

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 100330-WS

APPLICATION FOR INCREASE IN WATER
WASTEWATER RATES IN ALACHUA,
BREVARD, DESOTO, HARDEE, HIGHLANDS,
LAKE, LEE, MARION, ORANGE, PALM
BEACH, PASCO, POLK, PUTNAM, SEMINOLE,
SUMTER, VOLUSIA, AND WASHINGTON
COUNTIES BY AQUA UTILITIES
FLORIDA, INC.

_____ /

PROCEEDINGS: NEW PORT RICHEY SERVICE HEARING

COMMISSIONERS
PARTICIPATING: COMMISSIONER RONALD A. BRISÉ
COMMISSIONER EDUARDO E. BALBIS
COMMISSIONER JULIE I. BROWN

DATE: Tuesday, October 11, 2011

TIME: Commenced at 10:00 a.m.
Concluded at 2:25 p.m.

PLACE: Spartan Manor
6121 Massachusetts Ave.
New Port Richey, FL 34653

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22 Service Commission Staff.

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P R O C E E D I N G S

1
2 **COMMISSIONER BRISÉ:** Good morning. We'd like
3 to call this meeting to order. And at this time we're
4 going to ask our Staff counsel to -- before I do that,
5 let me allow my fellow Commissioners to introduce
6 themselves.

7 I am Ronald Brisé, one of the Commissioners.
8 I just happen to be chairing today's hearing. I am the
9 Prehearing Officer on this docket.

10 So I will let ladies go first, and we'll have
11 Commissioner Brown introduce herself.

12 **COMMISSIONER BROWN:** Thank you.

13 Good morning. And I just wanted to take the
14 opportunity to thank all of you for coming out here
15 today. We will give everything you say great weight.
16 And my name is Julie Brown. I'm from the Tampa Bay
17 area, so I'm very familiar with New Port Richey.
18 Thanks.

19 **COMMISSIONER BALBIS:** Good morning.
20 Hopefully you can hear me. I can't reach over towards
21 this microphone. I'll try.

22 Good morning, everyone. My name is Eduardo
23 Balbis. I'm also a Public Service Commissioner. I want
24 to thank everyone for coming here today. We take your
25 comments very seriously. This is your hearing and

1 you're part of the hearing, and Commissioner Brisé will
2 explain this. But, you know, I want to request that all
3 of you provide as specific of information as possible
4 about service or about any other concerns you have.
5 That's helpful for me in order to make, you know, my
6 determination. So when you come up here and speak, you
7 know, please give specific information so that the
8 utilities can address it, Staff can address it, or, you
9 know, we can also take it into, into consideration. But
10 I want to thank you for coming here this morning.

11 **COMMISSIONER BRISÉ:** All right. At this time
12 we will ask Staff counsel to read the notice.

13 **MS. BENNETT:** Thank you, Commissioners. By
14 notice duly given, this time and place has been set for
15 a Customer Service Hearing in Docket Number 100330-WS,
16 application for increase in water and wastewater rates
17 in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake,
18 Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam,
19 Seminole, Sumter, Volusia, and Washington Counties by
20 Aqua Utilities Florida.

21 **COMMISSIONER BRISÉ:** Thank you.

22 Now let's take appearances of counsel, and
23 we'll start with Aqua.

24 **MR. MAY:** Thank you, Mr. Chairman. My name is
25 Bruce May with the law firm of Holland & Knight. I want

1 to thank the customers for coming out this morning.

2 To my right is Mr. Rick Fox. Mr. Fox is the
3 President of Aqua Utilities Florida, and at the
4 appropriate time he would respectfully ask to make some
5 very brief opening remarks.

6 **MR. KELLY:** Good morning, Commissioners. My
7 name is J. R. Kelly. I'm with the Office of Public
8 Counsel. I'm here with Earl Poucher, and we have the
9 honor of representing the ratepayers in this matter.

10 **MS. BRADLEY:** I'm Cecilia Bradley, and I'm
11 here on behalf of Attorney General Pam Bondi. And we
12 work with the Public Counsel to represent all of you.
13 So we really appreciate you coming here to tell us what
14 your concerns are this morning.

15 **MR. RICHARDS:** Good morning. I'm Joe
16 Richards.

17 **UNIDENTIFIED SPEAKER:** We can't hear you.

18 **UNIDENTIFIED SPEAKER:** Can't hear you.

19 **MR. RICHARDS:** Joe Richards, Senior Assistant
20 County Attorney for Intervenor Pasco County, and with me
21 today is Commissioners Jack Mariano and Henry Wilson.
22 Thank you.

23 **MS. BENNETT:** And I'm Lisa Bennett, Staff
24 Attorney for the Public Service Commission.

25 **COMMISSIONER BRISÉ:** Thank you very much.

1 Thank you, counsel.

2 Now let's begin by welcoming all of you. I
3 want to thank all of you for being here this morning.
4 It's 10:00. It's Tuesday morning, I believe, and I
5 thank all of you for taking your time today to come out
6 to express your concerns, your interests and so forth
7 with respect to the potential rate case that is before
8 us.

9 We are here to hear your opinion. We are very
10 interested in all of the details that you have to
11 provide for us. So the more detail that you provide,
12 the better for us. It helps us, when the time is
13 appropriate for us to get to the decision phase, for us
14 to have all of that information before us as we get to
15 making our decision. We certainly appreciate your
16 interest, and we will listen carefully to the
17 information that you have to provide to us.

18 This is an official hearing and all of the
19 information that you provide for us today is considered
20 testimony. So we, we ask that all of the information
21 that you provide be truthful and accurate, and at the
22 appropriate time I'm going to swear all of you who are
23 interested in speaking or offering testimony this
24 morning, I will swear you in. And at that time we will
25 begin to call you one by one. And we hope that all of

1 you will respect the fact that, you know, there's a lot
2 of you here today, so we want to ensure that everyone
3 has an opportunity to say what they need to say, but
4 we're going to limit everyone to about five minutes.
5 And Commissioner Brown, which is going to be my
6 timekeeper, she is going to let you know when you're at
7 four minutes. And so when you're at four minutes,
8 understand that you have a minute left and that it's
9 time for you to start sort of wrapping your comments up
10 at that time.

11 So there's one other thing that we deem is
12 important for all of you to do. Our Chairman has a nice
13 way of doing it; I'm not him, so I'll do it my way.
14 I'll just ask that you take out these devices, which are
15 your cell phones, and you put them all on silent,
16 vibrate, whatever mode you can put them on so that we
17 can't hear them, and we'd all appreciate that. We'd all
18 like that this hearing will move smoothly.

19 I believe that all of you who are interested
20 in speaking have signed in. And if you haven't signed
21 in yet, you still have an opportunity to go to the lobby
22 where there are sign-in sheets that were provided for
23 you to do so. The Office of Public Counsel will be
24 calling you up, so we will be following that order.

25 We understand that you might be very

1 enthusiastic about your support of comments made by
2 others, but we're going to respect everyone. So we ask
3 that, you know, we do not respond verbally to comments
4 either by clapping, booing, or cheering, or anything of
5 the sort. I see that some of you have signs. You're
6 welcome to use your signs, if you so desire. But we
7 will not strongly -- this is a strong term -- but we
8 will not tolerate cheering or booing at any point. We
9 understand that this is an interesting and emotionally
10 charged, can be emotionally charged, but we certainly
11 appreciate that we will respect each other even though
12 we may have differing opinions or you all may have
13 differing opinions as you come forward.

14 So at this time before I swear you in we're
15 going to have opening statements, and we're going to
16 begin with Aqua Utilities, which is going to provide
17 their opening statements at this time.

18 **MR. FOX:** Good morning. My name is Rick Fox,
19 and I'm the President of Aqua Utilities Florida. Before
20 I begin, I'd like to -- we have some AUF employees here
21 and I'd like to introduce them to you. Harry
22 Householder is our Manager of Operations. He's in the
23 back, if you want to turn around and see what Harry
24 looks like. Stacey Barnes is our Customer Field Service
25 Manager. Tricia Williams is our head Environmental

1 Engineer. Richard Bretts (phonetic) is our new Area
2 Coordinator for this area. And, finally, Will Fontaine
3 is Area Coordinator for Central Florida. These
4 employees, some of them have computers and they can
5 access your accounts. If you have any service issues
6 and you'd like to talk to them, please do so at your
7 convenience in the back of the room.

8 Commissioners, I would like to thank you for
9 the opportunity to speak briefly to our customers in
10 Pasco County this morning, but more importantly to hear
11 what they have to say. At the end of the day we are a
12 service company and we value all customer input on the
13 services that we provide.

14 We know that there's never a good time to ask
15 for an increase in rates. No one wants to pay more for
16 water or for electricity or for anything else for that
17 matter, yet we also know that everybody wants and needs
18 and demands reliable water service. That comes with a
19 cost, and that's why we're here today.

20 Our rate case is fundamentally driven by the
21 cost of the improvements that we've made to our utility
22 systems. I would like to take just a minute to go over
23 some of those improvements.

24 Over the past three years Aqua has spent over
25 \$11 million on capital projects to comply with

1 environmental regulations and to improve water and
2 wastewater quality, service, and reliability for our
3 customers. For example, in Pasco County we spent
4 approximately \$250,000 in Jasmine Lakes to rehabilitate
5 the wastewater effluent ponds. We also reduced
6 stormwater infiltration into the sewer system in Palm
7 Terrace and in Jasmine Lakes by replacing collection
8 lines that were aged and failing. This will reduce
9 operating and maintenance costs in the long run and
10 improve the efficiency of the treatment plant.

11 As always, we consider customer satisfaction
12 and water quality our top priority, and to that end we
13 have taken substantial steps to address secondary or
14 aesthetic water quality standards.

15 Let me talk briefly about our efforts to
16 address aesthetic concerns. Many of our customers here
17 today are from Zephyr Shores. Zephyr Shores is a
18 community with approximately 500 customers who receive
19 their water from two wells. We have listened to your
20 concerns about the aesthetic water quality stemming from
21 the natural characteristics of the local water supply
22 and we've attempted to address those concerns.

23 In June of last year we met with customers in
24 Zephyr Shores to discuss water quality improvements that
25 our company was implementing. Last September we met

1 again to discuss the impact of these capital
2 improvements on the rates and the rate structure in our
3 proposed filing.

4 In terms of those improvements, Aqua added a
5 sequestering agent to the water. This was done to
6 reduce the effects of natural minerals in the water.
7 The Florida Department of Environmental Protection
8 approved the new treatment system in March of 2010.

9 We have also installed automatic flushing
10 valves to improve the water quality, while keeping any
11 inconvenience to the customers at a minimum since we can
12 flush during the night.

13 We understand that customers expect water
14 service to be reliable, reasonably priced, and provided
15 in an environmentally sound manner. I want you to know
16 that we are committed to meeting that expectation. As
17 outlined in our filings, the vast majority of the costs
18 that drive this rate case are directly related to these
19 infrastructure improvement projects which I've
20 described.

21 I know a lot of you want to speak, and we are
22 here to listen, so I just want to thank you for coming
23 out and taking time out of your day to be here. I look
24 forward to hearing what you have to say. And I'll be
25 available, along with my staff, after the meeting to

1 answer any questions that you may have. Thank you.

2 **COMMISSIONER BRISÉ:** At this time we'll have
3 opening statements from the Office of Public Counsel.

4 **MR. KELLY:** Commissioners, I'm going to also
5 turn around, if that's all right.

6 Good morning. My name is J. R. Kelly, as I
7 mentioned earlier, and I'm with the Office of Public
8 Counsel. And we represent you, the ratepayers, in this
9 matter.

10 For those of you -- I think -- I see a lot of
11 familiar faces here from either past water customer
12 hearings or electric customer hearings, but for those of
13 you that are not aware our office, we are separate from
14 the Public Service Commission. We're not part of their
15 agency. We're funded by the Legislature, we work for
16 the Legislature. We have one mission, and that is to
17 represent you, the ratepayer, in matters that come in
18 front of the Public Service Commission.

19 Why are we here today? We're here because
20 Aqua came in to the Commission and petitioned for a
21 \$4.1 million rate increase. A few months ago the Public
22 Service Commission in a proposed agency action order
23 granted 2.61 million of that request. We protested that
24 and we feel that that is still way, way, way too high.

25 Now we don't believe that Aqua has done the

1 job of demonstrating by the evidence that their request
2 is justified. On your behalf we, we hired expert
3 witnesses, we filed testimony a few weeks ago, and I
4 want to quickly tell you the issues that we have raised
5 and will be arguing on your behalf.

6 Number one, quality of service. We firmly
7 believe that the quality of service that Aqua is
8 providing is unsatisfactory. Based upon that finding,
9 we believe that their return on equity should be lowered
10 commensurate with that. They should not be allowed to
11 earn a rate of return that other utilities that provide
12 satisfactory quality of service are earning or entitled
13 to earn.

14 A second issue is what is called used and
15 useful. And the bottom line, it's a fancy way of saying
16 this: When they invest in assets or improvements and so
17 forth, you, the ratepayer, should only pay for what is
18 100% used by and useful for you. If it's not used and
19 useful for you 100%, you should not have to pay for it
20 100%.

21 We believe that Aqua has overstated their test
22 year revenues, and that's the amount of money they're
23 asking for to earn a fair rate of return and conduct
24 business. We believe that they're overstated.

25 We strongly object to the level of affiliated

1 charges and costs that Aqua Utilities Florida pays to
2 their parent company, which is located outside of this
3 state in Pennsylvania, and some other divisions within
4 their corporate family. We believe that they are
5 grossly overstated and are not reasonable. We believe
6 their -- the amount of rate case expense that they're
7 asking for is very unreasonable and is just too much.

8 And, last, we're going to challenge -- or we
9 have challenged the affordability of the rates that
10 would be generated by the increase in revenues that
11 they're asking for.

12 As I indicated, we hired some of the best
13 experts around the nation to represent you in this
14 matter. They filed testimony. And based upon that
15 testimony, we believe that Aqua should be entitled to no
16 more than a \$312,000 annual increase. That's a far cry
17 from the 4.1 they're asking for or the 2.61 that was
18 granted by the PSC in the PAA order.

19 Now let's get to why we're here today and how
20 can you help? Folks, you heard the Commissioners behind
21 me say this is your meeting. They are 100% right. This
22 is your meeting. This is your opportunity. Your voice
23 is important, very important. We need you to come up
24 here to this podium and share your opinion with the
25 Public Service Commission and with us. That is so

1 important. Don't be afraid to come up here and speak
2 up.

3 If you don't want to speak up, then
4 Commissioner Brisé will tell you later on how you can
5 complete your comments in writing. But I strongly urge
6 you to come up here, exercise your right of speech and
7 talk to these, to these Commissioners behind me. And
8 here's all I ask: Be truthful, be honest, talk about
9 the quality of service Aqua is providing you dealing
10 with billing, customer service, the quality of the
11 product. More importantly, has it improved? Is it the
12 same as it was a year ago, five years ago? If it has
13 improved, folks, I want you to say so. We're out here
14 seeking the truth.

15 Number two, talk about how the rate increase
16 will impact you, your lifestyle. Your -- if you're on a
17 fixed income, whatever, talk about how it will affect
18 your livelihood.

19 And last, if you can, talk about how the
20 impact of the rate increase will affect the value of
21 your homes in your community and affect those that live
22 around you that may not be able to be here today because
23 either they're working or they're home with a disability
24 or some other handicap that they can't show up today.

25 But thank you so much for being here today. I

1 cannot tell you how important, how vitally important it
2 is for you to come up here to the podium and speak to
3 these Commissioners behind me. Thank you.

4 (Applause.)

5 **COMMISSIONER BRISÉ:** Thank you. At this time
6 we'll hear from the Office of the Attorney General.

7 **MS. BRADLEY:** Thank you, Commissioners.

8 Mr. Kelly said that their main job is to
9 represent you. I work for Attorney General -- I'm
10 Cecilia Bradley and I work for Attorney General Pam
11 Bondi, and we work with Public Counsel on some of these
12 rate cases and we will help to represent you. They do a
13 great job, but sometimes we like to be involved in it
14 because we think you, you know, could use maybe more
15 than a few of attorneys because there's a bunch of you.
16 And one of the most important parts of this process are
17 these public hearings. We can represent you a lot
18 better if we know what your concerns are, what your
19 problems are, what your likes and dislikes are. So
20 these are really important to us and to the Commission.

21 You may hear, you know, Mary or Sue or
22 somebody, John or Steve come up here and he'll say
23 something, and then you'll say, well, that's what I was
24 going to say, so I don't need to go talk. But you do
25 because usually Staff does a report after these hearings

1 and they'll say, well, only two people had that concern
2 or, you know, had a problem with that. And it's, it's
3 not a fair representation if you don't come up and speak
4 and tell us what your concerns are. So just because
5 somebody else has said it -- you know, you don't have to
6 talk a long time. You can come up and just say, well, I
7 have the same problem that Mary or John had. But we
8 want to know what your issues are.

9 And if you just feel like you just can't -- I
10 mean, your friends are here, you don't have to worry
11 about talking, but if you just feel like you just
12 absolutely cannot get in front of people and speak,
13 there's some blue forms back, and on the last page is a
14 place that you can fill in. And please do that because
15 they will consider the written comments as well as the
16 spoken ones. We'd rather hear from you, but if you just
17 can't, we'd at least like your written comments because
18 that gets counted too.

