1 2 3	FLORIDA	Before 1 Public Serv	THE VICE COMMISSION
			-
4	In the Matter of		: DOCKET NO. 961475-80
5	Application for limited proceeding increase		: :
6			:
7	in wastewater rate Forest Hills Utili	ties in	
	Pasco County.		
9			
10			4-1
11			
	PROCEEDINGS:	INFORMAL (	CUSTOMER MEETING
12			
13	DATE:	Wednesday	, March 12, 1997
14			
15	TIME:		at 6:30 p.m. at 8:50 p.m.
16			
	PLACE:	Forest Hills Civic Association, Inc. 1749 Harpoon Drive	
17		Holiday,	
18			
19	REPORTED BY:		, CSR, RPR
20		Chier, Bu	reau of Reporting
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1	IN ATTENDANCE:
2	TIM VACARRO, FPSC Division of Legal
3	Services.
4	BOB CROUCE, FPSC Division of Water &
5	Wastevater.
6	TROY REMDELL, FPSC Division of Water &
7	Wastevater.
8	ERIC GROOM, Division of Water & Wastewater.
9	LEE MUMBOE, FPSC Division of Water &
10	Wastewater.
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#### PROCEEDINGS

(Meeting convened at 6:30 p.m.)

MR. REMDELL: Ladies and gentlemen, it's now 6:30 and we need to begin this hearing because it has been noticed for 6:30.

THE AUDIENCE: Can't hear you.

MR. REMDELL: My name is Troy Rendell. I'm with the Florida Public Service Commission. I'm a public utility supervisor with the Division of Water and Wastewater.

I want to introduce a few people. Mr. Bob Crouch and he's an engineering supervisor also with the Division of Water and Wastewater. To my left is Tim Vaccaro. He is an Attorney with the Public Service Commission who works on water and wastewater cases. Also we have Mr. Lee Munroe, one of our engineers who has been on site today doing an on-site inspection. He'll be here available to answer questions on the engineering aspects. And in the back when you came in was Mr. Eric Groom. He Is one of my rate analyst who is working on this limited proceeding. He's also available to answer questions.

The Public Service Commission is a government agency who has regulation over the economic aspects of investor-owned water and wastewater

utilities in the stata of Florida.

For the record this case has been docketed before the Commission as Docket No. 961475-WS. On December 12th, 1996, Forest Hills Utilities filed for a limited proceeding to increase its wastewater rates. Forest Hills Utilities has requested an increase of \$226,514 additional revenues. This amounts to a proposed increase of 103.47%.

In its application Forest Hills has filed a limited proceeding and has indicated it is caused by a requirement by the Department of Environmental Protection for Forest Hills to interconnect its wastewater system with Pasco County and also dismantle its current wastewater treatment facilities.

This requirement was a result of a consent order that was entered into between Forest Hills Utilities and the Department of Environmental Protection.

Currently the Company has imposed what is called emergency temporary rates and they requested these rates from the Commission.

These rates are temporary in nature, as the name indicates, and they are allowed during the pendency of this limited proceeding. On February 4th the Public Service Commission granted these temporary

emergency rates. These rates were to go into effect on February 26th.

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Now, if I could just take a minute to explain that these rates are temporary. They are being placed into an escrow account. The only way they can draw any money from this account is to pay Pasco County for any wastewater treatment that it currently is being billed for.

At the conclusion of this case the Public Service Commission will make a determination on the finel rates. And if these final rates are less or the final increase is less than what the emergency temporary rates were, you will get a refund of these rates.

## THE AUDIENCE: (Laughter)

AR. REMDELL: The limited proceeding application is being processed under what is called a proposed agency action, and in a minute I'm going to get Mr. Vaccaro to explain this legal process. Right now it is an informal process and I will let him explain it in more detail.

But briefly, a utility files an application and supporting information. They filed several --- information on the interconnection itself; they filed the stipulated agreement they reached with the

Department of Environmental Protection. They filed financial support to show any kind of change in operating expenses, any kind of cost that they are going to incur.

reviewing that documentation. We have sent out one set of data requests. We just received the answers yesterday and we are going to be looking at that. And they are going to cause another set of data requests to go out. We've looked over it temporarily but I do believe that there will be another data request. They have to support any costs that they are proposing in this interconnection.

UNIDENTIFIED SPEAKER: Can we see their paperwork?

MR. REMDELL: Right now I'm going to turn this over to Mr. Vaccaro and let him explain the proposed agency action process. I know there's some confusion. We have spoke with an attorney that has been retained. However, at this point that is not necessary because it is informal. So I will turn it over to him now.

proposed agency action process works in this case, I noticed -- I heard a couple of people over here asking

about obtaining copies of documentation that's going into the file. That can be arranged. And if you would like to talk to us after the meeting about that. We'll be happy to discuss that with you.

Essentially, as Mr. Rendell has said, at this point this process is still relatively informal. At this point we're still gathering information upon which to base a recommendation to bring to the Commission on the final rates to be granted to the utility, if any, in this docket.

On April 24th the recommendation will be presented to the Commission. At that point the Commission will vote upon Staff's recommendation. The Commission can either vote to approve or deny or modify the recommendation.

Twenty days following that agenda conference a proposed agency action order will be issued. What that means is once the order is issued, any substantially affected individual will have 21 days from the date of that order in which to file a protest. When the protest is filed, the protesting party has to state forth with specificity how they are affected by the order.

At that point what happens is a hearing is set. The hearing would take place down in this area

and this would essentially be like a trial. The protesting party would have to put on its case and its evidence to show why any increased rates were not substantiated by the record, and the Utility would have to do the same thing. Testimony would be presented, exhibits filed and so forth.

At the end of the hearing, another recommendation will be put together by the Staff.

This recommendation will also be presented at another agenda conference.

One thing I didn't mention, which I will back up for just a second, when the Staff puts together the initial recommendation which goes to the April 24th agenda, any of you who would like are welcome to come to Tallahassee and comment upon that recommendation.

## THE AUDIENCE: (Laughter)

what happens after a hearing takes place, if one takes place, another recommendation is put together which is also voted upon by the Commission. At that point the Commission does not take any more testimony or any more comments from anyone on the case.

A final order is issued and at that point if any parties are displeased with the outcome, their

next course of action will be to file an appeal with the First District Court of Appeals.

I have a phone number for you. This is for the Office of Public Counsel, which is a separate state agency.

THE AUDITMENT: Free.

by the name of Jack Shreve, who is the Public Counsel, and he's an attorney, and this is another agency with which you might wish to speak regarding your rights in this matter.

I have a 800 number. It's 1-800-342-0222.

UNIDESTIFIED SPEAKER: Post it on the blackboard later.

MR. VACCARO: Okay. Yes, we can have copies of that available back there for you.

The other number is 904-488-9330. And at this point I would go ahead and give the microphone back to Mr. Rendell.

MR. REMDELL: Thank you.

As Mr. Vaccaro indicated, this is a legal proceeding and you will be asked to -- you will be sworn in and you'll be asked to approach the podium when I call your name, and we do have a court reporter here that will be swearing you in and transcribing

this for an official part of the record.

If I can just briefly go over the process of -- I mentioned on it briefly on us reviewing the application. But also this customer meeting is a very important part, to get any kind of input or information from the customers, so that this is our way of coming out into the field, getting information firsthand from you so that we know -- we can investigate and know what is going on in this area.

As you entered tonight, before you ran out, some of you were given a special report. This basically, the front page, goes over what the application entails. There's some information about the Commissioners. And then on Page 4 was the current rates before this application, and the temporary and the proposed final rates. These emergency rates are what they are asking for in the final.

Also, on the back page is a comment sheet.

If you do not wish to speak tonight or if you have neighbors that cannot attend, take this to them. They can fill this out, forward it, put a stamp on it, mail it to us and it becomes an official part of the correspondence side of the record.

Also I have another phone number for you on the front page. There's a 1-800 number. It's a phone

number to our Division of Consumer Affairs. We do
take all calls from utility customers throughout the
state of Florida on either their electric, their
telephone bills, and water and wastewater bills. For
those of you that did not receive it, one of these
copies, it's 1-800-342-3552, and it also can be found
on the inside cover of your telephone book.

that you filled out as you entered, and I'll be calling you in the order you came in because there are several of you that were here very early. I'll be calling you in the order that you signed up. Also, there are quite a number of you here, so I would ask you to be considerate of your neighbors and allow all of us to speak. We are scheduled until 9:30, but we will stay there as long as there is someone who wants to speak. If we have to go past 9:30 we will.

When I call your name, please approach the podium, give your name and address and please spell your last name if it's a difficult one, or you may just want to spell it anyway.

I think Mr. Vaccaro wants -- has something else to say. (Pause)

Also, as the attorney for the Public Service Commission indicated, I believe there is an association that has retained an attorney. If you would like for him to speak before you and you are part of that association, you can indicate that, or if you would like him to speak for you.

Also, if someone said something before you that you were going to say, you can approach the podium and adopt his testimony or you can decide not to speak at all. And if you do not sign up, you change your mind during the course of this meeting, at the very end I'll ask if anyone else wants to speak, you can raise your hand, be sworn in and speak at that time.

Also before we get started, Mr. Crouch wants to go over some of the engineering aspects briefly on this case. But I do want to get to your comments and he wants to basically tell you what this application is about.

MR. CROUCE: Thank you, Troy.

Ladies and gentlemen, I'd like to set your mind at ease on one thing that some of you have been kind of grumbling about earlier.

This is not a cut-and-dried situation. If it were, we would not be here tonight and you, roughly 200 people, would not be spending your time out here.

I'm sure we all have better things to do.

We are down have to investigate what the Utility has asked for. We are not pro utility; we are a neutral government body appointed to regulate these utilities. It is not a cut-and-dried situation that they are going to get a rate increase or the size rate increase that they have asked for. This does not mean that after all the facts are in they may, in fact, be justified a rate increase of some dimension. But we do ask your patience with us on this as we continue this investigation.

What has happened, since about 1984 this utility -- the population has outgrown the capability of that utility to process the sewage. Hany of you have moved in here, the sewage flows have increased, the sewer treatment plant for Forest Hills could not handle the sewage.

The Department of Environmental Protection, which is the organization that enforces — environmental protection agency — the federal laws, the Department of Environmental Protection started talking to the president of the Utility saying "You have to do something. You have to do something."

Unfortunately, the Utility is landlocked and there is no stream that you can put the effluent in for it to flow away. It has got to percolate into the ground.

UNIDENTIFIED SPEAKER: There's the Anclote River right alongside the treatment plant.

MR. CROUCE: They are not allowed to put it into that river.

