

P R O C E E D I N G S

1
2 **MS. THOMPSON:** Good evening. I'd like to
3 welcome you to the customer meeting for S.V. Utilities.
4 I'm Kelly Thompson and I'm from the Division of
5 Economics at the Public Service Commission. I have Curt
6 Mouring, who's in the Division of Accounting and
7 Finance, along with Shannon Hudson from the Division of
8 Economics, and Penelope Buys, who's an engineer with our
9 Engineering Division.

10 Tonight we're going to discuss the
11 Commission's rate process. We're going to receive your
12 comments. If you would like to make a comment, please
13 make sure that you sign up with Dick Durbin in the back
14 of the room. You will be called in the order in which
15 you signed up to speak. And please remember that these
16 comments are being recorded so that we, as staff, can
17 review them once we get back to the Commission, and
18 they'll be inserted into the correspondence side of the
19 docket file.

20 This is a staff-assisted rate case. We're
21 going to walk you through the process, we're going to
22 discuss the preliminary rates, and we're going to tell
23 you what you can do as a customer of S.V. Utilities.

24 I'm going to give you a little bit of history
25 to start us off. The utility began operations in 1981.

1 The Commission granted them their certificate in 1998.
2 They filed for their first SARC in 2007 but subsequently
3 withdrew it. The utility has not had a rate increase
4 since they came under the Commission's jurisdiction when
5 Polk County turned them over to the Commission.

6 Some of you may be asking what is a SARC?
7 It's the process where Commission staff assists small
8 water and wastewater companies with rate relief
9 requests. Staff's assistance usually eliminates the
10 utility's need to hire outside accountants and
11 engineers, thereby reducing expenses in the rate case
12 process.

13 S.V. Utilities' application for this case was
14 filed in August of 2013. We have had a staff auditor
15 conduct an examination of the utility's books and
16 records, as well as Penny, our engineer, conducted a
17 review of the utility's operations and has also been in
18 contact with the Department of Environmental Protection
19 to make sure they're in compliance with their rules and
20 regulations as well.

21 We issued a staff report with our preliminary
22 findings and our preliminary rates. Please keep in mind
23 that these rates are a best estimation based on what we
24 know at this time and they could change.

25 We hold these customer meetings to get input

1 from you as the customers. Please remember that this is
2 your meeting and we only know your concerns if you let
3 us know your concerns. After the customer meeting we
4 will prepare and file a recommendation that details
5 staff's proposed rates. The recommendation will be
6 heard by the Commissioners. Staff considers customer
7 input and information obtained subsequent to its
8 preliminary staff report for its recommendation to the
9 Commissioners. The rates in the final recommendation
10 may be different than what was presented to you in the
11 staff report.

12 After this customer meeting we will prepare a
13 recommendation and then we will go to the agenda in
14 front of the Commissioners. At the Commission
15 Conference the Commissioners may ask questions of staff
16 prior to voting on the recommendation. The Commission
17 may approve, deny, or modify staff's recommendation.
18 You as a customer as well as the utility are allowed to
19 speak at this Commission Conference. If you do decide
20 you want to make the trip to Tallahassee, just please
21 let staff know you're there so we can make sure that
22 your voice does get heard.

23 After we go to agenda and a Commission order
24 is issued -- excuse me -- a Commission order is then
25 issued within 20 days. This, this will be an order that

1 details what the agency is proposing to do. A 21-day
2 protest period then begins where any substantially
3 affected party other than the utility may protest the
4 order and request a hearing. The utility must agree to
5 accept final rates and charges set by the Commission
6 unless they produce less revenue than the existing rates
7 and charges.

8 What happens if it's protested? If a timely
9 protest is filed, then a hearing will be held as close
10 in proximity to the service territory as possible. The
11 hearing will be before at least three of the
12 Commissioners. The utility and the protesting party
13 will litigate the issues, and customers are allowed to
14 testify before the Commissioners in this hearing. Just
15 keep in mind that the PAA process has worked well
16 throughout the years. It's a very costly process and a
17 timely process for the protester. If you do decide to
18 protest, then you are responsible for filing the
19 testimony and will incur the expenses relative to your
20 responsibilities.

21 After the hearing, staff will prepare yet
22 another recommendation based on the testimony that was
23 given at the hearing. No participation from the utility
24 or the customers is allowed at this final Commission
25 Conference. A final vote is made and then a final order

1 will be issued. This Commission decision may be
2 appealed to the First District Court of Appeals.