19 I know that you all probably had something
20 else that you could have done this morning that was a
21 lot more fun. I know people have children and people
22 have jobs and people just have appointments and meetings
23 they need to go to. So we really appreciate you taking
24 the time to come out and sit here and to talk with us
25 and explain to us what your concerns are. We do

1 appreciate that, and I want to thank you again.

2 (Applause.)

3 **COMMISSIONER BRISÉ:** At this time we will hear
4 from Pasco County, if they have opening statements that
5 they would like to make.

6 We're waiting for the attorney.

7 **COMMISSIONER MARIANO:** I thought the attorney
8 was supposed to speak. Okay. Joe.

9 **COMMISSIONER BRISÉ:** Thank you.

10 **MR. RICHARDS:** Good morning. Joe Richards. I
11 appreciate you all coming out today, and we would
12 likewise -- you know, Pasco County got involved in this
13 action because of all your concerns, and we want to make
14 sure that you get up and speak specifically about
15 problems you're having.

16 And I would like to say also that Pasco County
17 has a couple of concerns with the utility. We have, we
18 have a stormwater pond located next to their, their
19 effluent ponds in Palm Terrace, and we recently
20 discovered an overflow pipe that comes into Pasco
21 County's stormwater pond, and we have no record that
22 Aqua Utilities has any authority to discharge their
23 overflow effluent into Pasco County's stormwater pond.
24 We've provided notice to Aqua and we're waiting on their
25 response regarding that.

1 There's also a concern we have, they have a
2 spray field associated with their wastewater plant, and
3 for a number of years they had a, a pipe that crossed
4 Pasco County right-of-way, and again they didn't have
5 the right-of-way use permit to maintain that pipe there.
6 That pipe was aboveground. We know on at least one
7 occasion that pipe was broken and it leaked effluent
8 directly into our stormwater pond. They have since come
9 in and gotten a right-of-way use permit for that and
10 have buried the pipe so that it's safer now. But it was
11 operated that way for a number of years and we have
12 concern regarding that. Thank you.

13 **COMMISSIONER BRISÉ:** Thank you. Do we have
14 someone appearing on behalf of Lucy Wambsgan? Okay.
15 Apparently that person is not here.

16 And do we have someone appearing on behalf of
17 YES Companies? Okay.

18 All right. If not, then we are prepared to
19 swear everyone in. So if you are going to speak, we're
20 going to ask that you stand at this time. Just so that
21 you know, that you might be cross-examined by Aqua as
22 well as the Office of Public Counsel or the, or the
23 Attorney General's Office.

24 If you'd raise your right hand.

25 (Witnesses collectively sworn.)

1 Thank you very much. Please be seated.

2 And as was stated by the Office of Public
3 Counsel and the Attorney General's Office, we just want
4 to let you know that if for some reason you feel
5 uncomfortable about speaking, we do want your comments
6 on the blue form. You have the opportunity to, to write
7 your comments down and make that available to us either
8 at the front or you can provide it over here to the, to
9 our Staff. And those comments are just as good as the
10 comments that were said on the microphone.

11 I failed to introduce some of our Staff which
12 is here. We have Mr. Marshall Willis who's here. We
13 have Mr. Andrew Maurey who's here as well. The person
14 who helped you sign in is Ms. Cindy Muir. And the
15 person who travels with us and makes sure that we have
16 sound and all those types of things is Mr. Dick Durbin.
17 And please be clear, as clear as possible so that our
18 court reporter can have a clear sense of what you're
19 saying. And we try to provide a break for them like
20 almost every two hours or so so that they can have some
21 rest for the fingers, which are going to be typing at
22 90 or 100 miles an hour shortly.

23 So with that, we have some elected officials
24 which are here. And if you don't mind, we're going to
25 allow them to, to testify before you. And we're going

1 to begin with Senator Fasano.

2 (Applause.)

3 Whereupon,

4 SENATOR MIKE FASANO

5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 DIRECT STATEMENT

9 SENATOR FASANO: Good morning. Commissioner
10 Brisé and other members of the Public Service
11 Commission, thank you. Thank you for the opportunity to
12 address you this morning. Public Counsel, Attorney
13 General, thank you for being here as well and the good
14 work that you do along with the Public Counsel staff.

15 You know, it's hard to believe that it's been
16 nearly five months since I appeared before you in
17 Tallahassee to stand side by side with the customers of
18 Aqua Utilities in opposition to the utility's rate
19 increase application. At that time I spoke out in
20 protest of the rate hikes being sought by the utility.
21 Following that hearing, you and the remainder of the
22 Commission made a ruling that allowed Aqua, in certain
23 instances, to increase the rates it charges its
24 customers for water, despite its poor track record in
25 providing clean, drinkable water. The Office of Public

1 Counsel wisely appealed that decision and that's why
2 we're here today.

3 As that appeal has winded its way through the
4 process, you now find yourselves here in Pasco County,
5 the home to many, many unhappy Aqua customers, many of
6 who are my constituents and many of who are
7 Representative Weatherford's constituents, who could not
8 be here this morning. I shared my comments with him
9 last night and he fully supports my testimony this
10 morning.

11 Many people traveled to Tallahassee in May,
12 and, as you can see, quite a few more are right behind
13 me and in front of you this morning. And might I add,
14 Commissioners, that there are many that couldn't be here
15 today. We have senior citizens that just could not
16 attend, and we have many, many young families in the
17 Jasmine Lakes area, in the Palm Terrace area that work.
18 They have children who are in school and moms and dads
19 that are out working. There's no way they could have
20 been here this morning, but I will tell you they are
21 here in many ways.

22 As you near the conclusion of the public
23 testimony phase of this appeal, let me be clear that the
24 customers who now pay and will have no choice, unless
25 this appeal is successful, to keep paying outrageous

1 rates for at times undrinkable water deserve justice.
2 The justice they deserve can only be delivered by this
3 body and the remainder of your colleagues on the
4 Commission. I beseech you, I appeal to you to side with
5 the Office of Public Counsel, the people's legal voice
6 in this case.

7 The appeal they have filed is based on what is
8 right, not on what is expedient. The office took the
9 time to lay out its case that a portion of the
10 2.8 million, that rate increase recommended by Staff,
11 although less than the 4 million, as Public Counsel
12 indicated, originally requested by Aqua was approved on
13 grounds worthy of reconsideration. For far too long
14 Aqua Utilities has provided a poor product at an
15 inflated cost to the consumers.

16 The people that are sitting behind us here
17 today are ready to voice their opinions. And I also
18 echo what others have said: To those who are behind me,
19 please, please get up and make it clear that you cannot
20 only drink this water, but you cannot afford the cost
21 that Aqua is asking for.

22 I will tell you firsthand how they have been
23 living with water that is not fit to drink and is not
24 competitively priced as compared to other utilities in
25 the area. I mean, compared to what other utilities,

1 private companies in this area are charging, Aqua is
2 asking for just an unaffordable price. Please compare
3 it with other utility companies in this area. You will
4 find that Aqua is asking for just -- it's just
5 ridiculous.

6 Of course, since Aqua has total control of
7 who, who they serve, their customers do not have the
8 ability to purchase water elsewhere. They're captives
9 of this monopoly. A common refrain perhaps, but
10 nonetheless a valid one.

11 And, of course, unless you rule in favor of
12 the Public Counsel and the people and the customers of
13 Aqua, you will be a part of burdening a customer base
14 that is largely made up of people on fixed incomes, and
15 many of them stand or sit behind me. In this tight
16 economic -- economy in which every penny truly counts, a
17 large rate increase makes a dent in some budgets and
18 blows a hole in others. As we already know, Aqua
19 requested and was granted not long ago very large rate
20 increases, and those people in those communities today
21 are suffering today because of those rate increases.
22 The rate increases poses an economic threat to the
23 customers. The rate increases also serves as a reward
24 to a company that provides water that is substandard, to
25 say the least.

1 As we saw during the original hearing, Aqua
2 itself found themselves many times that its own product
3 did not even meet its own standards. Commissioners,
4 it's outrageous to allow a company to profit from the
5 inability to provide a decent product at a decent price
6 they're certified to deliver.

7 We have seen far too long that some privately
8 held utilities will do all they can to squeeze every
9 penny out of the people they are supposed to serve.
10 Aloha Utilities was one of those names. Thankfully it
11 is no longer part of the Pasco County vocabulary.
12 However, the harm it created during its time in business
13 surely must have been the model for Aqua's operations.
14 As Aloha did before them, Aqua has asked that their
15 customers absorb the cost of improving its facilities,
16 increasing staff and management salaries, as well as
17 padding the profits of stockholders. Why cannot those
18 owners dip into their own pockets to pay for the things
19 it is asking their customers to pay for?

20 An unfortunate outcome of the distressing
21 economy we're living through is the impact rate
22 increases will have on the customers of Aqua. Mr. Fox,
23 have you gone to Jasmine Lakes, Palm Terrace, and Zephyr
24 Hills? Have you visited those people who are on fixed
25 incomes, those families that are struggling to barely

1 pay their homeowners insurance, barely paying their
2 mortgage payments, and now having to seek not, not a
3 small amount but a huge amount that you're asking for
4 and have gotten in the past for water and sewer rates,
5 water that people need to bathe themselves and bathe
6 their children?

7 The utility has requested that the cost of
8 granting these raises to its employees and management be
9 passed on to its customers. At a time in which most
10 state employees, both public and private employees, I
11 should say, have not had a raise in many years,
12 companies big and small are down-sizing, government and
13 private agencies are laying off workers, and Social
14 Security payments don't keep up with the true cost of
15 living, it would be wrong, wrong to allow the cost of
16 employee and management raises to be passed on to the
17 customer. It is not a time, not a time in the midst of
18 a prolonged economic downturn to be granting raises to a
19 utility that are underwritten by the people who
20 themselves are struggling financially. The stress this
21 company has put on its customers is appalling.

22 On March 14th of this year I received a
23 letter, a letter from a Eugene Turner (phonetic) of
24 Zephyr Hills, who asked me to sponsor legislation that
25 would allow the Public Service Commission to revoke a

1 water utility certificate for a reason other than
2 abandonment. He also asked that the Public Service
3 Commission be given the power to direct the utility
4 company to divest a specified service area to the local
5 municipal water and wastewater system.

6 This gentleman, Commissioners, spoke for every
7 Aqua customer when he said that Aqua was a monopoly
8 running wild. The anxiety and desperation in this
9 gentleman's letter clearly demonstrates that people will
10 do anything, even requesting that the law be changed, to
11 separate themselves from Aqua.

12 The Office of Public Counsel has determined
13 that Aqua has failed to meet its own standards in
14 several categories. Public Counsel has identified areas
15 of ongoing concern: Poor customer service
16 representatives; difficulty reaching Aqua regarding
17 service problems; billing issues, including large
18 back-billing problems and otherwise high billing;
19 untimely, untimely boiled water notices. I just met a
20 lady in the back here who's struggling with cancer and
21 asked me the simple question, "Isn't Aqua supposed to
22 notify us when their water goes bad?" She never got
23 those notices.

24 Even though the Commission Staff has minimized
25 these issues in its recommendation, the overall quality

1 of service has not improved significantly. Until the
2 time comes that customers can feel a level of comfort in
3 knowing that their concerns will be addressed to a
4 certain level of satisfaction, I strongly encourage you
5 to make improving customer service and utility
6 responsiveness to a top priority as you follow the
7 development of Aqua Utilities. And until that time I
8 would suggest that you deny any rate increases the
9 utility is asking for.

10 The *Tampa Tribune* reported on October 9th of
11 2011 that Mr. Earl Poucher, Chief Legislative Analyst
12 for the Office of Public Counsel, stated this. "For
13 perhaps the first time in my experience in Florida we
14 are receiving testimony that people are moving out of
15 Aqua developments or are unable to sell their existing
16 properties because of the high Aqua rates." Moving out.
17 People are moving out of the communities because they
18 cannot afford the water and the sewer that is being
19 provided by Aqua. That's scary. That's why I would
20 encourage you -- and I know all three of you, you're
21 good people -- before you leave today, go up to Jasmine
22 Lakes right up the road, go up to Palm Terrace right up
23 the road, take a look, knock on someone's door. Don't
24 let them know who you are. They're struggling. And now
25 they're getting hundreds of dollars of water and sewer

1 bills every month.

2 For people to get to the point of leaving
3 their homes and moving elsewhere to escape Aqua
4 Utilities speaks volumes. Perhaps the actions of those
5 individuals, who may or may not be present here today,
6 is testimony enough as to why the remaining customers
7 need the protection, the justice that you as
8 Commissioners can provide.

9 When you convene in November to begin the next
10 phase of your deliberations, I ask you, I ask that you
11 look back on today and the previous hearings that have
12 been held. Please remember that those people who stood
13 up, stood up then and will speak, stand up today and
14 speak are the true faces of Aqua Utilities. Not the
15 company, of course, but the people who must consume and
16 pay for the product Aqua delivers. They're the ones
17 who, in an economy that continues to drag so many of us
18 down, must come up with the cash month in and month out
19 or else they face the real chance of having their
20 services shut off, and many of them have, by the way.
21 To impose upon them major rate increases, especially
22 when they're receiving poor water and almost nonexistent
23 customer service, is unconscionable. The only ones who
24 will benefit from these rate increases, if granted, will
25 be the owners of the utility, Aqua, and the

1 stockholders. The customers have neither asked for nor
2 do they support the proposed increases. On their
3 behalf, on their behalf and speaking on behalf of
4 Representative Will Weatherford, we respectfully request
5 that you side with the Office of Public Counsel and deny
6 the rate hikes being sought by Aqua. Thank you so very
7 much. God bless you.

8 (Applause.)

9 **COMMISSIONER BRISÉ:** Thank you. Senator
10 Fasano, if you could wait one second. Senator Fasano.
11 I don't know if there's any questions from the utility
12 or Office of Public Counsel.

13 **MR. MAY:** We have no question.

14 **SENATOR FASANO:** No? You sure? Okay. Thank
15 you.

16 **COMMISSIONER BRISÉ:** Thank you very much.

17 (Applause.)

18 At this time we will hear from Representative
19 John Legg, who is the Speaker Pro Tem for our Florida
20 House.

21 Whereupon,

22 **REPRESENTATIVE JOHN LEGG**

23 was called as a witness on behalf of the Citizens of the
24 State of Florida and, having been duly sworn, testified
25 as follows:

DIRECT STATEMENT

1
2 **REPRESENTATIVE LEGG:** Thank you,
3 Commissioners. And for the sake of time, I just thought
4 about it as I was walking up here, I should just say
5 ditto and sit back down. Senator Fasano, he outlines
6 the issues so well.

7 But before I begin, I want to first say thank
8 you to the Commissioners for coming to Pasco. It is
9 indeed a pleasure to have you here so our residents can
10 speak to you firsthand without making that four-hour
11 drive up to Tallahassee. And I greatly appreciate it.
12 And while you're here, I ask that you spend lots of
13 money pumping our economy so our folks can pay for some
14 of their necessities, specifically their water bill as
15 they, as they're working.

16 I want to, I want to just talk to you -- I'm
17 trying not to be a little -- I don't want to be
18 redundant on the issues that my good friend Senator
19 Fasano spoke on, but he outlined the problems so well.
20 I represent specifically Jasmine Lakes, so my remarks
21 are going to be specific to Jasmine Lakes because I
22 don't know the issues related to Zephyr Hills as well.

23 But I will say that the issues dealing with
24 Jasmine Lakes, which my legislative office -- and have
25 several schools right adjacent to that area, the

1 problems there are, are great in terms of the quality of
2 service. Without a doubt, my phone, my phone rings, if
3 not daily, on the issues that deal with the quality of
4 service that deal with the Jasmine Lakes area.

5 And the area that I want to kind of kind of
6 hone in on is a little bit more of a technical nature,
7 but it's very problematic from, from my view. It just
8 simply does not pass the smell test. And that is the
9 issue of our office looked at the, the, the rate
10 increase of Jasmine Lakes. And we've heard about the
11 \$250,000 for the stormwater retention area. And I ask
12 that you go look at that area. I drive by that
13 retention with the green arc almost, almost every day.
14 I remember it as a little kid. My father plastered
15 (phonetic) in the area. It's been here for a long time.
16 And without a doubt, there's probably some
17 infrastructure that needed to be done in that area.
18 However, the amount of \$250,000 for that area and you
19 look at the amount of rate increase that they are
20 looking at raising on the poorest of poor in our
21 community. Jasmine Lakes when it was built was a senior
22 community. Those seniors there now are aging and they
23 cannot afford the rate increases that are being put
24 forward.

25 And what makes it more, more alarming to me is

1 if you look at the rate structure which was adopted, you
2 look at the Tier 1 through Tier 4 system, and I am not
3 an expert on this area, but if you look at that Tier
4 4 system, your Tier 4 system are actually seeing a
5 decrease in rates while your Tier 1 system are
6 increasing.

