. And, Mr. Chair, at the appropriate
5 time he would like to make some very brief introductory
6 remarks.

7 **CHAIRMAN GRAHAM:** Okay.

8 **MR. KELLY:** Good morning, Commissioners. My
9 name is J. R. Kelly. I'm with the Office of Public
10 Counsel, and I have the honor of representing the
11 ratepayers in this matter.

12 **MR. JAEGER:** I'm Ralph Jaeger, staff counsel
13 for the Public Service Commission on behalf of the
14 Commission staff.

15 **CHAIRMAN GRAHAM:** Let me tell you how this is
16 going to work. As you walked in, you were given the
17 opportunity to sign up if you would like to speak. You
18 still have the opportunity to go and put your name on
19 the list. The Public Counsel will call you up one at a
20 time, and when you come to the mike we just need for you
21 to give your name, spell your last name, your address,
22 and share with us your thoughts about Aqua Utility, be
23 it positive or negative, good or bad.

24 And our job on the Public Service Commission,
25 we are here in the middle. You will hear over here from

1 Mr. May all the evidence that they have want for Aqua
2 Utilities' side to justify the rate increase, and you
3 will hear over here from Mr. Kelly all the things
4 justifying from your point of view on where it should
5 be, and our job is to find that balance. Our job is to
6 make sure that we have a viable utility that can provide
7 the services for you, but make sure it is too hard or
8 too taxing as far as what it costs. And so our job
9 right now is to just kind of take middle ground.

10 That being said, I guess let's have the
11 opening statements. Mr. Fox.

12 **MR. FOX:** Thank you. Is it okay to turn
13 around?

14 **CHAIRMAN GRAHAM:** Sure.

15 **MR. FOX:** Thank you.

16 Good morning. My name is Rick Fox, and I am
17 the President of Aqua Utilities Florida. Before I
18 begin, we have some AUF employees in the audience, and I
19 would like to introduce them, and they will be available
20 to answer any questions that you might have, as well.

21 I'm going to start with Mr. Harry Householder.
22 You can turn around and see Mr. Householder. He is the
23 manager of operations statewide for Florida. Next to
24 him is Mr. Stacey Barnes, Customer Field Service Manager
25 for the state of Florida. And in front of him is Trisha

1 Williams, our head Environmental Engineer for Florida.
2 And lastly, Paul Thompson, he is our area coordinator
3 for this portion of Florida.

4 Some of these employees have their computers
5 open and have access to your account. So if you have
6 any questions dealing with your accounts, you can see
7 them and they can answer those questions, as well. Feel
8 free to see them at your convenience.

9 Commissioners, I want to thank you for the
10 opportunity to speak briefly to our customers in Sunny
11 Hills this morning. But more importantly, thank you for
12 giving us a chance to listen to our customers and hear
13 what they have to say. At the end of the day, we are a
14 service company and we value all customer input on the
15 services that we provide.

16 We know there is never a good time to ask for
17 a rate increase. No one wants to pay more for water, or
18 for electricity, or for anything else for that matter.
19 Yet we also know that everybody wants and needs and
20 demands safe and reliable water service. That comes at
21 a cost, and that's why we are here today.

22 I want you to understand that our rate
23 increase is primarily driven by the cost of the
24 improvements that we have made to our utility systems.
25 I would like to take just a minute to go over some of

1 those improvements.

2 Over the past three years, Aqua has spent
3 \$11 million on capital projects to comply with
4 environmental regulations and to improve water and
5 wastewater quality, service, and reliability for our
6 customers. Specifically, at the Sunny Hills system we
7 are interconnecting Well Number 1 with Well Number 4 to
8 provide more reliable service to our customers. In
9 addition, we are currently working with the Florida
10 Department of Environmental Protection to install a new
11 storage tank. The FDEP is requiring the new tank to
12 increase the current storage capacity so that we can
13 continue to provide reliable uninterrupted service and
14 fire flow. We've received bids for this project, and we
15 will be starting the project by December of this year.

16 We understand that you, as customers, expect
17 service to be reliable, reasonably priced, and delivered
18 in an environmentally sound manner. I want you to know
19 that we are committed to meeting that expectation. As I
20 described at the beginning, the costs that drive this
21 rate case are directly related to these infrastructure
22 improvement projects that I have described.

23 I know a lot of you want to speak, and we are
24 here to listen. So I just want to thank you for taking
25 time out of your day to be with us, and I look forward

1 to hearing what you have to say. I and my staff will be
2 available after the meeting to answer any questions that
3 you may have. Thank you.