3 Now let's talk specifically about S.V.'s case.
4 This slide represents the utility's operating income.
5 The first column is the utility's revenues, operating
6 expense, and net income based on their general ledger.
7 The top is the water; the bottom shows wastewater. And
8 then this column is what we of staff have preliminarily
9 determined them to be after the auditor went in there
10 and looked at their books and records. This is what we
11 as staff have preliminarily determined the rates to be.

12 I know this is a little confusing, so I'm
13 going to take just a little bit of time on this
14 particular slide.

15 Right now you pay \$15.71 for your water and
16 your wastewater combined, and that includes 8,000
17 gallons. Going forward we're going to separate your
18 water and your wastewater. Your base facility charge
19 for your water, which is the charge that you will incur
20 regardless of how much water you use, will be \$4.65.
21 The wastewater base charge will be \$9.28. So if you
22 have no usage at all, your total bill will be about \$14,
23 \$15.

24 Your usage charges are down here, and we will
25 do zero to 5,000 gallons for water will be \$1.39 per

1 gallon up to 5,000 gallons. Over 5,000 gallons it will
2 be \$2.34 for your usage over 5,000 gallons. Your
3 wastewater will be \$1.92 up to 8,000 gallons. So on
4 your wastewater side, if you hit 9,000 gallons, you're
5 only going to be billed for eight. So let's say you
6 use -- well, on the next slide is our comparisons.

7 Right now for 5,000 gallons you would be
8 billed \$15.71, and that would be your bill for your
9 water and your wastewater. Going forward, for
10 5,000 gallons you would pay \$11.60 for your water and
11 you would pay \$18.88 for your wastewater, so your total
12 bill would be roughly \$30 compared to your \$15.71.

13 And then going forward, your 8,000 gallons
14 are -- and your 10,000 gallons. Now if you see your
15 8,000 gallons and your 10,000 gallons for your
16 wastewater are the same, and that's because for those
17 2,000 gallons over 10,000 gallons you're not charged
18 for. So that's why that bill for your wastewater is the
19 same.

20 Staff's recommendation on S.V.'s filing is
21 tentatively scheduled to go -- to be filed on March
22 27th. Then our recommendation will be heard by the
23 Commission tentatively set for April 8th. And that's
24 the date that if you come up to the Agenda to hear this
25 item, then you would want to make sure that we know

1 you're there. And, again, the Commission may either
2 approve, deny, or modify what we as staff recommend.

3 What can you as a customer do? You can
4 provide comments at today's meeting either orally or in
5 the blue handout you were given there's a written
6 comment form that you can fill out. And we do give
7 these written comments the same weight as we give oral
8 comments. So if you don't feel like getting up in front
9 of the microphone and speaking, please fill this out.
10 It's pre-addressed. Fold it, put a stamp on it, and
11 send it back to us. If you know of anyone that couldn't
12 make it tonight but would like to fill out a comment
13 form, this is a great way for them to be able to do so.

14 You can also obtain a copy of staff's
15 recommendation by going to our website, which is
16 www.FloridaPSC.com, and it's on your blue handout as
17 well. Click the tab up top, the Clerk's Office, enter
18 the docket number, which is on this pamphlet as well
19 right under the name, and it will bring up anything and
20 everything that has been filed in this case.

21 Also, the day of the Agenda, which is
22 tentatively set for April 8th, you can go to the same
23 website, click on our conferences and meetings, and then
24 this screen will pop up. There'll be a red dot and you
25 can click on the video link, and then this screen will

1 pop up and you'll be able to see and hear everything
2 live as it's happening.

3 Office of Public Counsel, who are they? They
4 are your legal representation before the Commission if
5 you feel your concerns are not being adequately
6 addressed by staff. They are your advocate before the
7 PSC. Their telephone number is listed as well as their
8 website address if you'd like to get in touch with them
9 to discuss your concerns.

10 I've also listed our 800 Consumer Affairs
11 number. You can contact them, voice your concerns, file
12 a complaint.

13 And just some reminders before we get into the
14 customer comment portion of the meeting. It is being
15 recorded. You will be called forward in the order that
16 you signed up to speak. When you get up to the
17 microphone, please make sure you state clearly your
18 name, your address, and, if you wouldn't mind, spelling
19 your last name for us.

20 Also in this Special Report are staff's name
21 and contact numbers. These are our direct lines. We
22 don't have extensions. So this is our direct number to
23 get ahold of us if you have any specific questions.

24 At this time we're done with the slide show
25 portion and we will begin with our customer comments.

1 Our first speaker is Mr. Steve George.

2 **MR. GEORGE:** Steve George, G-E-O-R-G-E, 179
3 Geneva Drive, Winter Haven, Florida 33881.