7 Now I don't know the neighborhoods as
8 intimately as I know Jasmine Lakes, but Jasmine Lakes
9 without a doubt is the poorest of the poor in our
10 community. I have never seen in a public setting where
11 you have basically adopted a reverse Robin Hood approach
12 where we're basically taking from the poor communities
13 and subsidizing the more affluent communities of our
14 state.

15 Now I understand the methodology and the logic
16 behind it that, well, if we can, if we can disburse the
17 cost, perhaps maybe no one person will take the brunt.
18 But I think there's a fundamental line that we're
19 missing here is you can't have basically one area that's
20 going to be absorbing all the costs, and it's the poor
21 area, which is Jasmine Lakes. They are in essence going
22 to be subsidizing other parts of the state when you look
23 at those numbers. That is alarming.

24 Now, and that's not even, that is not even
25 considering the other factors that are impacting Jasmine

1 Lakes: The insurance rates, the unemployment rates. I,
2 as Senator Fasano has said, I would implore you to take
3 a look, look at that area, you know. You know, as I was
4 driving up here today, I was thinking how much more can
5 West Pasco endure? How much more can these folks endure
6 in our community in this area? It is one layer upon
7 another layer, and they do not have an option. They
8 simply do not have an option. And some would say, well,
9 they simply can move. They simply can move. Well, I
10 would tell you this: If you take a look at the home
11 values in that area and the rates that are there now,
12 they have been plummeting exponentially because of a
13 variety of factors. There is no one who would buy homes
14 in that area at this present point. They can't get
15 insurance, they can't afford the water rates, so they
16 are basically prisoners to a higher rate cost.

17 I would ask that you look at this tiered
18 system, I would ask that you look at that, and you
19 would, you would not charge Jasmine Lakes for
20 improvements that they do not benefit from. They are
21 not benefiting from other parts of the state's
22 improvements. That system is simply illogical. And I
23 would ask that, as Senator Fasano so eloquently said
24 earlier, that you would deny that, that you would look
25 at that and you would take that into consideration and

1 that you would look at, take a few moments, go to
2 Jasmine Lakes and Palm Terrace and knock on a few doors.
3 And please look at the surrounding private and public
4 utilities, at the rates they're charging, and factor
5 that into your consideration. Thank you very much.

6 (Applause.)

7 **COMMISSIONER BRISÉ:** Thank you. If you could
8 stick around for a few seconds if anyone has any
9 questions for you.

10 Thank you very much.

11 I do want to recognize that Ralph Lair from --
12 I want to say Senator -- Representative Will
13 Weatherford's office is here. So if you will wave your
14 hand in the back. Just know that his office is present
15 with us this morning.

16 At this time we're going to go forward with
17 Jack Mariano, Commissioner Jack Mariano from Pasco
18 County.

19 **COMMISSIONER MARIANO:** Now it's time.

20 **COMMISSIONER BRISÉ:** It's time.

21 Whereupon,

22 **COMMISSIONER JACK MARIANO**

23 was called as a witness on behalf of the Citizens of the
24 State of Florida and, having been duly sworn, testified
25 as follows:

DIRECT STATEMENT

1
2 **COMMISSIONER MARIANO:** Good morning, and thank
3 you very much for coming. I'm glad to see three
4 Commissioners could make it. I wish the other two could
5 make it so that they could actually be down here and
6 actually get to Jasmine Lakes and actually see what type
7 of environment those people are living through.

8 With the high, high cost of water that's out
9 there, you've got people that don't even water their
10 lawns anymore. That degrades the neighborhood, but they
11 need to survive first.

12 The quality of service that some of them have
13 to deal with, you can go right around the spray ponds. I
14 don't know if you remember, but the overground pipe
15 construction that went to the effluent spray fields that
16 they had that I showed you pictures of last time, okay,
17 we worked with them to actually have them put an
18 underground pipe in. Okay? That has now been done. We
19 had it pressure tested so we could make sure it was done
20 correctly. The right pipe is now in place, so now that
21 system has been fixed to that. But the people along
22 that road still have to deal with an inadequate spray
23 field that's there.

24 You heard my attorney, Joe Richards, talk
25 about the pipe. They're supposed to have an emergency

1 overflow pipe in case a storm or a hurricane may come
2 in. They don't have that pipe in place right now
3 either, which I believe is in direct violation of DEP's
4 permit. We've addressed it and again we're still
5 waiting for a response on that.

6 Talking about customer service, at the last
7 testimony, after the people -- we had two bus loads of
8 people from across the area, the region go up and
9 testify in Tallahassee. Those people were up there to
10 tell you what they went through, and I think the
11 testimony that you heard was very accurate. What you
12 heard coming back after the people had left and after
13 the people couldn't speak was some very concerning
14 things.

15 One of the gentlemen, who is actually in the
16 audience, got to hear about the boiled waters notices
17 that you were told of and how efficient they were, how
18 Aqua Utilities went through and called everybody,
19 reverse called, how they put out door hangers in place.
20 And in the background there was one gentleman who
21 couldn't take it anymore as he heard the testimony, and
22 he didn't have a chance to speak again, but he actually
23 held up a photocopy, 8.5 by 11 sheet, with a narrow
24 strip which probably mirrored what that boil notice was
25 that he found in his backyard. Those people from that

1 meeting, and I think you have this submitted to you
2 because it was submitted to you, I think your office,
3 the Governor's Office, and I think Aqua might have
4 gotten a copy of it through their investigations, but it
5 talked about all those people and exactly what the boil
6 notices they got over the course of years. That
7 testimony that you'll have in front of you, I hope
8 you'll really read it, and then take into account what
9 you were told at the hearing by Aqua Utilities, and I
10 think you're going to find a direct conflict. And I
11 thought it was very embarrassing that that gentleman
12 almost got thrown out when he was just trying to show
13 you what was really going on. But you have the
14 information now as you make this next step forward.

15 With the poor water quality, which you're
16 going to hear from the people and you've already heard
17 before, to me you should be looking at the lowest
18 possible rate of return that you can impose on these
19 folks. Whatever reduction you can do should be the
20 maximum. These people have suffered and it's just
21 getting worse and worse. And as you've heard from
22 Representative Legg and Senator Fasano, the area is
23 degrading. They've got a 32% estimated construction
24 rate of unemployment. The foreclosure rates, which
25 you've heard in different areas around the region, I'll

1 bet we probably have the highest around, and I can get
2 those numbers.

3 To give you an idea as far as the income level
4 of the people that are in the audience here today but
5 also reflective, it's a working class group of families
6 that are there. They don't have the money to take off
7 from work to come in and testify before you today. 64%
8 of a family of four there are under the income of 45
9 grand. That qualifies them for CDBG funding across the
10 board. That's how bad this area is, and I'll just speak
11 to that one area as far as the Palm Terrace area.

12 Affordability. I've got a chart that I
13 believe was submitted to you as well. And I'll give
14 this, I'll be happy to submit this copy as well as some
15 other records later on. It talks about the water fee
16 charge. Before you had granted the rate increase they
17 had a total gallon, total gallon charge of total gallons
18 of 6,000, your charges from Aqua Utilities at that time
19 were 137,000 -- \$137 per household. Pasco County
20 charges the same people the same rates of \$65. New Port
21 Richey, \$50. Outside the city limits, 61. City of Port
22 Richey, \$56. Outside city limits, \$70. Hernando County
23 is only at 45. They're over double what's there. That
24 was before their rate increase.

25 With the rate increase you've now imposed, it

1 almost puts them to triple. These folks can't handle
2 it. Economically it's tough. And let's face it, when
3 your water gets shut off, you've got to pay more water
4 to get it reinstated again. As some of these bills
5 that you'll hear later on go through the roof, over
6 \$200, how are they going to pay it? They don't have the
7 money. So affordability I think is a huge issue that
8 you really need to take a look at. And my office with
9 CDBG funding -- our staff would be happy to give you any
10 information you need to get those numbers that will be a
11 better comparison.

12 I talked about the foreclosure rates. The
13 spray fields, again, those families are suffering. We
14 need to address that issue as well. Quality of life is
15 a huge setback. When you listen to these folks, I hope
16 you really consider what's going on. And when you have
17 that policy, the new policy as far as trying to do the
18 rate band, you are exactly doing that. You're
19 penalizing the people that are here paying the rates in
20 place right now. This rate banding cost program should
21 be disbanded completely. The reason for it, you're now
22 taking systems that may be paying \$400 or \$500 a month,
23 and obviously that's not going to fly. Well, why spread
24 that cost amount? If they can't do an efficient job at
25 a reasonable cost at a reasonable affordability, maybe

1 they shouldn't be serving those people and there should
2 be another alternative. By doing the rate band, you are
3 delaying the problem, making the problem worse for
4 everybody else that they serve.

5 Please take a close look at that and abandon
6 that. I know it was addressed before the previous
7 Commission. I really think you need to take a look at
8 that. That issue is not working. It's only delaying
9 the problem, kicking the can down the road. It's not,
10 it's not the best approach.

11 You also heard at the last testimony where
12 they talked about as far as trying to compare an
13 electric utility showing benefit to people in a region
14 compared to water quality. I can guarantee you anything
15 that they may do in Lakeland is not going to affect the
16 people in Palm Terrace, Jasmine Lakes, or vice versa.
17 These water quality systems and water quality issues
18 should be controlled right from the same point. To
19 spread the cost around and try to put that rate
20 comparison is crazy. If you want to do anything to take
21 a look at, you should really just take a look at the
22 water fee chart that I provided to you and see what
23 locally they're providing water for. This is a natural
24 resource. They've just got to get it from one pipe,
25 treat it, and get it to us. It's supplied by Tampa Bay

1 Water from a lot of these systems in our case.

2 One last thing. They have made a very high
3 cost as far as doing this rate case study. They have
4 gone through and put a records request to my office, and
5 I want you to, I want you to hear what they're asking
6 for. This is all stuff that gets charged, I believe,
7 back to the rate case. They're asking for -- they want
8 to find out my plot or my strategy, okay, in a customer
9 meeting. They want to find out all public requests
10 referring to anything that I've made. They want to take
11 a look at any type of meetings I've had as far as doing
12 certain petitions.

13 Now before we had the rate increase hearing
14 that we had over in the county, at the county building,
15 they had done a petition and I want to read it to you
16 because it's very important.

17 "This petition, reference Docket Number
18 100330, attention Florida Public Service Commission. As
19 a resident of Jasmine Lakes, Port Richey, Florida, I
20 feel that Aqua Utilities is not a trustworthy company
21 based on the poor quality of service, including quality
22 of water, customer service, and the affordability.
23 Aqua's business model is not sustainable and it would be
24 in the best interest of all parties if they would divest
25 themselves of the Jasmine Lakes system and negotiate a

1 sale to Pasco County." I didn't have anything to do
2 with this setup. This was all -- I just saw this, as a
3 matter of fact, just recently.

4 "I request the Public Service Commission does
5 not grant them anymore increases on rates. Investigate
6 the past and present operations in the State of Florida.
7 Investigate the rates of Aqua, Aqua water for possible
8 overearnings. Deny their ability to expand to other
9 systems in the State of Florida."

10 I'm going to read the comments of this one
11 gentleman. "I am 90 years of age and I have lived in my
12 home since 1982. I live on my Social Security and a
13 very small pension. I will not be able to pay my bill."
14 And he put his name on here, name in here as well.

15 I've got a stack -- I'm going to say there's
16 probably about 700 of these. I'm going to turn these in
17 so you'll have the original copies as well. That will
18 be part of the record for you as well. I can give you a
19 copy of this here. The rate case that's in front of you
20 needs to be denied. Thank you very much.

21 (Applause.)

22 **COMMISSIONER BRISÉ:** If you would stand by for
23 questions.

24 **EXAMINATION**

25 **BY MR. MAY:**

1 Q Thank you, Commissioner Mariano. I'm Bruce
2 May representing Aqua. I have just a couple of
3 follow-up questions.

4 Just for the record, Pasco County formally
5 petitioned to intervene in this rate case, did it not?

6 A Correct.

7 Q And you're a formal witness in the case?

8 A Correct.

9 Q And you've filed prefiled direct testimony in
10 the case.

11 A Correct.

12 Q Have you read the order on prehearing
13 procedure in this case regarding discovery?

14 A I haven't. I have spoke to my attorney and I
15 spoke with Public Counsel to see if it was appropriate
16 to speak before you today.

17 Q But, but as a formal party, you understand
18 that you're obligated to respond to discovery; correct?

19 A Correct.

20 Q Okay. No further questions.

21 COMMISSIONER BRISÉ: Thank you.

22 COMMISSIONER MARIANO: Thank you.

23 COMMISSIONER BRISÉ: There are some things
24 that you said you wanted to enter into the record.

25 COMMISSIONER MARIANO: Yes.

1 **MS. BENNETT:** Can we get --

2 **COMMISSIONER MARIANO:** I'll be here through
3 the day, so I can give it to you later on, if that makes
4 it better for you.

5 **MS. BENNETT:** No. I'd like to go ahead and
6 identify it now.

7 **COMMISSIONER MARIANO:** Okay.

8 **MS. BENNETT:** It will be Number 26.

9 **COMMISSIONER BRISÉ:** 26.

10 **MS. BENNETT:** Exhibit 26. And could you again
11 state what that package is?

12 **COMMISSIONER BRISÉ:** A description.

13 **COMMISSIONER MARIANO:** The description, a
14 petition reference Docket 100330 that was done before
15 the rate case hearing that was held up in Tallahassee.
16 I've got a water fee chart that was submitted to me that
17 details the rates as well.

18 **COMMISSIONER BRISÉ:** Can we, can we just name
19 it the Mariano composite?

20 **MS. BENNETT:** I think that would be good, the
21 Mariano Composite Exhibit 26. And it consists of -- if
22 you'll state the other thing it consisted of.

23 **COMMISSIONER MARIANO:** I've got the petition
24 docket that was done by the citizens, I've got the water
25 fee chart that was submitted to me, and I can give you

1 the top copy of the rate request that was, the records
2 request that was submitted as well.

3 **MS. BENNETT:** And then the box full of
4 documents.

5 **COMMISSIONER MARIANO:** Yeah. I'm going to
6 give you all the box. There's about 700 of those in
7 there.

8 **MS. BENNETT:** Okay.

9 **COMMISSIONER BRISÉ:** Thank you.

10 **COMMISSIONER MARIANO:** Thank you.

11 (Exhibit 26 marked for identification.)

12 (Applause.)

13 **COMMISSIONER BRISÉ:** I'm going to remind
14 everyone, we have been sort of kind up to this point
15 with the clapping. We, we recognize your signs, so we
16 can recognize what you mean by the signs. But we, we're
17 going to ask once again that you refrain from clapping,
18 booing, or anything of the sort, anything that's
19 audible. We certainly appreciate that.

20 As we move into the rest of the testimony,
21 we're going to ask the Office of Public Counsel to go
22 ahead, Mr. J. R. Kelly to go ahead and call the first
23 witness.

24 **MR. KELLY:** The first name, and I apologize if
25 I get this wrong, Mr. Lou Villea. Villea.

1 **COMMISSIONER BRISÉ:** Just to remind everyone
2 that you have five minutes and the clock is ticking.
3 Whereupon,

4 LOU VILLEA
5 was called as a witness on behalf of the Citizens of the
6 State of Florida and, having been duly sworn, testified
7 as follows:

8 DIRECT STATEMENT

9 **MR. VILLEA:** Good morning. My name is Lou
10 Villea. I live at Palm Terrace Gardens on Greybirch
11 Terrace.

12 **THE COURT REPORTER:** Sir, I'm sorry. Could
13 you start over and pull that up?

14 **MR. VILLEA:** Is that better?

15 **THE COURT REPORTER:** Just speak a little --
16 just speak into it. Thank you.

17 **MR. VILLEA:** Okay. Again, I live on Greybirch
18 Terrace in Palm Terrace Gardens. I moved into the house
19 in 1999. I was a resident there when Aqua Utilities
20 purchased Florida Water Services out in 2004. Now they
21 didn't -- as far as from 2004 until this past year,
22 seven years they've been collecting rates from the
23 county residents as far as Palm Terrace Estates and the
24 other subdivisions that are tied into the system.

25 **UNIDENTIFIED SPEAKER:** We can't hear you.

1 UNIDENTIFIED SPEAKER: We can't hear you, sir.

2 MR. VILLEA: I can't help that. Anyway, is
3 that better?

4 UNIDENTIFIED SPEAKER: Yes.

5 MR. VILLEA: Okay. Let me start, as far as
6 Aqua Utilities is one of the largest privately owned
7 companies in the United States. Therefore, they didn't
8 come down to Florida with a blind eye buying up these
9 smaller utility companies. They knew exactly what they
10 were getting and knew the legal system and how they
11 could manipulate it. They bought these systems on a
12 one-to-one basis. They didn't buy them in a Band 1 or a
13 Band 2 or a Band 3; therefore, they should all be
14 treated singly as an individual unit.

15 They were granted the last rate increase in
16 2010, which we were in Tallahassee, it was processed and
17 approved in May of 2011. I submitted at that time rate
18 increases that we got in 2008. Again, I'll submit these
19 to the board later on. They've had five rate increases
20 from 2008 until 2009. If the base charge goes up, the
21 usage charge goes up for water and sewer, that's got to
22 be a rate increase. And I don't know what else you
23 would call it, but they had five of those from 2008 to
24 2009, yet you're telling the Public Service Commission
25 that they haven't had a rate increase at all. Wrong

1 answer.