4 **CHAIRMAN GRAHAM:** Mr. Kelly.

5 **MR. KELLY:** Let me bring it down to my level.

6 **MR. FOX:** Sorry.

7 **MR. KELLY:** Good morning.

8 I introduced myself to many of you as you came
9 in the door. My name is J. R. Kelly. I am with the
10 Office of Public Counsel, and we have the pleasure of
11 representing you, the ratepayers, in this matter before
12 the Public Service Commission.

13 For those you that are not familiar with our
14 office, we are not part of the Public Service
15 Commission. We are funded separately by the Florida
16 Legislature. And our job is simple, we represent
17 ratepayers on utility issues in front of the Public
18 Service Commission.

19 Why are we here today? We are here today
20 because Aqua Utilities has asked for a \$4.1 million rate
21 increase. A couple of months ago in a preliminary
22 hearing, the Public Service Commission granted them a
23 \$2.61 million annual increase. We have protested that
24 on your behalf as we do not believe it is justified on
25 the evidence that was submitted by Aqua Utilities.

1 Some of the issues that we are going to be
2 arguing in this matter we are currently developing are,
3 one, quality of service. We do not believe the quality
4 of service is what it should be. In fact, we believe it
5 is unsatisfactory. Based upon that argument, we believe
6 that Aqua Utilities should not be entitled to the rate
7 of return or profit level that they normally might be
8 entitled to if the product they were selling was
9 satisfactory.

10 Number two, we are objecting to certain what
11 are considered pro forma plant additions going into
12 their rate base. And that's a fancy way of saying
13 whatever goes into their rate base, folks, you would be
14 required as a ratepayer to pay them a return so they
15 earn money on that investment. And there are certain
16 things that we do not believe rightfully should be
17 included in that rate base.

18 We believe they have overstated the requested
19 revenues based upon some weather conditions, billing
20 errors, and the current economic conditions that exist
21 in our state. One of the big issues that we are arguing
22 on your behalf in this matter are what are called
23 affiliated costs and transactions. Those are
24 transactions that Aqua has between Aqua Utilities
25 Florida and its parent company in Pennsylvania. We

1 believe that they are overstated and excessive, and we
2 are going to argue that they be eliminated from the rate
3 base and, therefore, you would not be required to pay
4 for them.

5 We believe that the amount of rate case
6 expense they are asking for is excessive and should be
7 reduced. And, finally, we are arguing in general terms
8 regarding the affordability of the rates that they are
9 going to be asking you to pay by the additional revenues
10 that they are asking for.

11 We currently have engaged certain nationally
12 known experts that are poring through the documents as
13 we speak and developing their testimony. They will
14 appear at the hearing, and they will testify on your
15 behalf.

16 Now why, are we here today? I spoke with a
17 number of you as you came in the door, and this is your
18 hearing today, folks. It's not my hearing. It's not
19 Aqua's. It's not the Public Service Commission's. This
20 is your customer hearing. This is an opportunity for
21 your voice to be heard, and I'm asking you to please
22 come up today and consider speaking to the Commissioners
23 behind me.

24 Number one, they want to hear from you.
25 Number two, they need to hear from you. All I ask is

1 this, be truthful and speak from your heart. You do not
2 need to be an eloquent speaker. Just talk to them.
3 They will listen.

4 Speak to the quality of service. Is Aqua's
5 quality of service good; is it bad; is it so-so? What
6 about the quality of their water; is it good, bad,
7 whatever? Just come up here and say what it is. Has it
8 improved recently or over the past few years. Speak to
9 the impact of this rate increase to you. How will it
10 affect the way you live and the affordability of it; how
11 will that also affect you.

12 Folks, I can't urge you enough to please
13 consider speaking today. It is so important that these
14 Commissioners hear what you have to say. And more
15 importantly, as I said, they want to hear what you have
16 to say. So thank you so much for showing up. We really
17 appreciate it. And if you have any questions at the
18 end, I will be more than happy to answer them.

19 Thank you.

20 **CHAIRMAN GRAHAM:** All right. Before I swear
21 everybody in, let me go over the rules. Number one, no
22 clapping. (Audience laughter.) I know a lot of times
23 people get very excited about this, and it works better
24 if we stay away from all clapping, and the booing, the
25 hissing, whatever it is and just get through this.

1 Number two, if I can get you all to raise your
2 right hand for a second. Everybody. Now, if you can
3 find your cell phone wherever it is, and please put it
4 on vibrate, or turn it off, or put it on quiet. Because
5 I know everybody tends to forget that, and so this way
6 I'm getting everybody's attention to the fact. So let's
7 go ahead and put that cell phone on vibrate.