4 First of all, I want to thank you for giving
5 us this opportunity to address the Commission. Any time
6 you're going to have a hike in any kind of cost, it's
7 going to be really hard on us that are elderly and on
8 fixed incomes. And the COLA and all that does not
9 really keep us up-to-date as far as, you know,
10 increasing costs of our living. You know, to incur any
11 kind of a rate increase would really be detrimental to
12 us.

13 I want to start out by addressing the
14 consumption. It shows that, you know, we purchase -- or
15 the utility company sold to customers 49 million
16 gallons, 49.5 million. And you're showing on their, on
17 their annual report, and this is based on 2012 -- your
18 case, the yearly (phonetic) case is going backwards from
19 June 30th. I understand that. But I don't have an
20 annual report because they haven't filed it yet, so I
21 don't have those figures.

22 But they're showing an amount of water pumped
23 and purchased at 71,759,000. We're missing 22 million
24 gallons of water, 22 million gallons. That's -- and
25 you've acknowledged that in your staff report. You say

1 it's 32 percent. I know it's a Public Service
2 Commission premise that in order to encourage the amount
3 of water that's used, you know, a rate increase, you
4 know, does that. But I think it's very unfair to, you
5 know, give us a rate increase when you can't show where
6 this 22 million gallons of water is being used. I think
7 it's very unfair. There's something wrong.

8 And then if you -- I don't know if you
9 people -- did you examine the SARC case in 2007 that
10 they filed when they withdrew?

11 **MS. THOMPSON:** Yes, sir.

12 **MR. GEORGE:** Okay. Did you see that there was
13 36 million gallons missing there, and they eventually
14 wound up withdrawing their case because they knew that
15 you were not going to give them a rate increase. I know
16 that you can't force them to do that. They had to do it
17 voluntarily. But there must be more consumption going
18 on than what's being recorded. Their records show that
19 they -- and their general service meters -- as you know,
20 Swiss Village, S.V. Utilities services three parks. And
21 the amount of water that's been used by general service,
22 you know, there on their common ground is about
23 2 million, which I don't see how it could be that low.
24 There must be more water being used than that. You
25 know, where is this 22 million gallons at? You know,

1 how, how are you going to address that? You say you're
2 going to look into it, but I think that's, you know,
3 outrageous to have that much water missing, and then for
4 us, you know, to receive a rate increase.

5 (Audio difficulties.)

6 I'm not sure why that's doing that. I'm sorry
7 about that.

8 **MS. THOMPSON:** It might be me. I apologize.

9 **MR. GEORGE:** So I think that's something that
10 has to be addressed by you as a staff before you could
11 even consider giving us a rate increase. I mean, where
12 is 22 million gallons?

13 I didn't quite understand how in your staff
14 report you, you acknowledged 32 percent of excessive
15 unaccounted water, but then you say it's 22 percent.
16 How can you say that?

17 **COMMISSION STAFF:** We rely on 10 percent for
18 other uses like flushing and maintenance, so that's why
19 it went from 33 percent --

20 **UNIDENTIFIED SPEAKER:** Can't hear you.

21 **COMMISSION STAFF:** We allow them 10 percent
22 for other uses like flushing, flushing their pipes. So
23 that's why the percentage went down.

24 **MR. GEORGE:** They show, they show
25 840,000 gallons -- sorry -- 640,000 gallons used for

1 flushing. Okay? And that, you know, that's from their
2 gross amount of water pumped out of the ground minus
3 640,000 gallons, then you have 71,759,000. All right?
4 So that, that doesn't come into play. That's already
5 been taken out of the equation. Okay. That 759.5 is
6 water that's made available to customers. Okay? So I
7 don't, I don't see how that comes into it.

8 **MS. THOMPSON:** Can you -- can y'all hear me
9 without the microphone?

10 **UNIDENTIFIED SPEAKER:** Yes.

11 **MR. DURBIN:** Mr. George, if you could back
12 away from the microphone just a little bit. I believe
13 that's what's causing the feedback.

14 **MR. GEORGE:** Okay. I'm not sure you can hear
15 me. Can you hear me?

16 **MR. DURBIN:** Yes.

17 **MS. THOMPSON:** Yes, sir.

18 That unaccounted water is still one of the
19 things that we are looking into and will be addressed.
20 When we did the staff report, we, we did not have a
21 conclusive answer at the time. But we are looking into
22 that and that will be something that is reflected in the
23 final recommendation.

24 **MR. GEORGE:** I think it needs a serious
25 looking into because of the amount of water that is.

1 You know, you're trying to encourage us to be
2 conservative with water but the company is not
3 encouraged to do that. I mean, there's -- and this,
4 this goes on and on and on. Why should there even be a
5 penalty if they're not, you know, being conservative?
6 You know, if the rate increase goes through, we're the
7 ones being penalized. I don't think that's fair.