UNIDENTIFIED SPEAKER: They have been doing it for a long time.

there legally is something that the Environmental Protection Agency under the Clean Water Act is virtually never giving anymore. So they said, "Utility, if you're going into that, you're illegal. You've got to quit."

UNIDENTIFIED SPEARER: Go down and check it.

They could either try to build a larger plant capable of disposing of this or they could interconnect with Tarpon Springs, the Pasco County utility there. They did engineering studies, quite comprehensive engineering studies to see which would be better.

Now, needless to say, the Utility would rather stay in business themselves. They would rather have a bigger plant and handle that and be the primary utility. It turned out from the engineering studies that the less expensive method would be to interconnect with Tarpon Springs. That means that

this utility has to phase out their sewer treatment plant.

have been in business, that's like the federal government coming in and saying, "You've got to close down your store. You can't be in business anymore." So this utility had to close out its sewer treatment plant. He had to put in lift stations, he had to connect with force mains, special mains, going from these lift stations to the Tarpon Springs facility to their sewer treatment lines.

UNIDENTIFIED SPEAKER: Why should we pay for it?

MR. CROUCE: You're a victim of circumstances in that number one, the sewage exists and has to be treated. This utility has the lines in to collect the sewage from each and every one of you. They used to take it to their sewer treatment plant. Now they have to take that raw sewage and give it to Tarpon Springs to process. We'll give each of you the opportunity, one at a time, to comes up and talk, if you will, please.

UNIDENTIFIED SPEAKER: It doesn't go to Tarpon, it goes north.

MR. CROUCE: Right now the county, Tarpon

Springs, charges this Utility \$3.23 per thousand gallons of sewage. \$3.25 per thousand gallons. Now, the Utility has to pay that fee to Tarpon Springs to handle their sewage. That fee has to be passed on to you.

The Utility has started the interconnect already. It is functioning at this time. They have started dismantling their sewer treatment plant. They are going out of the sewer treatment business.

Now, again, I repeat, we are not proutility. We're trying to be neutral, we're trying to explain the facts, look into the facts and see, number one, is a rate increase justified, and if it is justified, how much of a rate increase. We have not reached any conclusions yet.

The interim or emergency rates that have been put into effect, we have numerous cases where our final investigation showed that the temporary rates were too high. The rates were decreased and customers did -- contrary to what many of you believe -- the customers did get a refund.

I'm not trying to get your hopes up. I'm just saying that that is a possibility that the interim emergency rates may not be justified in the final picture.

But we ask you folks tonight -- and over 200 of you have come out. We appreciate it. We ask you to be factual. When you come up and tell us, "I think this rate increase stinks." If I asked for a show of hands tonight, I don't think very many of you would say, "I'm in favor of the rate increase." Give us factual reasons why you are opposed to that rate increase.

When you each come up and get your turn to speak, if you will, give us your name and address, spell your last name and we'll be happy to hear you. If you'd like to talk to one of us after the meeting or if we take a break or something like that, each of the Staff members will be willing to talk to you. We appreciate you coming out.

MR. REMDELL: Two more points and one correction, and then I'll turn it over to you.

First of all, there are representatives from the Utility here with their attorney. However, they are not allowed to speak at our meeting. They are here basically to answer questions and they can stay around afterwards to answer any questions.

I know a lot of you do have things to say, but when you yell things out we cannot hear you, the court reporter has a difficult time trying to

transcribe this, so I would ask you to wait your turn and approach the podium.

One other correction I'd like to make,

Mr. Crouch indicated that it was with Tarpon Springs.

The interconnect is with Pasco County. The Tarpon

Springs interconnection did not take place.

(Applause)

That originally was one of the options and that interconnection did not take place. They have been interconnected with Pasco County as of November of last year.

Now, at this time, if you have signed up, or if you haven't rigned up and you do plan to speak, would you please rise and have the court reporter swear you in.

I have about ten or 12 sign-ups and about three people are standing. If you have signed up, please stand up now and be sworn in and then I will call you to the podium to speak. It's easier to swear you all in at one time than one at a time. It's a lot faster.

(Witnesses collectively sworn.)

MR. CROUCE: Thank you, ladies and gentlemen. Please bear with us. We have a large crowd tonight and we realize some of you will have

difficulty hearing. MR. REMDELL: If you don't mind, it is very 2 3 hot up here so we're taking our jackets off. Kay Seward. S-E-W-A-R-D. 5 I. SHIARD 6 7 appeared as a witness and, swearing to tell the truth, testified as follows: 8 DIRECT STATEMENT 9 WITHESS SEWARD: My name is Mr. Seward. 10 THE AUDIENCE: We can't hear you. 11 12 13 34690.

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WITHESS SEWARD: Gentlemen, my name is Mr. Seward. S-E-W-A-R-D. 5703 Ivy Lane, Holiday

Now, the first thing I've got in my mind that you gentlemen came here this evening and represent the Public Service Commission. You represent the taxpayers, correct? Right? You're here to protect us and watch that these utilities don't just promiscuously raise our rates, right?

Now, we pay taxes to pay your salaries. you answer me why we need legal representation to express our thoughts about this situation?

I was told that you people will just fork over us if we haven't got the legalese to go about

presenting our case. Go ahead, sir. MR. REMDELL: As I indicated earlier, at 2 3 this point you do not need legal representation. Each one of you have a voice. This is, as Mr. Vaccaro indicated, a proposed agency action. We're here to get your input. That's why it's very informal. It has not been protested yet so we are not in a hearing mode. So at this point each one of you do not need legal representation. 9 UNIDENTIFIED SPEAKER: If this is informal, 10 11 why were we sworn in? MR. REMDELL: We have to have that in the 12 13 record. UNIDENTIFIED SPEAKER: If it's formal I can 14 15 understand it, otherwise I can't. MR. REMDELL: Well, i''s the only way that 16 17 we can have the transcript into the record, is if we have a court reporter actually go in and put this in 18 the transcript. 19

MR. CROUCE: Let me answer one other question that you had, sir.

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Jack Shreve, the Office of Public Counsel, is appointed by the legislature to represent the customers in the hearing process.

If you see fit to go the formal hearing

route, you can contact Jack Shreve who will represent you free of charge. He is paid by the legislative body to represent the customers.

The Utility in the formal procedure has to get their own consultants and legal representation, and in that case we turn into arbitrators, if you will. We sit here and listen to both sides. But tonight it is informal enough that we listen to the customer only. We don't listen to the Utility. We'll do our own inspection of the Utility, but we listen to the customers tonight.

We do have this entered as sworn testimony so that it's into the record so that we can use that as transcript later on. But you do not, at this stage of the game, have to have your own attorney by any stretch of the imagination.

You just made a statement before, 1984 that it started, the Utilities; from then on, there was so many customers that a plant got overloaded. I don't know how much of a percentage of increase from '84 to when I moved here. I'm have ten years, and I haven't seen that much construction in this area, individual houses on lots.

But in that interim, of all of these houses,

that plant, wasn't it maintained, wasn't it kept up? 2 UNIDENTIFIED SPEAKER: UNIDERTIFIED SPEAKER: 3 WITHESS SEWARD: Now what is happening is it's falling back on our shoulders. And we can't go down to the next corner store and buy water. 7 locked in here to Forest Hills Utilities. We have no place to go. And this double digit and twice the amount of raising this thing is ridiculous. And I 10 hope that you people, when you get all of these affidavita together and you get the operation of the 11 plant and how it was run, I hope you take into 12 13 consideration that maybe this plant wasn't run 14 properly. (Applause) 15 Thank you very much. 16 MR. REMDELL: Thank you, sir. 17 Mr. William Sweller, Sr. 18 UNIDENTIFIED SPEAKER: He's answered all my 19 questions. 20 MR. REMDELL: Okay. Thank you. 21 Elmer Verbocy. 22 23 24 25

# ELMER VERBOCY

# A. J. CAPOSSELA

appeared as witnesses and, swearing to tell the truth, testified as follows:

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### DIRECT STATEMENT

WITHESS VERBOCY: My name is Elmer Verbocy.

Can you hear me back there?

THE AUDITMENT Yes.

wreness wereout: Okay. And now you shut up, all right, while I'm talking. (Laughtar)

My name is Elmer Verbocy. V-E-R-B-O-C-Y.

And I live at 1538 Plum Tree Road right here in Forest

Hills, Holiday, Florida 34690-6148. Got my phone

number up there.

I wonder why, when you have my name address and phone number, I have to repeat it. Oh, maybe for the record -- oh, the court -- okay. Thank you for clearing that up.

I just want to mention I'm president of the Greater Forest Hills Security Patrol, and that encompasses Forest Hills East, Forest Hills proper, Siesta Terrace, Dodge City and Country Estates. We're about 2300 homes altogether.

And we had a meeting this Monday night and

this subject came up. And I just wanted to mention that the entire greater Forest Hills Security

Patrol -- like somebody mentioned before, it stinks.

We think so anyhow.

I moved here 22 years ago and most of the community was pretty well built up then and the canals and the Anclote River, the waters were pristine. Oh, you know, the fishes and the marine life were great. We could fish there, everywhere, and it was real nice. Through the years it had degenerated. You can't even see the bottom in half the places.

We play golf on the golf course there and if you ever get up to the second, third holes, why the smell will knock you out because the plant has been overloaded since many of us can remember.

of course, through the rapid development that ensued, the Utility, I think, was trying to keep up with it, but I think it was kind of hopeless. They also service the travel trailer park, I believe.

There's a lift station right at the end of Plum Tree Road. And when these big motor homes and travel trailers come in, they all unload their tanks. When the snowbirds get here, we notice the odor at the sewage plant even more and — the northern stuff, not the southern stuff — not on the record — (Laughter)

Anyhow, we are dead against -- from the looks of it this 100.4 increase or whatever it is, seems to indicate that the developer is asking about three times as much as he wants in the hope that maybe he'll get a guarter of it. (Applause)

arbitrators and you're going to listen to both sides, of course. We want you to seriously consider the impact on the people here, that this is a rate increase that is going to go on forever and do nothing but get larger. And why — I'm not quite clear that this emergency cutover to the county, is it? It's not going to last forever. There's one big cost, initial cost perhaps, and since they're not going to treat the sewage, thair only cost is an initial one. And our rates are based on that rather high cost, and we don't want it to continue forever and we want you to give the guy nothing but the barest essentials. That's all I have to say. Thank you.

MR. REMDELL: Do I have one question. Did you mention how many homes were in your area.

THIDAMPIPIED SPEAKER: We have 1200 in Forest Hills itself, and I don't know how many went into Forest Hills East.

MR. REMDELL: Okay.