8 Number 3, we're going to limit everybody, at
9 least the first time, to five minutes. And that is
10 because I have found out as we have traveled all over
11 the state, some people get up here and talk for 15 or 20
12 minutes, and it's not fair because everybody wants the
13 opportunity to talk.

14 Now, after everybody has talked, and you still
15 haven't said everything you need to say, you are more
16 than welcome to come and then you can speak as long as
17 you want. But the first time through -- I will let you
18 know about four minutes into it that you have got a
19 minute left, and that you need to conclude your
20 comments. And that way nobody is here waiting for hours
21 and hours waiting for everybody to speak.

22 That all being said, if you have filled out
23 the paperwork to talk, I need to swear you in. So I
24 need for you to stand up and raise your right hand, if
25 you are here to talk.

1 (Witnesses sworn.)

2 **CHAIRMAN GRAHAM:** Thank you. All right. That
3 all being said, Mr. Kelly, let's call the first one.

4 **MR. KELLY:** The first name is Vito -- and I
5 apologize if I get this wrong -- Dedinas.

6 VITO DEDINAS
7 appeared as a witness and, swearing to tell the truth,
8 testified as follows:

9 DIRECT STATEMENT

10 **MR. DEDINAS:** Good morning, gentlemen. My
11 name is Vito Dedinas. I live at 4121 Linwood Drive here
12 in Sunny Hills. I have been a resident here since '92
13 after I retired from the Air Force.

14 What I would like to say is that recently
15 about three or four months ago, I believe you guys sent
16 out a report to all the customers saying that the
17 quality might not be as good as you think it should be,
18 as we would like it to be. And it was under the -- it
19 was a long report, but basically it was saying that the
20 water was not high quality. It could be a little bit
21 lower than it was before.

22 Also, every so often one of your people, I see
23 the truck and it says Aqua Water on it, and it comes to
24 the fire hydrant on Linwood Drive, and it opens it up
25 and it lets the water run out. And I asked him what are

1 you guys doing that for? And he said it's to relieve
2 the pressure on that line for the hydrants. And I don't
3 know what the reason for that was, but then every time
4 they do that our water turns brown. Okay.

5 And I don't think we can drink brown water,
6 unless you would like to come over and drink it for me,
7 okay. And that's one of the things that we have been
8 having to put up with. And I said, well, how do we
9 resolve that? Well, just let the water run until it
10 clears up. I said, well, what about the water that I'm
11 paying for that I can't use? So that's water wasted.
12 So that's another complaint that I've got on that.

13 So if there is any way to resolve that, you
14 know, it would be appreciated, and maybe the water might
15 be worth paying. For what it is right now, but with
16 that brown water, I don't believe so, okay. Thank you
17 very much.

18 **CHAIRMAN GRAHAM:** Thank you, Mr. Dedinas. And
19 thank you for your service to the country.

20 **MR. DEDINAS:** Thank you.

21 **MR. KELLY:** The next speak is -- I think it's
22 Luzia Mikutis.

23 **LUZIA MIKUTIS**
24 appeared as a witness and, swearing to tell the truth,
25 testified as follows:

1 DIRECT STATEMENT

2 MS. MIKUTIS: Good morning, Commissioners.

3 Thank you for coming and spending the time with us
4 today. Unfortunately, we don't have the number of
5 people that would normally come. Either they are
6 working or they have doctor's appointment. Having these
7 meetings at 10:00 o'clock in the morning is not feasible
8 for a lot of people.

9 My main complaint is every four to five months
10 I have real dark brown water in my faucet. I don't get
11 reimbursed for what I have to waste down the sink. I
12 live in a sewer area, and our sewer bills are
13 outrageous, and they want to raise it again? I mean, we
14 are paying for water and sewer that is higher than the
15 price of gas. That's uncalled for.

16 The water quality is very poor. If you leave
17 water sitting in a commode -- I have a three bedroom,
18 three bath house. I leave the water running -- or not
19 running, but I leave the water sitting in one of the
20 commodes because I don't use it. That water comes out
21 cloudy. There's always a ring around the water. The
22 water quality is extremely poor, and yet you want to
23 raise our rates again? Every year you come up and say
24 we want to raise the rates for this, we want to raise
25 the rates for that. You have not done anything here but

1 replace the water meters.

