

MEMORANDUM

November 5, 1997

TO:

DIVISION OF RECORDS AND REPORTING

FROM:

DIVISION OF LEGAL SERVICES (JAEGER)

RE:

DOCKET NO. 960545-WS - INVESTIGATION OF UTILITY RATES OF

ALOHA UTILITIES, INC. IN PASCO COUNTY

Please place the attached letter of Representative Mike Fasano dated November 4, 1997, with its six attached customer letters, in the docket file.

RRJ/lw

Attachment

cc: Division of Water and Wastewater (Starling, McRoy, Chase, VonFossen)

F. Marshall Deterding, Esquire

Mr. James Goldberg Harold McLean, Esquire

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Florida House of Representatives

Mike Fasano

Representative, 45th District Majority Whip

Reply to:

■ 8217 Massachusetts Avenue New Port Richey, FL 34653-3111 (813) 848-5885

☐ 323 The Capitol
Tallahassee, FL 32399-1300
(904) 488-8528

November 4, 1997

The Honorable Julia Johnson, Chairman Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399

Dear Chairman Johnson & Members of the Commission:

I apologize that I am unable to address you personally. I have asked my legislative assistant Greg Giordano to speak on my behalf. As you know Governor Chiles has called the Legislature into special session and I am attending to those duties. The issue before you today is equally important to me so I have asked my staff member to relay my comments to you.

As you are aware the current case of Aloha Utilities is very important to me. Not only am I a customer of this utility I am a legislator who represents the thousands of customers who will be affected by the decision you make today. Much has been made in the past by the legal counsel representing Aloha Utilities that my position as a legislator somehow presents a conflict of interest in this matter. As I have said in the past when the time comes that I can not speak for the multitude of people who have contacted me regarding the horrendous product they receive from this company then I should no longer be in this office. I will speak up for them and work on their behalf until their problems are solved.

I was very pleased that three commissioners and members of the Commission staff had the opportunity to come to Pasco County and see first hand just how serious the ongoing problems with Aloha Utilities are. By some accounts over one thousand people came out to the two days of public hearings held in September of last year. If there was any doubt that people were having major problems with Aloha Utilities I am sure they were dispelled after the public hearings were completed. In the months that followed commission staff visited Pasco County and met with customers in their homes regarding these problems. I was present during many of these visits and know for a fact that the dirty, smelly water so often complained of was in evidence in these customers' homes. It may be small consolation to those customers we visited but I was glad that commission staff had the chance to turn on water taps and see the discolored and odorous water pour out. I expected that if there was any lingering question that people were experiencing these problems these visits would have put them to rest. When the present staff recommendation came out I admit that I was appalled. This recommendation came as a slap in the face to the people who have been saddled with the poor product and service issued by Aloha Utilities.

Committees

Vice Chair, Community Colleges & Career Prep Finance & Taxation Governmental Operations Regulated Services The Honorable Julia Johnson November 4, 1997 Page 2

Just what the people who wrote this were thinking I don't have a clue. To state that it is "perplexing" why this black water only occurs in some homes and not others, and then to go ahead and make recommendations is outrageous. With all due respect to the student from Colorado named Sara Jacobs, an inordinate amount of weight has been given to her masters thesis in making the recommendations before the Commission today. Instead of relying on the work of Ms. Jacobs the Commission staff should not have rushed to make the recommendations in this document. The staff should have done the research needed, here in Florida and specifically Pasco County, to determine how this particular problem needs to be fixed and not rely on Ms. Jacobs' conclusions. As well researched and documented her work no doubt is, it was not done in the Aloha Utilities' Seven Springs Service Delivery Area.

Since I am not a scientist I must rely on the opinions of those who are. The August 28, 1997 letter by Doug Bramlett, the director of Pasco County's Utility Department, clearly indicates how Pasco County has dealt with the presence of hydrogen sulfide in its water. Since many people in Pasco County have copper piping in their homes and do not experience black water than the efforts of Pasco County appear to be successful. Perhaps the commission staff should recommend that Aloha Utilities follow the lead of Pasco County and address their problem the way the county utility did. To suggest that the only way customers can ensure they will not have black water problems is by replacing their copper pipes with PVC, at their own expense, is at worst irresponsible and at best the product of incomplete research.

I would like to present to the Commission six additional letters from residents who reside in the Seven Springs Service Delivery Area. I apologize for the late hour of their presentation but they were only delivered to my office yesterday afternoon. Two of these letters are written by customers who live in the Trinity area and whose homes are plumbed with PVC. These residents also complain of the same black, smelly water the customers with copper pipes complain of. In my opinion it is irresponsible of the commission staff to recommend that customers replumb their homes with PVC when people with PVC are experiencing the same problems. I suspect that these two customers represent only the tip of the iceberg. It would be in the best interests of the staff to do further research before unsubstantiated recommendations are made.

