

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** May 1, 2026

**TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

**FROM:** Joshua Cohn, Public Utility Analyst I, Division of Accounting & Finance

**RE:** Docket No. 20250088-WU - Application for staff-assisted rate case in Lake County by Sun Communities Finance LLC, d/b/a Water Oak Utility.

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Please placed the attached information submitted by Dinah Schiegner in the consumer correspondence section.

JC/at

Attachment

**FORMAL COMPLAINT AND REQUEST FOR COMPLIANCE REVIEW**  
**St. Johns River Water Management District | Compliance & Enforcement**  
**Division**

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Dinah Schiegner  
Vice President, Water Oak Estates HOA Board of Directors  
Water Oak Estates — A 55+ Land-Lease Community  
Lady Lake, Lake County, Florida

April 8, 2026

Compliance & Enforcement Division  
St. Johns River Water Management District  
4049 Reid Street  
Palatka, Florida 32177  
permitting@sjrwmd.com | compliancesupport@sjrwmd.com

**RE: Formal Complaint and Request for Consumptive Use Permit Compliance Review —  
Sun Communities Finance, LLC d/b/a Water Oak Utility — Lady Lake, Lake County, Florida  
| Florida PSC Docket No. 20250088-WU**

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Dear Compliance & Enforcement Division:

I am writing on behalf of the residents of Water Oak Estates, a 55-plus land-lease retirement community located in Lady Lake, Lake County, Florida. I serve as Vice President of the Water Oak Estates HOA Board of Directors. This letter constitutes a formal complaint and a request for your agency's review of potential violations of Florida's consumptive use permit requirements by Sun Communities Finance, LLC, operating as Water Oak Utility.

Sun Communities Finance, LLC has filed a proposed water base rate increase of 175.17 percent before the Florida Public Service Commission under Docket No. 20250088-WU. In the course of our HOA Board's review of this rate case, we identified serious concerns regarding the utility's water use practices and its compliance with applicable consumptive use permit conditions.

**BASIS FOR THIS COMPLAINT**

Our community contains 21 or more vacant homes. Each of those vacant homes has an underground irrigation system that runs on an automated timer — approximately four hours per day, seven days per week — with no human oversight and no monitoring for leaks or waste.

This unmonitored irrigation represents a significant and ongoing consumptive use of water that we believe may not be properly accounted for under the utility's existing consumptive use permit. Specifically, we request your agency review the following:

- Whether the volume of water consumed by automated irrigation systems on vacant lots is captured and reported accurately under Sun Communities Finance, LLC's consumptive use permit;
- Whether the operation of unmonitored irrigation systems on vacant properties is consistent with the conditions of the permit and with Florida's water conservation requirements;
- Whether metering failures documented in the PSC rate case — broken or non-functioning meters — have resulted in inaccurate reporting of consumptive use volumes to the St. Johns River Water Management District; and
- Whether the utility's own internal irrigation meters, identified in the PSC proceeding as 16 'general service customers' that were never billed, represent additional untracked consumptive use.

The PSC record reflects that Sun Communities Finance, LLC submitted three different customer counts during the rate case proceeding — 1,265 reported versus 1,337 confirmed by the community's own General Manager. These inconsistencies raise further questions about the accuracy of data submitted in connection with the utility's regulatory obligations, including those owed to your agency.

## **REQUEST FOR ACTION**

We respectfully request that the St. Johns River Water Management District:

1. Review Sun Communities Finance, LLC's consumptive use permit and all associated compliance reports for the Water Oak Utility service area in Lady Lake, Lake County, Florida;
2. Investigate whether automated, unmonitored irrigation on vacant properties constitutes a violation of permit conditions or applicable water conservation rules;
3. Assess whether metering failures reported in PSC Docket No. 20250088-WU affected the accuracy of consumptive use data submitted to your agency; and
4. Take any enforcement or corrective action your agency deems appropriate.

We are prepared to provide any supporting documentation from the PSC proceeding upon request, including filings, exhibits, and staff reports. The residents of Water Oak Estates are seniors on fixed incomes who depend on responsible utility management and sound regulatory oversight. We trust your agency shares that commitment.