2 I read my water meter. I don't have double
3 zeros at the end of my meter. They are at the beginning
4 of my meter. I get my bill, and the double zeros are at
5 the end of the meter, so something is not right here. I
6 mean, greed has got to stop. The economy is really bad.
7 A lot of people can't even afford to pay their
8 utilities, let alone the water.

9 You know, if the economy was doing good and
10 you were doing something for us here in Sunny Hills as
11 far as the water quality, that would be good, but you
12 haven't done anything since you have taken over.
13 Absolutely nothing but replace the meters. That's it.

14 Personally, I live alone. I'm on a fixed
15 income, and it's just getting out of hand. It is
16 totally getting out of hand. I don't believe I use as
17 much water as my reading says I use, because I have
18 installed economical water equipment, water savers. I
19 have installed water saving commodes that only use
20 1.26 gallons per flush. I have installed water saver
21 showerheads. Why is my water bill so high? My washing
22 machine is also economical. It uses water according to
23 the load. I don't have a big load, so there is
24 something wrong.

25 I would appreciate some help somewhere. There

1 is a lot of people here that are in worse shape than I
2 am. There is a lot of people putting their house up for
3 sale. As soon as they received the notice that we are
4 having another water increase, there's a bunch of houses
5 up for sale again. I mean, you're going to run this
6 little area into a ghost town. Then where are you going
7 to make the money. Are you going to ask us to pay
8 triple the amount that you're requesting now? It's not
9 going to work. You're running people out of here.

10 Thank you for listening to me, and I hope you
11 can fight for us, I really do, because we need some help
12 here. Thank you.

13 **CHAIRMAN GRAHAM:** Ma'am, could I get your name
14 and address for the record?

15 **MS. MIKUTIS:** Oh, I'm sorry. My name is Luzia
16 Mikutis, M-I-K-U-T-I-S, and I live at 1768 Quintara
17 Court. And that is in the sewer area. There is only
18 about 100 homes in the sewer area, and we are paying
19 through the nose.

20 **CHAIRMAN GRAHAM:** I have a couple of questions
21 for you. What is your average monthly bill, do you
22 know?

23 **MS. MIKUTIS:** I conserve. I conserve my water
24 extremely, so my bill is not that high, because I do
25 conserve. And I have everything on water savers, but

1 before that my average bill would be 130 or more.

2 **CHAIRMAN GRAHAM:** Mr. May, you had a question?

3 **MS. MIKUTIS:** You can't even water your yard.
4 They don't give you any free water. I wasted 200
5 gallons cleaning out just this past week, cleaning out
6 the water until it ran clean.

7 Now, the person that works for Aqua said he
8 went down the hill and flushed it for two hours, but I
9 still had brown water. I have sediment in my water.
10 What's causing that? I can't really take a shower
11 without the water hitting my face, and when it does my
12 eyes burn. And you put way too much chlorine in the
13 water. Are you hiding something?

14 **CHAIRMAN GRAHAM:** That's it, ma'am.

15 **MS. MIKUTIS:** Are we going to find out that we
16 have another bacteria in our water like we did the last
17 time when you had your meeting last year? We were not
18 notified that there was this e-coli bacteria in our
19 water. You had your meeting here for a price increase?
20 We were not told at that time that there that was that
21 bacteria. Ten times they tested the water before you
22 got rid of that bacteria, and during that time the
23 chlorine in our water was outrageous. Do you have any
24 idea what chlorine does to a person's system?

25 **CHAIRMAN GRAHAM:** Ma'am, I have another

1 question for you. You said that about every four months
2 it gets brown.

3 **MS. MIKUTIS:** Right.

4 **CHAIRMAN GRAHAM:** How is it in between those
5 every four month period? Is it relatively --

6 **MS. MIKUTIS:** It's a little bit cloudy. It's
7 not extremely clear, and there is always residue in it.

8 **CHAIRMAN GRAHAM:** Do you know if every four
9 months, is that when they backflush that it gets brown?

10 **MS. MIKUTIS:** I have no idea, because there is
11 a fire hydrant right down the street from me, and I
12 never see them flushing that. And they tell me that I
13 am the only one that has a problem with the brown water.
14 Excuse me? Apparently not.

15 **CHAIRMAN GRAHAM:** Mr. May, do you have
16 anything for this witness?

17 **MR. MAY:** Just a couple of questions. Thank
18 you very much for coming this morning to talk.

19 With respect to the brown water issue that you
20 just mentioned, did you call -- did you speak with
21 Mr. Ledbetter last Saturday about your brown water?

22 **MS. MIKUTIS:** Who is Mr. Ledbetter?

23 **MR. MAY:** He's an employee of Aqua who handles
24 some of the line flushing.

