

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of: DOCKET NO. 20200230-WU  
  
Application for staff-assisted  
rate case in Manatee County by  
Sunny Shores Utilities, LLC.

---

PROCEEDINGS: COMMISSION CONFERENCE AGENDA  
ITEM NO. 3

COMMISSIONERS  
PARTICIPATING: CHAIRMAN GARY F. CLARK  
COMMISSIONER ART GRAHAM  
COMMISSIONER ANDREW GILES FAY  
COMMISSIONER MIKE LA ROSA  
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, August 3, 2021

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK  
Court Reporter and  
Notary Public in and for  
the State of Florida at Large

PREMIER REPORTING  
112 W. 5TH AVENUE  
TALLAHASSEE, FLORIDA  
(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN CLARK: Next is item No. 3.

3 Christopher Richards is going to be introducing the  
4 item.

5 Mr. Richards.

6 MR. RICHARDS: Thank you, sir.

7 Good morning, Mr. Chairman and Commissioners.  
8 Chris Richards with Commission staff.

9 Item No. 3 is Docket No. 20200230, staff  
10 assisted rate case for Sunny Shores Utilities, LLC.

11 Sunny Shores is a Class C water utility  
12 serving 262 residential and two general service  
13 customers in Manatee County.

14 The customer meeting was held telephonically  
15 on May 20th, 2021. The utility owner was present  
16 on the phone call. Office of Public Counsel did  
17 not participate, nor did any customers speak. The  
18 Commission has received nine letters from customers  
19 related to this case.

20 Staff is recommending an annual increase of  
21 \$15,711, or 16.8 percent. The utility owner,  
22 Mr. Smallridge, is joining us today telephonically,  
23 and that's it.

24 Staff is available to answer any questions.

25 CHAIRMAN CLARK: Thank you, Mr. Richards.

1           Mr. Smallridge, any comments before we open  
2 for questions?

3           Commissioners, do you have any questions?

4           Commissioner La Rosa.

5           COMMISSIONER LA ROSA: Thank you. Thank you,  
6 Mr. Chairman.

7           And certainly, a little bit of a comment and a  
8 question, but I certainly want to thank staff. As  
9 I was going through this, I kind of dug a little  
10 bit deep, and they certainly clarified a lot of my  
11 questions and concerns, and anytime I see a small  
12 Class C system, I get a little bit concerned  
13 because I know there is not a whole lot of options  
14 as far as where the ratepayers can go to. And  
15 although this is a small community, 162 or so  
16 residential customers, there was good  
17 clarification.

18           I was concerned on the testing of the system.  
19 It seems like the Sunny Shores system was what was  
20 tested by DEP, of course they are receiving from  
21 Manatee County.

22           I do want to see if I can get a comment from  
23 Mr. Smallridge in response to the backflow  
24 preventer. I do understand that the backflow  
25 preventers are the responsibility of the ratepayer.

1 I understood it's on their side of the meter, but I  
2 do have a small concern with the fact that this has  
3 not been a responsibility of theirs, and it is  
4 maybe in other situations, but in this community,  
5 it has not been, and now the ratepayer is taking on  
6 this responsibility.

7 I just want to understand what his plan is for  
8 the utility as they now transition to backflow  
9 resp-- the certification to be now the responsible  
10 of the ratepayer, which will have to be done  
11 annually if I am not I -- if I am not mistaken. So  
12 if we could just maybe get a comment from Mr.  
13 Smallridge on how he anticipates managing that with  
14 the utility.

15 CHAIRMAN CLARK: Mr. Smallridge, are you on  
16 the line? We are going to take that as a no.

17 Dave, do we have any connection? I'm sorry?

18 MR. MARSTON: I don't have a line. He is not  
19 identified in the system.

20 CHAIRMAN CLARK: One more time, Mr.  
21 Smallridge.

22 Mr. Friedman?

23 Anybody want to represent Sunny Shores today?

24 All right. Commissioner La Rosa.

25 MS. BRUCE: Commissioner, this is Sonica

1 Bruce. If -- if you guys have any questions, you  
2 may ask me and I can give the process of how to --

3 CHAIRMAN CLARK: I assume is this is -- is  
4 this Ms. Bruce? Okay. Ms. Bruce, we are having a  
5 hard time hearing you.