8 There's something wrong with the accounting of
9 how much water is used by customers, aside from the
10 general service people, and the amount that goes through
11 the wastewater plant. I've made comparisons. And, you
12 know, as I said, you know, we supposedly purchased
13 49.5 million and you're showing a little over 14 million
14 going through the wastewater plant. All right.

15 Next door to us, Swiss Golf and Tennis, they
16 purchased 54 million but they had 36 million going
17 through their wastewater. That's 5 million more than we
18 have as far as water used, but look how much more is
19 going through the wastewater. Then you go down the
20 street to Four Lakes, they purchased 149 million gallons
21 of water, 149 million, and they only had 16 million go
22 through their wastewater plant. How can that be? I
23 mean, it just doesn't jive. There's something wrong
24 with these figures. And I know that the company will
25 say, you know, they have their meters calibrated and all

1 that. But what I would like to see is the staff go
2 through DEP and find out exactly how much solid
3 bio-waste comes out of these plants -- what came out of
4 our plant, what came out of Swiss Golf and Tennis, what
5 came out of Four Lakes -- I think that would show much
6 more readily exactly what's going through the wastewater
7 plant. And it's -- I can't understand how our usage
8 compared to nextdoor, Swiss Golf and Tennis is pretty
9 close and yet they have some 36 million wastewater, us
10 14 million, and yet our rates, the increase that you are
11 saying that the companies are entitled to are almost the
12 same. The BFC is almost the same. It just doesn't make
13 sense to me. I don't understand how that can be.

14 Also, you, you show in your operating costs
15 you've increased the water and wastewater (inaudible)
16 allotment and it, it jumped considerably. And yet the
17 company that owns our -- that owns S.V. Utilities owns
18 eight other, eight other -- seven other parks in our
19 community. But the licensed operator for the wastewater
20 plant is the same person taking care of eight plants,
21 taking care of eight water treatment plants. All right?
22 That's not (inaudible). I should say parks (phonetic)
23 of service. There's really only five wastewater plants
24 because ours services three parks, and Angler's Cove and
25 Angler's Cove West over in Lakeland, they have two at

1 the same plant.

2 But how can you increase so much more salary
3 allocation across these parks? That too doesn't make
4 sense to me. I mean, and it's contradictory to their
5 accounting, and those people are very good at
6 accounting. I don't see how you can allocate so much
7 more in salary than what they were showing, which to me
8 is going to increase the operating cost which is going
9 to increase other things, BFC, how you determine the
10 gallonage charge per thousand gallons. I don't think
11 that's right.

12 In closing, you know, you all are called the
13 Public Service Commission. "Public" means us and not
14 the utility company. And I think, you know, obviously
15 you're supposed to be fair and all that, but I don't see
16 how, you know, they're not penalized in any manner. I
17 mean, they can go on and waste water and waste water and
18 nothing seems to be done about it. But in order for you
19 people to encourage us to be conservative with water,
20 you know, we get a rate increase, and I just don't think
21 that's right. Thank you.

22 **MS. THOMPSON:** Thank you, Mr. George.

23 (Applause.)

24 Okay. Our next speaker is Walter O'Gara.
25 Please remember to state your name and address for us,

1 please.

2 **MR. O'GARA:** My name is Walter O'Gara,
3 O-G-A-R-A. I live at 432 Lake Henry Drive in Winter
4 Haven, Florida, in Hidden Cove West, one of the parks
5 serviced by S.V. Utilities.

6 Following Steve, he does his homework. And
7 I've done mine and I agree with him. It's not only 22
8 million -- it's actually 22,844,000 gallons lost in the
9 year 2012. I have a letter, copies of letters. I'm
10 sure you looked at the staff reports from last time it
11 was done. The Public Service Commission sent them a
12 letter looking for that 35,000,719 gallons that was
13 missing last time. Their answer was that they weren't
14 reading their own meters and their meters were read in
15 different ones and that's how they accounted for the
16 loss.

17 They were also asked this time by you in the
18 staff report, I saw that in the dockets, and their
19 answer to you was, oh, now we're going to contact the
20 Southwest Water District and look into leak detection.
21 They've been throwing away 22 million gallons of water
22 from at least 2007. Why didn't they look for the leak
23 detection then and why didn't the State of Florida
24 demand that they look for leak detection? I don't know
25 what your, your -- the Commission's attitude is and

1 they're your, your mandates, or if it's DEP that
2 mandates how they run a system. But I worked for 36
3 years for the City of Fall River Massachusetts Water
4 Department. The last six years I was the Director of
5 Distribution and Maintenance. Our system serviced
6 almost 100,000 customers, had 18,000 service
7 connections, 250 miles of pipe. And if I had lost that
8 much water, they would have fired me, in plain English.