25 **MS. MIKUTIS:** Yeah.

1 **MR. MAY:** And he came out and spoke to you for
2 about half an hour last Saturday?

3 **MS. MIKUTIS:** Correct.

4 **MR. MAY:** Thank you.

5 **CHAIRMAN GRAHAM:** Hold on a second. We have
6 got one more question.

7 **COMMISSIONER BRISÉ:** Thank you for your
8 testimony this morning.

9 My question has to do with customer service.
10 Obviously you have probably contacted the company a lot.
11 How is your interaction with the company with their
12 employees?

13 **MS. MIKUTIS:** Most of the time I get somebody
14 that's referred to me from a recording, and every time
15 it's our offices are closed, please call back. And when
16 you say emergency you get somebody else on the line, but
17 they don't seem to care. I mean, am I going to get
18 reimbursed for the 200 gallons that I used? No.

19 Before Aqua took over, we used to get quite a
20 bit of water for free, because it takes awhile for your
21 water to run to get hot water to do your dishes or to
22 take a shower. We pay for every little drop that is
23 used. There's no free gallons. I mean, a lot of that
24 water, it's just going down the flush, the commode, or
25 the sink and into the wastewater, and you can't use it

1 because you're waiting for hot water to do your dishes.

2 Give us some free gallons like we used to
3 have. At least give us enough gallons so we can water
4 our yards. I mean, our yards are getting so bad. We're
5 losing ground.

6 **COMMISSIONER BRISÉ:** Thank you.

7 **MS. MIKUTIS:** You're welcome. Thank you.

8 **MR. KELLY:** The next speaker is Ms. Karen
9 Schoen.

10 **CHAIRMAN GRAHAM:** Welcome, Ms. Schoen.

11 KAREN SCHOEN

12 appeared as a witness and, swearing to tell the truth,
13 testified as follows:

14 DIRECT STATEMENT

15 **MS. SCHOEN:** Thank you. We have been living
16 here for about four years, and every year we seem to be
17 winding up with an Aqua utility rate increase.

18 **CHAIRMAN GRAHAM:** Ma'am, I need your name and
19 address for the record.

20 **MS. SCHOEN:** Oh, I'm sorry. Karen Schoen,
21 2196 Shelby Court.

22 **CHAIRMAN GRAHAM:** Thank you.

23 **MS. SCHOEN:** Part of your rate increases you
24 are saying are coming from new regulations from the DEP,
25 from the FDEP. I would like to know what you have

1 required of the FDEP, since over the years we have
2 discovered that many of their regulations have no
3 foundation, many of their regulations are untrue and
4 unfounded. And, as a matter of fact, the state of
5 Florida is in litigation with the EPA regarding water
6 nutrients.

7 Have you required them to prove what they are
8 requiring of you, that it is valid, that it has it been
9 substantiated both scientifically and financially, or
10 are you just accepting another regulation that has no
11 foundation? We have found that many of their
12 regulations have no foundation.

13 In addition, I would like to know the meters
14 that you put in, was that an Aqua expense or was that a
15 grant that was given to you by the federal government?
16 And if it was a grant, why would it be considered?

17 The quality of the water in Aqua is
18 deplorable. The quality of the water at Sunny Hills is
19 deplorable, I should say Aqua, and I have also noticed
20 that Sunny Hills is one of the highest rates around of
21 all of your areas, and I would imagine that that has to
22 do with the population.

23 Well, part of the population problem is that
24 people have been getting water bills that are up from
25 \$150 and higher, and that has a lot do with the people

1 moving here, with people desiring to live here, because
2 one of the things that they request to look at as a
3 mortgage broker is they want to know what kind of
4 utility bills they will be facing, and the Aqua utility
5 bills are excruciatingly high.

6 So I would like to know where I can find out
7 or where you can find out what information you have
8 required from the DEP that they are forcing these
9 regulations upon Aqua, and if they are founded. Like I
10 said, we know that the water nutrient standard is
11 fictitious, and I'm wondering if the DEP is not forcing
12 this as another fictitious thing, because they are
13 trying to make everything coincide with their green
14 ideas, when in reality what we have existing right now
15 is perfectly usable and perfectly fine.

16 Are you replacing things that do not need to
17 be replaced, or are you replacing things that do, in
18 actually, need to be replaced? And if you are being
19 forced to replace them and we are being forced to pay
20 the highest water rates around, then why are you
21 choosing this time to do that. It does not seem that
22 that is a smart decision. Thank you.