The staff recommendation puts the onus of correcting this ongoing water quality problem on the customer. Aloha Utilities has already publicly protested what little this recommendation tells them to do. Aloha Utilities has a track record of doing very little to help its customers. If this recommendation is accepted by the commission it is my fear that some customers may be scared into spending thousands of dollars replacing their pipes without knowing whether or not it will even help them. Other customers who cannot afford to replace their pipes, or those who already have PVC, will not have any effective remedy to them. Instead of putting the burden on the customer the staff should be recommending that Aloha Utilities do something to cover the cost. I have long been a proponent of Aloha Utilities increasing its extremely low impact fees to pay for the needed repairs and construction of its water system. I once again suggest that the commission consider forcing Aloha Utilities to increase its impact fees. The monies raised may go far to reduce the cost of replumbing if that is the only recommendation the staff can come up with.

I did not enter this protest as a scientist who has an answer to the horrible water quality problems experienced by so many of Aloha Utilities's customers. If I did have the solution I would have presented it long ago. But I did become involved in this matter over two years ago because I was greatly concerned that the average man and woman, the customer who doesn't speak with a loud voice, would be bulldozed by a well financed entity such as Aloha Utilities. I respectfully request that the Commission remember the

The Honorable Julia Johnson November 4, 1997 Page 3

one thousand people who stood before you to share their anger and frustration at this water utility's product and service. I respectfully request that you look at the flaws inherent in this recommendation and order that further research be done before a recommendation is adopted. And, finally, I respectfully request that the customer not automatically be made to bear the cost of whatever is recommended. It is my opinion that the utility, like any company that does business, should be held accountable for the product it produces. Since the product it produces is water, a basic need of all life, I feel that Aloha Utilities should be held to a higher standard.

Thank you very much for your consideration.

Yours truly,

Mike Fasano

State Representative, District 45

MF/gg

10 Mon At May Cencern, Un our neu home, water supplied by " Cloba Utilities" was at times, Black, Dirty, Smelley and then grey looking. When we Complained by phone to Celoba, the response was. "Hen builderig in your area, give location and was told the area is scheduled for the fire hydraudts to be flushed" With all the explanations from "Cloba", What you read in the fagers about "Copper Pijes" (he have PUC) Our water on occasions still comes out black dity, smelly and then grey. The problem is " aloba theteles, not my pyies or new Buildings, Rospectfully yours, Rospetfully yours, frænces Clark 1 Trinity Oaks 8714 Silver Mist Place Lucille Clark New Port Richey-Florida 34655

To whom it May Concern,

As residents of Trinity Daks, we are serviced by aloka Utilities. We have been Florida residents for many years and have never thad the problems with our water as we have had with aloka Utilities. The water has an odor and an umpliasant taste. We have also had the water come out brown. It leaves an oily, gritly film. When we called aloka, we were told that it was copper pipes. Our house is only one year old and has Alo piping we have spoken to our reighbors who have all experienced the same thing.

We are all very concerned about the safety and quality of our water We want a resolution to this ongoing problem. We deserve Clean water!

8141 Silvernist R Sincerely Robin Softley

10-29-97 Once again our family is perplexed on the situation of discolored water that comes out of our faucets periodically). Tuesday, October 28, 1997 the Pasco Times stated that the PSC laid the blame on copper piping in our homes.

We have lived in St. Petersburg Clearwater, Oslando, Winter Park, and now New Port Richey (Trinity Oaks). Never before have we had (Blackish) water come out of our pipes which by the way were all copper. We have a filtration system

hooked up to our drenking water

and water line to our ice maker.

To: Mike Fasano

RE: Aloha Utilities.

We have had this septem for Seven years it's called a hydro gread. We have had this septem hooked up to our old house in Orlando and now in Trinity Oaks. We had the filters change and the Water Systems service man commented on how black the felters were and that he had never seen that before. We are going to be contacting our new neighbors to watch out for this discoloration and to ment down how many times this securs. Sincerly Brud a Drenda Jobison

DATE: 29 OCT97

Subject: WATER QUALITY

(ALOHA UTILITIES, INC.)