2 The question that I have now is for our
3 Governor and the news media and everybody in the State
4 of Florida. Not only do we have our obvious problems
5 with Aqua Utilities, we also have a serious problem with
6 the Public Service Commission. The only identity we
7 have as an individual in the State of Florida is you to
8 represent us to make sure that corporate America doesn't
9 come in here and take advantage of all the private
10 citizens. You are our only means of stopping them from
11 giving us all these rate increases, and you haven't done
12 that.

13 Our interests are -- we're all on a fixed
14 income. We haven't had a rate increase, rate increases
15 for over three years, yet they're asking for billions --
16 or, I mean, millions of dollars of improvements. They
17 haven't done anything. For seven years in Palm Terrace
18 Gardens they didn't do a doggone thing until, until two
19 years of DEP violations, pressure from the county,
20 pressure from the public and the news media to get the
21 violations corrected.

22 The people, the Commissioners, you really
23 know, should know who you're working for. You're not
24 working for corporate America, you're working for us.
25 You are the only identity we have of stopping corporate

1 America from taking advantage of us.

2 **COMMISSIONER BRISÉ:** Sir, you have about a
3 minute left.

4 **MR. VILLEA:** We have -- you also, like I said,
5 DEP, they had two years of violation of DEP, which we
6 have records of that also. But in August of this year
7 we had two main breaks in our subdivision. And in doing
8 so, on -- I think the first one was the 9th and the
9 other one was the 27th. The 9th we did get a boil water
10 notice in the mail, as far as the door knockers. We
11 actually got a phone call, believe it or not, telling us
12 that there was a main break. On the 27th we also had a
13 main break system. We called to find out if they were
14 going to give us a boil water notice. They said no
15 because it was only down for an hour.

16 Now, to me, if you compromise the water
17 system, you need a boil water notice. People who have
18 called up, they're complaining, finding out what's going
19 on, get no response whatsoever.

20 You have -- this is going back to Aqua.

21 **COMMISSIONER BRISÉ:** Sir, you have 30 seconds.

22 **MR. VILLEA:** I know. I know. Double
23 billing -- I'm going to go on. Double billing in one
24 month. We're not talking about one bill. We're talking
25 about two separate bills that are due in the same month.

1 You're looking at \$100 per family -- that's \$200 per
2 family. And we're all on a fixed income; we get one
3 check a month. Every utility company in the State of
4 Florida does not bill you twice in one month.

5 I was in Tallahassee when they talked about
6 the policy, how to deal with customer service and
7 different things. One of them was stating about leaks
8 in the house. If you have a leak, they want you to
9 follow, have a major plumbing company come in, submit a
10 bill, send it to them, and then they'll take it under
11 advisement and see if it's going to fix it or not, or
12 you're going to be reimbursed for the leakage. There's
13 no policy at all for people who have pools that want to
14 fill their pool up.

15 **COMMISSIONER BRISÉ:** Thank you, sir.

16 **MR. VILLEA:** All right. Thank you.

17 **COMMISSIONER BRISÉ:** I don't know if there's
18 any questions.

19 **MR. MAY:** No questions.

20 **COMMISSIONER BRISÉ:** Office of Public Counsel.

21 **MR. KELLY:** The next speaker is Jeanie
22 Girdner.

23 Whereupon,

24 JEANIE GIRDNER

25 was called as a witness on behalf of the Citizens of the

1 State of Florida and, having been duly sworn, testified
2 as follows:

3 DIRECT STATEMENT

4 **MS. GIRDNER:** I'm Jeanie Girdner, and I live
5 in Jasmine Lakes. And I'm here to tell you that we are
6 on a fixed income. Okay. Our car insurance went up,
7 our house insurance went up. Our water bill is supposed
8 to go up to 150 some dollars. How are we supposed to
9 pay for that and our health insurance? I have to spend
10 \$277 a month in health insurance. They will only pay
11 after I pay the first \$3,000. I cannot afford to get a
12 flu shot, and my insurance will not pay for it. I can't
13 afford to get a mammogram unless there's a special going
14 on.

15 These people sit over here, they eat good
16 food. I have to watch my budget. We cannot eat steak;
17 we have to eat hamburger, if we can afford that. Why
18 are these people asking for more money when we are in a
19 depression? Not a recession, a depression. Money is
20 going out of this state. In fact, Florida is a laughing
21 joke. Chris Wallace, if you listen to him, Florida is a
22 big joke. I can't afford to move out of Florida. I
23 can't afford to sell my house. I can't afford to water
24 my lawn. I have to time myself when I go into the
25 shower. Do you time yourself? No. You can drink all

1 the water, take all the showers you want, wash all the
2 clothes you want. We can't.

3 When you live on a budget like ours -- I mean,
4 45,000, I would love to have 45,000 a year. I mean,
5 20,000 to 25,000 is all the money we've got coming in
6 for two people. When we pay \$988 for car insurance,
7 over \$1,000 in homeowner's insurance, and that doesn't
8 include sinkhole. I can't afford sinkhole.

9 Our electric bill, our water bill -- where do
10 you propose we get the money? We can't even afford
11 medicine. My husband is going into the doughnut hole.
12 We don't take that much medicine. But we're -- he's in
13 the doughnut hole. Where is the money coming from to
14 pay you to have your golf clubs, your fancy meals, going
15 out to eat? McDonald's is going out to eat for me, and
16 I'm grateful that I can do that once, once in a while.

17 Please do not let them have that rate.
18 Remember, and this was in the paper, "Wal-Mart moms not
19 buying what politicians are selling." We're not buying
20 what you're trying to shove down our throats. We can't
21 afford you. So what do we do, go without water? God
22 put the water on this earth. God made the earth. You
23 better thank God that you've got money to spend. And
24 let me tell you, there is a book of atonement when you
25 get up there, because you're not taking the money with

1 you. The book of atonement -- do you want to face the
2 good Lord? Do you want him to ask you why that you're
3 taking money out of these peoples' homes so that you can
4 belong to your country clubs? Thank you.

5 **COMMISSIONER BRISÉ:** Thank you. Any
6 questions?

7 (Applause.)

8 We're going to ask that you address the
9 Commission, address your issues to us, the Commission.
10 So we'd certainly appreciate that as we move forward.

11 **MS. BENNETT:** Commissioner Brisé, the
12 gentlemen who spoke earlier, Mr. Villea, has --

13 **UNIDENTIFIED SPEAKER:** Can't hear you.

14 **MS. BENNETT:** How about now?

15 **UNIDENTIFIED SPEAKER:** Yes.

16 **MS. BENNETT:** He has an Exhibit Number 27, and
17 I believe it is a rates increase summary. It's a
18 handwritten sheet. Have that marked as Exhibit Number
19 27.

20 **COMMISSIONER BRISÉ:** Okay. And we'll give
21 that the exhibit name Mr. Villea.

22 **MR. VILLEA:** Villea.

23 **COMMISSIONER BRISÉ:** Villea.

24 **MS. BENNETT:** He's got it rate, Aqua's rate
25 increases.

1 **COMMISSIONER BRISÉ:** Okay. Under Mr. Villea.

2 **MR. VILLEA:** Correct.

3 **COMMISSIONER BRISÉ:** Thank you. Okay.

4 Office of Public Counsel.

5 (Exhibit 27 marked for identification.)

6 **MR. KELLY:** The next speaker is Mr. Henry

7 Pasquale or Pasquale.

8 Whereupon,

9 HENRY PASQUALE

10 was called as a witness on behalf of the Citizens of the
11 State of Florida and, having been duly sworn, testified
12 as follows:

13 DIRECT STATEMENT

14 **MR. PASQUALE:** My name is Henry Pasquale. I
15 live in Jasmine Lakes, Oleander Drive. And I don't have
16 anything in writing that I can say because I've got
17 macular and I'm legally blind.

18 We're hearing all these complaints, and it's
19 the same complaints in Tallahassee and all, all these
20 meetings. You know, I wonder, are you people listening
21 to us? Are we speaking a language that you don't
22 understand? I thought we were speaking the king's
23 English.

24 You know, you talk about rates. Never mind
25 the rates. We just don't want Aqua. The quality of

1 water has not improved. I've been down here six years
2 now from Massachusetts and the quality of the water
3 hasn't changed. What is it? Why, why hasn't it
4 changed? Why is it like urine in your bowl that leaves
5 stains? Why? Do we have to bring scientists from
6 Massachusetts Institute of Technology to come down here
7 and figure it out? They can't figure it out. But if
8 they can, they're not doing nothing about it, if they
9 do.

10 And these rate increases. You know something,
11 I believe there are three fat cats over there. That's
12 my opinion. They're living good off the law of the
13 land. You know something, our forefathers would turn
14 over in their graves. I don't know if you ever heard of
15 Paul Revere or John Quincy Adams or Benjamin Franklin,
16 Thomas Jefferson, and John F. Kennedy, the best senator
17 we ever had in this country. They would turn over in
18 their graves when they listen to this.

19 But what are you people doing about it?
20 That's what I want to know. Are they that powerful?
21 Are they that strong? You should have the power over
22 them. Why can't we get rid of them? You're talking
23 about rules, you're talking about this. Do they have a
24 contract? Why don't we break the contract and we'll pay
25 a fine? The same as Verizon, if you break your

1 contract, you get a \$300 fine. Well, we're not using
2 them no more. That's what I want to know. What are you
3 doing?

4 I think, in my opinion, you people know that
5 they're going to get a raise, they're going to get
6 something. I don't know if it's backdoor or whatever it
7 is, and these people have a lot of stuff in their
8 closets too. Maybe we should have the Internal Revenue
9 go in there or the FBI go in there and look over their
10 records. Maybe we need Washington to do it. You're not
11 doing it down here.

12 Let me ask you something, Commissioners. Are
13 you in control over those people? Do you have control
14 over them, of what they do and what they don't do? I'm
15 asking you a question. Could you respond, please?

16 **COMMISSIONER BRISÉ:** Sir, as we stated, this
17 hearing is for us to hear from you primarily, so --

18 **MR. PASQUALE:** Yes. Right. All right. I'm
19 saying why can't they fix the quality of water? What is
20 the problem? Is it the filtration system? For six
21 years they haven't done it yet. And let me say a lot of
22 people here are on fixed incomes. I'm lucky. I get a
23 good pension. I don't complain or anything. But I feel
24 sorry for the other people. My nextdoor neighbors, they
25 can't afford it. It's a shame. This is America. Obama

1 said we're the greatest and the richest country in the
2 world. Look at these people on fixed incomes, they
3 can't live right.

4 **COMMISSIONER BRISÉ:** Sir, you have a minute.

5 **MR. PASQUALE:** That's about all I've got to
6 say. I think you should do something about it. Never
7 mind the rate increase. Just get rid of them. Just get
8 rid of them. Never mind the rate increase. Get rid of
9 them.

10 (Applause.)

11 Why can't we? Why can't we break their
12 contract and everything? In other words, I'm going to
13 say, Commissioners, either that or you people are all
14 dictators, you're Saddam Hussein and everything. We
15 have no alternative. You're telling us we have to drink
16 that water and that's it. And it shouldn't be. This is
17 America. We, the people, should have the voice and have
18 the say. The government is run by the people and for
19 the people, but it's not so in Florida.

20 You know, if they're not making money, you
21 know, if they're not making money, go under Chapter
22 11 bankruptcy. Get out of here.

23 **COMMISSIONER BRISÉ:** Thank you, sir.

24 **MR. PASQUALE:** If they're not making money.
25 You know what they're making the money for? The

1 stockholders and for those people there. You know, they
2 don't get a 5% raise, they get a \$50,000 a year raise.

3 **COMMISSIONER BRISÉ:** Thank you, sir.

4 (Applause.)

5 **MR. KELLY:** The next speaker is Ms. Marsha --
6 I apologize -- DiCioccio or DiCioccio.

7 Whereupon,

8 **MARSHA DiCIOCIO**

9 was called as a witness on behalf of the Citizens of the
10 State of Florida and, having been duly sworn, testified
11 as follows:

12 **DIRECT STATEMENT**

13 **MS. DiCIOCIO:** Good morning. My name is
14 Marsha DiCioccio. I live on Oleander Drive in Port
15 Richey. And I've been there for 16 years and in that
16 amount of time you can't drink the water. It seems to
17 me that something should have been done with the water
18 by now.

19 A few months back I got two months' bills, one
20 right after the other, and they were identical to the
21 penny. And you can't tell me that we used the same
22 amount of water for two months that the bill was right
23 to the penny. So something was wrong there. They
24 didn't read the meter or something. And then I have
25 been billed twice in one month too from Aqua.

1 I'm on a fixed income, my husband and I. We
2 haven't had any increase, as you know, in Social
3 Security. And, please, I'm asking you to deny the rate
4 increase to Aqua. Thank you.

5 COMMISSIONER BRISÉ: Thank you. Any
6 questions?

7 EXAMINATION

8 BY MR. MAY:

9 Q Thank you, Ms. DiCioccio.

10 A DiCioccio.

11 Q DiCioccio. Excuse me. Just a couple of
12 questions. You mentioned that you were billed twice in
13 one month?

14 A Yes.

15 Q Do you recall what year and what month you
16 received those bills?

17 A Within the last year, I think it was. I
18 didn't bring any bills with me.

19 Q Sure. And you're, you're with what system?
20 Is it the Palm Terrace?

21 A Jasmine Lakes.

22 Q Jasmine Lakes? Okay. And you also said that
23 you got, you received two bills in sequence and they
24 were for the same amount?

25 A For the same amount, right to the penny.

1 Q And could you explain what months those bills
2 were issued or when you received them?

3 A Probably last May and June, something like
4 that.

5 Q Of 2011?

6 A Yes.

7 Q Okay. Thank you, ma'am.

8 A Uh-huh.

9 COMMISSIONER BRISÉ: Just so that you know,
10 the company has some staff people here. So if there are
11 issues with current bills or recent bills that you
12 actually have with you and you want to have that issue
13 addressed, they have representatives in the rear so that
14 you can potentially have those issues addressed here
15 this morning.

16 MR. KELLY: The next speaker is Mr. Ralph
17 Zanello.

18 Whereupon,

19 RALPH ZANELLO

20 was called as a witness on behalf of the Citizens of the
21 State of Florida and, having been duly sworn, testified
22 as follows:

23 DIRECT STATEMENT

24 MR. ZANELLO: Good morning, Commissioners.
25 Thank you for coming. My name is Ralph Zanello. I live

1 in Palm Terrace subdivision. I've lived there for 18
2 years.

3 UNIDENTIFIED SPEAKER: Can't hear you.

4 COMMISSIONER BRISÉ: You need to speak up.

5 MR. ZANELLO: My name is Ralph Zanello. I
6 live in Palm Terrace subdivision. I've lived there for
7 18 years in the same house. My main concern -- there's
8 a few of them. The main one is the boil water notices.

9 On February 1st of this year at 7:50 a.m.
10 there was no water pressure in the house, yet outside my
11 door there was a heavy flow of water running down Judith
12 Crescent, that's the name of the street I live on, and
13 it was running from west to east. At 10:00 a.m. there
14 was still no water pressure in the house and the water
15 continued to run down in a heavy flow.

16 I called Aqua's phone number which is listed
17 on their bills as (877) 987-2782 several times, and I
18 got a recording. I left the information and my phone
19 number as requested. I never received a return call.
20 12:00 noon, still no water pressure in the house. The
21 water is continuing to run down the street.

22 I walked up Judith Crescent to the house where
23 the water was coming from. The house was on the north
24 side of the street. I asked the workers who were in the
25 yard what was going on. They told me that they broke

1 the water main with a backhoe. They said that the local
2 Aqua Utilities worker did not know where the shutoff
3 valve was located, so he was waiting for someone to come
4 to show him where it was located so they could cut the
5 water off in the system.

6 At that time Aqua Utilities workers showed up,
7 followed by a Pasco County Utilities worker. The Pasco
8 worker looked at the problem and told the Aqua worker to
9 follow him and they both left. Approximately 20 minutes
10 later the water stopped flowing. At 3:15 that afternoon
11 a boil water notice was placed on the door. There was
12 still no water pressure. At 5:45 the water pressure was
13 restored. The water had run down the street from
14 approximately 7:50 a.m. until it was shut off by the
15 county worker with the Aqua worker, which that water ran
16 down for several hours. And with the water problems we
17 have in the State of Florida, that was a lot of lost
18 water. I just wonder who paid for all that water. On
19 the 4th of February the water was restored and a rescind
20 (phonetic) boil notice placed on the door.

21 On May 17th, 2011, at 1:00 p.m. the water
22 pressure was very low. I checked with the neighbors and
23 they had the same problem. So I drove down towards the
24 Aqua treatment plant, which is on Ranch Road. I saw an
25 Aqua employee in the area of Nome Avenue and I asked him

1 what was going on. He told me that there was a water
2 main break, and the subcontractor who will do the repair
3 will be there to work on it in the morning. Now this
4 was 1:00 p.m. in the afternoon. The worker would be
5 there the next morning. So the next day we maintained a
6 very slow flow of water in the house during the night,
7 not even really enough to take a decent shower in.

