

**Antonia Hover**

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**From:** Antonia Hover on behalf of Records Clerk  
**Sent:** Monday, January 24, 2022 8:57 AM  
**To:** 'robert.der.der@gmail.com'  
**Cc:** Consumer Contact  
**Subject:** RE: SUBJECT: Docket #20200226-SU Notice of Objection to the Central Sewer System Proposal for Palm Island and Request the PSC to Deny the Application for Original Certificate of Authorization the Proposed Central Sewer System for Palm Island

Good Morning, Robert Der.

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

Thank you!

*Toni Hover*  
*Commission Deputy Clerk I*  
*Florida Public Service Commission*  
*2540 Shumard Oak Boulevard*  
*Tallahassee, FL 32399*  
*Phone: (850) 413-6467*

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**From:** robert.der.der@gmail.com <robert.der.der@gmail.com>  
**Sent:** Sunday, January 23, 2022 4:18 PM  
**To:** Records Clerk <CLERK@PSC.STATE.FL.US>  
**Subject:** SUBJECT: Docket #20200226-SU Notice of Objection to the Central Sewer System Proposal for Palm Island and Request the PSC to Deny the Application for Original Certificate of Authorization the Proposed Central Sewer System for Palm Island

My name is Robert Der and I own a home and reside on Palm Island at:

171 South Gulf Boulevard  
Placida, FL 33946-3294

My mailing address is:

P.O. Box 3294  
Placida, FL 33946-3294

I am writing you to formally object to the proposed central sewer system for waste water service for Palm Island and request the PSC to deny the Environmental Utilities (EU) Application for Original Certificate of Authorization for the Proposed a Central Sewer System which includes Palm Island. Please understand that Palm Island is a bridgeless barrier island where access is only by a small ferry/barge system with very limited capability to transport large and heavy equipment that will be required for the project. This would significantly increase the project timing and cost and significantly reduce the ability of the islanders to get on and off the island during construction. I think this application lacks sufficient detail and analysis from an inexperienced small operator with a questionable reputation. I believe EU is hoping to obtain approval of the application and flipping it to another company for a quick profit. I formally request that you reject or deny EU's

Application for Original Certificate or Authorization for the Proposed a Central Sewer System for the following reasons:

1. NEED FOR SERVICE. I am not aware of any scientific or environmental studies have ever been conducted to determine that there is a need for a central sewer system for Palm Island. I am a seasonal resident of Palm Island and am here only just over six months a year. Many home owners, including renters, stay on Palm Island much less than six months a year. I estimate that the total occupancy duration for our homes, including renters for the rental homes, would average substantially less than six months, probably closer to three months, per year. Palm Island has primarily residential properties with only Palm Island Resort (Resort) at the north end of Knight Island as the ONLY commercial entity on the island. The Resort consists of privately owned condo units and homes for rent as well as some owner occupied private residences with a restaurant and a couple of small shops. There are no additional stores, restaurants or other businesses that would dictate a need for a centralized municipal sewage treatment facility. Palm Island Resort owns and operates its own sewage treatment facility. The Resort and sewage facility should continue to provide for and take care of the Resort's needs. While the Palm Island homes have been on septic systems for years, the local water has been periodically tested and the results consistently do not show that the current residential septic systems are negatively impacting the water quality and local environment. I believe a possible leak from the proposed underwater pipeline carrying the waste material poses a much higher risk. I, also, believe the construction of the central sewer system would have a negative effect on local habitat and endangered species like the gopher turtles.

The installation of the new sewer system would require us homeowners to:

- Pay a huge connection fee
- Pay a large monthly fee
- Pay a large monthly fee that could be twice as high as some nearby areas
- Impact on current utilities such as electrical upgrades and a need for a generator for power interruptions (Palm Island experiences multiple power outages each year)
- Additional costs for yard and landscaping work due to sewer hookup

We should not be trying to fix something that is not broken. Due to the lack of demonstrated scientific evidence for the need for a centralized sewer system and the significant costs to be incurred, I strongly recommend that EU's application must be denied or rejected.

2. FINANCIAL ABILITY. EU has not provided sufficient and fully transparent information regarding its ability to finance this multi-million dollar and multi-year project. EU is a newly formed small company with no track record or financial statements to indicate that they would be capable of obtaining financing for and reliably managing a project of this magnitude and complexity. The requirement for performance bonds is a common business practice for construction projects and in this specific case of an inexperienced and small company like EU, this should be mandatory and nonnegotiable! I believe there is substantial risk that EU would not have the technical expertise or financial resources to obtain a performance bond, much less reliably completing the project.

If for some unfathomable and unbelievable reason, the application is granted, the application should be non-transferable. This would prevent EU from flipping the rights to the project as it may not have any intention or capability of completing the project. This would prevent an unqualified company like EU to flip the application to another company for a large fee and a quick profit.

Due to the small size of the company and lack of demonstrated financial resources and questionable intent and ability to execute on the project, I strongly recommend that EU's application must be denied or rejected.

3. TECHNICAL EXPERTISE. It is apparent that EU does not have technical expertise or skill set to put in a central sewer system. The only experience the owners of EU claim is the distribution of water to Little Gasparilla Island. That company has a history of poor service and dissatisfied customers. A water supply company that accepts treated water from another mainland utility and then distributes it, reads the meters, and collects the payments, is vastly different from the complexity and magnitude of designing, installing, maintaining and running a municipal sewage system on a barrier island. I understand that EU plans to contract with an engineering/construction firm to design and build out the proposed system. I question if the two owners of EU would even be qualified to draft the technical specifications for a request for a proposal to build the system or evaluate the proposals once they arrive. The EU owners have no experience or qualifications in designing, building and management of a project of this size and complexity. Due to EU's lack of technical expertise, experience and resources, I strongly recommend that EU's application must be denied or rejected.

4. FAIR AND EQUITABLE RATES & CHARGES. From the start, EU has not been transparent or fully analyzed the the costs and resulting rates and charges for the proposed central sewer system. Initially, EU boldly and without merit requested to have the Authorization separated from any information on proposed installation costs or rates. The PSC thankfully denied the request. Following the denial, EU suggested a possible connection fee of \$20,000 per dwelling. It seems that this was simply a guess they hoped to get approved. Now, EU is "guessing" a much lower connection fee of \$13,000 per dwelling. EU has yet to present transparent and realistic cost estimates, calculations and related assumptions based on certified preliminary designs and specifications to justify rates and charges. Reliable cost estimates cannot be calculated without an adequate preliminary design and cost calculations from a licensed and qualified engineering firm with experience in designing and overseeing the construction of central sewer systems. Due to EU's lack of a preliminary design and cost calculations from or evaluated by a qualified engineering firm, the financial information provided by EU cannot be relied on. As a result, any rates and charge information based on EU provided information could be wildly inaccurate and should not be relied upon. Due to the lack of reliability and transparency of EU's cost estimates and are not based on valid engineering projections, I strongly recommend that EU's application must be denied or rejected.

Thank you for your consideration.

Best regards,

Robert Der

Mobile telephone numbers:

USA: +1-630-373-7886

China: +86-136-6196-0494

Email: [robert.der.der@gmail.com](mailto:robert.der.der@gmail.com)

or [derro@yahoo.com](mailto:derro@yahoo.com)