WITHESS VERBOCY: They don't all have 1 2 sevage. MR. REMDELL: I do want to make one point. 3 The interconnection -- the interconnection is on a permanent basis. The rates are temporary. The county is treating the sewage. The Forest Hills sewage treatment plant is being dismantled so they will not 7 be using it anymore. 8 WITHESS VERBOCY: Good. 9 Can I call on Tony just a minute? Ha's my 10 backup man. 11 12 MR. REMDELL: You'll have to approach the podium and state your name. 13 WITHMES VERBOCY: He's the former president. 14 15 WITHESS CAPOSSELA: Anthony Capossela. was formerly president of the association here back in 175. 17 MR. REMDELL: Can you spell your last name, 18 19 please, sir? WITHERS CAPOSSELA: C-A-P-O-S-S-E-L-A. 20 I live at 5901 Apple Tree Road, Holiday 21 34690. Phone number you have up there, 813-934-5329. 22 23 Now, back in 1975 Forest Hills had a treatment plant of 100,000 gallons. I investigated. I read all the books and I asked that he not be given 25

a rate increase at that time.

He built a new plant, 200,000 gallons, and that's what he put on line and that's the reason he asked for the increase, but the increase was because he tied in Pappas Plaza, and a trailer park and also Forest Hills East.

But helf of this section -- half of this section is not on sewers. Only helf of that 1200 people. The ones that are on the east side of Grand Boulevard is on sewers. The rest are all on septic tanks.

Now, he did not connect this new line until recently. So I don't understand why he asked for his increase so early. Was he anticipating this increase from the county? I'd like to know how many thousands of gallons of sewage that is being treated now.

Because with the two plants, that's 300,000 gallons.

The first plant was only pushing 40,000 gallons. And he built a new one for 200,000. So he had approximately 600 homes.

MR. CROUCE: The problem was not specifically in what the plant could treat.

WITHESS CAPOSSELA: He had nerver been cited.

MR. CROUCE: But the percolation ponds and

1	what they did with the effluent after they treated
2	WITHESS CAPOSSELA: The circulation pond was
3	dug deeper and enlarged and he ran the pipe into the
4	Anclote River.
5	MR. CROUCE: But DEP is telling him he has
6	to quit doing that.
7	WITHESS CAPOSSELA: The third hole
8	MR. CROUCE: Golf course also.
9	WITHES CAPOSSELA: On the golf course, if
10	you go to the treatment plant and go west, you'll see
11	a pipe in the other pond.
12	MR. CROUCE: That is true.
13	WITHESS CAPOSSELA: But he was never cited
14	before on the treatment plant. If he was cited, I
15	could understand it. But we never saw anything in the
16	paper where he was cited.
17	MR. CROUCE: Since 1984 there's been a
18	continuing struggle with DEP on this. He has been
19	cited since 1984.
20	WITHESS CAPOSSELA: How many gallons is he
21	pushing through now?
22	MR. CROUCE: I don't know right offhand, but
23	they are measuring it at the lift station.
24	WITHESS CAPOSSELA: And why should the
25	people pay that are watering their lawns
1	l

1	MR. CROUCE: Roughly 3.23,000 gallons, sir.
2	WITHESS CAPOSSELA: How much?
3	MR. CROUCH: Excuse me, that's 3.23 thousand
4	gallons. (Laughter)
5	Oh, excuse me. That's \$3.23. Excuse me.
6	I'm sorry. I read the wrong thing here. Total
7	treated was 79,795,000 gallons.
8	WITHESS CAPOSSELA: What, a year?
9	MR. CROUCE: For the month for the year.
LO	For the year.
11	WITHESS CAPOSSELA: It's got to be for the
12	year, because he was treating only 40,000 on the small
13	plant, and then he entered the other two, so he can't
L4	be treating a hell of a lot of sewage.
15	Another thing, the people that are watering
L <b>6</b>	their lawns should not be paying their sewage based on
ا 7	the consumption of water. And that's the way they are
18	basing it. This is wrong.
19	MR. RESIDELL: When we set rates at the
20	Public Service Commission, we set rates assuming that
21	only 80% of your water is being returned to the
22	treatment plant, to the wastewater treatment plant.
23	WITHESS CAPOSSELA: Yeah, but we're paying
24	on the consumption of water here on my bill.
	100 Designative who water are decised

is that it assumes only 80% of that water returned and also you have a cap on that usage, on the wastewater 2 side, you're only charged up to a certain cap. 10,000 3 gallons. For the benefit of the rest, I would like to 5 point out that Mr. Capossela had signed up. He was 6 7 two down, so I wasn't taking him out of order. WITHESS CAPOSSELA: Thank you. (Applause) 8 MR. REMDELL: C.P. Sadowski. 9 10 11 CASEY SADOWSKI appeared as a witness and, swearing to tell the truth, 12 testified as follows: 13 DIRECT STATEMENT 14 WITHESS SADOWSKI: Hello. My name is Casey 15 16 Sadowski. I'm at 1833 Rising Sun Drive in holiday 34690. 17 18 UNIDERTIFIED SPEAKER: A little louder. 19 WITHESS SADCWSKI: I'm at the Sunrise Square 20 Villas. 21 The other day I was approached --MR. REMDELL: Sir, will you please spell 22 your name for the court reporter? WITHESS SADOWSKI: S-A-D-O-W-S-K-I, Casey. 24

I was approached by some people in New Port

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Richey the other day and they were asking me --THE AUDIENCE: Get up to the mike.

writes sabouski: They asked me just what our rates were for water and sewer. So I said, "Oh, my God, \$25, \$30 a month." He says, "Oh, my God, you people are really paying a lot of money." He says, "We pay \$4 or \$5 a month for water and sewer." Now how -- that was pretty close. This is over at -- what is it -- Brer Rabbit. Briar Patch.

Now, this is just a new -- I think they are about five or six years old. Now, they go into the Pasco sever system with their wastewater. And they've got a large community of people, I assure you of that. But how can they get a lower rate than what -- you're even -- our lowest rate that we anticipate here, besides the 110% that he's as ing for a raise, how can you judge this?

Now, we have a condo association. With our usage it goes up twice as much as what the residential units will be charged. So I don't see where this judgment of you people thinking that they should be able to get a rate when they are using most of their wastewater to water their golf course. Some paople have told me they use some of that water to use that on the golf course. So how can they justify this rate

increase when they are using some of that water for their own use?

the application they stated that they were providing reuse to the golf course. With this interconnection they will no longer be providing this reuse service, they were providing that, I believe, free of charge. But they will discontinue that --

buy the water to go ahead and do the golf course? If they don't have no water, they are going to get brown. They're going to have to have water from some place. And if they are going to use it from their own wells, they are going to charge us three times as much for the water, because they are going to have to do something about their own golf course. Am I right or wrong?

MR. REMDELL: We don't have the water before us. This is wastewater only, so I really -- we can look into that but not --

WITHESS SADOWSKI: Well, we are getting charged for wastewater and regular water on the rates.

MR. REMDELL: Yes, sir.

WITHESS SADOWSKI: So it's a combination that we're paying for. And they are going to be

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1	getting the benefit of the doubt for their own golf
2	course.
3	MR. REMDELL: Well, if the golf course is a
4	customer, the golf course pays the Utility for the
5	water. They do not get it free.
6	THE AUDIENCE: (Simultaneous conversation)
7	MR. REMORLE: We can investigate that. But
8	if the golf course is a customer, they have to be
9	charged.
10	WITHES SADOWSKI: Dreher. Dreher is paying
11	Dreher. How can he get away with that, you know?
12	That's all I have. Thank you. (Applause)
13	UNIDENTIFIED SPEAKER: No comments.
14	MR. REMDELL: Cyndi Buchanan.
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16	CYMDI BUTHAMAN
17	appeared as a witness and, swearing to tell the truth,
18	testified as follows:
19	DIRECT STATEMENT
20	WITHESS SUCEANAN: My name is Cyndi
21	Buchanan, and I live at 5509 Jasperwood Drive,
22	Holiday, Florida 34690.
23	I'm real familiar with the golf course, I
24	live by it. For eight years I've lived with that
25	smell. I called the EPA. My neighbors called the
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According to Jack Shreve we don't pay for their -- (Applause) This is a civil lawsuit that we battle. We should not be charged for this. I can't see why -- if we're going to be connected to Pasco County, why do we even pay Forest Hills? Why do we pay them? You're allowing them in this situation to take our money and make a profit for paying Pasco County.

Now, I've lived here -- I can't even go outside. The golf course treatment plant is closed. I don't think so. Come visit me. You can smell it, you know, anytime. I've lived here eight years. I can't go outside. I can't enjoy the yard. I have a daughter. I've talked to Dave McCullom at EPA, who can tell me what is going to happen to her from those fumes? And who is going to fix our water? You know, right now I go to brush my teeth, I smell chlorine.

We have -- February 4th I called EPA and recorded this. February 4th, down at Jasperwood Drive sever lines broke, ruptured up into the street. All over. Where does it go? Into the river. People want to know why the river looks like that. Take a look at what has been dumped into it for tha last 20 years.

They are making a profit. They knew this

was coming. They knew it was coming, and now they are going to charge us. Why should we pay for them?

They've known for two or three years they had to interconnect.

A gentleman died on the corner, are they getting sued for that? Are we going to pay for that, too? Is that why their costs are so high because they have lawsuits? I don't think it's fair, and I hope that you guys rule.

I've talked to Nike Fasano. I've talked to Jack Shreve. I will be driving to Tallahassee. I'm not going to pay this. They are not going to get it from me. Thank you. (Applause)

sewer treatment plent is in the process of being dismantled that you should not have that aroma in the near future. It is being dismantled at this time. There is no sewage being processed by that plant at this time. There was a problem from one of the lift stations going to Pasco County just recently. But there should be no effluent going to the golf course and no creatment whatsoever being processed at this time at the sewer treatment plant. There are holes in the wall. It is dismantled.

UNIDENTIFIED SPEAKER: Then why can I smell

it when I take a boat ride down the river? 2 MR. CROUCH: That I can't answer, because it may be residual, it may be just other things. For one 3 thing, the septic tanks in the area are contributing to that river's problem, also. But right now the sewer treatment plant has holes in it. It is 7 dismantled. It is not processing sewage. There is no 8 effluent going to the golf course. 9 UNIDENTIFIED SPEAKER: That's because it 10 hasn't been maintained in 15 years. UNIDENTIFIED SPEAKER: Is that tank empty or 11 12 full yet? MR. REMDELL: Sir, we can't hear you up 13 14 here. If you'd like to speak, you could either -- I need to call the people that signed up first, and then afterwards I'll ask for any other people that have not 16 signed up. But we cannot get any of this on the 17 18 record. 19 John Paige. 20 UNIDENTIFIED SPEAKER: No comment. 21 MR. REMDELL: George Parmenter. 22

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#### GRORGE PARMENTER

appeared as a witness and, swearing to tell the truth, testified as follows:

# DIRECT STATEMENT

WITHESS PARKENTER: Good svening, gentlemen.

