

From: Tristan Davis on behalf of Records Clerk
Sent: Tuesday, January 20, 2026 8:25 AM
To: 'Karen Kelbaugh'
Cc: Consumer Contact
Subject: RE: Docket No 20250088-WU

Good Morning,

We will be placing your comments below in consumer correspondence in Docket No. 20250088, and forwarding them to the Office of Consumer Assistance.

Thank you!

Tristan Davis
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-6121

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From: Karen Kelbaugh <karenkelbaugh@yahoo.com>
Sent: Monday, January 19, 2026 8:44 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Cc: William Shaul <wshaul2@gmail.com>
Subject: Docket No 20250088-WU

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Attached is my opposition to any proposed water rate increase. Virtual hearing 1/21/26

909 Nelson Drive
Lady Lake, Florida 32159
1/18/26

Office of the Commission Clerk via clerk@psc.state.fl.us
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

RE: Application for Staff Assisted Rate Case in Lake County by Sun Communities Finance LLD dba
Water Oak Utility
Docket No.: 20250088-WU
Virtual Hearing 1/21/26 @ 10 a.m.

Dear Sir or Madam:

I am writing in response to the letter dated January 7, 2026 which wasn't received until January 13, 2026. Your docket includes a notarized Affidavit from Michele Harmon that all residents of Water Oak Country Club Estate were mailed a copy of said letter. Your requirements are that the utility in question must provide the residents and interested parties a copy of the notice of hearing no less than 14 days and no more than 30 days from the date of said hearing. As of this date, there are still residents who haven't received a copy of the notice of hearing.

- Sun Communities is a large REIT in the U.S., Canada, and UK. It specializes in land lease properties. It's former CEO Gary Shiffman, for a period of approximately 5 years, ending in 2024, was under investigation by the federal government that has resulted in multiple Class Actions against Sun Communities which in turn resulted in a devaluation of its stock.
- In 2024 Sun Communities increased their revenue by adding an additional 3,210 manufactured home sites to their portfolio.
- Between 2023 and 2024 Sun Communities dba Water Oak Country Club Estates began clear cutting a large wooded area in order to add an additional 300 homesites to their existing 1,200+ homesites. Utilities for water, sewer and electric had to be installed in the ground, roads had to be created, areas were marked off for added amenities which included a 3rd swimming pool for the community, dog park, bar, outdoor cooking sites (propane grills), etc. Unfortunately, after completing all of these upgrades, the homes for this new addition haven't sold. The cost for all of this is now on the backs of the original 1,200+ homeowners and much of these expenses are buried in Sun Communities' request for a rate increase.
- The community celebrated it's 45th anniversary but it has only been owned by Sun Communities since 1993. According to the Mayor of Lady Lake, there are 4 different plumbing systems located within the Community. Recently the Town of Lady Lake agreed to take over the waste water treatment for Sun Communities and charges Sun Communities a flat bulk rate fee for sewer. The residents of the Community do not have sewer meters so 100% of their water consumption is also being charged as sewer even though water is being used by the residents to water Sun Communities' lawn, to wash their vehicles, and power wash their homes. Some residents are running their sprinkler system twice a week, rain or shine, for 20 minutes or longer, to maintain Sun Communities' lawns and Sun Communities is pocketing the sewer fees being charged to the residents for that water. The Town of Lady Lake just implemented a new rate structure on 10/1/2025 with the 0 to 3,000 gallon rate going to \$3.39, which is well below the Water Oak proposed rate of \$9.11 per gallon. I just don't see how Water Oak charging 3x the Town Rate can be justified when the Town is covering a much larger area with more staff

personnel and equipment. Additionally, Water Oak residents are receiving well water. They're not receiving water from a reservoir or water treatment plant.

- Water meters for each residential property are not read manually. Water bills are issued to the residents 2 months late. There is no regular inspection or monitoring of the meters or water consumption. A resident may have a broken meter or some other type of water leak but not be made aware of it until they receive a suspiciously higher water bill 2 months after the leak occurred. Water bills are inconsistent, i.e., a resident might have a \$16.00 bill one month and a \$90.00 bill the next month even though there has been no leaks or damage to the meter and no change in living circumstances. Yet the Utility is unable to explain the inconsistency.
- Water Oak residents demand full disclosure from Sun Communities. Who are the 17 general service customers who are not being billed for water.
- The October 7, 2025 audit identified incomplete records, unsupported plant entries, depreciation inconsistencies, and revenue reporting issues. As a result, any unsupported, affiliate-related, improperly capitalized, or non 'used and useful' costs—meaning costs that do not directly and currently provide safe drinking water to residents—should be fully disallowed.
- EUW unaccounted for water in excess of 42%. There is only supposed to be a 10% margin for unaccounted water. Is the water being used on a public golf course located within a private community? Is water being used at the golf cart barn to wash golf carts? Is water being used in Sun Communities' restaurant to wash dishes, cook food, flush toilets, etc.? Is this unaccounted for water being used to fill 3 swimming pools, support bath houses and bathrooms? Is this unaccounted for water being used inside and outside of the 2 clubhouses that contain large commercial kitchens that are rented out to both the residents and the public for various functions? Is the water usage for Wednesday night bingo dinner as every Wednesday meals are prepared in the commercial kitchen? How much of the unaccounted for water goes to watering common areas, medium strips, baseball fields and sports complex?
- On average, residents of Water Oak pay a monthly ground rent fee of approximately \$800.00 plus annual Assessment fees which include the property taxes and local fire assessment fees. The monthly ground rent fee is supposed to cover the costs of maintenance as well as costs of amenities but no annual accounting is provided to the residents detailing how much of that money is pure profit to Sun Communities and their CEO and shareholders. Since 2024 the ground rents have continued to rise but the amenities have continued to be eliminated.
- There is no dedicated employee for the 2 wells and the water consumed by the community. There are no dedicated vehicles for water or related maintenance. There are approximately 5-7 employees who work approximately 40 hours a week doing various duties such as emptying trash cans throughout the community, cleaning up yard waste, replacing broken sprinkler heads, unclogging public toilets, answering emergency calls from residents for broken water meters or underground pvc pipes.
- The 5 plant projects listed all only have 1 bid each when the Commission states that the Utility is required to obtain 3 bids. Where exactly are these projects? Are they part of routine maintenance in the older section or are they part of the projected 300 homes area? Where exactly was a new generator installed as one had been installed within the past 5 years and it's only used 1 time per year when it's tested. Was the well pump installed in the projected 300 homes area? Were all of the meters installed in 2024 actually installed on the new homes constructed in that expansion area?
- The Commission has now made 4 requests from the Utility to produce documents yet the Utility continues to dump duplicate records on the Commission but not comply with these multiple requests.

- Sun Communities dba Water Oak, at a time when the real estate market is stagnant and mortgage interest rates are high, is continuing to undergo expansion. Sun Communities has a history of underinvestment in core infrastructure which creates a high risk that costs are being misallocated, blended together or shifted on to the residents, many of which are surviving solely on a single social security check.
- If the Utility installed in 2024 or upgraded facilities in 2024 to serve its future customers, those costs are not “used and useful” yet.
- The existing residents should not pre-pay for the ongoing and future development. Those costs should be borne by the developer (Sun Communities dba Water Oak) or recovered when new customers connect.

Respectfully submitted,

Karen L. Kelbaugh

Karen L. Kelbaugh

cc: Bill Shaw, President HOA