8 At 1:00 p.m. on the 18th of May I passed by
9 the Aqua treatment plant a couple of times looking to
10 see if they were doing any work anywhere. I didn't see
11 anybody around. And finally I saw a contractor pulling
12 in there. And I stopped and asked him if he was there
13 to repair the water leak, and he said, yes, he was. And
14 I said, "Well, I thought you were going to be there in
15 the morning." And he said, "Well, I had to wait until
16 --"

17 **COMMISSIONER BRISÉ:** Sir, you have about a
18 minute left.

19 **MR. ZANELLO:** I'm sorry.

20 **COMMISSIONER BRISÉ:** No. That's okay. You
21 have a minute left.

22 **MR. ZANELLO:** Anyway, he had to get notified
23 that he could do the work from Aqua Utilities, the
24 utilities corporation before he was allowed to do the
25 work. And they had to notify him from the other side of

1 the county or the other side of the state, rather, where
2 they had an office. And this goes on and on and on.
3 Boil water notices are placed -- a lot of times the
4 water pressure will go off after people have gone to
5 work. Boil water notices are placed -- I've had one
6 placed on my door after midnight. And people are
7 sleeping, going to work the next day. They go out the
8 door, they make breakfast, use the water and everything,
9 and they never even knew the water was off.

10 And, you know, it's just, it's amazing to me
11 how all of this can happen -- and we got a letter last
12 time that there was water off, which was on August 9th
13 the water went off, and we got a letter to rescind the
14 boil water notice on the 12th of August, and it was
15 signed by the President, Mr. Fox. The only thing is it
16 wasn't exactly the way it happened, how he's testified
17 in the letter. Whether he was misinformed by his
18 employees or what, that's -- I don't know. But I'm just
19 saying, you know, he can't say it only took them an hour
20 to fix this or something like that because that's not
21 true. It took a lot longer.

22 And that's my question that I have for you
23 people on the Commission. You need to think about all
24 the problems that we're having and do they really
25 deserve that kind of an increase?

1 was called as a witness on behalf of the Citizens of the
2 State of Florida and, having been duly sworn, testified
3 as follows:

4 DIRECT STATEMENT

5 MS. MURPHY: Good morning. My name is Tracy
6 Murphy, and I live in Palm Terrace Gardens. And thank
7 you for moving me to the front of the line a little bit
8 so I can get to work.

9 Everybody talks about the rates of the bills
10 and saving money and trying to cut down on water usage.
11 I have a bill from August of 2008. Our average daily
12 usage for three people, it's my husband, myself, and my
13 son at the time was eight years old, we averaged daily
14 usage of 163 gallons, and our total usage was
15 4,900 gallons for the month and our bill was \$68.54.
16 And I was cutting, trying to save ways to -- you know,
17 larger loads of laundry, doing less laundry, washing
18 dishes. My September 2011 bill for an average daily use
19 of 138 gallons, which is roughly 30 gallons less, a
20 total usage of 4,700 gallons. My bill this month is
21 \$132.18. That's doubled in three years.

22 This morning before I came here I filled this
23 up with some ice, and it has melted and you can see
24 floaty things in here, and this is what we're drinking.
25 And we don't water our lawn anymore. I have an

1 11-year-old son who has to play baseball in the road
2 because we can't afford to water our lawn and our lawn
3 is filled with sandspurs. So he has to play in the road
4 because I can't, I can't afford to water my lawn. I
5 can't afford -- I have to buy water to drink. He can't
6 even drink this water. I don't even feed my pets this
7 water. Thank you for your time.

8 **COMMISSIONER BRISÉ:** Thank you.

9 **MR. KELLY:** The next speaker is Mr. Bill
10 Rurey. Is it Rurey, Rurey?

11 Whereupon,

12 **BILL RUREY**

13 was called as a witness on behalf of the Citizens of the
14 State of Florida and, having been duly sworn, testified
15 as follows:

16 **DIRECT STATEMENT**

17 **MR. RUREY:** Good morning. My name is Bill
18 Rurey. I've been in Jasmine Lakes since 1995 -- I'm
19 sorry, since 1995. And I'm very upset with the Public
20 Service Commission as well as Aqua. I think my
21 frustrations are more with the PSC than probably Aqua.
22 I'm upset because Aqua even asked for such a raise that
23 they're trying to get and for the PSC for even granting
24 it.

25 I have here a bill from Aqua for, on January

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1 of '08, and it was for excluding the trash service that
2 we now pay separate. It was for \$50.44. Right now I
3 have a bill from -- the last one I have for October
4 2011, it is now \$81. The rate increase of 2008 for
5 water facility charge, in the 2008 it was \$9.30. 2011,
6 \$20.02. Approximately a 120% increase. The sewer
7 facility charge in '08 was 10.91. The same charge in
8 2011 is 35.95, a 250% approximate increase. Right now
9 I'm approximately paying twice as much for half the
10 product. And corporate greed is right at its finest
11 with Aqua, with Aqua, and the PSC seems to go along with
12 it.

13 A modest increase I'll understand, 10%, 20%,
14 even 30%. But when you're talking 120%, 250%, something
15 is off the line. I don't know whether Aqua has a
16 standing order with you people that if they get a raise
17 today, they're going to get another one tomorrow. Maybe
18 you should ask them one simple question: What part of
19 no don't you understand?

20 As it stands right now, like I say, I'm
21 frustrated with the PSC and very frustrated with Aqua
22 for even questioning -- or even asking for such a raise.
23 And I tell you, the PSC maybe better change their name
24 from the PS -- Public Service Commission to the Public
25 Shaft Commission, because that's what we're getting.

1 Thank you.

2 **COMMISSIONER BRISÉ:** Any questions?

3 Thank you.

4 Mr. Kelly.

5 **MR. KELLY:** The next speaker is Linda
6 Wittkamp.

7 Whereupon,

8 LINDA WITTKAMP

9 was called as a witness on behalf of the Citizens of the
10 State of Florida and, having been duly sworn, testified
11 as follows:

12 DIRECT STATEMENT

13 **MS. WITTKAMP:** Commissioners, we are here to
14 request that you repeal your choice to allow Aqua a rate
15 increase. They were already receiving the highest rates
16 in Pasco County before the raise was approved. I know
17 that you only have to be concerned with rates and that
18 SWFWMD is the authority over water quality, but I am
19 asking you to think outside the box.

20 Aqua states that one reason they need this
21 money is that consumption is down. I can tell you why.
22 This company does not pipe ingestible water to our
23 homes. We live our lives as if we live in a campground.
24 We need to haul water by the gallons on a daily basis
25 for that we can put into our bodies. I for one use my

1 gym as a washhouse. Of course we are paying a premium
2 for this transported water on top of what we pay Aqua on
3 a monthly basis.

4 This water dries to silver colored splotches
5 wherever it drips in our sinks. If you use this water
6 to mop your floors, it dries to a silver coating, so I
7 buy water to do my cleaning. This water will blister
8 the chrome on your faucets and showerheads. Would you
9 dare drink it if you could get it past your nose? I
10 hate washing my hands in it, and I certainly don't use
11 it to brush my teeth.

12 If this company can't make money when they are
13 receiving the highest rates in Pasco County and are
14 providing us with inferior water, then I suggest that
15 they have a management problem and they should take it,
16 take care of it in-house and not go to the customers for
17 additional funds.

18 Now I see that Aqua has a new boy. They have
19 hired a new president for this area as a gesture to
20 improve customer service. It doesn't cost money to be
21 nice. You'll notice that they didn't fire Judy
22 Wellingford. Until Aqua can show that they are a
23 reputable company and provide their customers with water
24 that can be consumed, I am asking that they receive no
25 additional money.

1 I pulled this water from my water heater this
2 morning at 8:00. I have to empty my water heater before
3 I can run my dishwasher. I'd like to give this to our
4 representative.

5 I brought, I brought you water in Tallahassee
6 and gave you the privileges of smelling it. I'd like to
7 invite you to do it again, if you so dare. But more
8 than that, I would challenge the employees of Aqua
9 Utilities to drink this. I challenge them. And for
10 that I thank you for your time.

11 **COMMISSIONER BRISÉ:** Ms. Wittkamp, if you'd
12 wait just a second.

13 EXAMINATION

14 **BY MS. BENNETT:**

15 Q Ms. Wittkamp, what system are you on? Is it
16 Jasmine Lakes?

17 A Jasmine Lakes.

18 Q Thank you.

19 **COMMISSIONER BRISÉ:** We do have a question
20 from Aqua for you.

21 **MS. WITTKAMP:** Whoops. Okay.

22 EXAMINATION

23 **BY MR. MAY:**

24 Q I'm sorry. You just answered the question
25 that was --

1 **A** Jasmine Lakes.

2 **Q** Jasmine Lakes?

3 And just one further question. The jar of
4 water that you placed on, on the table to your right,
5 you retrieved that water from your water heater?

6 **A** From my water heater.

7 **Q** Okay. Thank you.

8 **A** Uh-huh.

9 **COMMISSIONER BRISÉ:** Thank you very much.

10 **MS. BENNETT:** Commissioner Brisé, this appears
11 to be Exhibit Number 28, and it's a letter from
12 Ms. Wittkamp to the Commissioners.

13 (Exhibit 28 marked for identification.)

14 **COMMISSIONER BRISÉ:** Thank you.

15 **MS. BRADLEY:** Mr. Commissioner, I don't know
16 whether I can do it justice, but if you'd like, I'll try
17 to take a picture of this and we can put the picture in
18 as part of the record.

19 **COMMISSIONER BRISÉ:** Make it part of the
20 exhibit. Sure. Thank you. We'll go ahead and add that
21 as Number 28.

22 **MS. BENNETT:** As part of 28.

23 **COMMISSIONER BRISÉ:** As a composite. Yeah.
24 Okay. Mr. Kelly.

25 **MR. KELLY:** The next speaker is Ms. Isabel

1 Angelini.

2 Whereupon,

3 ISABEL ANGELINI

4 was called as a witness on behalf of the Citizens of the
5 State of Florida and, having been duly sworn, testified
6 as follows:

7 DIRECT STATEMENT

8 **MS. ANGELINI:** I'm Isabel Angelini. I live in
9 Jasmine Lakes. And I concur with most of what's been
10 said as far as the water being not safe and it smells.
11 Even this morning it was bad.

12 But my main reason for being here is I
13 question fire in our development. We're all talking
14 about water going into the house. My question is how do
15 we get water to put out a fire? The fire company comes
16 from the county, and I would like to know who pays for
17 that water coming out of the hydrant and where are we
18 getting it from?

19 Now in this book that we all got in the mail,
20 it states here something about private fire, private
21 fire protection. And it lists facility charges, two,
22 three, four, all the way down, and it gives you all
23 kinds of numbers. One private fire -- I guess I should
24 throw this question to Aqua. What private fire
25 protection do we get, and who pays for the water coming

1 out of the meters? Because the question would be if my
2 house is on fire, do I tell the fire company not to put
3 no water on my house because the water is going to cost
4 me more than the house? You know, I'm concerned about
5 this. I understood there was meters on the fire
6 hydrants. I don't know if that's true.

7 How can I get answers? I tried calling Aqua.
8 I had no answers from there because nobody seemed to
9 give -- to know the answer. So that was the biggest
10 thing that I was pushing for today. I would like to
11 know how we stand with the fire hydrants. My insurance
12 won't pay for it.

13 **COMMISSIONER BRISÉ:** I think someone from the
14 company may be able to answer some of that.

15 **MR. MAY:** Yes, ma'am. I'm Bruce May, the
16 attorney. But we have the, some of the technical folks
17 with the company in the back and they'll be glad to
18 explain and try to answer your question on the
19 private -- if I understand it correctly, you're
20 inquiring about private fire protection?

21 **MS. ANGELINI:** I don't know. It says so in
22 your book. It says so right here in your book, and it
23 lists rates for sizes of the --

24 **COMMISSIONER BRISÉ:** Someone is going to --

25 **MR. MAY:** I think Mr. Rendell can, can address

1 that question.

2 **MR. RENDELL:** Ms. Angelini, my name is Troy
3 Rendell with the, with Aqua Utilities. I'm the Rate
4 Manager.

5 Those rates are established by the Public
6 Service Commission for private fire protection for, say,
7 sprinklers like here in the building. If a, if a
8 commercial customer, like a hotel or a restaurant, has
9 private fire protection through a sprinkler system,
10 they're charged that rate. The homeowners are not
11 charged that. Typically a home does not have a separate
12 fire protection.

13 We have hydrants throughout your community.
14 We do not charge for the water that goes out of the
15 hydrants. It's available for use by the fire
16 departments.

17 **COMMISSIONER BRISE:** Does that answer your
18 question?

19 **MS. ANGELINI:** Yes. Thank you.

20 **COMMISSIONER BRISE:** Thank you.

21 **MR. KELLY:** The next speaker is Bill Everett.

22 Whereupon,

23 **BILL EVERETT**

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 DIRECT STATEMENT

3 MR. EVERETT: Bill Everett from Zephyr Shores.

4 I want to thank that gentleman right there for what he
5 had to say in his presentation, the Office of Public
6 Counsel. I wish he could speak every other, in between
7 every one of us. I think he hit the nail on the head.

8 I came here with about five or six questions,
9 and now I'm up to about 14. I've been interested in
10 this for the last three years. We've had Aqua water at
11 our clubhouse three years in a row, and I don't feel
12 that we got one bit of satisfaction from them. It's
13 just like talking to the wall. We have dirty water. We
14 have absolutely no pressure on our lines. And we have a
15 park of 210 resident, Mr. Fish [sic], instead of 500. I
16 don't know where you got your facts, but I'm on the
17 welcome committee in our park and I only counted
18 210 residents, with no fire hydrants, no fire protection
19 as far as I'm concerned, connected at all. And if we
20 did have fire hydrants, I don't feel the water pressure
21 in our park could hold it. Our infrastructure is
22 terrible, it's never been fixed, don't have any idea
23 when it was put in. But I'll bet you if you put a fire
24 hydrant in there and put pressure to our lines, you'd
25 blow every damn line in that park.

1 The other thing, I heard somebody say a
2 telephone number in Pennsylvania. For the three years
3 that I've been doing business with them, you call this
4 number and you may get Pennsylvania, but nine times out
5 of ten you're going to get North Carolina because it's a
6 customer service center.

7 Another thing that people was talking about
8 just a while ago, and, again, I'm on the welcome
9 committee, we have 16 residents -- we have 16 park
10 models for sale. The reason we're not selling them is
11 not the economy, it's because of Aqua water. We have
12 heard from the real estate people, and I've heard it
13 first-hand that they will not come in our park and pay
14 the water rate. The water rates are outrageous.

15 My main concern also -- he said this is a
16 service outfit. Well, I'm a snow bird and I go back to
17 my home state for six months, and they charge me a
18 water-based facility rate of \$13.09. They also doubled
19 that, made a sewer rate base facility rate of \$28.34,
20 for a total of 51 -- \$50.51. I might as well take my
21 \$300 that I'm home in Maine for six months and throw it
22 in the sewer because I am not getting any service. To
23 me that is theft of service. I am not getting any
24 usage, I'm not getting any water. Why are they charging
25 me for something that they are not providing?

1 If my wife and I decided not to come down this
2 year, it would be a 12-month period. I would be charged
3 \$600 and getting nothing in return. I don't go to
4 Wal-Mart and throw \$600 on the floor. Why am I paying
5 Aqua Water \$600?

6 **COMMISSIONER BRISÉ:** Sir, you have a minute
7 left.

8 **MR. EVERETT:** Thank you very much. Also, this
9 is a tourism state and a retirement state. I would
10 think you people would understand that more than
11 anybody. You want us here, you want our money, you want
12 us to have a good retirement. This is shooing people
13 away. This is not good for Florida. It's not good for
14 any place. They're shooing people away. And they're
15 shooing -- thank you.

16 **COMMISSIONER BRISÉ:** Thank you very much. Any
17 questions?

18 We do have a question from one of the
19 Commissioners.

20 **COMMISSIONER BROWN:** Thank you, Commissioner
21 Brisé.

22 And it's actually just a question, a statement
23 to Staff to verify the number of residents to make sure
24 it's an accurate reflection in Zephyr Shores.

25 **MR. EVERETT:** I'm in Zephyr Shores. And he

1 stated that we have 500 residents, and I'm telling you
2 we only have 210.

3 COMMISSIONER BROWN: We'll make sure it's
4 accurate.

5 MR. EVERETT: I'm supposed to have my facts
6 straight.

7 COMMISSIONER BRISÉ: Thank you.

8 Mr. Kelly.

9 MR. KELLY: The next speaker is Gerry Conte.
10 Whereupon,

11 GENNARO "GERRY" CONTE

12 was called as a witness on behalf of the Citizens of the
13 State of Florida and, having been duly sworn, testified
14 as follows:

15 DIRECT STATEMENT

16 MR. CONTE: Good morning. Thank you for using
17 my nickname.

18 My name is Gennaro Conte. I am a resident of
19 Jasmine Lakes for 29 years. And I will have a
20 submission of the document I'm reading and some other
21 documents.