9 The American Standards -- she's talking about
10 10 percent is more or less looked upon by the American
11 Water Works Association as a 10 percent loss. They
12 didn't account for that in their 2012 report that
13 they -- like Steve said, the 640,000 gallons of water is
14 already taken and it still comes out to almost
15 23 million gallons of water they're throwing away and,
16 like Steve said, yet we're asked to take a rate
17 increase. Which I, I believe the rate structure you're
18 looking at because it does promote conservation, and
19 conservation -- I was in the water business all those
20 years and we preached conservation and did whatever we
21 could to encourage people to use less water. And really
22 the only thing that made people use less water was when
23 they implemented the sewer user fee where I lived. Our
24 pumping (phonetic) went down 4 million gallons a day
25 once people started having to pay to process their sewer

1 water. So that's a way to promote conservation.

2 But also from at least since 2007 they've been
3 wasting 22 million gallons plus a year and no one has
4 done anything about it. The State of Florida hasn't
5 done a thing, and that's outrageous. And now to come in
6 and ask us to take a rate increase to help in
7 conservation without them addressing still
8 22 million gallons of water a year that they're losing
9 is, quite frankly, outrageous.

10 And I agree that (inaudible) paying \$15 for
11 8,000 gallons of water is an awful cheap rate, and they
12 haven't had a rate increase since they bought the place.
13 They've been charging that since they started charging
14 for water. And is there a cause for an increase? There
15 probably is some justification, but not when you're
16 throwing away 22 million gallons of water a year and,
17 again, nobody does nothing about it. I think that's
18 just, it's just not right.

19 Like I said, had I done that where I worked
20 and being in charge -- and, like I said, I was in charge
21 of the maintenance of that system and leak detection and
22 everything else -- I wouldn't have had a job the last
23 six years I worked as Director of that, that, that
24 system. I had a Grade 4, which is the highest grade you
25 can hold, water license in the State of Massachusetts

1 for distribution, and I held Grade 3 treatment because
2 they have dual licenses in Mass. I don't know what the
3 license structure here is in Florida. So I know what
4 I'm talking about when it comes to water, and there's no
5 excuse, no excuse for losing when you only pump
6 70 something million. We used to pump, where I worked
7 we pumped 18 million a day. They pump 70 something
8 million a year. It's, you know, it's nothing. But yet
9 they lose 32 percent of it?

10 I just don't see where any rate increase would
11 be justified knowing that they're just, they're not
12 conserving, they're just throwing the water away. And I
13 hope that the Commission and you people will take that
14 into consideration that maybe they should solve their
15 leak issues or whatever it is and come up with where the
16 water is and then come back for a rate increase. And
17 then we can sit down and look at a reasonable rate
18 because maybe the rate won't have to be this high
19 because the costs will be lower because they can pump
20 less water if they find out where they're losing the 22
21 million.

22 And I don't know why, but it seems that --
23 I've looked at all the rates around the whole state.
24 You people also have two base figures. They all go
25 through the same meter, all go through the same pipes.

1 I don't know why there are two base figures, one for
2 sewer and one for water. Apparently that's the way
3 things are done in Florida because I look at Lakeland's
4 rates, I look at, you know, all the rates around and
5 everybody has the same structure with two base figures,
6 which I think -- I know where we're at we have one base
7 fee and that's basically -- they don't call it a base
8 fee, they call it a meter service fee, a meter
9 maintenance fee to control the meters.

10 And as Steve said, how are they treating only
11 14 million gallons of sewer when they're producing and
12 selling 49 million gallons going through our houses?
13 Just something is not right. So their figures are all
14 off, and, again, by losing 22 million gallons, it's just
15 an unaccepted practice in the world of water. Believe
16 me, like I said, I was in water for over 36 years,
17 that's what I did for my whole life, and I ran the
18 system for the last six years. I was, you know,
19 management in control of all these things and controlled
20 leaks and controlled detection and conservation and
21 everything else. And for the Commission and the State
22 of Florida to allow them to do it since 2007 frankly is
23 appalling. And I don't know how they're getting away
24 with it and I don't think they should be allowed to
25 continue getting away with it, and then you're going to

1 reward them. Because they're doing such a wonderful
2 job, they get a rate increase. It just doesn't make
3 sense.

4 Again, thank you for your considerations, and
5 I hope you see our point of view. How can they run a
6 system so sloppily and expect to be rewarded with a rate
7 increase? Thank you.