My name is George Parmenter, capital

P-A-R-M-E-N-T-E-R, P. O. Box 3792, Holiday, Florida,
934-7373, telephone.

First, I'd like to explain that I'm a retired Staff member with the New Hampshire Public Utilities Commission. My titls was tariff analyst which is in -- for lay terms for the people here, it's a rate analyst.

increase to the utilities, and I'm speaking to the audience now, not you gentlemen, because this is old hat to you — the utilities will come in with their rate increases. They have to submit financial statements, and the rate analysts at that time do an extensive study, submit a multipage report to the Commissioners, or to their designated staff, which is usually the secretary to the Commission, and they will analyze it.

They will ask for -- perhaps they will call you into conference and ask for a verbal

recommendation or a written one. But then when it goes to hearing, all of that information is just in the background. They listen to both sides of the hearing, and they make their decisions after the hearing is over. Now, this is old hat to you, but I wanted to explain to the people here how that works.

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Very often, and I can't speak for Florida, but I know that the utilities meet on a national basis. Sometimes they'll meet in Honolulu, very expensively, but that has been done in the past. But all of the utilities from all of the states will meet and they discuss different things. And as a rule of thumb, the big utilities, regardless whether it is power, water, gas or sewage or even public transaction, these big utilities come in and they'll ask for a rate increase of perhaps -- we'll say 7.5%. If they get 3-1/4 percent, they're happy as heck. And I put that in quotes, simply because it looks good for the Governor, it looks good for the Commissioners, it looks good in the press and it looks good for even the utilities. They are willing to accept less than what they ask for. It's a game of dominoes. But, regardless, it is done and it's time that the general public knows these things.

I'm not criticizing the utilities, the

Governor or anybody else or the commissions because they've got a hard job to do. And I did it for -- I was with them for -- in the state for 37 years.

But the point I'm getting at right now is 103-point-plus increase is pretty exorbitant. I have never in all of my time, and I've studied commission reports from Oregon, from Nevada, from all over everywhere, and you've got to admit that 103-point-plus is pretty exorbitant. If the Utility gets half of that, they could live -- because you mentioned that this is going into an escrow. And as an escrow, it's just sitting there dormant. It isn't needed. Simply because they can function without it. They'll still survive even if you don't give them a red cent.

I want to give you an example of what New Hampshire was involved in, the infamous Cyborg Nuclear Plant. And we have what -- in the regulatory agency they have what they call CWIP, or construction work in progress.

New Hampshire voted that down simply because there you are giving money to a utility that is using that money beforehand to build something that they should be able to finance themselves. They should have done their homework ahead of time. (Applause)

However, the New Hampshire Power Company did not do their homework and consequently they went bankrupt because the legislature voted CWIP down, so they went "belly up," quote/unquote.

I'm setting these examples now for the general public, not for you men, because I'm sure you read reports on Cyborg several times over.

It's really not ethical to come in and ask for exorbitant increases. I can go along with a -- if they asked for a 16t increase and you grant them an 8t, that's logical and that's also within the inflationary period of this time. I would strongly suggest that you give it very, very deep consideration to give them just a bare minimum to go along with that escrow account that you're referring to on a temporary basis.

My last question before I sit down is, is there a time limit on this temporary basis? And if so, is there a footnote or amendment so that they can extend it upon consideration of the Commission?

MR. VACCARO: First of all, I want to correct one thing you did say about the escrow. You said that the money is just lying dormant in the escrow account.

That is not the case with this particular

FLORIDA PUBLIC SERVICE COMMISSION

escrow account. Money can be released from the escrow account, but only to the extent necessary to pay Pasco County for treatment of the effluent. The escrow agreement, the temporary rates are in effect until such time as the Commission makes its vote on the recommendation regarding the final rates. At that point one of the issues in the recommendation will be whether or not a refund is owed. If there are no protests, then the rates would go into effect based upon what was voted on, and we wouldn't be looking at temporary rates anymore, we would be looking at final rates. But those temporary rates can extend until whenever this is resolved, including whether or not this goes to hearing.

WITHESS PARMENTER: Thank you.

know if there's still -- (Applause)

In case there's still any type of confusion, the interconnection is on a permanent basis. It occurred in mid-November of 1996. With the temporary rates they have, they've indicated to us they've turned this valve off and so, therefore, Pasco County is currently treating it. That was the agreement with DEP under the consent order, so the treatment plant will be no more. Pasco County will now be treating

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1	your wastewater just in case there's any type of
2	confusion.
3	UNIDENTIFIED SPEAKER: They didn't have the
4	pipes in the ground then.
5	MR. VACCARO: Yes, sir, they pipes are in
6	the ground now.
7	UNIDENTIFIED SPEAKER: No they weren't.
8	MR. REMDELL: Sir, if you'd like to speak,
9	please come up to the podium.
10	MR. VACCARO: Yes, sir. We can't we need
11	to get it on
12	MR. REMDELL: State your name again, please.
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14	A. J. CAPOSSELA
15	appeared as a witness and, swearing to tell the truth,
16	testified as follows:
17	DIRECT STATEMENT
18	WITHESS CAPOSSELA: My name is Capposela. I
19	watched them installing the pipes, and the pipes were
20	not finished when they stated in your brochure.
21	MR. REMDELL: Okay. We did have an
22	engineer, Mr. Monroe was here all day, and he
23	inspected the interconnect. When we get back
24	tomorrow`
25	WTTWEE CAROCCULA: I doubt with engineers

wher I worked for the county of Westchester. I was in charge of the sewage plants, water plants, the electrical service and so forth, so I understand all of these about engineers and clerk of the works. And I don't trust any of them. I saw them trying on -- I saw them trying on Panama hats. Thank you.

(Applause)

MR. REMDELL: Austin Llevellyn.

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#### AUSTIN LIEWELLYN

appeared as a witness and, swearing to tell the truth, testified as follows:

#### DIRECT STATEMENT

WITHESS LLEWELLYM: My name is Austin

Llewellyn, general manager of Sun Groves, a commercial

user. We're located at 1542 U.S. Highway 19 North in

Holiday.

MR. REMDELL: Would you spell your name, please?

WITHER LLEWELLYM: L-L-E-W-E-L-L-Y-N.

I have two quick questions. One involves rate substantiation. If the current rate is \$9.24, and we add \$3.23, the fee the county has passed on for handling the processing, we're at \$12.47, and I'm hard-pressed to understand how we get to \$18 for a

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1	residential user. Are the numbers provided by the
2	Utility to be made public so that we can understand
3	the justification for the rate in the eyes of the
4	Otility.
5	MR. REMOBLL: They should have at their
6	office at the utility office they should have an
7	application for inspection for any customer that wants
8	to come in.
9	UNIDENTIFIED SPEAKER: They're never open.
10	UNIDERTIFIED SPEAKER: They have a drop box
11	MR. REMDELL: We will look into that, but
12	also the Commission I believe I'll check with the
13	attorney when we get back, but I believe that we may
14	be able to allow them to put this application into a
15	county library or library nearby also for inspection
16	in case the Utility is not oper during the daytime.
17	We'll verify that when we get back tomorrow.
18	WITHESS LLEWELLYN: You're simply saying
19	that their records are made available?
20	MR. REMDELL: Yes, sir, they are available.
21	And anything that we get is available. I
22	understand
23	WITHES LLEWELLYN: How is it made
24	available?

MR. REMDELL: They should have it on site

for your inspection.

WITHESS LLEWELLYN: By the Commission?

MR. RENDELL: By the Commission. We could

send it to a representative a copy or two, that maybe the president --

UNIDENTIFIED SPEAKER: Forest Hills.

point out one thing at this point I failed to mention earlier. If you would like a copy of the recommendation that we will be filing in April, please see Mr. Groom at the back and give him your name and address. I do ask that you keep it down to say 20 per association, because they can be lengthy, and if you could share it or give it to the president and make copies, but you can get copies of the recommendation. To get the copies of the file within the Commission, I believe, Mr. Vaccaro can explain.

if you wanted to get copies from the Commission you would have to go and file a public records request, and you could call the Division of Records and Reporting. I don't have that number with me.

However, we can try and get that number for you.

Actually, if you call the 1-800 number for Consumer

Affairs, you can go shead and get that number and they

can patch you through. And that's on the front of your special report at the bottom corner.

withess LLEWELLYN: Second question; if the rate increase is not granted, and the Utility is forced out of business, what is the alternative?

utility was forced to abandon, we have a statute that they have to notice us within, I believe, it's 60 days. The county will appoint a receiver, and then we will have to approve the new owner. The county can take it over and a utility company can take it over, a homeowner association can take it over, but at that point they have procedures to follow. And if it's not followed, it could be a criminal offense, if they abandon and walk off and don't notify us. That's the worst case scenario if they decide to abandon.

WITHESS LLEWELLYN: Thank you very much.

number here for you, for Records and Reporting it's area code 904-413-6770.

UNIDEWFIFIED SPEAKER: What's that?

Division of Records and Reporting. If there are any files that you would like to obtain from the Commission on this case. Thank you.

MR. REMDELL: John Mackiewicz.

JOHN W. MACRIFFICE

appeared as a witness and, swearing to tell the truth, testified as follows:

#### DIRECT STATEMENT

WITHRES MACKISTICS: My name is John W.

Mackiewics. I live at 1130 Grand Boulevard, Holiday

34690, the 934-4783.

When I got this notification.

MR. REMDELL: Sir, could you spell your name for the --

WITHESS MACKIEWICS: M-A-C-K-I-E-W-I-C-Z.

All right. Now, when I got this notification I almost went ballistic. Many of us in Forest Hills live in Forest Hills because it's a beautiful community. And in order to maintain the beauty of it we need to water the lawns. We go for a shallow pump, we get iron and it looks like -- well, it looks bad.

And I requested over a year ago, actually two years ago, a separate Leter that would just gauge the water usage, okay. Because it's just me living in my house, and I have a \$65 a month water bill, okay. Something is wrong.

And the water, it's just too much. I like a green lawn. My neighbors, they'll verify I have a nice lawn. And I pride myself. I work hard.

as some sort of metering system. This utility is making a killing because they say that, you know, that all of the gallons that I'm using, that all of us are using — and I think it's an inflated figure. Because a lot of this water is going to keep our lawns looking nice. And it's inflamed.

You say that you calculated 80%. I don't know about that, okay? And I'd be willing to bet a lot of us would like a second meter just for the sewage to kind of dampen the blow to our water bills. It's exorbitant.