22 Okay. I hope your bus ride was a lot more
23 comfortable than ours when we saw you last. I want to
24 submit these documents in protest to the rate increases
25 implemented by Aqua Utilities of Florida. The increase

1 has put a tremendous financial burden on all Jasmine
2 Lakes and Palm Terrace residents and it is not
3 warranted. The composition of resident ratepayers has
4 changed in the communities of Jasmine Lakes and Palm
5 Terrace. They're made up of both working families and
6 retirees on fixed incomes, all of whom are struggling
7 with today's economy. In some instances, one or more
8 members of the working families is unemployed and their
9 home on the brink of foreclosure. They have indicated
10 their frustration to you back in March of this year in
11 the form of a petition I helped create and which was
12 submitted to you prior to our attendance at the meeting
13 you held back on May 24th, 2011.

14 Since Aqua Utilities took ownership of the
15 water system, customer service is nonexistent, as
16 mentioned by many who have spoken to you today and on
17 May 24th. On June 14th, the boil water survey, which I
18 and others had composed, collected and given to
19 Commissioner Mariano, who sent them to you and the
20 Governor, is the latest evidence of poor service from
21 Aqua that residents have been subjected to even though
22 Aqua has claimed to provide these notices in the past.
23 The completed surveys are proof of what residents have
24 experienced.

25 On a personal note now -- my wife is at work.

1 I'm not working right now. On a personal note, my wife
2 and I are really frustrated. We submitted this question
3 in writing at the May meeting. Here's the question.
4 Has the Commission been given a written report of all
5 the improvements that Aqua claims to have implemented in
6 our areas, and if we ratepayers could see the written
7 reports? End of question. We have not even received a
8 response from the Commission as to the existence of, or
9 nonexistence of a report. I submitted that in writing.

10 We also feel that the so-called base rate
11 charge for both water and sewer is just a way Aqua is
12 having us pay for their investment, which, by the way,
13 is anywhere from \$60 to \$75 of our water bill which we
14 get nothing for. I've been averaging -- since the
15 beginning of this year until right now my water bills
16 have averaged \$123 a month. It's myself and my wife.
17 But I pay them; that's what I'm having to do. And as I
18 mentioned, we are full-time residents of Jasmine Lakes
19 for 29 years, and we hope soon something will be done
20 that will give you the power to remove Aqua from this
21 state. Submitted my wife and I. Thank you.

22 **COMMISSIONER BRISÉ:** Thank you. This will be
23 Number 29, and we'll go ahead and name it.

24 **MS. BENNETT:** Composite Exhibit of Gerry
25 Conte.

1 (Exhibit 29 marked for identification.)

2 **COMMISSIONER BRISÉ:** Thank you, sir.

3 **MR. KELLY:** The next speaker is Robert
4 Provost.

5 Whereupon,

6 ROBERT PROVOST

7 was called as a witness on behalf of the Citizens of the
8 State of Florida and, having been duly sworn, testified
9 as follows:

10 DIRECT STATEMENT

11 **MR. PROVOST:** Thank you, Commissioners, for
12 coming down here to Pasco County. Welcome. And for the
13 Staff and representing the legal staff for the state, I
14 applaud them for coming down too.

15 My name is Bob Provost. I live in Palm
16 Terrace on Hawthorn Drive. I've got to remember that.
17 I've got to go home tonight.

18 When I look at this information coming from
19 Aqua Utilities, every time I look at it coming in, it
20 refers me back to the thing about Ronald Reagan and his
21 famous statement, "There you go again." And that's just
22 what it is every time there's a rate increase.

23 Now I was going to say something different,
24 but for a Commissioner over there, we were going to try
25 to twist your arm today, but I think they beat us to it.

1 So is that right arm still good for twisting?

2 You know, the, some of the main things I've
3 got to cover, after our meeting last October in the
4 county center, government center, we put in a lot of
5 these complaints about the water quality and how much of
6 the sludge was being taken out of our sewer plant and so
7 forth, and we had not seen any action around that place
8 for months, months. I'd probably seen them there a
9 couple of times for the year. The morning after we put
10 our complaints in over there, there was so many Aqua
11 workers trying to -- with their chlorine and everything
12 else at that plant, we'd never seen so much traffic over
13 there. Now it's gone just the reverse again.

14 Their collection pond or whatever they call
15 it, their sewer recycle is just nothing but covered in
16 algae. You can't look and see anything but algae over
17 their whole deal. It flows over into the retention pond
18 near Ranch Road, and that is just covered with algae
19 now. I don't think even our ducks are laying in there
20 anymore. They're over in the clean water in our
21 retention ponds. That is not provided by Aqua.

22 A couple of other things here is that I am the
23 chairman of the board in the Palm Terrace Civic
24 Association, and some of the problems that get passed on
25 to me, we have widows, and I know it's been mentioned

1 here before and I'll mention it again, we have a lot of
2 widows living on Social Security alone. And they are
3 looking at -- some of them -- I know she showed me her
4 Social Security deal, \$521, I think it was. This is
5 what she lives on per month. And she's got to pay a
6 hundred and some dollars just to get the water? I mean,
7 that's ridiculous. Come on. I mean, you people up
8 there wouldn't spend a quarter of your salary to buy
9 water from them, would you?

10 The other thing I've got to say here, compare
11 a few things. Right now -- and I'm thankful to be in
12 Pasco County, believe me. Our tax rates per year, which
13 cover our fire, our teachers, our sheriff's patrol, and
14 all of our county workers, our taxes per year are
15 cheaper than what they want to charge us for water, and
16 that's a known fact. I have been in this place for ten
17 years. I have lived in Florida for 24 years.

18 **COMMISSIONER BRISÉ:** Sir, you have about a
19 minute left.

20 **MR. PROVOST:** I've got one minute left. Well,
21 I better hurry up then.

22 Okay. Right here when we leave for the month,
23 it's 54.47 we pay for zero gallons. That's exactly what
24 it is now. It used to be \$35. And back on the October
25 meeting last year, we were requesting the Public Service

1 Commission to put their rates, not what they wanted, but
2 put them back to pre-2008. If they bought it from
3 Florida Water at those rates, they knew what they were
4 getting. They should be able to afford to go back there
5 instead of pocketing all this money.

6 The other thing is I want to make a quick
7 note. I do -- I am thankful I do have a water hydrant
8 right across the road from me. The only problem is that
9 every time they put a pressure test, the fire department
10 has to for their flow test, and they flow water out of
11 that hydrant, every time it's used, we've got dirt.
12 Okay? We suffer in our houses right around there, but
13 we are happy to have it for fire protection. Okay.
14 Thank you.

15 **COMMISSIONER BRISÉ:** Thank you very much. Are
16 there any questions?

17 There's a question for you, Mr. Provost.

18 **MR. PROVOST:** Oh, yes.

19 EXAMINATION

20 **BY MR. MAY:**

21 Q Just a very quick question, Mr. Provost.
22 You're the, I guess the chairman of the board of
23 directors of the civic association for Palm Terrace?

24 A Right.

25 Q Approximately how many of your residents are

1 seasonal?

2 **A** That are seasonal? I would say about 90% of
3 them are permanent.

4 **Q** Okay.

5 **A** Probably 10%. Now we've got about 1,200
6 homes, but we probably have, oh, vacant right now we
7 might have 200, 250. That was something else I wanted
8 to add. Could I add one little stipulation, Mr.
9 Chairman?

10 **COMMISSIONER BRISÉ:** 30 seconds.

11 **MR. PROVOST:** 30 seconds. Thank you.

12 We and these vacant homes are having rat
13 problems, and they are coming up, so the plumbers are
14 telling us, they're coming up through the sewer because
15 the, everything is drying out and the rats are coming up
16 from your sewer. So please check that out. I do not
17 know that as a fact. Just the plumber says this is the
18 way they come in. These houses are vacant and we're
19 getting infested with it now because of all these vacant
20 houses.

21 **MR. MAY:** Thank you.

22 **MR. PROVOST:** So thank you.

23 **COMMISSIONER BRISÉ:** Thank you very much.

24 At this time we're going to recess for about
25 ten minutes. We're going to give our court reporter a

1 chance to rest, and I think we might have a switch in
2 terms of court reporters. So we will be back --
3 according to my watch it is 11:59. So we'll add a
4 minute for grace, so we'll say noon. So about
5 12:10 we'll be restarting again. Thank you very much.

6 (Recess.)

7 **COMMISSIONER BRISÉ:** All right. We are going
8 to reconvene at this moment. We are going to go ahead
9 and see if we are ready to take our next speaker.

10 **MR. KELLY:** Ms. Pat Walton.

11 **COMMISSIONER BRISÉ:** As she comes up, I just
12 want you to know that at the end, after we have gone
13 through everyone who has signed in, we will provide
14 additional time if you did not have ample time during
15 your five minutes to say what you wanted to put into the
16 record. You will have that time to do so after everyone
17 who signed up to speak will do so, would have done so.

18 Thank you and good morning. Good afternoon,
19 rather.

20 **PAT WALTON**

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

23 **DIRECT STATEMENT**

24 **MS. WALTON:** Good afternoon. My name is Pat
25 Walton. My husband and I have resided in Jasmine Lakes

1 for over 20 years. This is the second time we have been
2 to one of these meetings, and I want to thank the
3 Commission for letting me address the problems that
4 we've have got. And during September of this year, on
5 the 8th of September exactly, I noticed there was rust
6 in my water, so I immediately called Aqua Utilities, and
7 they sent out a representative. Well, the young man
8 came out there, and he went out to the faucet in the
9 backyard and opened the faucet, and he said, "Lady,
10 there's nothing wrong with your water. It's clear." So
11 I took my little glass and went out there and I told
12 him, "I might be old, but I'm not blind yet." And the
13 water was this color. (Displays container of water.)

14 Anyway, at this rate, he informed me that Aqua
15 Utilities is only responsible for the quality of the
16 water up to the meter and that after that the consumer
17 is responsible. Well, that irked me, so I called Aqua
18 again. And the other man came out and he looked at it,
19 and he said, "Well, ma'am," he says that they were doing
20 some work on 19 or something, and that's why the water
21 is rusty. Well, they went across the street to the
22 firearm hydrant and they opened it up and they let all
23 this water out and it was really rusty, and then they
24 closed that up.

25 Now, every year Aqua comes about these rate

1 increases, and their rate increases are basically the
2 same year after year, to improve the quality and
3 reliability of the water and the wastewater services.
4 These improvements include replacing or fixing water
5 leaks, replacing meters, upgrading electrical systems,
6 and replacing pumps and other projects. Yet the water
7 quality remains the same, it's still lousy.

8 Now, they have changed the meters, since I
9 have been there, and when I started keeping the records
10 before my husband couldn't do it any longer, about five
11 different times. In 2007 and '08 they estimated the
12 water readings all the time just about, and our bills
13 were exorbitant. And you couldn't get them corrected,
14 because the people that worked in the county didn't know
15 how to correct the problems.

16 Just recently on my water bills, I show 39,000
17 units of water used or gallons. Sometimes it is 42,000
18 or whatever. Now, if we have new water meters, why
19 isn't the reading with some numbers like 34,579 or
20 38,281, everything always ends in zeros. What about the
21 odd figures that go through there? That's one other
22 thing I want to know.

23 So, in closing, Aqua states that the rate
24 increases is requested to recover the capital they have
25 spent to improve the water and wastewater systems and to

1 recover operating costs. And the funds Aqua requests
2 every year keep going up and the customers on the
3 service they provide, our water bills keep going up,
4 too. But we don't have a place to go and complain and
5 say, hey, how about raising our Social Security or
6 something, and we only have a certain amount of funds
7 that we can have to pay our bills with.

8 Thank you.

9 COMMISSIONER BRISÉ: Thank you.

10 Any questions?

11 Thank you very much.

12 MS. WALTON: This is the water. If somebody
13 wants to drink it, be my guest.

14 MS. BRADLEY: Mr. Commissioner, can I ask one
15 quick question?

16 COMMISSIONER BRISÉ: Yes, ma'am.

17 MS. BRADLEY: Ms. Walton, you said something
18 about you were getting billed for 39 to 40,000 gallons.

19 MS. WALTON: This year.

20 MS. BRADLEY: Is that for -- what period of
21 time?

22 COMMISSIONER BRISÉ: Ms. Walton, if you would
23 come back to the podium.

24 MS. WALTON: I'm sorry.

25 MS. BRADLEY: What period of time did that

1 cover?

2 MS. WALTON: Oh, I think I was looking at it
3 in June and July, maybe August.

4 MS. BRADLEY: So that's per month?

5 MS. WALTON: Yes, ma'am.

6 MS. BRADLEY: Okay. All right.

7 MS. WALTON: The water bill is still way up
8 there. It's almost one hundred dollars, so --

9 MS. BRADLEY: Okay.

10 MR. KELLY: The next speaker is Mr. Ken
11 Winnacott.

12 KEN WINNACOTT

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

15 DIRECT STATEMENT

16 MR. WINNACOTT: Hello. My name is Ken
17 Winnacott, and I live in Jasmine Lakes. I have been
18 living there for 20 years. And in the 20 years I have
19 been living there, the quality of water has gone down
20 the tubes. I cannot use this product 100 percent. I
21 can't drink it. I can't cook with it. I can't -- I
22 can't even give it to my animals. The only thing I can
23 do with it is flush it down the toilet. And flushing it
24 down the toilet -- my rate of the sewer, the sewer rate
25 is so much higher than anybody else's it's ridiculous.

1 For what? Just flushing water down the toilet, down the
2 sewer? That's ridiculous.

3 How come I can't get a separate meter for the
4 sewer line? They said they put in improvements. Where?
5 Where is the improvements? I haven't seen it in the
6 20 years I have lived here. They bought a system that
7 was going down the tubes from Jasmine Lakes. When they
8 bought it, did they improve on anything? No. Now they
9 want to improve on it and they want a rate hike. Why?
10 Because they can make it so their profits can be higher.
11 That's ridiculous. That's number one.

12 Number two, their quality -- the customer
13 quality service is nil. When you call them up, they
14 degrade you; they talk down to you; and they don't even
15 give you any answers. And that's good customer service?
16 For me, if I was in a business like that, I would be
17 shut down real fast.

18 And as far as talking about going into
19 business, I have been to every one of your meetings.
20 The meeting in October, May, and this one. So far I
21 haven't seen any improvements. I haven't seen anything
22 from you, Public Service Commission. You should be
23 called the Utility Service Commission. You are serving
24 them. You are not serving us.

25 How can you, when you say you -- you are

1 helping us out, and you, Commissioner Brown, at the last
2 meeting up in Tallahassee, you said they were marginal.
3 When they were marginal -- if I had an employee who was
4 marginal, I wouldn't give them a raise. I would tell
5 them, "You improve, then you get a raise." They haven't
6 improved. They got their raise. Why? How can you do
7 something like that? Maybe that's why our system is
8 broken in government. You are giving people credit when
9 they are not doing anything at all. No wonder -- no
10 wonder we're in the mess we're in.

11 These people are taking us to the cleaners.
12 They are stealing from us. They are stealing from you.
13 They are taking the money from hard-working people in
14 Florida, and they are bringing it up and giving it back
15 up to Pennsylvania? Why? It's a scam. Back in the
16 day, these people would be tarred and feathered and run
17 out of town.

18 If you want to do something for us, please,
19 think about it, if you have a heart and you have a soul,
20 don't give these people anything. They are just -- they
21 are just leeches on the society, and they don't care
22 about nobody. And if you have a conscience, this is
23 what you should do. No rate; no increase; and tell them
24 to get the heck out of town. This is where they belong.

25 And as far as anything else, your Commissioner

1 Art Graham, he went to bed -- he's in bed with these
2 people. Last December he was up in Washington and had
3 drinks with an Aqua Utility person. Oh, nothing was
4 discussed. Yes, come on. You know, what do you think,
5 I fell off a turnip truck? Come on. You know, you
6 don't go drinking with somebody and you don't discuss
7 business. Come on. That's how business is run in this
8 country over drinks.

9 He should have been excused, and he shouldn't
10 even be on the board. And I hope you guys here will see
11 this and take it back to Tallahassee and vote against
12 these people, because they don't deserve anything. And
13 you giving them a raise, you guys should be taken out of
14 business, too.

15 I'm really disgusted with this whole bunch of
16 this Commission, and I feel you guys are not working for
17 us. I'm disgusted, and I feel sorry for the people
18 behind me, because you have done nothing for them at
19 all. All you have done is help them make a bigger
20 profit for themselves. And why? They have done nothing
21 for us. They have done nothing for the state. And I
22 want to know why, why are we paying so much for water
23 when everybody around us is paying nothing.

24 **COMMISSIONER BRISÉ:** Sir, you have about a
25 minute.

1 **MR. WINNACOTT:** One minute? Well, my
2 minute -- I don't really need to speak another minute,
3 because I think I have said everything I need to say.
4 But I'm really disgusted with you guys, and I'm really
5 appalled by how you guys run business. If I had a
6 business and I did the things that you guys are doing, I
7 would be out of business real fast. Maybe that's how
8 you guys should be -- you guys should be disbanded.

9 **COMMISSIONER BRISÉ:** Thank you very much, sir.