8 **MS. THOMPSON:** Thank you.

9 (Applause.)

10 Our next speaker is Glenn Hardesty.

11 **MR. HARDESTY:** Glenn Hardesty,

12 H-A-R-D-E-S-T-Y, 383 Alpine Drive, Winter Haven,
13 Florida.

14 I don't have any experience with running water
15 facilities, but I do have experience with trying to
16 balance a checkbook and determine why there's -- my
17 calculations are roughly, just to keep everything apples
18 to apples, we were used to paying 15.71 for using
19 8,000 gallons of water and it included our sewage.
20 Okay. Now they want to increase -- it's page 5 of your
21 PSC Special Report -- the base facility charge for the
22 wastewater. They say that we all have 5/8 inch by
23 3/4 for 13.92. So essentially my figures are that
24 sewage is going to increase to \$18.88 and water, for
25 8,000 gallons, to 13.97, which increases our -- for

1 8,000 gallons of water, what we used to get for 15.71,
2 we now get the same thing for 32.85, which is a 100
3 percent increase in cost with no change in service.
4 That's all I have. Thank you very much.

5 **MS. THOMPSON:** Thank you.

6 (Applause.)

7 Mr. Romeo Dubois.

8 **MR. DOBOIS:** My questions have all been
9 answered. Thank you.

10 **MS. THOMPSON:** Okay. Thank you.

11 Mr. W.T. Koss.

12 **MR. KOSS:** W.T. Koss, K-O-S-S, 48 Alpine
13 Drive, Winter Haven, Florida 33881.

14 I likewise do not have a degree in
15 engineering. I have a degree in common sense.

16 I have reviewed the proposed water increases
17 submitted to the Florida Public Service Commission by
18 SUV [sic] Utilities. At the present time and date this
19 increase is improper and must be denied. To the best of
20 my knowledge, the present water meter at the noted
21 address has been in service since 1986. I have no
22 knowledge of the accuracy, testing, or maintenance of
23 this meter. I've never seen any consumption figures
24 from S.V. Utility, Ltd., from this meter. Maybe I used
25 up that 22 plus million gallons of water myself.

1 Past practice of S.V. Village, Ltd., has
2 obviously been extremely lacking to see the stated rate
3 increase. To the best of my knowledge, I have never
4 seen a monthly, quarterly, or yearly report of
5 consumption. I've received the letter of the water
6 quality as required by *Florida Statute*, I believe. And
7 as a seasonal resident I must have past reports to
8 adjust my style of life to best utilize the water
9 provided.

10 At the existing rate and future rates I cannot
11 afford to waste water. I'm a seasonal resident. I'm
12 from New York State living on a well. Everybody says
13 your water is free. Anybody here, I'm sure we have
14 some, that lives on well water, it's far from free. You
15 learn to stop all drips always. As stated by both prior
16 speakers, the loss of water by SUV -- excuse me -- S.V.
17 Utilities is outrageous.

18 I feel a written standard operating procedure
19 on behalf of S.V. Utilities must be in place to address
20 these issues. I truly believe a minimum of 12 past
21 monthly consumption records should be provided to each
22 and all affected parties. We need to know how much
23 water each of us have used in the past. I may be a
24 loner here on the not having received it, but I, I get
25 all the other mail from Swiss Village Utilities in one

1 of two places. For me to best control my consumption
2 and get my bang for my buck I have to know.

3 Swiss Village, as I hope you know, is an adult
4 retirement community. As a retirement community, I
5 believe a very large percentage of our residents are on
6 a fixed income. The proposed increase will have an
7 extreme, extreme impact on our residents. We are -- we
8 survive on Social Security, retirement systems, and
9 investment income. They have failed to keep pace with
10 the economic conditions experienced by the retirees in
11 general. Add to this the heavy burden of healthcare and
12 now health insurance; we're getting beat up. We don't
13 have money falling out of our pockets. We are hard
14 pressed to accept a rate increase.

15 Swiss Village is a community of owned homes
16 and rented property. To the best of my knowledge, only
17 once since 1986 have we not seen a yearly increase of
18 five to ten dollars a month on our rent, which works out
19 in my case, my best figures -- again a lot of paperwork
20 in the north -- amounts to \$280 monthly increase in my
21 rent since 1986. That is significant.

22 In closing, I strongly request S.V. Utilities
23 be denied any rate increase until management undertakes
24 corrective actions as I have noted to you. Swiss
25 Village has been a very nice village to approximately

1 360 families. This investment must be maintained
2 properly with severe -- with correct financial
3 constraints. Thank you for your time this evening.

4 **MS. THOMPSON:** Thank you.