I knew it was going to be high living in Holiday as far as the water, but this is ridiculous. I used to live in Pinellas County, and the water bill there is less than what I have right now. There's no need for it. That's all I've got to say. It's too much. (Applause)

MR. VACCARO: Thank you, sir.

MR. REMDELL: Arnold Estey.

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## ARMOLD ESTEY

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the rope? (Applause)

appeared as a witness and, swearing to tell the truth, testified as follows:

## DIRECT STATEMENT

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WITHESS ESTEY: My name is Arnold Estey, E-S-T-E-Y, 5500 Jasperwood Drive, Holiday, Florida 34690. I have only a couple of things to say, one being I totally agree with Cyndi. Two, who brought

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I have been complaining now for years to Tampa, whoever is over this department, that was supposed to have been taking care of it. And the guy in Tampa, his last words were to me, "Arnie, I'm very sorry, " he says, "I've been trying to get that placed closed down for years, and every time I get something on them, I get a note or a call from Tallahassee to smarten up and mind my own damn business. (Applause)

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So, as far as I'm concerned, you people up there work for them also, so we're just spinning our wheels here. Have a nice day. (Applause)

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MR. CROUCE: I'm not disagreeing with what Mr. Estey just said, but it is a different governmental agency. The Department of Environmental Protection has been negotiating with this utility since '84, and they are the ones who told the people

in Pasco County, "Leave us alone. We're working on it." It was not, and I'll repeat, it was not the Public Service Commission.

MR. REMDELL: Lynn, I believe it's Marquis, M-A-R-Q-U-I-S.

# LYMM MARQUIS

appeared as a witness and, swearing to tell the truth, testified as follows:

### DIRECT STATEMENT

lived in Forest Hills for ten years. He and my husband briefly moved out for about a year and a half. Forest Hills Utilities, we told them on our final bill that I'm going to deduct my deposit. They said, "No, we'd like to keep the record separate. You pay your bill, we'll send you your deposit." Guess what.

Never got it. Came back; had to pay another deposit.

I live on a hill. If anyone lives on Plum Tree, they will see the hill. I went to see about having my backyard leveled. Can't do it. I have a four inch main running through my backyard. I can't put a pool in in-ground. Can't do anything to the backyard. It's at a level like this because the construction, Dreher construction, put the main in. I

read the meter, so I didn't have to pay the sewage for the pool. We don't do that. You'll have pay. You try to make a payment. If you're not there between 9 and 12, those are the office hours, five days a week; and they close two months for the summer. Drop your money and leave.

THE AUDIENCE: That's right.

withes marguis: There's the drop box, put your money in and go. (Applause)

I have a husband and three children. I pay \$70 a month for water. I do not water my lawn. I can't afford to. I'm supposed to pay \$140 a month for water and sewer? I don't think so. (Applause)

MR. CROUCE: Ma'am, I'd like to talk to you just as soon as the meeting is over, and show me on the map where you are located. We will definitely want to follow up on what you're talking about, because of easement violations or whatever you talked about the main in the back. I'd like to talk to you after the meeting.

WITHESS MARQUIS: No problem.

Concerning your deposit, you said you were a customer for ten years and they did not refund your --

WITHESS MARQUIS: My husband has lived in this house for 21 years.

out that is one of the issues we're looking at. We had a letter go out, I believe, a year and a half ago to two years ago concerning the deposits, and they indicated to us they were refunding these to customers.

withing Marguis: No. Never. Plus I had to pay a redeposit when I moved -- when we moved out we rented our house and I wasn't having a tenant run up a water bill or an electric bill.

MR. REMDELL: If you could get a hold of one of these, if not, you can have this one?

WITHESS MARQUIS: I have one.

MR. REMDELL: Also, you indicated you requested a meter for water for the pool, and they refused.

out and read -- in Pinellas Park you can request for a pool fill. They will come out, they will read the meter, you fill the pool, they reread it. Then you are not charged on any sewage for the water. If it's in your pool I hope it's not in your eewage.

MR. REMDELL: I would urge you to call the

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1	1-800 number. We deal with this on a daily basis with
2	the utilities throughout Florida and normally they do
3	that type of work look what you're filling your
4	pool, and they will not charge for
5	WITHESS MARQUIS: The girl, Sharon in the
6	office, told me that is not a part of their plan.
7	MR. REMORLE: If you would call us, they
8	have to answer to us, and we would have if you call
9	the 1-800 number, they will look into it and they will
ro	get back with you.
ιı	Sir, I have one more, and then you can
L2	speak.
13	WITHESS CAPOSSELA: I just want to say one
14	thing.
15	MR. REMDELL: Okay.
16	WITHESS CAPOSSELA: I have been here 25
ا 17	years, and I never received a rebate. I did receive a
18	rebate from Florida Power. According to your rules
19	they did.
20	MR. REMDELL: Yes, sir. And the same rule
21	applies to water and wastewater.
22	WITHESS CAPOSSELA: They never gave me a
23	rebate, 25 bucks, and I'd like to get the interest on
24	it. (Applause)

MR. REMDELL: You're there for 23 months and

you haven't had a late payment or you -- let me
explain the rules. You're there for 23 months and you
have not skipped a payment, you haven't been late,
they are required to refund that back to you. If they
keep it -
WEIDENTIFIED SPEAKER: We haven't.

MR. RENDELL: Sir, let me finish. They pay
you your interest. Now, as part of that letter we
sent out, I believe it was a year ago or year and a

and they are supposed to refund you. I urge you,

please contact us because this is an issue we need to follow up.

half ago, they were required to do interest on that

Because it could be a violation of the rule. But we have to investigate that.

Okay. We've got Mr. Ekonomides, and I believe he is representing a civic association.

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# ANTEONY C. EXCHONIDES

appeared as a witness and, swearing to tell the truth, testified as follows:

## 22 DIRECT STATEMENT

WITHES EXCHANDES: Good evening,
gentlemen -- ladies and gentlemen. My name is Anthony
Ekonomides. I've been retained by Forest Hills East

Civic Association to look into this problem. However, I don't want the residents here tonight to think that that means here's another attorney spinning his wheels and making fees.

I live in Forest Hills East, so this is putting a bite on me, too.

Let me say for the record that in comparison to many of my neighbors, I am in, I guess, what is known as the revenue generating years. More than half of my neighbors, if not a full three-quarters, are on fixed incomes. This is going to hurt them badly.

(Applause) For the record also let me state that, ladies and gentlemen, fellow residents and neighbors, these folks really are here to protect you, okay?

I have 112 pages worth of Forest Hills East
Utilities applications that I have only received
yesterday and I've reviewed it, and I find some things
in it that are somewhat questionable but I wish to
compliment Mr. Vaccaro, the attorney to the Public
Service Commission, on his letter and the 25 questions
that he has asked Forest Hills Utilities to answer.

Further to that, I would like to get some sort of an idea, because I've only lived here a little over a year with my wife, as to -- how many homes exactly is Forest Hills Utilities servicing? I heard

1,200 plus the 250-some-odd in the community which I live. Are there any more than that?

MR. REMDELL: What our records indicate is they serve approximately 2,200 water customers and 1,100 wastewater customers.

customers. All right. Their figures may not be that questionable when it comes to certain things that I have problems with in terms of what they were claiming as revenue from wastewater. However, they also claim in their charts that they sell that treated wastewater. Who has been their client and how much is he receiving from that particular sale? That's something that perhaps the Commission ought to look into.

MR. REMDELL: Could you repeat that question?

WITHESS EXCHOMIDES: Here, do you have this application up there?

MR. REMDELL: Sure.

withess excommides: Let me draw your attention to -- bear with me, this is a smaller podium than I'm used to working with. I'm on Exhibit C. I'm just trying to get the right page. I believe that I'm on Page 12 of 19 of Exhibit C. Entitled, "Pro forma

Purchased Sewage Treatment Costs and Gallons Treated and Sold, 12 Months Ended July 31st, 1996." Who does 2 he sell that to? 3 MR. REMDELL: That is the amount of gallons that was billed to the customers of Forest Hills 5 Utilities. 6 WITHERS EXCHANGEDES: That would be the 7 79,795 gallons treated. 8 9 MR. REMDELL: Yes, sir. We have a question. Part of that letter we sent out we asked them about 10 11 this. WITHES EXCHONIDES: So this is what you're 12 13 referring to as one of those questions? MR. REMDELL: Yes. We have asked a question 14 15 about the schedule. 16 WITHESS EXCHONIDES: All right. Now, if we're all to understand correctly, he is going to not 17 18 have that as a source of revenue, because he's obviously putting our wastewater now directly to Pasco 20 County. MR. REMDELL: Not only is he paying \$3.23 21 22 per thousand gallons to Pasco County, but there's other expenses he's asking to recover, so that's also 23

included as part their proposed rates that we are

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looking at.

withese exceedibles: All right. And for the record, what are those other expenses that he seeks to recoup?

also in that exhibit. There are the cost of the lines themselves to interconnect, there's the cost of dismantling the plant. They're reducing some of the cost. (Response)

WITHESS EXCHONIDES: Let him answer the question, because, again, we can show our distasts maybe after he's finished.

They're also reducing some of their expenses. But what you've got to realize, you have been paying for that plant in your rates so they are retiring it and there is a cost to retire it. So there's an offsetting of retiring, but that's a part of what we're looking at. We haven't made any final determination on those costs yet. We've asked for justification; we just received it yesterday or the day before, and we have not had a chance to look at it yet.

the things that is upsetting me and the residents, is that -- and, again, I have only been here a little

over a year. There have been people that have been here for decades. But not only have they been paying for a plant that wasn't doing its job, now they have to pay for the new equipment. They also have to pay to dismantle the old. At some point is Forest Hills East actually going to give us what we paid for?

I moved in January of '96, approximately.

My wife used to clean that toilet every second week,

you know, with the old Snow Bowl, ladies? I don't

know what I'm talking about, you know what I'm talking

about. All right. If she doesn't clean it every day

now, we can't keep it olean. (Applause)

There was a meeting of the Forest Hills East Civic Association last week. Commissioner Hildebrand was there. She indicated to us, and I checked it the following day, that the cost of wastewater treatment has been reduced by 96 cents par 1,000 gallons by Pasco County. Why are we not seeing that figure reflected?

Now, many of you might think, well, the 3.23 reflects that reduction. In my books it doesn't, because the 3.23 is part of the agreement with Pasco County that I've reviewed here. In fact, there was a question because one document stated it to be \$3.13, and two documents stated it to be \$3.23, that might

have been a scribner's error, I don't know.

I'm sorry, it looked like you were going to answer that question, so I'm want to shut up for a minute.

