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STEVE CRISAFULLI
*Speaker of the House of
Representatives*



October 18, 2016

Carlotta S. Stauffer, Director
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket 140220-WU; Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C. and Docket 140219-WU; Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

Dear Ms. Stauffer:

On October 16, 2016, the Office of Public Counsel received an email (attached as Exhibit A) from Ms. Debbie Valle, a former employee of Sunrise and Alturas Utilities. Much of the information conveyed by Ms. Valle in the email corroborates recent complaints received by OPC from numerous customers regarding the poor business practices of Sunrise and Alturas Utilities. Additionally, Ms. Valle's email addressed many of the same issues that arose in the staff assisted rate case dockets for these utilities.

On March 28, 2016, the Commission issued Order Number PSC-16-0126-PAA-WU in Docket No. 140220-WU and on March 29, 2016, the Commission issued Order Number PSC-16-0128-PAA-WU in Docket No. 140219-WU. These orders extensively addressed the quality of service, customer complaints, and the business practices of the utility. These issues were raised at the customer meeting, in the staff recommendation, and by the Office of Public Counsel. As of the filing of this letter, neither Sunrise nor Alturas are in compliance with the requirements of the PAA Orders and the customer service continues to deteriorate. Based on calls, letters, e-mails, and other contact we believe that:

- The utility has failed to comply with the Polk County Health Department (PCHD) Consent Order to clean and recoat the hydropneumatic tank.
- The utility has failed to maintain minimal chlorine levels.
- The utility has not distributed boil water notices to customers.

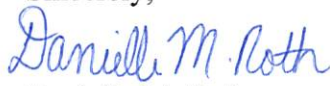
- The utility has attempted to require all current customers to complete an application with personal information, despite the directive by the PSC staff that it is not allowed.
- The utility has failed to correct the recorded ownership of the land between Sunrise and Alturas.
- Despite expense included in the Commission order, the utility no longer is paying for an accountant to maintain its books and records and provide customer care.
- The PCHD sent the utility a Notice of Violation, dated August 9, 2016, for the following:
 - Small hole in Tank 1
 - Repairs made by unauthorized person
 - Inadequate boil water and rescission notices provided
 - Failure to notify PCHD of hole and disruption of service
 - Tank 2 is overdue for maintenance

Due to the ongoing issues taking place at Sunrise and Alturas Utilities, and the lack of modification on the part of the owner; OPC is asking that the PSC conduct a full management audit of Sunrise and Alturas Utilities. OPC believes the full management audit is necessary to properly assess the copious customer complaints as well as the concerns raised by Ms. Valle in her email. If the allegations against these utilities are true, serious action must be taken immediately to prevent any more harm to the utilities' customers.

A management audit can be defined as an assessment of policies, procedures, and controls used by an organization to manage its resources, planning function, employees, and organizational structure. We believe that a management audit in this case should be expanded to include interviews with current as well as previous employees, current and prior contract service providers, customers, and the Polk County Health Department. These interviews may help provide a framework of how the utility functions with its plant operations, customer care, and accounts payable functions.

The utility has been less than forthcoming when staff or even its own contract providers request information or support. We believe that the Commission should take immediate action to fully evaluate what actions the utility is taking to provide safe and reliable water to its customers. These customers have continued to endure substandard service and have expressed the feeling that no one is able to help them. We believe that actions should be taken to determine what services are being provided so that the Commission can take firm action to respond to these concerns.

Thank you for your time and attention to this matter.

Sincerely,

Danielle M. Roth
Associate Public Counsel

Enclosure

From: Debbie Valle <mmvalle58@aol.com>
Sent: Sunday, October 16, 2016 7:44 PM
To: KCorbari@psc.state.fl.us; Roth, Danielle
Subject: Sunrise & Alturas Utilities

Good Morning Ladies:

My name is Debbie Valle and from the middle of February until last Friday I worked for Leslie Szabo and Sunrise and Alturas Utilities on a part time basis doing their billing and depositing and posting their customers payments. This all came to an abrupt end last weekend. As I was preparing the billing for 10/3 the owners wife sent me an email stating she wanted me to include a letter to certain customers demanding that they put up utility deposits because they didn't have one. I started checking into her list and found that the first 10 on the list did in fact have deposits up with the company so I flatly refused to send out the letter and told Mr. Szabo that I would not be sending out the letters because his wife didn't know what she was doing. He agreed with me but the following Friday I was told I was out of a job because his wife gave him an ultimatum - it was either her or me.

Although I will miss the extra income quite frankly it was a relief. I have never worked for someone so unscrupulous in my life. Before I can walk away from this fiasco though I feel there are certain things that someone with some authority needs to know. I'm hoping that's you. I started doing this job as a favor for a friend of mine, Cathy Parker. She had been doing the job from September 2015 until March when she asked me to take over because she just had too much on her plate and I agreed. Mrs. Parker is an enrolled agent with the IRS and is very well respected in her field. They didn't part on good terms either and I'm sure if asked, she will verify everything I'm about to tell you.

Prior to us working for him, he had resident of Sunrise working for him, Robert & Melissa Owens whom I understand are alcoholics and possible drug users. Mrs. Owens was previously arrested for utility theft by TECO. I have heard horror stories by many, many residents that the Owens would knock on their doors at 2 - 3 o'clock in the morning demanding payment of their water bills or else their water would be cut off. They would only accept cash and then stole this money for their personal use. I was told there was a petition of over 70 residents that was signed that this had happened to. When I tried to discuss this with Mrs. Szabo she told me that they would have to prove they had a deposit because all of these people were liars.