5 (Applause.)

6 Mr. Ed Ethington.

7 **MR. ETHINGTON:** All of my questions have been
8 answered at this time. Thank you.

9 **MS. THOMPSON:** Okay. Thank you.

10 Mr. Ken Vanderbilt.

11 **MR. VANDERBILT:** That would be me. He
12 answered all of my questions.

13 **MR. GEORGE:** Okay. Mr. Steve Anthony.

14 **MR. ANTHONY:** Yeah. All my questions have
15 been answered. Thank you.

16 **MR. GEORGE:** Okay. And I apologize for this
17 next one. Mr. Jim Duwve?

18 **MR. DUWVE:** Duwve, yes. Good evening. My
19 name is Jim Duwve, 149 Zermatt. It's been most
20 interesting to listen to the information that the people
21 have presented this evening on behalf of the issue at
22 hand. I've enjoyed seeing the display on the board. I
23 wish we had had the opportunity to see that coming prior
24 to this meeting because it explains partially the basis
25 of the problem to me. I have a manufacturing background

1 in major industry. This company showing a loss as it's
2 doing indicates, first of all, that it needs some
3 significant manufacturing modifications to correct that.

4 One of the areas that people have talked about
5 are leaking valves, leaking pipes, perhaps other
6 management practices. The prices set in fact back
7 several years ago seemed pretty liberal. Now we're
8 looking at a situation, using your example of
9 5,000 gallons, of doubling the cost for this utility.
10 Can you imagine what would happen to General Motors if
11 they told you next year that you're going to have to pay
12 twice as much for a car as you did three years ago?
13 There's a sense of common sense inadequacy which is laid
14 out here. I think the auditors might be reconsidered to
15 try to search out some answers as to how management is
16 able to run this company so loosely. And then when they
17 discover that they are way behind in their
18 profitability, I believe they have a right to earn --
19 make a profit. But let's not try and pick up that
20 shortcoming by doubling the cost of the utility to the
21 consumers. That just doesn't seem to fit.

22 Another part of this as a snowbird which
23 bothers me consistently is that while you show these
24 numbers as figures representing an annual basis, many of
25 us are only here three months a year typically, yet we

1 continue to pay the minimum values plus the sewage
2 utilities. Now I use water to water my lawn during the
3 period that I'm not here, and I have no sewage that I'm
4 aware of. I don't know how many or what the percentage
5 is of the snowbirds in our community, Swiss Village, but
6 it seems to be quite high. In the sense of doing a
7 reasonable audit of the overall situation that this
8 factor should be put into the equations that come up
9 with the numbers. So I came in kind of shorthanded.
10 Like I said, I wish I had the information ahead of time.
11 I'm very grateful to the gentlemen who prepared their
12 data, and I want to thank you all for listening to me.
13 Good evening.

14 **MS. THOMPSON:** Thank you.

15 (Applause.)

16 Mr. Jean-Claude --

17 **MR. POIRIER:** It's okay. I'm probably the
18 only one (inaudible). It's Poirier. Translated it
19 means pear tree.

20 **MS. THOMPSON:** Thank you.

21 **MR. POIRIER:** Jean-Claude Poirier or Poirier,
22 476 Lake Henry Circle, Winter Haven, Florida 33881. If
23 you hear some weird sounds like a lot of burping, I
24 had -- survived cancer three years ago, thyroid cancer,
25 a rare invasion of my trachea. So please bear with me.

1 But the first thing I'd like to -- just some
2 general observations: The parks are great. We've been,
3 you know, we've been here 12 years. We've had a change
4 of manager, which to me has been a big improvement with
5 Russ that we've had now for the last three years. I'm
6 going to go on the other point that we're -- it appears
7 all of us are on fixed incomes, and some of them are,
8 quite a few I know in our park in Hidden Cove West that
9 they're really trying to live on, struggle on \$800 and
10 less a month. So any kind of increase is really going
11 to affect others a lot more than us, you know, and
12 that's -- they're having to decide, you know -- it
13 affects their eating (phonetic).

14 I'm a retired accountant. Well, some
15 people -- I usually say retarded and retired, because
16 I'm sure there was a few that worked for me that thought
17 I was retarded over the years.

18 But what I wanted to cover, I'm looking a
19 little bit here at the, at the payroll costs. You know,
20 I've done that before, and I just don't understand how
21 utilities and, and water companies, how they're still
22 stuck in the 19th century and they don't use Visa. I'm
23 getting bills sometimes for \$1.22 that I have to pay,
24 you know. So they're calculating this quarterly now to
25 calculate if we're over our usage, then they prepare a

1 bill. And right now it's costing them, according to
2 that, \$90,000 a year to, to go through these quarterly.
3 They mail that out to us; we've got to sit there and
4 start writing a check for a dollar something, which is
5 costing everybody a lot more money, sending it back down
6 here.