Pasco County claims that they have reduced -- I heard Commissioner Hildebrand make this statement here a while back that the charges have gone down. However, the negotiated settlement between DEP and Pasco County was for 3.23. Possibility -- I cannot promise this, but there is a possibility that that savings will be passed on and that the fes charged the Utility here will not be 3.23, but could be less. But right now the negotiated settlement with DEP is for \$3.23. Hopefully, there is a possibility of a lower rate sometime in the future, at which time the rates will be renegotiated and possibly lowered.

WITNESS EXCHONIDES: I understand what you're saying correctly, Pasco County is going to hold Forest Hills Utilities to a \$3.23 amount simply because it's a contract.

MR. CROUCE: That's correct.

WITHESS EXCHONIDES: And that answers, perhaps, one of the earlier questions because people

seemed to not understand that Pasco County cannot charge us directly. Forest Hills Utilities has become a middleman wherein they have contracted our wastewater treatment to be done by Pasco County for a particular rate. The county has got nothing to do with us.

MR. CROUCE: That's exactly correct?

WITHESS EXCHONIDES: But we're still

Mr. Dreher's prisoners.

MR. CROUCH: I'd like to answer one other question, something you brought up a minute ago before I forget it. On this Exhibit C, Page 12, that you were referring to, gallons treated, 79; gallons sold, 69.

## WITHESS EXCHOMIDES: Right.

that we look into. It's called infiltration and inflow. In other words, there are other sources of water that gets into the sewer pipes that has to be treated by the sewer treatment plant. When it rains, it runs into the manhole covers. When it rains it may get into some of the lift stations. There's groundwater that gets into the pipes that increases the amount of sewage actually treated by the Utility. That's why the difference in figures between garlons

treated and the actual gallons sold, as they say, to the customers.

If that figure is inflated, if that is too high, we start looking at the utility to go in and correct the problem. Slip line some of their mains, do something to cut down on the amount of inflow and infiltration.

withes exceedings: Okay. Now, how -- you indicated a figure earlier on. How much of the water that I use in my home ends up turning into wastewater?

charged for is 10,000. There is a cap. After the 10,000 gallon cap is treated, you are no longer charged.

However, every household in here, I would imagine, has an average figure of gallons that they are charged for of around 4,500 gallons. Those with children would probably have much more than that. All right. Now, what I'm looking for is an answer as to how much of that 4,500 gallons that I use in my home, all right, is actually wastewater that goes back to FHU that needs to be treated which now, of course, is going to going to Pasco County.

MR. REMDELL: The rates are set at 80%.

That's the way we set rates. We assume that 80% of residential wastewater goes back to the plant. Now they do have records of how much water is received by their plant, how much is treated, and you could average that out on a per customer basis but the rates are set at 80% of water.

withes exceedings: In other words, what you're telling us is 80% of the water that I use goes back as waste. I need to pay it in a sewer figure.

And yet Forest Hills Utilities can get away with claiming that, for example, in the month of July '96 they treated a mere 5,840 gallons of wastewater and yet charged maybe just three houses on my street the total amount for that? There's 1,400 homes here.

This man's been making a killing for 20 years this way. (Applause) I'm sorry, gentlemen, but that just doesn't jive with me. I mean, if I was making those kinds of rates, I'd be knocking on Mr. Dreher's door for a job instead of practicing law.

MR. REMDELL: I guess I'm not sure what you're saying, but let me explain.

We have asked a question on the schedule and their response was that the second column was the gallons sold. That's the water that went to your meter. The gallons treated was what was received by

the wastewater plant. And I believe you said in July they treated 5,840,000 gallons.

I see what has happened here. I got a fax copy and that fax copy didn't look very good. If that figure represents five million, then I'll strike that complaint. That's fine.

MR. REMDELL: If you look at the top to of the column, it says --

withess exceedings: Well, there's where I have a line on my copy, and it's very difficult to read.

one other fact before we move on. We have a letter from Pasco County, and it's from Douglas Bramlett, the Assistant County Administrator. And this letter went out December 1995, and it indicates what the bulk charges for water and wastewater that's charged to utilities of Pasco County. And as of October 1st, 1996, the bulk wastewater rate is \$3.23 per 1,000 gallons to all bulk customers of Pasco County utilities and you're welcomed to --

withmess exceedibles: I appreciate that. I believe the 96-cent reduction may come after the date of that letter. I'm not positive. It's something I'd

have to check. I called on March 7th and was told that, indeed, there had been a 96-cent reduction in the price of wastewater treatment.

I wanted to get on the record a couple of more questions here. The Department of Environmental Protection has been after this utility for a long, long time based on the history that I've read in the few short days and hours that I have been able to do any research on this matter.

In 1985 they issued a warning to Forest
Hills Utilities with respect to the percolation pond.
They indicated to the Utility that the French drain,
referred to as many other types of things, was
inappropriate and it was not an appropriate way to
treat or to keep the effluent.

Now, of course -- I'm sorry. Are one of you from the Department of Environmental Protection? No, I didn't think so. Perhaps they should be here, but they didn't issue a complaint and a petition for enforcement of that notice of warning for five years. So this guy has been running a utility, not giving us what he ought to be giving us, polluting perhaps other bodies of water and throwing a bunch of wastewater, irrigating a golf course, so that Cyndi over here -- I believe it's Buchanan -- can't go out and enjoy her

yard, all right. What was the DEP doing?

this, but there was controversy during this time frame as to whether or not this French drain that you referred to, which is a sand filter, it let's the effluent run through that, as to whether or not that was legal. DEP --

WITHESS EXCHONIDES: So he challenged that.

MR. CROUCE: Pardon me?

withes exceedings: He challenged the notice -- five year to litigate it.

MR. CROUCE: And he claimed, and I don't know the full background on this, but that there were people DEP representatives here in this area who said it was okay. DEP in Tallahassee said, "No, it wasn't okay." But there was no formal charge that the French drain was illegal.

## WITHESS EXCHONIDES: Okay.

All right. Subsequent to that, his permit to operate was denied in 1981. Because he had you all up there in Tallahassee over the coals, all right. He figured, "Fine, I'll shut down, and you don't with the residents." All right. They allowed him, pending some sort of agreed-to settlement of this problem, they agreed to allow him to function under his 1986

permit with those standards.

Was he forced to bring up any of the standards that he could between 1986 and now, prior to this settlement agreement?

this time frame to come up with two -- or come up with alternative proposals. One of those proposals was to go in and build a new plant and figure out what to do with the effluent?

WITHESS EXCMOMIDES: I understand that.

months, if I'm not mistaken. I forget the exact time frame, but he was given --

WITHESS EXCHONIDES: 3.6 years.

TR. CROUCE: Right. Now, they came up with two proposals. One was to put in a new plant. And the second was to interconnect with Pasco County.

Pasco County's alternative turned out to be less expensive in the long run. Therefore, DEP and the Utility reached a stipulated settlement that they would go with that plant.

WITHES EXCHONIDES: I understand that.

I've read the stipulated settlement.

MR. CROUCE: This utility has been fined -to my knowledge, they have been fined \$10,000 already

because of not meeting regulations.

JITMESS EXCHONIDES: And additional 25.

MR. CROUCE: Additional 25,000 pending that is being litigated right now.

WITHESS EXCHONIDES: Right.

MR. CROUCE: That fine is not to be passed on to the customers. (Laughter)

withess exceedings: With great respect, we believe that one way or the other we'll end up paying not only his fine but the cost of his lawyers.

I direct your attention to Page 5 of 18 of Exhibit B: "Forest Hills shall not be liable for the installation of any meters or similar equipment or devices used to measure the amount of wastewater treated."

Now, though I can't draw your attention exactly to the next exhibit, I'd like you to have a look at it. I know this afternoon I saw a figure in there somewhere where he's put in the cost that he wants to recoup for a flow meter. If he's not supposed to be paying any cost for a meter, how come he's putting it in?

MR. CROUCE: One of the reasons for that is because this is a protection to make sure that he is not dependent upon Pasco County's meter. Otherwise,

he is solely subject to what Pasco County said flowed through the meter.

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having to pay more. If Pasco County told you it was 4 million gallons, and he just blanketly approved that and paid the 4 million gallons and charged you folks for it or he can say, "Hey, Pasco, based on my past experience I don't trust Pasco County. I'm going to put in my own mater to see how much flows through there.

MR. CROUCE: There have been cases where there has been differential, a sizable differential, between -- not between this particular utility but there are a number of others that are interconnected with Pasco County who have done this same thing. Now, whether or not we allow the cost of that meter is something that is still up for debate. He's asking for it, but that doesn't mean he'll get it.

SITHES EXCEMENTES: I bring it up today simply because, as an attorney, I'd like to think that an order signed by a judge is not going to apply where

it is convenient for Mr. Dreher and not apply where it's not convenient for Mr. Dreher. And if that's the case, gentlemen, I draw your attention to the fact that he chose Option B. He chose to tie into another region or county. Based on the engineer's timetable, that would take 3.5 years.

Now, in this document -- in fact, I'll give you another page, because what the heck, my civic association is paying me, I might as well make your work a little easier. I've got to find it folks, sorry.

MR. CROUCE: While he's looking for that,
I'll give you a little anecdote.

If we were to go through the formal hearing, we would have attorneys for Jack Shreve and his consultant; we would have attorneys for the Utility and their consultants, and all of these witnesses testifying and referring to documents back and forth, and we would spend several days doing exactly what this gentlemen is doing right here. It is definitely less expensive if we can do this through the PAA than it is to go to a formal hearing.

WITHESS EXCHOMIDES: Page 16 of 45, Exhibit

A. Connection of the plant. Indicates 3.5 years,

"After execution of this stipulated agreement, Forest

Hills shall connect to" -- sorry, "Forest Hills shall connect the Forest Hills Utilities service area into the regional county or municipal system with sufficient capacity to handle the wastewater burden of Forest Hills Utilities." My interest is in the next sentence. "During this period of time Forest Hills shall negotiate and enter all contracts, apply for and receive all of the permite, rate increases or other authorizations necessary to complete the connection within the scheduled deadline." He filed an application on December 12, 1996. Gents, by my math he's four months late.

Take the date that this order was signed, go three and a half years, you come up with August 12th, 1996? He's four months late. It might not be a big deal, but I intend to make it a big deal, because this is a judge's order.

There is in this order a way for him to extend that time. To my knowledge, unless you can tell us different today, there have been no uninterested party interventions filed by petition for administrative proceeding under Florida Statute

120.57. How much of this order do we, as citizens, looking to you, expect to see you tell Mr. Dreher he has to be bound by it? That's the first question.

Let me give you a supplemental.

