

Jacob Veughn

From: Jacob Veughn on behalf of Records Clerk
Sent: Tuesday, January 19, 2021 8:41 AM
To: 'Shannon Roberts'
Cc: Consumer Contact
Subject: FW: Docket No. 20200226-SU / Objection and Request for Administrative Hearing
Attachments: Docket 20200226 SU Objection .pdf; ATT00001.htm

Good Morning, Shannon Roberts

We will be placing your comments below in consumer correspondence in Docket No. 20200226 and forwarding your comments to the Office of Consumer Assistance and Outreach.

Jacob Veughn

Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
Jacob.Veughn@psc.state.fl.us
850.413.6656

From: Shannon Roberts <shannon_roberts@comcast.net>
Sent: Sunday, January 17, 2021 4:33 PM
To: mfriedman@deanmead.com
Cc: Records Clerk <CLERK@PSC.STATE.FL.US>
Subject: Docket No. 20200226-SU / Objection and Request for Administrative Hearing

Mr. Friedman,

Attached please find the Objection to Application for Original Certification of Authorization and Request for Administrative Hearing that was emailed to the PSC clerk in the above-referenced matter. I have corrected your email address in the file.

Sincerely,
Shannon Roberts
720-635-0328

Martin Stirdivant
Shannon Roberts
8725 Placida Rd
Suite 7-508
Placida, FL 33946
shannon_roberts@comcast.net

January 15, 2021

VIA EMAIL clerk@psc.state.fl.us

Commission Clerk
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

VIA EMAIL msfriedman@deanmead.com

Martin S. Friedman, Esq.

**RE: Docket #20200226-SU
Objection to Application for Original Certificate of Authorization
Request for Administrative Hearing**

Dear Clerk:

As property owners located within the proposed service area on Knight Island, we urge the Florida Public Service Commission to deny Environmental Utilities LLC's ("EU") application in the above-referenced matter and formally request an Administrative Hearing. The application appears to be hastily compiled — lacking even the most basic information necessary for public scrutiny and further illustrates EU's cavalier approach to these proceedings. Our concerns are more specifically as follows:

1. **Defective Notice:** We along with many other property owners did not receive the notice mailed by EU. This matter was only brought to our attention in an annual meeting notice circulated by Palm Island Estates Association (PIE). We have not had sufficient time to consider retaining counsel or communicating with this Commission and the Charlotte County Commissioners to educate ourselves on the proposed project and circumstances prompting the application. EU's published notice on December 17, 2020 was made in the midst of Covid-19 and the holiday season — an obvious time of travel, delayed postal service and infrequent trips from island residents to retrieve mail on the mainland.

We hope this blatant attempt to move an application through with little to no opposition will not go unchecked by this Commission.

2. **Questionable Sewage Agreement with Procedural Irregularities:** Based on publicly available documents, it appears Charlotte County awarded EU a Bulk Sewer Treatment Agreement without a formal open-bid process, request for proposals or hearing before the Charlotte County Commissioners. We and likely countless other homeowners in the affected service area were not aware EU and Charlotte County entered into this agreement. We are deeply concerned that a private start up company — motivated purely by profit with no experience, financial backing or basic plan for a project of this magnitude — can unilaterally transcend into this certification process without first going through public comment, hearings and legal challenge at the local county and community level.

3. **Charlotte County Responsibility:** It appears Charlotte County refuses to be involved in the project and has granted EU authority to pursue the wastewater sewage plan and installation permit as a private entity. We are against private entities, motivated solely for profit, delivering services otherwise provided by public utilities funded by taxpayers. The agreement between EU and Charlotte County specifically states the county bears NO financial responsibility and is held harmless if, for example, EU runs out of money during the project, encounters construction installation issues or cannot afford to maintain the system. We, along with a very small population of homeowners, are left bearing the entire financial risk and responsibility for an ambitious project by an inexperienced private single member LLC motivated solely by profit.