TO WHOM IT MAY CONCERN

I AM LISTING BELOW THE
PROBLEM'S WE ARE EXPERIENCING
AT 1868 KINSMERE DR.
NEW PORT RICHEY, FLA. 34655

- 1. WATER SMELL
- 2. BLACK WATER RUNNING FROM FAUCETS
- 3. BLACK WATER BUILD UP IN TOILET WATER TANKS

This condition is worse when we come home from being AWAY FOR A WEEK OR TWO

Cestilian Lo Junch

November 3, 1997

RE: Aloha Utilities Holiday, Fl. 34691

To whom it may concern:

We have been residents of Trinity Oaks since January 12, 1996. Since that time. we have continuously experienced poor water pressure and unacceptable water quality. There is no particular time of day or night that we will often find 'brown' water in all of the sinks and commodes throughout the house. It is to be noted that this problem exists everyday. We will not use the water in this condition and, as a result, must allow the water to run for no less than 5 minutes until it runs clear. If you multiply this by 4 or 5 different sinks and commodes several times a day, seven days a week, etc., it is obvious that our water bill will be substantially higher. In addition, there is black water in all of the commode tanks and black rings in the commode bowls. Shortly after moving in, we purchased an expensive water conditioning/purifying system, that not only softens the water, but purifies it as well. It does soften the water, however, it seems to us that 'brown' water is not purified water. Therefore, was our money spent in vain? The problem still exists. We have had the water system checked by both the company from where it was purchased, as well as, an independent company. All agree that the system we purchased is working perfectly and the fault lies in the quality of water Aloha Utilities provides for its customers. Additionally, we have purchased several chemical products that are supposed to eliminate the black rings in the commodes. Unfortunately they have not been successful.

The water pressure is extraordinarily bad. It takes twice as long to wash and rinse everything. The water comes out of all the shower heads very slowly, resulting in longer showers. We feel that this results in water bills higher than normal. The dishes come out of the dishwasher spotty and cloudy. We've tried several brands of dishwasher detergent and varied the amounts of soap, again with no success.

We don't appreciate paying high bills for water which is poor in quality and very low in pressure. Our money is literally "going down the drain". We demand that something be done to correct this problem, and NOT at our expense. We know we are not the only household in our community experiencing these problems. The more residents that move into Trinity, the more liklihood there is of additional complaints. It would be wise for Aloha Utilities to tend to the problems at hand, with of course, no cost to the customer. We anticipate that Aloha Utilities will take the appropriate action in resolving the existing water problems.

Gary & Connie Napolitano

8205 Silver Mist Place

New Port Richey, Fl. 34655

c: Aloha Utilities
Trinity Oaks Homeowners Association

October 31, 1997

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Michael Pasano State Representative, Diet 45

Representably of Passency

I have been a Pasco County resident and Aloha Utilities customer since July of 1994. Since that time I have been a part of, and a follower of, the ongoing problem of the quality of the water supplied by Aloha.

During the past three years. I have seen no improvement in the quality of the water that we have been receiving. Our water continues to be discolored and smelly. The inside of our toilet tacks turn black and when you open the top or the tack, it smells like a swamp.

To add to the upsetness and frustration with Aloha's water, the most recent suggestion that customers replace their copper plumbing to solve the problem is about as ridiculous as you can get. The fact that the Florida PSC appears to support such a suggestion adds insult to the situation.

Adding to the frustration and upsetness is the fact that although our water has not improved, Alcha has been allowed to deprly double its water/sewor fees over the past three years. By montaly payments to Alcha in 1774 averaged between \$25 and \$30; today my monthly payments are over \$50. Almost a 100% increase in my Alcha bill in 3 years.

The most recent rate increase is due to the way Aloha now calculates the sever charge. The new method, I am cold, is based on water usage, and causes a hoge increase for tustomers who use Aloha water for lawn watering, as i do. I am outraged that Aloha was allowed by the PSC to implement such an unfair method of calculating the sewer charge. They have allowed Aloha to grossly eventuring a gross number of their customers. There are two people in this icuse and a monthly sewer charge of over \$30 is colally unjustifiable.

I have read that Alona will not allow its books to be admitted by the FSC. It would seem that without an audit by the FSC, there can be no control on Aloha's retus and, therefore, greats them a license to sieal. It appears to me that this government agency which is supposed to regulate utilities and protect consumers from the problems live described above is ouing a poor job. Aloha's customers can't go to another water supplier, we need hedp.

I would suggest that, regarding water quality, dicha must be forced to provide us with a better quality product. Unraped to Jointy utilities are able to provide decent quality water. Regarding the unfair mothed of sewer fee calculation, Acom should use a fixed residential rate or be forced to with a customers to install a separate meter for izen watering on which there would be no sever change.

Thank you for your past and future involvement in this without on.

Sincere)y.

Richard E. Wiltsey 1242 Arlimbrook Drive New Port Richey, FL 34605

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