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This guy has had at minimum, if you even forget about 1984 and '85, he's had since this order was signed in February of 1993 a total of four years to tell us, as residents, something so that we know. And yet since 1992, he's achieved rate increases of between two and a half to 6.5%. He'd always give us that in brackete. However, when this last notice came out, he didn't have that little bracket in there. had to do the math ourselves. So he has a rate increase that's four months late, according to the stipulated agreement, which becomes an order signed by a judge, he neglects his responsibility, okay, to tell residente regardless of the fact the Florida Statutes allow him a reasonable rate of return on his investment, if you want to be loved by your residents, you've got four years to -- "You know, guys, I kind of messed up. We're having to do a few different things, and I'm going to be asking for rate increases that will take care of the cost of shipping our water to Pasco." And I'm not going to buy the argument, "Well, I didn't know what it would cost." There are already facts and figures in this order. He knew darn well what it was going to cost and now he comes at the eleventh hour, and he says, "Hey, all you all, I want

100% more out of you." You guys let him get away with that, okay. It's robbery. It is complete robbery. Someone wanted to know who brought the rope?

(Applause)

Somebody here asked the question, "Who brought the rope?" It's not going to help us, folks, because Mr. Dreher brought a gun. Are we going to be able to do anything about this four-month delay?

There is no valid extension of time, to my knowledge.

That's what the fine was for? You're going to fine him 10,000.

fining. You have to keep in mind that is the DEP consent order.

MR. REMPELL: That's \$25,000 that's being negotiated between DEP and the Utility. That's not final yet and we're not involved in that.

WITHESS EXCHONIDES: I understand that.

MR. REMDELL: That's not our agency, but there is a fine in place that they are currently negotiating with DEP.

withes Exceedings: All right. Gents, I'm going to get just a few more questions on the record, and then I'll sit down because maybe there are a few of these other folks that want to say something.

I think I'd made it clear, but I'll read it into the record, anyway. Forest Hills Utilities -I'll refer to them as FHU from here on in -- has received rate increases almost each and every year between two and half to over 6%. What was done with these funds and were they appropriately reinvested in the facility since FHU apparently had knowledge that it was not in compliance with the Department of Environmental Protection minimum standards?

Was a portion of that money spent fighting DEP instead of providing service to the residents?

Basically, are we paying his legal bills?

What is the justification for residents having to pay more than 100% increase if it is a fact that FHU had prior knowledge of its noncompliances?

And I think we can all stipulate here that it is a fact that he knew of his noncompliances.

what might be shown to be poor management and planning on the part of FHU and Mr. Dreher? If the county has lowered its sever and wastewater treatment charges, why are those savings not being renegotiated to be passed on to residents by FHU? Are the residents now going to be solely responsible for the entire capital cost of the Pasco pipeline; and if so, why not give us

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1	some graduated increase that is fair to him, fair to
2	these people that are on fixed incomes and not
3	amortise it over eight and nine years, but amortize it
4	over a period of time that everybody can afford?
5	Because anything less than that would be a complete
6	bogus decision that favors Mr. Dreher and not the
7	people that pay your salaries. (Applause) Thank you.
8	MR. REMDELL: Ladies and gentlemen, I have
9	one more speaker form, but if there's going to be any
10	other people speak, we only have one court reporter
11	and we have been going at this for an hour and a half,
12	so if we could take a ten-minute break to let her
13	relax her fingers and get a drink of water.
14	(Brief recess)
15	
16	MR. REMDELL: Ladies and gentlemen, if we
17	can get started so we can get finished.
18	Our next speaker that signed up is Robert
19	Hoffmann, H-O-F-M-A-N-N.
20	Mr. Hoffmann, were you present when we swore
21	the customers in?
22	MR. MOFFMAM: No.
23	MR. REMDELL: If you will raise your hand.
24	(Witness sworn.)

MR. REMDELL: And if you could state your

name, address and spell your last name for the court reporter, please.

## ROBERT NOFMANN

appeared as a witness and, swearing to tell the truth, testified as follows:

#### DIRECT STATEMENT

WITHESS HOFFMANN: My name is Robert

Hoffman, H-O-F-M-A-N-N. My name is H-O-F-M-A-N-N.

Address is 5616 Silver Spur Drive, Holiday, right over here at Dodge City, part of the Forest Hills area. I have been a customer for nine years. Just a couple of questions, basically.

Is this where the sewage is going? Now, you told me that this is within specs. Would you want your granddaughter to drink this? Would any of you want your granddaughter to be drinking this, which is five years old? Do we want to pay for this?

Second question is Forest Hills Utility is a business. Now, you know, I'm only in my 50s, but it's always been my understanding that before you put any money in your pocket from your business you cover your costs. So if you're operation is deteriorating, you're not covering your costs. I mean, you always have to put something aside for when things go wrong.

That's business. That's the capitalistic system, isn't it? Or have things changed now? So why all of a sudden is everything turned to, excuse the expression, shit? And now he's -- I'm getting really irritated.

I've got my granddaughter outside with a friend. I've got to take her home and put her to bed, and I really don't want to give her a bath in this stuff. Do you understand? And we're supposed to pay more when he didn't take -- whoever owns this thing didn't take the time over the past few years to put the money aside to correct the problems as they came up and just kept using whatever influence, lawyers, what have you, to avoid it until it comes to the point where we have to take over and, you know, pay his expenses. And he walks away with a bucket full of money.

MR. REMDELL: One thing I do want to point out, this application is for the wastewater rates only, not the water rates, so we are under a time frame to look at this application --

about five days ago, instead of, you know, having a lot of them to prepare for this, five days ago, said that the water rates are going up, too. Don't you

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1	folks have something to say about that?
2	MR. REMDELL: I'm not familiar with the
3	water rates going up. I know this application is for
4	wastewater rates only. (Laughter)
5	WITHESS HOFFNAMM: I wish I had brought it
6	now. I thought you'd have one.
7	MR. REMDELL: I will look at one of the
8	notices. It may be an index that they received, and
9	an index is something that utility companies are
ro	allowed each year. It's by a statute to increase
u	their water and wastewater
12	WXTMESS EXCECUIDES: Anthony Ekonomides, for
13	the record, again. Yeah, this is wastewater, but I
14	think what the complaint is here is generally on the
15	meter sizes.
16	UNIDENTIFIED SPEAKER: General service.
17	WITHESS EXCHOMIDES: Yes, and general
LB	service.
19	UNIDEMPIFIED SPEAKER: And water, not
20	vastevater.
2.7	WITHES EXCHONIDES: And water.
22	MR. REDELL: This application for the
23	wastewater rates only. That is the wastewater rates.
24	These are all wastewater rates.

THE AUDIENCE: No.

1	MR. RENDELL: Sir, if you'll allow me to
2	speak, I could clear this up. This is for wastewater
3	only. That general service is for nonresidential
4	customers. That's what that general service means.
5	Now, this rate application is only for wastewater
6	rates. And what I was going to say earlier is we can
7	have a engineer check into the water quality with DEP,
8	but this particular hearing is dealing with an
9	application that we have a time frame to look at and
ιo	it's wastewater only. It doesn't preclude us from
11	looking into the water, but we can check into that.
12	WITHESS EXCHONIDES: Again, there is still
13	the concern here that they are doubling our meter.
14	All, meter sizes are going from 924 to 1880.
15	MR. REMDELL: That's correct. That's
16	wastewater only.
17	THE AUDIENCE: No, no, no.
18	MR. REMDELL: The meter sizes, if you look
19	at the notice, the first part is the residential meter
20	sizes.
21	WITHESS EXCHONIDES: Right.
22	MR. REMDELL: That's your wastewater rates.
23	The bottom half are general service, which are
24	commercial customers: nonresidential customers and

25 that's their increase, also. Everyone is getting a

proposed increase, that's what they are proposing to us. But the notice in this application is wastewater only.

withes exceedings: Well, are we to assume, then, that whatever price or whatever increase you give FHU is going to be something we pay and that the meter still will remain at \$9.24?

Propose are under a misconception of there.

You have one meter at your residence.

Normally, a five-eighthe by three-quarter meter; some people may have a one-inch meter. But a five-eighths by three-quarter meter, that you pay a meter charge for the water and you pay a usage charge, how many gallons you use each month. You also, in your sewage, you pay a fee based on the size of that water meter. That's the meter charge for sewage. And a particular charge up to the 10,000 cap for the sewage flows.

Now a gentlemen asked me a few minutes ago to work out something. You have approximately 1,100 sewer customers, residential customers. It works out that the average flow is slightly over 6,000 gallons per month par customer. And that's what you pay.

Some of you will pay more than that because you use a lot more water and you're capped at 10,000 gallons of

sewage. But most of you -- and the average is around 6,500 hundred gallons of sewage a month to the sewage treatment plant from the 1,100 residential customers. That is a very rough average by my hand calculations here.

withes exceeding an increase on.

MR. CROUCH: Yes, sir.

to pay -- I mean this whole thing is -- what irritates me is why do we have to pay for him shutting down his sewage plant and everything else when it's going right to the county and they are taking over the sewage treatment? Why does he have to skim some off the top of the sewage going to the county?

MR. REMDELL: That's the purpose of this application that we're looking into. We're looking at all of the costs that he's put into the application. We have not finished our investigation yet. But his application goes through and lists all of the financial costs that he wants to recover through his rates and that's what we're looking at at this point.

withes exceeded: Are you looking at it only for the weight -- how much money he's earning now? Or are you going to look back in the past ten,

20 years when these problems should have been taken care of then and where the money went, rather than take it all from where it is right now? What I'm saying, business-wise. It should have been invested ten, 20 years ago.

their earnings to make sure they are not overearning. But that's on an annual basis.

This application deals with the cost of interconnection to Pasco County. It's called a limited proceeding. And this limited proceeding, the scope of it is only for this interconnection. They did not file what is called a full-blown rate case where they are asking for increases across the board for all of their expenses. They're not asking for additional plant to serve besides the interconnection. This is a limited proceeding for only this purpose and that's what the scope of this application is for.

withes ExcMCMIDES: But we have to pay to shut the plant down that he has now and clean it up?

MR. CROUCE: Unfortunately, this is one of the things that the rules do allow. The government is forcing him to shut that plant down, to lose his business.

UNIDENTIFIED SPEAKER: Let the government

pay for it, not me.

government pays for it or not, it all comes out of you and me, the taxpayers.

WITHESS ZEOMOMIDES: Well, this one isn't coming out of you, sir.

about should they have saved money, put it up in a little fund for future contingencies.

Ladies and gentlemen, if you were a customer ten years ago, would you have wanted to have paid rates that would have gone into a slush fund to take care of something for future customers?