6 MS. BRUCE: Yes. Yes, it is.

7 Can you hear me now?

8 CHAIRMAN CLARK: That's much better.

9 MS. BRUCE: Much better, okay. Okay. I have  
10 just wanted to say, since Mr. Smallridge is not on  
11 the phone, if you all have any questions for me, I  
12 can explain the process.

13 CHAIRMAN CLARK: Okay. Commissioner La Rosa.

14 COMMISSIONER LA ROSA: Thank you, Chairman.

15 Ms. Bruce, do you mind maybe just -- just  
16 enlightening us a little bit of maybe discussions  
17 that you have had with Mr. Smallridge in response  
18 to the backflow situation?

19 MS. BRUCE: Sure. Sure. No problem at all.

20 I have been in close contact with Mr.  
21 Smallridge in of regarding this matter. And as you  
22 know, he is requesting to change the method of the  
23 backflow devices.

24 The previous owners had a contract with a  
25 company to inspect the back -- the customers'

1 backflow devices, and this was purely good will of  
2 the former utility.

3 Mr. Smallridge does not want the  
4 responsibility of ensuring that the backflow  
5 devices are working properly. He believes that  
6 because those devices are on the customer's side of  
7 the -- customer's side of the property, that he  
8 shouldn't be responsible.

9 And I think this may be appropriate. In prior  
10 Commission cases, the Commission has recognized in  
11 ensuring backflow prevention devices are  
12 properly -- are much better -- are functioning  
13 properly is the customer's responsibility.

14 Now, the good thing about this, Mr. Smallridge  
15 will notice the customers. And last year when he  
16 sent out the notices, he gave the customers about  
17 six weeks. And in that notice, he let the  
18 customers know what the date -- the date of the  
19 inspections, when they would begin. He also gave  
20 them the opportunity to choose their inspector of  
21 their choice.

22 And most importantly, during this case, there  
23 were a few customers that complained about having  
24 their inspection and still receiving a late notice.  
25 But the good thing about it, once the inspector

1 inspects the devices, and if it passes, they get a  
2 green tag. The customers are to make sure that  
3 they get a green tag if the inspection is passed.  
4 This will allow Mr. Smallridge to know that even if  
5 they receive a late notice, once he goes to the  
6 property, that they have had an inspection. So at  
7 the end of the day, it's the customer's  
8 responsibility to let Mr. Smallridge know that  
9 they've had an inspection. And that way that will  
10 avoid the problems of customers receiving late  
11 notices when they've already had an inspection.

12 CHAIRMAN CLARK: Commissioner La Rosa.

13 COMMISSIONER LA ROSA: Thank you, Chairman.

14 And thank you for the clarification and the  
15 background behind that.

16 And just kind of last comment, although this  
17 is not a major significant change when you look at  
18 all similar Class C type utilities, but it is  
19 specifically for this 262 residents. So I just  
20 want to make sure that there is an understanding,  
21 there is a transition. I cannot think of another  
22 annual certification that's responsible on a  
23 residential property, and this may be the first for  
24 many of the other residents.

25 So I just want to make sure that there is an

1           understanding from the utility as they transfer  
2           over that there is adequate notice, and certainly  
3           working with them over the first few years during  
4           the certification process the responsibility of the  
5           ratepayer.

6           Thank you, Chairman.

7           CHAIRMAN CLARK: Thank you, Commissioner La  
8           Rosa.

9           Any other Commissioners have questions?

10          I will entertain a motion.

11          Commissioner Graham, I am sorry.

12          COMMISSIONER GRAHAM: No.

13          CHAIRMAN CLARK: I will entertain a motion.

14          COMMISSIONER LA ROSA: Chairman, I -- I move  
15          that we move to vote, I guess, on Item No. 3.

16          CHAIRMAN CLARK: All right. I have a motion  
17          and a second to approve all items under Item No. 3.

18          Any discussion?

19          On the motion, all in favor eye.

20          (Chorus of ayes.)

21          CHAIRMAN CLARK: Opposed?

22          (No response.)

23          CHAIRMAN CLARK: Motion carries.

24          Thank you very much.

25          (Agenda item concluded.)



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE OF REPORTER

STATE OF FLORIDA )  
COUNTY OF LEON )

I, DEBRA KRICK, Court Reporter, 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 17th day of August, 2021.



\_\_\_\_\_  
DEBRA R. KRICK  
NOTARY PUBLIC  
COMMISSION #HH31926  
EXPIRES AUGUST 13, 2024