23 **CHAIRMAN GRAHAM:** Thank you, ma'am. Hold on
24 for just a second.

25 **MR. MAY:** I don't have any questions.

1 **CHAIRMAN GRAHAM:** Thank you, Ms. Schoen.

2 **MR. KELLY:** The next speaker is Jennifer Pool.

3 **CHAIRMAN GRAHAM:** Welcome, Ms. Pool.

4 JENNIFER POOL

5 appeared as a witness and, swearing to tell the truth,
6 testified as follows:

7 DIRECT STATEMENT

8 **MS. POOL:** Thank you. My name is Jennifer
9 Pool. I reside at 4398 Janet Circle. Thank you.

10 I have never spoken at this, so I didn't do my
11 homework too well, but I noticed they sent in a quality
12 report in few months ago. And I noticed that a lot of
13 the impurities in the water and the toxins were at the
14 highest percentile that's required -- you know, that's
15 allowed by the state.

16 And also we have been experiencing the brown
17 water issue. We moved here at the end of May, and the
18 first time it happened was in June. We assumed a power
19 outage was the reason, and it did clear up. And
20 recently it happened again, the 28th of August, and it
21 continued for a week off and on, brown water. And I
22 called and complained and the lines were flushed, and it
23 was actually speedy service, so I really cannot complain
24 about the service, but then a week later the water had
25 returned.

1 And, again, I called and he had come out. And
2 I was also told that we were the only ones experiencing
3 this problem. And the lines were flushed again. He
4 said he had flushed all of the lines in Sunny Hills and
5 it should be fixed. And granted, our water is clear and
6 fine now, but I'm not exactly sure for how long. And
7 that is my only, I guess, complaints that I can say.
8 Thank you.

9 **CHAIRMAN GRAHAM:** Hold on a second. Thank
10 you, Ms. Pool. Thank you for your time.

11 **MR. KELLY:** The next speaker is Lee Edwards.

12 LEE EDWARDS

13 appeared as a witness and, swearing to tell the truth,
14 testified as follows:

15 DIRECT STATEMENT

16 **MR. EDWARDS:** I am Lee Edwards, 2008
17 Shenandoah Boulevard. And maybe I shouldn't be up here
18 because I don't use their water anymore because of the
19 prices. I got laid off two years ago, and it's cheaper
20 for me to put in a well than it was to water my grass
21 and all. And the last time I watered my grass to any
22 degree was a year and a half ago. \$170. Well over \$100
23 for a couple of months there. \$170 is one of my higher
24 bills for minimum watering, so I can't afford to do
25 that. If I have to put in a well anyway, I can go ahead

1 and get off of it.

2 Since then I don't have to scrape my toilets
3 to get the white deposits out of them. I have got
4 double filters on everything anyway, so I didn't have a
5 lot of brown water, but my filters were clogged up,
6 which is next to 30 to 50 bucks every five or six
7 months.

8 Three of my neighbors have gone, moved away.
9 One of the minor situations was their water bills. They
10 can't get buyers for the houses. You just tell them you
11 are from Sunny Hills -- I know because I have tried to
12 sell mine, too -- when you tell them it is in Sunny
13 Hills, no, Sunny Hills has terrible water and it's way
14 too high priced. If you are in the sewer section like
15 some of the people are, you know, that's way out of
16 line.

17 So that's all I can tell you right there. I
18 was here last year, the last -- a year and a half ago I
19 guess it was. I guess it was one of the last rate hikes
20 is what it was. My ideas were heard at that time, and I
21 was told that the reason that they charge as much as
22 they do is to stop you from using so much water, and
23 that's what your company told me that you charge me that
24 much because they are allowed to because the Washington
25 County Board of County Commissioners has agreed to let

1 them charge more to help get the water usage down in all
2 these areas, which is another situation that I was very
3 appalled at.

4 I have lived in Pensacola, Panama City,
5 Callaway, a couple of different areas. The more water
6 you use they drop off the sewer charges and the delivery
7 charges because you have already paid them in your
8 original bill. Now my bill is only a couple of hundred
9 dollars a year. I still have to pay for the meter out
10 front, but I'm willing to do that to get off of them.
11 That's how good the water quality is.

12 **CHAIRMAN GRAHAM:** A question for you. You
13 said you put in a well in. How long ago was that?

14 **MR. EDWARDS:** Just a few months ago.

15 **CHAIRMAN GRAHAM:** And roughly how much was it
16 to drop that well?

17 **MR. EDWARDS:** 3,000.

18 **CHAIRMAN GRAHAM:** And you're not having
19 problems with the well water?