A utility is not allowed to save money off to the side for future use. When it comes time to do an expansion, to do an improvement, to put in a filter, whatever, they have to go to the bank and say, "Mr. Banker, I need to borrow a half million dollars to do something." They do not -- by law they are not allowed to have money set aside that customers ten years ago paid in. They just cannot do that. That's the way the rate structure is set up. So the customer today has to pay for what is required today.

I'd like to answer one other question real shortly. This gentlemen was looking at the calcium

carbonate in that water. I agree with you. It looks bad. It meets standards, but it's unfortunate that it looks that way, and I wouldn't want to drink it either.

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Now here's a question, the Utility could put a filter on their water and filter every gallon of water that comes out to you and get it rocky mountain spring clear water. You would have to pay for that filter. If they did that, if they put that filter on there, which is going to cost several hundred thousand dollars, that would filter every gallon of water you use, whether it goes into your pool, wash your car, in your garden, down your shower, washing your clothes, it doesn't matter. It is more financially beneficial for the individual customer to put a point of use filter -- it can be a little Sears, or something like that -- cartridge filter in your kitchen on your faucet and also on the line that goes over to your ice maker. If you have that, you could put that on there, filter the water that you drink and cook with, and the ice cubes, and end up far better off financially than if the Utility put in a filter that filtered all of your water.

Now, this is not what you may want to hear.

I'm trying to level with you, give you the honest

engineering answer. And I'll be around after the meeting if some of you want to ask questions on that.

The Utility could, they could come to you

and say, "We'll put a filter in and we want to raise our water rates to pay for this \$500,000 filter. You don't want to pay those rates, because you could put that little cartridge filter on far cheaper and filter your water where you use it to drink and to cook with. You don't want to filter the water that goes into your washing machine, dishwasher, things like that.

forced to make our water pure? Why do we have to buy a filter?

out of the ground here in Florida has calcium carbonate in it. It is an unfortunate fact of life in Florida. You have many other things, you have hydrogen sulfide in many cases in your water.

UNIDENTIFIED SPEAKER: What is the black stuff?

carbonate and iron.

UNIDENTIFIED SPEAKER: All of this started in the last couple of months.

MR. CROUCE: It's something the Utility

could fix, but it would cost you far more than you filtering it yourself.

UNIDENTIFIED SPEAKER: They're not required to give us pure water then?

UNIDENTIFIED SPEAKER: This has only been within the last couple of months.

the record, we've come to the end of the forms, and if anyone else would like to speak, you can raise your hand and come forward, one at a time. You'll need to state your name and spell it for the court reporter. I believe one gentlemen is raising his hand. But yelling from the audience, we can't get that in the record, so if you would like to put something on the record, please feel free to approach.

# COURTMEY DEMMENIT"

appeared as a witness and, swearing to tell the truth, testified as follows:

#### DIRECT STATEMENT

WITHESS DEMNEWITS: My name is Courtney

Dennewitz, D-E-M-N-E-W-I-T-Z. And I live on Malibuca

Drive in Forest Hills. I've read the water meters for
the City of New Port Richey for the last 17 years.

And the City of the New Port Richey and Pasco County

went in together and built a sewage treatment plant and -- one of the best that I've ever seen. It took me four hours to go through it. And to my knowledge, and being in the office up there and going through their records, they are a third less, what they charge the customers for, that sewage and water up there, than Mr. Dreher does here, okay?

Now, another thing that I'd like to go into, a lot of the customers up in New Port Richey cannot drill any more wells, okay. So New Port Richey has offered their customers a reduced rate to put in what they call an irrigation meter alongside their regular meter that sells water to them for their lawns and washing cars and stuff like that. That way they don't have to pay for the sewage for that particular water and they get to water their lawns and everything. Why can't Forest Hills Utilities do chat? Even if they gave their customers a reduced rate on the meter and the installation, it would save on the sewage rate and they wouldn't have to come to you people and ask you for an 18.80 increase.

MR. REMDELL: They could install. That's something they could apply for with us and we could approve it. To my knowledge, I don't believe they have that, but it is a possibility they could install

these irrigation meters. 2 WITHESS DEMNEWITS: Thank you. 3 (Applause) 4 MR. REMDELL: Is there anyone else that 5 would like to speak? Yes, sir. 6 7 JACK SANTOSUSSO appeared as a witness and, swearing to tell the truth, 8 testified as follows: 9 10 DIRECT STATEMENT 11 WITHESS SANTOSUOSSO: My name is Jack Santosuosso. I live at 5610 Florida Avenue in 12 Holiday. 13 MR. REMDELL: Could you spell your name, 14 15 please? WITHESS SANTOSUOSSO: S-A-N-T-O-S-U-O-S-S-O. 16 17 Recently I have been noticing strange odors in my garage. It smelled like rotten onions. So I 18 looked around, couldn't find any rotten onions, 19 nothing rotten. And it was mostly probably in the 20 21

in my garage. It smelled like rotten onions. So I looked around, couldn't find any rotten onions, nothing rotten. And it was mostly probably in the morning when I would get this odor. So I started looking around the corner where I live. And there's a sewer line that runs up the sidewalk on Florida Avenue on the corner of Rushmore. And this sewer is covered with a metal plate. Now all of the gases are coming

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out of that cover and they are contaminating the people that are living in this neighborhood.

There are God knows how many different types of bacteria that are floating around in there that are getting in the air.

I also noticed on the street corner, which we filled the past few years with hot tar because we're responsible for maintaining the street ourselves, the residents. So we filled that corner up about six to eight inches, and it's dropped down and it keeps dropping. The sidewalks in the area have dropped throughout all along this line. I've called the Forest Hills Utilities to come down and take a look at this. I haven't gotten eny response from them.

The latest call I have made is to the Commissioner, Ms. Hildebrand. And as of yesterday she returned my call and told me that somebody from the Department of Quality Engineering, I guess, was going to come down and take a look at this here.

Now, they have been down before when I complained about this last year, and I didn't get -- didn't get anything responsive that this was taken care of. I've noticed that -- I've gone out there and it wasn't a day for no one in my area to be watering,

and there was water in the street. I'm trying to figure out where the beck is this water coming from. Nobody is watering. I didn't water and it's got a funny look to this water. It looked like a rusty radiator had leaked there or something. It's so far over the whole area. You know darn well it wasn't -- and it's like a few times it's happened, it can't be somebody with a radiator going bad. The only thing I can figure, that this sewage is coming up, perking through the hot tar into this area. And I want to get something done about it before somebody gets real sick. There's kids walking to school every day. They are walking over this deadly group of bacteria coming out of this sidewalk.

you to go back and check with Mr. Monroe after you finish here and show him on the map where you are talking about, and we will follow up on that and see. There is a possibility that the sewer lines are malfunctioning. It could be a requirement that they go in and check those lines, TV those lines.

there's either a broken line there, a broken line in that ground where that sewage is leaking throughout everybody's area. Half of it is going up through the

streets and half of it is going into that plant. But we're breathing it.

you will, check with Mr. Monroe. (Applause)

MR. REMDELL: Is there anyone else who would like to speak? Yes, sir.

### WEIDELL EBOTELER

appeared as a witness and, swearing to tell the truth, testified as follows:

## DIRECT STATEMENT

WITHESS ENOTSLER: I want to speak. My name is Heotzler -- that's Wendell. Last name is spelled H-E-O-T-Z-L-E-R. I'm speaking as president of the Forest Hills Civic Association, which provided this hall for this hearing, and I'm glad we were able to do it.

Now, I want to thank everyone for coming. I want to say, as I said -- and it wasn't on the record before, but I'll put it on the record now, that we will be looking at this as a Civic Association, and it has all of the appearances of an excess rate and that should be definitely looked at, and I suspect we may be taking a strong position about this. I will be bringing it up to our board of directors very soon,

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1	and to the members. And thank you for coming tonight
2	gentlemen.
3	MR. CROUCE: Thank you.
4	UNIDERTIFIED SPEAKER: You sure didn't want
5	to do it last week, Quimby.
6	MR. REMDELL: Okay. Is there anyone else
7	who like
8	UNIDENTIFIED SPEAKER: Before the hearing?
9	MR. REMDELL: Who was that?
10	UMIDENTIFIED SPEAKER: Someone said we
11	didn't want to do it last week. We hadn't had the
12	hearing yet. It would have been a little bit
13	presumptuous.
14	WITHESS EXCHONIDES: You've seen a 100%
15	increase before the hearing, ma'am.
16	MR. REMDELL: Okay. We've got one more
17	vitness.
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19	A. J. CAPOSSELA
20	reappeared as a witness and, previously swearing to
21	tell the truth, testified as follows:
22	DIRECT STATEMENT
23	WITHESS CAPPOSELA: My name is Capossela,
24	you have it on the records, C-A-P-O-S-S-E-L-A.
25	Years ago, if I remember correctly, you

based all of the increases on the cost of the plant and allowed them a certain percent profit. Has that changed?

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MR. REMDELL: No, sir. We still have rate base regulation. We do look at the cost of plant.

withes capposmia: You don't have the hearings like you used to and investigate them like you used to.

We do hearings. But a hearing process is more expensive in that you have the sworn testimony and attorneys. The PAA process is another way of us coming out and talking and gathering the information.

Mr. Vaccaro --

hearings. This is the second and he's received an increase every year, because of the cost of living, without a hearing.

omes in for a formal application, we do this process, a PAA or a rate case. An index is what he's getting and that's allowed without a hearing through a statute. And he's allowed to pass that on each and every year. And all of the utilities throughout the state of Florida are allowed to do that.

Ladies and gentlemen, I believe that's the last speaker. I appreciate you coming out. We do have a lot of information we're going to be looking at, and we have a lot of new information tonight that we'll be looking at. We'll be sanding out more data requests. This process has just begun. We're still in the beginning stages, we have a couple of months to go. We will be making the decision, May the 6th -- the Commission will be making a decision. Once again, thank you very much. (Applause)

(Thereupon, the hearing concluded at 8:45 p.m.)

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STATE OF FLORIDA) CERTIFICATE OF REPORTER 2 COUNTY OF LEON I, JOY KELLY, CSR, RPR, Chief, Bureau of 3 Reporting, Official Commission Reporter, DO HEREBY CERTIFY that the Customer Meeting in Docket No. 961475-8U was heard by the Staff of the 5 Florida Public Service Commission at the time and place herein stated; it is further CERTIFIED that I stenographically reported 7 the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript, consisting of 96 pages, constitutes a true 9 transcription of my notes of said proceedings. 10 DATED this 21st day of March, 1997. 11 12 JOY WELLY, CSR, RPR 13 Chief, Bureau of Reporting 14 Official Commission Reporter (904) 413-6732 15 16 17 18 19 20 21

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