10 Are there any questions?

11 Thank you very much.

12 Mr. Kelly.

13 **MR. KELLY:** The next speaker is Mr. James
14 Foster.

15 **JAMES FOSTER**

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

18 **DIRECT STATEMENT**

19 **MR. FOSTER:** Good morning, Mr. Commissioners.

20 In May of 2011, the voting public of Jasmine
21 Lakes, Palm Terrace, and Zephyr Shores asked the Public
22 Utilities Commission to correct a disaster that was
23 getting progressively worse and becoming a health
24 hazard. We also asked the PSC to correct the problem on
25 Palm Terrace, water treatment plant on Ranch Road. With

1 two or three inches of rain, we were one flush away from
2 overflowing into the community. Where in God's truth
3 was the Pasco Health Department and the CDC?

4 People could not go outside without getting
5 sick with the smell of raw sewage. Aqua needs a fine of
6 \$100,000 daily. It would be a wake-up call. Seventeen
7 accidents are unacceptable. Aqua knows better. Aqua
8 has no regard for what they destroy, only the money that
9 they make. We are chemically and genetically damaged by
10 the water we drink and the air we breathe. For Aqua to
11 get a slap on the wrist is an insult to the voting
12 public of Jasmine Lakes, Palm Terrace, and Zephyr
13 Shores.

14 Aqua is the second largest privately owned
15 water company in the country. There is no excuse for
16 not knowing what they are doing. Seventeen incidents of
17 fecal matter, 2,200 gallons each, flowing into the Gulf
18 of Mexico under via US 19. People along the canal of
19 Jasmine Lakes got a good dose of raw sewage this summer
20 along with an unusually large algae bloom. Even the
21 gator disappeared.

22 The state needs to test this water weekly.
23 Every week I see sewage treatment trucks going up there.
24 Tanker trucks. Every week I see at least three go up
25 there.

1 We cannot even feed our animals this tap water
2 because it would make them sick. When we were in
3 Tallahassee, I mentioned children would not bathe in
4 water that looked like and smelled like urine. The
5 president of Aqua -- Mr. President, pay attention,
6 please -- of Aqua said you might think we were pumping
7 raw sewage through the lines. Well, guess what,
8 Mr. President, if you were paying attention, you would
9 have caught it. You would have connected. You would
10 have figured it out. It did come in Aqua's line. What
11 do you actually know about water besides turning the
12 handle and seeing matter come out? After 70-plus years
13 of being on this earth, I do know the difference between
14 the smell of sulfur and urine.

15 I quote the PSC release. On May 26th, 2011,
16 Aqua serviced 22,500 customers in 17 counties. Aqua's
17 quality of service is best -- marginal at best. And
18 this has bothered me since we were up in Tallahassee.
19 What justified a rate increase? What did they say to
20 you to justify a rate increase? I don't understand it.
21 And for all of us to realize what we are going through
22 now and have been going through in the past few years,
23 if any clown in government wants to privatize something,
24 just think of what you are doing right now.

25 Thank you.

1 **COMMISSIONER BRISÉ:** Thank you very much.

2 **THE WITNESS:** Any questions?

3 **COMMISSIONER BRISÉ:** If you could just provide
4 your name for the record.

5 **MR. FOSTER:** James Foster.

6 **COMMISSIONER BRISÉ:** And what --

7 **MR. FOSTER:** 10220 Holly Drive, Port Richey,
8 Florida.

9 **COMMISSIONER BRISÉ:** Thank you.

10 **MS. BENNETT:** Mr. Brisé, that letter would be
11 Exhibit 30 from -- I think we would call it letter from
12 James Foster.

13 (Exhibit 30 marked for identification.)

14 **MR. MAY:** Mr. Chairman, could we get the
15 system that he is on.

16 **COMMISSIONER BRISÉ:** Mr. Foster, if you could
17 just tell us what system you are under. What system?

18 **MR. FOSTER:** Oh, Jasmine Lakes.

19 **COMMISSIONER BRISÉ:** Thank you.

20 **MR. FOSTER:** There's a good example of what I
21 was saying about urine.

22 **MS. BENNETT:** Commissioner Brisé, it's a
23 composite exhibit. Mr. Foster did give me some notes to
24 go with the letter, so it would be a composite exhibit
25 for Mr. Foster.

1 **COMMISSIONER BRISÉ:** Sure. Thank you.

2 Mr. Kelly.

3 **MR. KELLY:** The next speaker is Mr. Harold
4 Todd. And I believe he is -- Mr. Todd.

5 **HAROLD TODD**

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

8 **DIRECT STATEMENT**

9 **MR. TODD:** Hello. How are you doing? I'm
10 Harold Todd. I'm from Palm Terrace Gardens.

11 I don't drink their water. I use it for
12 flushing the toilet and washing my feet. The dog don't
13 drink the water. I don't think it's worthwhile. I
14 think the prices are way too high.

15 I live on a street -- from the intersection to
16 my house is six houses, three of which are empty, and
17 three of which have single persons living in them.
18 Single persons with Social Security, and some of them
19 only Social Security, and are not making it at these
20 prices. The county is going to own an awful lot of
21 houses, and I don't know what they are going to do with
22 them. They are going to own an awful lot of houses.

23 If you look in back of me, you will see people
24 that are interested in what I am interested in. You
25 will see some empty chairs. They represent empty

1 houses. We don't need any more of it.

2 The money that we pay this group over here
3 goes out of the state. It goes to well to do
4 shareholders, right, out of the state. It stops us from
5 buying from our local realtors, real estate -- sorry,
6 local stores, right. And it stops the county from
7 getting sales tax. If you want to work for the counties
8 all over the state, get rid of these people. Don't let
9 them get away with high priced lawyers coming in and
10 charging it to the ratepayers, right? We don't need
11 that.

12 The next thing I'd like to do is I would like
13 to ask, request, no, demand that the county and the
14 state take over by eminent domain for the good of the
15 people, for the health and the welfare of the state, to
16 take over by eminent domain this organization over here
17 that is picking our pockets.

18 Is there anything else I can say? Yes. I
19 could say, but I would rather not, because I stopped
20 swearing sometime ago. I have been retired for
21 20 years. Social Security has not paid me adequate
22 increases, and since 2008 they haven't paid us any
23 increases, all right? So I'm down to the bottom. I'm
24 wearing holes in my socks and holes in other things that
25 I'm wearing, too. And it's about time that somebody got

1 on our side, all right? But I would like to see them
2 booted out by eminent domain, okay?

3 Thank you.

4 **COMMISSIONER BRISÉ:** Thank you, Mr. Todd.

5 Any questions?

6 Thank you.

7 Mr. Kelly.

8 **MR. KELLY:** The next speaker is Wanda Rigotti.
9 Rigotti.

10 **WANDA RIGOTTI**

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

13 **DIRECT STATEMENT**

14 **MS. RIGOTTI:** My name is Wanda Rigotti, and I
15 live in American Condominium in Zephyrhills, and it is
16 part of Zephyr Shores. This bottle here is Zephyrhills
17 pure quality 100 percent natural spring water. We have
18 to drink this because Zephyrhills -- because this is a
19 lie. Not all of Zephyrhills has pure quality spring
20 water.

21 I have just a few thoughts here. This summer
22 Aqua wanted to flush some of our lines and they put in a
23 new system at the front of our park. I believe it was
24 late July or early August. They flush it every evening,
25 and I have a picture of what our gutter looks like.

1 This is across the way. It's a boulevard. This is the
2 other side. And this is what it looked like before they
3 started the flushing. Would you like them?

4 Where I come from in Illinois, we have city
5 water, and they flush once or twice a year, and that's
6 so that the fire department knows that it's working.
7 They don't flush it because it needs to be flushed to
8 clean it. The water here stinks. It's undrinkable. We
9 have a dog who had her gallbladder taken out. The only
10 thing that goes in her mouth is dog food and water. So
11 now she drinks bottled water. We used to drink out of
12 the faucet, because we thought it was safe. But it
13 isn't, apparently, because I have a small dog and she is
14 very sensitive.

15 We were told that Aqua Utilities sometimes
16 buys their water from Pasco County in the wintertime
17 because they can't keep up with the supply and demand.
18 And I'm wondering if they can buy from Pasco, why can't
19 we. We would love to have Pasco water, Pasco Utilities.
20 We would love -- they have offered to buy our system,
21 and Aqua wants an exorbitant fee for this, because
22 they're in it for the money.

23 Commissioner Jack Mariano said something about
24 \$45,000 was an income for low income, but he did say --
25 I did talk to him at the break, and he said that's for a

1 family of four. Because I was thinking I would love to
2 make \$45,000 a year. I probably wouldn't be here
3 complaining about the water rates. But my husband and I
4 don't make that much, and there is two of us with our
5 retirement incomes. There's a lot of widows and
6 widowers in our park that make a whole lot less than
7 that. I know one lady makes \$1,200 a month. And that's
8 not very much, when one hundred of it goes towards your
9 water.

10 Oh. When we first came to our park, our water
11 rate, base rate was \$17. Before Aqua Utilities, our
12 water bill ran about 35 to \$38 a month. My husband and
13 I do not flush every time now, because we can't afford
14 it. We wash our clothes, we take showers, and wash
15 dishes. Everything else we have to buy.

16 I realize the sewer rates are a little bit
17 higher and it is probably because we have water that
18 comes in from outside that we are all buying from
19 somewhere else, and that's going into the sewer system.
20 So probably that is why the sewer is more expensive.

21 Thank you.

22 **COMMISSIONER BRISÉ:** Thank you.

23 Any questions?

24 We have a couple of things that we need to put
25 into the record.

1 **MS. BENNETT:** Yes. Exhibit 31, two photos,
2 Wanda Rigotti.

3 (Exhibit 31 marked for identification.)

4 **COMMISSIONER BRISÉ:** Mr. Kelly, if you could
5 call the speakers two at a time so they can come -- the
6 speaker that is actually going to speak and have the
7 other speaker come for us so they can sit on the front
8 row.

9 **MR. KELLY:** Yes, sir.

10 The next speaker is Ms. Sandra Baxter, who
11 will be followed by Mr. Andrew Yuhas.

12 **SANDRA BAXTER**

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

15 **DIRECT STATEMENT**

16 **MS. BAXTER:** Hello. I'm Sandra L. Baxter, and
17 I live in Zephyrhills, American Condo, and it's Zephyr
18 for the water.

19 We cannot afford this increase. This increase
20 is -- the rates -- we can't afford this at all. We are
21 on a fixed income and money is tight, and everything
22 else has raised, but Social security has not. Their
23 rates will double, but we have doubled what we pay for
24 now. The water quality is so poor. We had company four
25 weeks ago, and they did not know we had a water problem,

1 and they wanted to know why the water smelled when they
2 took their showers. It smells very bad, especially in
3 the morning. And we use bottled water for everything.
4 We cannot use from the tap.

5 And we also had a dog, and he was very ill
6 with stones in his bladder, 54 of them, and the vet told
7 us not to use the water from Aqua. The water rates are
8 overly priced. We cannot pay for this increase. It is
9 way too high. We do not drink the water, and we do
10 not -- we can't use it. It's not good water. It makes
11 the shower and the toilet turn brown. We drink bottled
12 water. And the water, you set it in a glass for
13 overnight, or whatever, and it's slimy. So I don't
14 think this is quality stuff that we have. That is it.

15 Thank you.

16 **COMMISSIONER BRISÉ:** Thank you.

17 Any questions?

18 Thank you very much.

19 **MR. KELLY:** Mr. Andrew Yuhas followed by Mr.
20 Larry Saunders.

21 **ANDREW YUHAS**

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

24 **DIRECT STATEMENT**

25 **MR. YUHAS:** My name is Andrew Yuhas, and I

1 live in Jasmine Lakes. I had doubts of talking over
2 here today, because at the last time I went to a meeting
3 at the center, the Pasco County Center, and I was
4 complaining about the estimated bills that I was
5 receiving. I would take the reading personally at the
6 meter and then compare it to what the estimated bill
7 was, and there was a big difference. The estimates were
8 always higher. This went on for quite a number of
9 months, and finally what they did was to change the
10 meters. But I think I invested -- that I lost a lot of
11 money with these estimated bills and it was never
12 repaid. That was okay.

13 So as I was talking at the time, one of the
14 Commission members, a lady, interrupted me and said, "Do
15 you know what the Commission's responsibilities are?"
16 And I thought to myself -- I didn't comment anything,
17 and she said, "We are obligated to make sure that these
18 companies, such as Aqua, coming into Florida to do
19 business are repaid enough for their investment." And I
20 thought to myself, well, geez, here we are taxpayers and
21 we are paying you as Commission members, I think, to
22 support us. Maybe not support us, but to represent us,
23 and maybe you Commissioners should be being paid by
24 Aqua. And with that, I was just I astounded, and I just
25 left the podium.

1 Today I'm not complaining about, but on the
2 9th of September, my wife and I had received a couple of
3 calls from neighbors saying that their water was cloudy
4 and everything else. We were on our way to the gym. We
5 came back, I went to the kitchen sink, and took a glass
6 of water. And as I finished it, I took notice of orange
7 sediment on the bottom. And I thought, geez, you know,
8 what is this? So I got a clear -- a clean jar and let
9 the water into the jar, and it settled for a few
10 minutes, and this sediment was there. I still have it
11 here.

12 And needless to say, I didn't have to take a
13 visit that evening, because of natural things that
14 happened. But anyway, I called -- there is an emergency
15 number for Aqua. I called them up and explained to them
16 what I found. And the gentleman said, well, we are only
17 responsible for the inlet of your meter. You must have
18 bad pipes in your house to have been something like that
19 happen.

20 **COMMISSIONER BRISÉ:** Sir, you have about a
21 minute.

22 **MR. YUHAS:** So I talked to him and talked to
23 him and finally I just got so annoyed I just hung up.
24 The other thing is I know that they are investing --
25 Aqua is investing in Florida because I was cutting the

1 lawn the other day, over the last month, really, and I
2 see these two trucks coming down the road with bright
3 lights shining. You know, flickering on and off. And
4 there were two Aqua trucks going about 15 miles an hour,
5 just like a little parade. And about 15 minutes later,
6 they came back again, lights shining like crazy. And
7 there was a car in the back of them also with another
8 guy in it with the lights blasting. Now we know where
9 our money is going anyway, you know, on new vehicles for
10 these people.

11 I want to thank you.

12 **COMMISSIONER BRISÉ:** Thank you, sir.

13 Any questions? We have one from a
14 Commissioner.

15 **COMMISSIONER BROWN:** Sir, I just have a quick
16 question for you.

17 **COMMISSIONER BRISÉ:** Thank you.

18 **COMMISSIONER BROWN:** I just have a quick
19 question regarding the September 9th date. You said
20 that you contacted Aqua. Sir? Hi. You said that you
21 contacted Aqua about the orange sediment at the bottom.

22 **MR. YUHAS:** Yes.

23 **COMMISSIONER BROWN:** And the utility --

24 **MR. YUHAS:** The first time he told me that
25 they are only responsible for the water quality on the

1 inlet side of the meter. Anything in the house exiting
2 the meter we were responsible for. And I couldn't
3 figure out why he would say something like that, because
4 it's the same water, okay. And I questioned him again,
5 and he repeated, you know, that we are only responsible
6 for the water on that side of the meter, and you're
7 responsible for the water in your house. But where does
8 the water come from out of my faucet if it is not from
9 the meter?

10 **COMMISSIONER BROWN:** Thank you.

11 **COMMISSIONER BRISÉ:** Thank you.

12 Any further questions?

13 **MR. MAY:** I would just offer, again, the
14 service technicians are in the back of the room, Mr.
15 Yuhas. If you would like to talk with them, they are
16 here to try to address those concerns.

17 **MR. YUHAS:** Oh, he's going to tell me how the
18 water gets to my house without coming from you?

19 **MR. MAY:** I'm hopeful he is a little more
20 helpful than that. (Laughter.)

21 **COMMISSIONER BRISÉ:** Thank you very much.

22 **MS. BRADLEY:** Commissioner, I can't do
23 anything about the smell, but we'll try to get pictures
24 of some of these that have sediment that they are saying
25 came from their house.

1 **COMMISSIONER BRISÉ:** Thank you very much.

2 Mr. Kelly.

3 **MR. KELLY:** Larry Saunders followed by Wendy

4 Rath.

5 **LARRY SAUNDERS**

6 appeared as a witness and, swearing to tell the truth,

7 testified as follows:

8 **DIRECT STATEMENT**

9 **MR. SAUNDERS:** My name is Larry Saunders and
10 I'm in the Jasmine Lake area.

11 I leased a house here recently, and, of
12 course, I wasn't looking for my water bill to be higher
13 than my electric bill. And, you know, to say that the
14 bill is so high, that basically when my lease is up, I
15 will be moving, because I cannot afford the bill. So
16 that's about basically what I have to say.

17 **COMMISSIONER BRISÉ:** Thank you, sir. Thank
18 you.

19 Mr. Kelly.

20 **WENDY RATH**

21 appeared as a witness and, swearing to tell the truth,

22 testified as follows:

23 **DIRECT STATEMENT**

24 **MS. RATH:** Hi. My name is Wendy Rath. I'm
25 from Palm Terrace Gardens.