20 **MR. EDWARDS:** No. I've got to filter that,
21 too. See, when -- the last bills that I had that were
22 170 were before the last rate hike. I don't know what
23 they would have been this time, after that last rate
24 hike. Now, another rate hike coming in on top of that?
25 A couple hundreds bucks a month. And I just turned 62.

1 I have had one Social Security check in the last two
2 years, so I'm living on a low line budget here. More so
3 than a lot of them are, and a lot of them are in my
4 boat. We're all sinking together.

5 **CHAIRMAN GRAHAM:** So is the water coming out
6 of the well roughly the same quality as Aqua Utility
7 water?

8 **MR. EDWARDS:** Pretty close, yes. Mine is a
9 little bit worse. At first it had been, because we went
10 through a lake bed thing down there. But around me the
11 water is better quality. I have got friends up here by
12 the golf course that have much better water than Aqua
13 puts out. But in our contracts, you know, I'm locked
14 into it kind of, the contract with the people in Deltona
15 here is that you have to have their water out front.
16 You have to be hooked up to their water or you have to
17 at least pay them for the access to their water. Such
18 is life, I guess. I'll pay that access, but I'm not
19 going to use the water because I can't afford that.

20 **CHAIRMAN GRAHAM:** Mr. May.

21 **MR. MAY:** No questions.

22 **CHAIRMAN GRAHAM:** Mr. Edwards, thank you.

23 **MR. KELLY:** There are no more speakers signed
24 up.

25 **CHAIRMAN GRAHAM:** Is there anybody else in the

1 audience that would like to speak to us, have any
2 follow-ups? Sir, I need you to come up. I need your
3 name and address for the record, and then afterwards if
4 we could get you to fill out one of those speaker cards.

5 **MR. LEWIS:** Okay. My name is Jimmie Lewis.

6 **CHAIRMAN GRAHAM:** I have to swear you in. I'm
7 sorry.

8 **MR. LEWIS:** Okay.

9 (Witness sworn.)

10 **CHAIRMAN GRAHAM:** Thank you.

11 JIMMY LEWIS

12 appeared as a witness and, swearing to tell the truth,
13 testified as follows:

14 DIRECT STATEMENT

15 **MR. LEWIS:** My name is Jimmie Lewis. I live
16 at 1949 Shenandoah Boulevard. And sitting here, I
17 wasn't going to speak, but sitting there listening
18 brings back memories of the times that me and the wife
19 were told we were the only ones that had problems with
20 our water, so that kind of prompted me to get up.

21 Everybody I know out here has had problems
22 with their water. You put your washing in, you can't
23 count on getting clean clothes back, because the water
24 might be dirtier than the clothes were in the first
25 place. So, I mean, it's kind of a scary situation. And

1 the wife and I, for the last three years we bought
2 bottled water to drink. We won't drink the water. And
3 that's basically it.

4 I mean, everything I have heard I can
5 understand because I have been through it. And I have
6 called many times, and I've got the same kind of stories
7 every time. And they were polite. When I got to talk
8 to someone, they were polite. They were never rude.
9 But nothing got done. Well, even a couple of years ago
10 we talked to Mr. Brown on Channel 13, and he done some
11 talking, apparently, to them, according to him. And
12 things got better for awhile, but they're right back
13 where they was. That's all I have to say.

14 **CHAIRMAN GRAHAM:** Thank you, Mr. Lewis.

15 **MR. LEWIS:** You're welcome.

16 **CHAIRMAN GRAHAM:** If I can get you to fill out
17 one of the speakers cards.

18 **MR. LEWIS:** Okay, will do.

19 **CHAIRMAN GRAHAM:** Thank you very much.

20 **MR. LEWIS:** You're welcome.

21 **CHAIRMAN GRAHAM:** Is there else?

22 Yes, sir. Have you been sworn in?

23 **MR. GARDONYI:** Oh, no.

24 (Witness sworn.)

25 **CHAIRMAN GRAHAM:** Thank you.

1 FRANK GORDONYI

2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

4 DIRECT STATEMENT

5 MR. GARDONYI: My name is Frank Gardonyi, 2196
6 Shelby Court, Sunny Hills.

7 CHAIRMAN GRAHAM: What is the last name,
8 again, sir?

9 MR. GARDONYI: Gardonyi, G-A-R-D-O-N-Y-I.

10 CHAIRMAN GRAHAM: Okay.

11 MR. GARDONYI: If I had known what the cost of
12 water is in Sunny Hills, I would not have moved to Sunny
13 Hills. I mean, it's out of control, the price of the
14 water. The water quality is substandard, and I can't
15 even water my lawn. The cost of water is so much that I
16 cannot do that.