4. **No Financial Ability, Bonding Capacity or Insurance:** EU has failed to provide information demonstrating it has the capital resources or stability to undertake a project of this magnitude, complexity and duration. The information that is publicly available indicates the principal(s) have been party to a foreclosure action initiated by Englewood Bank involving a construction project(s) *within the proposed service area* on Knight/Don Pedro Island and has several outstanding liens on personal and business assets. There is no proof of secured financing, bonding or insurance for the proposed project, again indicating a lack of project planning, details or understanding of basic requirements for a project of this nature. Exhibit B specifically states it is not a loan commitment. Bonding for payment and performance of an amount at least equal to the contract price must be required for an application from a private entity and made available for public scrutiny. Proof of all necessary types of insurance must also be required and made publicly available — including a pollution policy due to the significant environmental risks.

5. **Lack of Experience:** EU has failed to demonstrate it possesses the experience necessary to successfully install and manage a highly complex project of this magnitude on a barrier island. The proposed utility far exceeds the owner's experience in operating a small water company, which has a history of non-compliance, consumer complaints and illegal activity.

6. **Prior Criminal Conviction Disqualifying:** We are deeply concerned about Mr. Boyer's larceny conviction for illegally piping water from Don Pedro State Park's fresh water supply to his water company on Little Gasparilla Island — which is located within the proposed service area.

We believe this conviction should categorically disqualify the applicant from establishing a second private utility.

7. **No Project Details:** With the exception of cursory description and a CAD overlay on a blank plat map — zero information is presented on the proposed system. Conflicting information has been presented to homeowner associations on what type of system is being contemplated.

8. **No Project Budget or Connection/Rate Estimates:** EU has not prepared even a cursory initial budget — again, indicating it quickly compiled the application before contemplating basic project details, commencing research or engaging in discussions with stakeholder agencies such as West Coast Inland Navigation District, Department of Environmental Protection, Florida State Parks, The Florida Submerged Land Trust or Florida Fish and Wildlife. Estimated costs for permitting, surveying and site preparations, environmental compliance, easement procurement, construction and installation, legal fees, financing costs, and ongoing operating costs/maintenance must all be established and made public before the application can be approved.

Without this information, there is no basis for which to determine estimated hook up charges and rates in the service area. We are entitled to know what these will be prior to Spring of 2022, as argued by Applicant. A mandatory hook up, including filling in/removal of existing septic systems, will pose a significant financial hardship to many homeowners. There are no details provided on payment structures or available grants and programs. If forced to pay wildly high rates and connection charges, several homeowners will likely be displaced.

We are concerned by several rate-related comments EU made at homeowner association meetings, as shown in meeting minutes and emails. Mr. Boyer threatened \$20,000 connection fees with no basis in fact; stated he would take the maximum pay increase each year irrespective of performance and warned homeowners that if they opposed his application, they would pay higher rates and fees to cover his defense. The first semi-official interaction EU has with prospective consumers is fraught with threats resulting in wide-spread panic.

9. **No Official Studies:** We support the State's mandate to transition away from individual septic systems and acknowledge Don Pedro and Knight Island are included on Charlotte County's 5 year master sewer plan. We, however, are unaware of official studies substantiating claims that our proposed service area, with its extreme low population density, is a source of pollution from septic system runoff or leakage. We've seen nothing to suggest

an application from a private utility should be fast tracked or provided less scrutiny, because of this planning document and Charlotte County's preference to check a box off.

The application is an attempt by a newly formed single member LLC, with no experience or funding, to quickly gain approval for one of the largest and most complicated construction projects contemplated in our small island community — motivated purely by profit and propelled by what should be an invalid Bulk Sewer Treatment Agreement.

Based upon the reasons stated above, we respectfully request the Commission deny the application and formally request an administrative hearing into this matter.

Sincerely,

A handwritten signature in blue ink that reads "Shannon Roberts". The signature is written in a cursive style.

Martin Stirdivant
Shannon Roberts
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32 Bayshore Circle
Placida, FL 33946
shannon_roberts@comcast.net
720-635-0328