Thank you for your time and for the important work your agency does to protect Florida's water resources.

Respectfully submitted,

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Dinah Schiegner  
Vice President, Water Oak Estates HOA Board of Directors  
Lady Lake, Lake County, Florida  
schiegner54@gmail.com

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cc: Water Oak Estates HOA Board of Directors | Florida PSC Docket No. 20250088-WU

# Water Oak Utility — Rate Increase Analysis

Annual Inflation Adjustments: 2021 vs. 2026  
Prepared for: Dinah Schiegner, HOA Vice President | April 2026

## I. What the 2021 Notice Said

On June 22, 2021, Sun Communities Finance, LLC d/b/a Water Oak Utility filed an annual price index increase under Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420, Florida Administrative Code. The Commission staff reviewed the filing and approved it.

**The approved 2021 annual inflation adjustment was 0.63%. This was a routine, small inflation-based increase — not a full rate case.**

Under Rule 25-30.420, investor-owned water utilities are permitted to file small annual inflation adjustments without going through a full Staff Assisted Rate Case (SARC). These adjustments are supposed to track the actual price index — meaning real, documented inflation. They are NOT intended to produce large cumulative increases over time.

## II. What the Bills Actually Show — 2021 vs. 2026

A resident provided actual Water Oak utility bills from August 2021 and January 2026. A comparison of the rates charged in each period reveals the following:

Category	Aug 2021 Rate	Jan 2026 Rate	% Increase
WATER — Base Charge	\$5.17	\$5.74	+11%
WATER — First 3,000 Gallons	\$0.96/unit	\$0.00107/unit	+11%
WATER — 3,001 to 6,000 Gallons	\$0.99/unit	\$0.00111/unit	+12%
WATER — Over 6,000 Gallons	\$1.28/unit	\$0.00143/unit	+11.7%
SEWER — Usage Rate	\$1.28/unit	\$0.0036/unit	<b>+180%</b>
SEWER — Billing/Admin Fee	\$0.65	\$1.32	<b>+103%</b>

*Note: Red figures indicate increases that significantly exceed what annual inflation adjustments should produce over a five-year period.*

### III. Why the Sewer Numbers Are a Problem

The water charge increases of approximately 11 percent over five years are within a plausible range for cumulative annual inflation adjustments. They are on the high end, but defensible.

**The sewer charges are a completely different story.**

If annual inflation adjustments were applied at even the highest recent inflation rates — approximately 7 to 8 percent per year — the compounded total increase over five years would be approximately 40 to 47 percent. That is the mathematical ceiling for legitimate annual adjustments over this period.

**The sewer usage rate increased by 180%. The sewer billing fee increased by 103%. Neither of these figures is consistent with legitimate annual inflation adjustments under Rule 25-30.420. These increases are 2 to 4 times higher than inflation math supports.**

This raises serious questions that must be answered before May 5th:

- Were these sewer increases filed and approved by the PSC each year as required, or were they applied without proper authorization?
- Were residents properly notified of each annual increase as required by Florida law?
- Were any of these increases applied outside of the inflation adjustment process — meaning they required a full rate case that was never filed?
- Does this constitute a violation of Section 723.031, Florida Statutes, which prohibits a park owner from charging residents more for water than the park paid?

### IV. What This Could Mean for Residents

If any of these annual increases were applied without proper PSC authorization, or exceeded the amounts permitted under Rule 25-30.420, residents may have been overcharged for years.

**If improper overcharges are confirmed, residents could be entitled to a refund or credit for the amounts improperly collected. This is a separate issue from the current 175% rate case — and it could be a powerful additional argument before the Commission on May 5th.**

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## V. Recommended Immediate Actions

- Collect every annual rate increase notice issued by Water Oak from 2021 through 2025 and verify each one was properly filed and approved by the PSC.
- Contact Walt Trierweiler, Office of Public Counsel, at 850-717-0326 or Trierweiler.Walt@leg.state.fl.us, and ask specifically whether all annual inflation adjustments in this docket were within permitted limits.
- Share this analysis with the legislative attorney currently advising the HOA.
- Request that this issue be formally raised at the May 5th PSC hearing if the adjustments cannot be verified.