There are a group of residents that they do not make pay their bills, one being the Owens because I was told he may need their services again in the future or two, these are the people that he allows to work on his system when it needs repairs. I guess I should also mention that these people are all drunks. Once I was told that Mr. Owens would make the repair but we would have to wait until the next day when he sobered up. Recently, as you are aware, the system was down for 4 to 5 days and during this time Mr. Szabo authorized a resident to perform welding on the major water tank in Sunrise. The Health department showed up and demanded they stop welding because he was not an authorized welder. Currently Mr. Szabo is battling with the Health Department because they are telling him he has to replace the tank because the weld was uncertified. Again I told Mr. Szabo, if you would have only done things the correct way all of this could have been avoided. I informed him that I use to work for a mechanical contractor who has the needed "R" stamp that could have done the welding and it would have been certified. I told him it was possible that we could still get them out there to "re-welding" it properly and then certify it. He didn't want to pay for that. He wanted me to

call in a favor and ask them to certify the weld anyway, saying it would hold the pressure. I informed him that in no way shape or form would I ask my friends to risk losing their license for him.

He has over estimated so many meter readings in the past it's not even funny. In the beginning I was told don't worry about it, just bill them something because we know they are using water even though in all actuality they should have been given a refund for the overbilling, not another bill!! Finally I told him, I can't do that and knowing that he would NEVER issue them a refund for the overbilling unless they specifically asked for one (keep in mind most of these people have no idea they have been overbilled) I told him if nothing else, I would bill them zero usage until their reading caught up to what it should be. There are at least 20-30 accounts like this every month. There are many where the meters are broken, the meter reader and myself have informed the Szabo's of such and that we can't get a good reading when the meter is broken and their response was, just estimate it, I'm not buying new meters. Boiled water notices were never sent out, instead we told to hand deliver the few that we could and that was always AFTER THE FACT and the same went for the Rescind Notices.

When people leave he does not give their deposits back. I also informed him that it was illegal to keep their deposits after 23 months if they had a good payment history. He told me he knew that but there weren't that many with good history - I beg to differ. Mrs. Parker told me that when she was doing it a cleaning company came in only to clean up a property, they made them put up a deposit and a month later when they were done, they requested their deposit back and Mr. Szabo told Mrs. Parker he wasn't giving it back because he could keep it for 23 months. To this day I don't know if they ever got it back. He also told owners out there that rent out properties that the renters could not put the bills in their names that it had to stay in the owners name and then when the renters up and left owing a huge sum of money he tries to hold the owners responsible for the renters bills. The man is delusional. His only focus is money, money, money and he went so far as to have me mail out a 4 page ranting letter that it was all the PSC's fault because they wouldn't give him a proper rate increase to make repairs.

I can't remember exactly what kind of document that it was now but the meter reader that left when I started, his name was Bruce Alumbaugh - well Mr. Szabo falsified a document and made it appear that Bruce had written it and he signed Bruce's name to it without Bruce's knowledge. Bruce was very upset by this and I feel sure he will be happy to verify these facts for you. It was actually in response to something from you Ms. Corbari and I am going to forward that email to you as well. He claims that Bruce submitted invoices, several quotes and he did not. I can also tell you that it is my understanding that annually interest should be paid on the customer deposits that he holds. Based on the records that I saw, this was only done once and that was when Mrs. Parker took over.

There are many good people in Sunrise but there are also many, many undesirables who take advantage of filing complaints to avoid paying their bills. These are the types of people that Mr. Szabo chooses to do business with. In fact, I believe that Melissa Owens filed a very lengthy complaint after I went against Mr. Szabo's wishes and had the sheriff's visit her residence because she would not allow my meter reader access to cut her water off for non payment. She paid the bill alright and then turned around and filed that complaint with the PSC. Mr. Szabo bribed her to retract her complaint. That's when I threw in the towel. Crooked people working with crooked people, I knew I would never win.

I received your voice mails Ms. Corbari but I was forbidden by Mr. Szabo to return your calls. I was not allowed to talk to anyone with the PSC. Sonica Bruce reached out to me several times as well and again, I was forbidden to talk to her. I have a full time job, I work for a CPA and for whatever reason, it was imperative that the PSC not know about my other job per Mr. Szabo. I can only surmise it was because he wanted you to think that I was his bookkeeper and I was not. As far as I know, no one reputable kept his books other than himself, no bank reconciliations, etc. However, I

did scan and email his bills that came in the mail to him and EVERY single invoice that I sent to him was past due, some of them by several years. According to him, everyone and I mean everyone, was out to cheat him out of his money and in all actuality he's the biggest scam artist I know.

I'm sure I'm just touching the tip of the iceberg here but as I said, before I left I felt someone should have some idea of what goes on out there. It is my understanding that again, one of the drunken residents is involved (William Scott is who we were ordered to turn everything over to) and I feel sure that Mr. Robert Owens will again be reading the meters and stealing money from customers. I write this not for myself because I wash my hands of it but for the decent residents out there just trying to get decent water (water that's not brown and cloudy with matter floating in it) , decent service and trying to pay their bills as they should. I hope to God you can help them because if you don't stop him no on will.

Debbie Valle