17 CHAIRMAN GRAHAM: Thank you, sir. Also, if I
18 can get you to fill out the speaker card in the back.

19 MR. GARDONYI: Sure.

20 CHAIRMAN GRAHAM: Ms. Bradley?

21 MS. BRADLEY: Yes, sir.

22 CHAIRMAN GRAHAM: Would you like to address
23 the crowd?

24 MS. BRADLEY: Well, I guess I should apologize
25 for being late. I'm afraid I got my time a little bit

1 mixed up.

2 I'm with the Attorney General's Office, and I
3 represent Attorney General Pam Bondi, who works with the
4 Public Counsel to represent all of (inaudible) cases.
5 I'm sorry I missed hearing from a lot of you. If you
6 are going to be around for few minutes, I would love to
7 hear from any of you that wants to tell us, you know,
8 what your concerns are. I have heard a few of you.

9 But we appreciate you coming out here today.
10 I know you had something else you probably wanted or
11 needed to do, and it's important that you come out and
12 let these folks know what your concerns are and how this
13 affects you, because you are the people that have a say,
14 a big say in what is going on. And we appreciate you
15 coming. Thank you.

16 **CHAIRMAN GRAHAM:** One more person. Ma'am,
17 come on up, please.

18 **MS. MIKUTIS:** I'm sorry, I would like to add
19 to what I said earlier, which I forgot all about.

20 During the winter months when we have freeze
21 warnings, we have to leave our water dripping. We are
22 paying for every bit of that water that is dripping.
23 And living in a sewer area, it is crazy. I mean, you
24 waste so much water leaving it drip that you are not
25 using. It's just going down the drain. That's why we

1 need to have some kind of free water, not to be charged
2 for so many gallons.

3 I know when my dad first bought the house
4 here, it was under Deltona. The water quality was
5 extremely good. Their water bill, no matter how much
6 they used, for the month was only \$7 a month. Now you
7 have tagged on usage for the meter, usage for the
8 meter -- or base cost for the sewer, and without using
9 water it comes to about \$50-something without water
10 usage, just for the meters. That don't make sense.

11 What can be done to help us during the times
12 in the wintertime when you have to leave your water
13 dripping, or at a low flow so your pipes don't freeze?
14 I mean, we have no choice. You can't afford a plumber
15 to come out and replace a busted pipe, but we can't
16 afford to pay for all of that wasted water, either.
17 Thank you.

18 **CHAIRMAN GRAHAM:** Ma'am, what was your name
19 again for the court reporter?

20 **MS. MIKUTIS:** Sure. My name is Luzia Mikutis,
21 M-I-K-U-T-I-S, 1768 Quintara Court. I'm in the sewer
22 area.

23 **CHAIRMAN GRAHAM:** Thank you.

24 **MS. MIKUTIS:** Thank you.

25 **CHAIRMAN GRAHAM:** Is there anybody else?

1 Well, once again, I want to thank you all for
2 coming here today. As Mr. May from Aqua Utilities has
3 said, they have their staff customer service people in
4 the back if you have any specific questions or concerns
5 that you want to address. And also Ms. Bradley from the
6 Attorney General's Office is here, if you need to speak
7 directly to her about something. They are more than
8 willing to listen to you more, and to maybe -- you know,
9 if you need to get on a list or get more specific
10 questions, they are here to answer those questions.

11 This is the last one of these hearings that I
12 am doing. I think there is another three more to do. I
13 want to thank Dick Durbin for all he has been doing so
14 far. He sets up all the audio, the speakers and the
15 mikes and all that. And Cindy Muir is at the front
16 door. She is taking care of all this stuff. And I want
17 thank you two for all they have done for the meetings
18 that I have chaired so far.

19 With that all being said, is there any other
20 matters that need to be addressed before we adjourn? We
21 are adjourned. And hopefully you guys all drive safely
22 and have a great weekend.

23 (The service hearing concluded at 10:45 a.m.)
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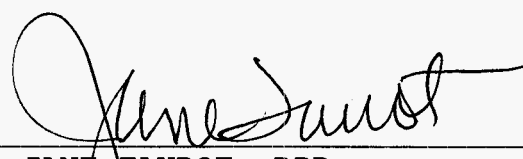
STATE OF FLORIDA)
 :
 : CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Hearing Reporter Services Section, FPSC Division of Commission Clerk, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 30th day of September, 2011.



JANE FAUROT, RPR
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