7 Same thing with our rents. They're collecting
8 our rent and our, now we're going to have our utility
9 every month, we're going to start -- they're going to
10 start calculating these overages and we're all going to
11 have to start making checks. I mean, let's get to the
12 21st century. There's programs that control that and
13 use Visa. I'm sure that then they won't be getting an
14 increase in payroll cost. It should be really driving
15 the payroll cost down if we get into the 21st century.
16 I'm -- you know, it's hard to sit there for three hours,
17 two hours trying to write a small amount of checks, and
18 now we're going to start have to write checks every
19 month for the water usage. I'm a snowbird from Canada.
20 Not only do we get the (inaudible), we also get the
21 exchange. So, you know, I'd rather just -- like if we
22 could move to the 21st century.

23 And then so that we won't -- because I know
24 you had a sheet up here that would increase the costs
25 and it suddenly increased for the payroll. If you, if

1 you were to bring up that, that summary sheet that you
2 had that showed the revenue, which I didn't have earlier
3 today too, the operating costs are now going to look
4 into the 154,000 from 104. I'm trying to say that net
5 operating costs shouldn't go up with the credit. At
6 least get a little bit more modernized and -- because
7 now they're going to do so much work manually. It's
8 ridiculous to be doing this. I mean, I can see -- I'm
9 hoping they're going to look at something maybe every
10 six months, calculate how much of our water, and then we
11 can pay it. But if you start calculating that the way
12 you're doing, you're artificially creating a higher cost
13 that you're going to pass on to all of us.

14 Because some of the costs that we're getting
15 on these bills we get for a dollar are (inaudible). The
16 sprinkler guy comes by, cuts the grass, hits one of
17 their sprinkler heads, (inaudible) a little bill comes
18 down two months after the fact and, you know, it could
19 be \$1.50. I mean, it's ridiculous to sit there and
20 write a check for \$1.50 to pay for that.

21 So my main thing is that I would like to see,
22 you know, for them to work on that 154,000. And it
23 would have been good in the future, like someone brought
24 up a minute ago, I would have liked to have seen a
25 salary sheet that shows me here's what you're paying for

1 so many gallons, here's what we're proposing. I think
2 I'm pretty smart. I've got a professional degree; I'm
3 an accountant. When I first read this thing, this was
4 really confusing me. I don't know how it confuses
5 people who do not even have any training. I looked
6 (inaudible) five or six times and I couldn't. And one
7 of the big problems I find with S.V. Utilities on any of
8 their correspondence, there's no phone number. You
9 can't find it, even on their application. If you look
10 at your little blue card you get, there's no phone
11 number. The rental -- the increase every year we get,
12 there's no phone number. You've got to sit there and
13 try to find them, you try to Google them. And then you
14 phone the office and then you're trying to get through
15 to a secretary. You can't talk to anybody. I've been
16 trying to because I didn't know how much of an audit you
17 guys had performed. So I was finally able to get into
18 your website and I got some information I wrote down and
19 copied, but it was kind of like everybody else, it was
20 at the last minute.

21 That's basically what my thing is that, you
22 know, I can accept like everyone else, I wouldn't mind
23 paying something reasonable. But whatever you decide,
24 can we look at it, that it should be graduated? And
25 start increasing it -- like if you're going to double

1 our rates, well, don't just double them next year. It
2 should be phased in over a ten-year period, you know.
3 Then you'll, eventually you'll catch up. Because I
4 think that's going to be very hard for all of us to
5 budget an increase. So we'd rather see -- you know, we
6 all want everything to be fair, we like our park the way
7 it's going, we want to be allowed to go to the tap and
8 get water, not like some people that go to the tap, no
9 water, you didn't even know about it.

10 And so, you know, we're all pretty reasonable
11 people, but phase it in gradually, not one big, one big
12 hit. That could be really hurt financially. I want to
13 thank you very much for listening to us and giving us a
14 chance to express our concerns. Thank you.

15 (Applause.)

16 **MS. THOMPSON:** That's all the speakers we
17 have. I want to thank y'all again very much for coming
18 out and voicing your concerns. I will adjourn the
19 meeting. But please know if you'd like to ask any
20 questions on a more informal basis, we will be around
21 cleaning up. Please feel free to come grab one of us
22 and get your question answered. Otherwise, thank y'all
23 for coming.

24 (Proceeding concluded.)

25

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 3 COUNTY OF LEON)

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