1 A lot of things have been happening. My
2 neighbor across the street just left yesterday, because
3 she could not afford the water bill. She is on
4 disability, and she has got a son, and they had to
5 leave. They went to the brother's house to live.

6 There's two houses that are for sale. They
7 can't the water. There's another house on the other
8 side that is for rent.

9 My water bill is \$154 now. When I started in
10 2004 -- because basically I came in 2002. I had Aloha
11 Utilities, and it was like 35 or \$40. And then when
12 Aqua came, it was like \$75. It went from 75 to -- the
13 highest it went was over \$300, and that was because I
14 had a pool.

15 But last year when the water main broke on
16 19 -- I don't have a pool anymore, I don't have a boat
17 anymore, I have nothing for the past three or four
18 years, okay, it was over \$200. And when I called, I
19 said why is it over \$200, and they said, well, you must
20 have a leak. No, there's no leak. I know I don't have
21 any leaks. I just put three new toilets in the house.
22 Now, I just recently got a washer and a dryer, the high
23 efficiency, okay. Everything is there. Why is it still
24 over? I don't know.

25 Now, it went from that 200 from last year, and

1 we are down to \$123 the following month. And it has
2 been going 123, 127, now it's back up to 154. And now I
3 have less people, because I'm basically a widow with
4 three kids, okay. My Social Security went down because
5 now both of my kids are in college, okay. So I'm losing
6 about 400 to \$700 a month. And I don't know what I am
7 going to be doing, because if this goes higher, I cannot
8 afford a 300 to \$400 bill. And I'm -- it's getting to
9 the point it is getting really ridiculous.

10 I even put even a brand new air conditioning
11 unit -- I got a four ton now, because my AC and my
12 electric bill was going sky high. But now it is going
13 to be equaled to Aqua. Or should I say Aqua is going to
14 be higher than my electric bill, basically. And it's
15 getting to the point it is ridiculous.

16 I was just talking to Elaine Olds (phonetic)
17 from Palms Terrace also, and she was saying that she got
18 a bill, and she got the bill for the usage, it was 9.95,
19 \$9.95 for the usage. And she said for the sewer and
20 various charges it was \$50. So she was paying over \$70
21 for just her, and she is a widow and she is by herself.
22 But me, now I only have me and my daughter, but,
23 still -- I have been looking for a job for the past year
24 and a half part-time, and I can't -- it's like I can't
25 get a job. And it's just getting ridiculous. Sorry,

1 I'm nervous. But it is ridiculous the way that the
2 system is for the people. And also, Nome and Venice,
3 that water main break has been down three or four times
4 between last year and this year. And it's getting to
5 the point it is ridiculous.

6 Then, yet, when I drive to Ranch over there,
7 you see all algae, okay, and you see a muffin flowing.
8 I mean, there is garbage in that place. They are not
9 doing anything with that. And when the sprinkler goes
10 on over there, it smells so bad. I feel so bad for
11 those other people that live across the street that they
12 have to smell this stuff. The whole thing is
13 ridiculous, and they should not allow to get this raise.
14 They should go back to basically putting everybody back
15 ten years ago, or eight year ago when they started, or
16 whenever they started, in 2004, that rate and just leave
17 it for everybody in Palm Terrace Gardens.

18 That's all I have to say.

19 **COMMISSIONER BRISÉ:** Thank you.

20 Any questions? Ma'am, we have a question.

21 **MR. MAY:** Ma'am, I apologize. I didn't catch
22 your last name.

23 **MS. RATH:** It's Rath, R-A-T-H.

24 **MR. MAY:** R-A-T-H?

25 **MS. RATH:** Yes. And Palm Terrace Gardens.

1 **MR. MAY:** Palm Terrace Gardens. Okay.

2 **MS. RATH:** Yes.

3 **MR. MAY:** Thank you so much.

4 **MS. RATH:** You're welcome.

5 **COMMISSIONER BRISÉ:** Thank you.

6 Mr. Kelly.

7 **MR. KELLY:** Mr. Dave Bussey followed by
8 Mr. Clarence Rankin.

9 **DAVE BUSSEY**

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

12 **DIRECT STATEMENT**

13 **MR. BUSSEY:** Commissioners, it's good to be
14 here again. I wish I didn't have to be. Fishing is
15 much better, you know.

16 Oh. I want you to look at that; it says PSC
17 help us. Dave Bussey from Zephyrhills. I am a
18 ratepayer in Zephyrhills, and I'm here to ask you to
19 help us. We start with Mr. Fox's comments earlier today
20 about what they have done over in Zephyrhills. When you
21 get a chance to look at Ms. Ragotti's picture of the
22 entrance into our park, you will see a rusty-colored
23 curb all the way down to the drain. Okay. It's about a
24 block long, and there's a couple of other areas in the
25 park, too.

1 Now, that rust is in the lines, okay, because
2 when they flush it comes out. So it's in the lines, all
3 right? It doesn't just come out on the street. It goes
4 into our homes, all right. This rust is since Aqua made
5 some aesthetic improvements last year. Need I say more
6 about that, okay? And I'm sure they are going to say,
7 you know, they are making efforts. And, once again, I
8 must say we need results, not efforts, okay.

9 I think a couple of you were at the Lake
10 County customers hearing where Senator Hays so
11 adequately described our plight using the words legal
12 extortion, all right? Whatever term you may use, it is
13 undoubtedly clear that Aqua customers are and will
14 continue to be taken advantage of by this company until
15 some major changes are made, both by the state
16 legislature and you.

17 Many of us may be a bit seasoned, but we are
18 not ignorant. And as each day passes, we learn more and
19 more about how the system works and how it could work
20 better. We have heard from the Commission that your
21 hands are tied. I don't believe so. I think your hands
22 are not tied. I think they are in your pockets. Not
23 someone else's pockets, but in your own pockets, and I
24 think you need to get them out and put them to work,
25 okay. Because there are some things you could do to

1 protect us that you are not doing, all right.

2 Surely, by now, you new Commissioners know
3 that Aqua America is a water profiteering predator, and
4 they should be dealt with accordingly. You can and
5 should give Aqua the greatest incentives possible to
6 either get it right or get out. Specifically, get out
7 of Pasco County. You need to quit holding their hand
8 and start holding ours, because you have -- you, not the
9 staff, but you have a responsible to protect us.

10 And this company isn't like other water
11 companies, and you know it. They are taking it to the
12 extreme, and extreme measures are needed to protect the
13 ratepayers. And you have got to start thinking about us
14 because we don't have anybody to protect us except you.

15 **COMMISSIONER BRISÉ:** Mr. Bussey, you have a
16 minute.

17 **MR. BUSSEY:** Okay.

18 Don't give them anything. We are pleading
19 with you to do your job and protect us. I will continue
20 to refer to Aqua Utilities as a water profiteering
21 predator until they take action, not effort, but action
22 to help remedy our problems. They can start by selling
23 off their high-cost systems where there are other
24 options, and they can start in Pasco County.

25 Aqua and the PSC staff have stated that they

1 want standardized rates. Well, Aqua can't have its cake
2 and eat it, too. They have got to get rid of some of
3 these high-cost systems. And obviously they can't fix
4 Jasmine Lakes and Palm Terrace, because if they did fix
5 it the rates would be \$300 a month.

6 It will probably come to eminent domain one
7 way or another. And that's unfortunate, because Aqua
8 could be doing things to help remedy the situations and
9 they are not. So, please, please help us. Make them do
10 what's right.

11 Thank you.

12 **COMMISSIONER BRISÉ:** Any questions?

13 Mr. Bussey, there are questions for you.

14 Mr. May, do you have questions for Mr. Bussey?

15 **MR. MAY:** Yes. Yes, I do.

16 **COMMISSIONER BRISÉ:** Mr. Bussey.

17 **MR. MAY:** Thank you for being here,
18 Mr. Bussey.

19 **MR. BUSSEY:** Sure.

20 **MR. MAY:** I just wanted to clarify a couple of
21 things. You said you are looking for --

22 **MR. BUSSEY:** I can't hear you.

23 **MR. MAY:** I think you said you were looking
24 for results and not efforts, and I want to talk to you a
25 little bit about that.

1 **MR. BUSSEY:** Okay.

2 **MR. MAY:** And I think you have been to several
3 of these customer service hearings, haven't you?

4 **MR. BUSSEY:** Yes.

5 **MR. MAY:** In an earlier customer hearing you
6 had indicated that you serve in some capacity on the
7 American Condominium Association?

8 **MR. BUSSEY:** Yes. I'm a second
9 vice-president, yes.

10 **MR. MAY:** And looking at the newspapers, you
11 have been quoted several times by the *St. Petersburg*
12 *Times*. Are you familiar with that newspaper?

13 **MR. BUSSEY:** I can't hear you, I'm sorry.

14 **MR. MAY:** You have been quoted several times
15 by the *St. Petersburg Times* newspaper. Are you familiar
16 with that newspaper?

17 **MR. BUSSEY:** Yes, I'm familiar with that
18 newspaper.

19 **MR. MAY:** I think there's a reporter here
20 today from the newspaper, Mr. Lee Logan (phonetic).

21 **MR. BUSSEY:** I don't know. I wouldn't
22 recognize him if I saw him.

23 **MR. MAY:** Have you ever spoke to Mr. Lee --

24 **MR. BUSSEY:** I may have. Probably I have
25 spoken to him on the phone. I may have spoken to him in

1 person, but if you were to point him out in the crowd, I
2 wouldn't recognize him.

3 MR. MAY: It is a reputable newspaper, is it
4 not?

5 MR. BUSSEY: Some people say it is.

6 MR. MAY: What would you say?

7 MR. BUSSEY: Well, I don't get the paper.

8 MR. MAY: I don't want to -- I want you to be
9 able to see what I'm going to ask you about, but I would
10 ask permission to distribute an article from the *St.*
11 *Petersburg Times* dated March 9, 2011, regarding Aqua
12 Utilities.

13 MR. BUSSEY: Uh-huh.

14 COMMISSIONER BRISÉ: And we will enter that
15 into the docket as part of Aqua's exhibits.

16 MR. MAY: Mr. Bussey, take your time and
17 review that. I've got some questions to ask you about
18 this article.

19 MR. BUSSEY: You don't have a large print
20 addition, do you?

21 MR. MAY: I could share my readers.

22 MR. BUSSEY: I may need them.

23 COMMISSIONER BRISÉ: One second. Commissioner
24 Brown has a question.

25 COMMISSIONER BROWN: I just wanted our legal

1 staff to confirm that Mr. Bussey is a party to -- has
2 intervened as a party to this case -- no?

3 **MS. BENNETT:** No, he is not an intervenor in
4 this docket.

5 **COMMISSIONER BROWN:** Okay.

6 **MR. MAY:** He intervened and was granted party
7 status, and then withdrew.

8 **MR. BUSSEY:** I assume you want me to go to the
9 part that is highlighted.

10 **MR. MAY:** I just want you to read the article,
11 Mr. Bussey.

12 **MR. BUSSEY:** Well, okay. (Pause.)

13 Yes; go ahead.

14 **MR. MAY:** You are familiar with the aesthetic
15 water quality improvement initiative that the Commission
16 approved in a prior order regarding Aqua?

17 **MR. BUSSEY:** Yes.

18 **MR. MAY:** Okay. And did you tell a reporter
19 from the *St. Pete Times* after the last rate case, "Aqua
20 began making improvements in the Zephyr Shores
21 community, and that Aqua made the water taste better and
22 the color better"?

23 **MR. BUSSEY:** Yes, I did.

24 **MR. MAY:** A couple of paragraphs above the
25 highlighted paragraph in the article.

1 **MR. BUSSEY:** Uh-huh.

2 **MR. MAY:** I think in an earlier or a previous
3 customer service hearing, sir, you indicated that you
4 were on the water committee for the American Condominium
5 Association.

6 **MR. BUSSEY:** Yes, uh-huh.

7 **MR. MAY:** Mr. Logan's article states that a
8 water customer that uses 5,000 gallons a month would owe
9 about \$50 a month under the proposal. For customers in
10 Jasmine Lakes, that would roughly double their water
11 bills, but customers in Palm Terrace and Zephyr Shores
12 who already pay about \$52 for 5,000 gallons of water,
13 would get a slight break on their monthly bills.

14 During your meetings with your constituents at
15 the American Condominium Association, did you discuss
16 the fact that under Aqua's rate proposal the water bills
17 for American Condominium Association would actually go
18 down?

19 **MR. BUSSEY:** We haven't had much in the way of
20 getting together with our residents, because everything
21 that seems to be going on is when they are up north.

22 **MR. MAY:** I have no further questions.

23 **MR. BUSSEY:** May I respond to one of the
24 statements?

25 **COMMISSIONER BRISÉ:** If you need to clarify

1 something.

2 **MR. BUSSEY:** Well, I do need to clarify, okay.
3 When they were ordered by the Commission to come in and
4 do some aesthetic work, they did -- they did add a
5 sequestration -- I think that is the correct way to
6 pronounce it -- system, which did clean up some of the
7 discoloration, okay. And that is why I made the
8 statement that I did in the *St. Petersburg Times*. But,
9 okay, has it been as successful as we thought it was
10 going to be? Look at the picture. It's a current
11 picture of what the water looks like. So apparently, in
12 at least some areas of our park, it is not working well.

13 Anything else?

14 **COMMISSIONER BRISÉ:** No, that's it. Thank
15 you.

16 **MR. MAY:** Will you be at the Lakeland hearing
17 tomorrow?

18 **MR. BUSSEY:** Well, of course. And this time
19 don't give me bad directions like you did the last time.

20 **MR. MAY:** We'll see you tomorrow, Mr. Bussey.
21 (Laughter.)

22 **MR. BUSSEY:** Thank you.

23 **UNIDENTIFIED SPEAKER:** Bring your glasses,
24 Dave.

25 **MR. KELLY:** Mr. Clarence Rankin followed by

1 Stacy Zinsmeister. Am I pronouncing it right? Is it
2 Rankin? Clarence Rankin.

3 **MR. MAY:** Mr. Chairman, while we are waiting
4 for Mr. Rankin, could we perhaps get an exhibit number
5 for the *St. Petersburg Times* article.

6 **COMMISSIONER BRISÉ:** Are there other exhibits
7 that you are going to put in for today?

8 **MR. MAY:** I don't think so.

9 **COMMISSIONER BRISÉ:** Okay.

10 **MR. MAY:** Well, excuse me, there is one
11 composite notice exhibit, which is just a standard
12 notice for this meeting and tomorrow. But in talking
13 with Ms. Bennett, we thought we would do that at the
14 end.

15 **COMMISSIONER BRISÉ:** Right. So I figured we
16 would put this in at the end, as well. Unless we
17 absolutely have to do it now, we can put it in at the
18 end with the others.

19 **MS. BENNETT:** We will identify it as a
20 cross-examination exhibit, and put it in at the end.

21 **COMMISSIONER BRISÉ:** Thank you.

22 **MR. KELLY:** All right. Ms. Stacy Zinsmeister
23 followed by Dee Bussey.

24 **STACY ZINSMEISTER**

25 appeared as a witness and, swearing to tell the truth,

1 testified as follows:

2 **DIRECT STATEMENT**

3 **MS. ZINSMEISTER:** Hi, how are you? I'm Stacy
4 Zinsmeister. I am from Palm Terrace.

5 I would like to start out by saying I live on
6 the first street of Palm Terrace. I am right back up to
7 Gulf Highlands, so literally the house that's 50 yards
8 behind me, literally 50 yards behind me has Pasco
9 Utilities.

10 I have a quick rate breakdown for you. With
11 their new increase, their base for water is \$7.34. I
12 pay \$18.52. Their base for sewer is \$15.63. I pay
13 \$35.95. So, in other words, just a plain basic out
14 rate, they pay 22.97, I pay 54.47. It's a little
15 frustrating when I can see their house from where I
16 live. If I could pipe over there, I absolutely would.

17 I have a couple of questions. Actually, on
18 the Aqua Utilities website, I did look up that it does
19 state that you have 117,000 residents, but only 71
20 employees. So I thought that didn't really equal out
21 very much, so I was a little curious about that.

22 And I had questions about the neighborhood
23 itself. The average income in our neighborhood is
24 actually \$16,900. So to expect these people who are
25 obviously most of them on sort of a fixed income to come

1 up with any more money is ridiculous. And, like I said,
2 especially if whatever Pasco County is doing seems to be
3 working for them. So for them to buy a company that
4 obviously needed issues, then it should have bought it
5 cheaper than to charge us for the things that you needed
6 to fix.

7 One last thing. I do have an elderly neighbor
8 that could not make it today because she does have
9 terrible rheumatoid arthritis. But because of her water
10 rate, she takes buckets into the shower with her, so she
11 can collect the unused shower water to flush her toilet.
12 Now, this is no way for our elderly to live and this is
13 no way for us to take care of the older people. Thank
14 you.

15 **COMMISSIONER BRISÉ:** Thank you.

16 Ma'am, there's a question for you.

17 **MR. MAY:** Thank you, ma'am. Could you give
18 the name of the customer, the elderly customer that you
19 just referenced?

20 **MS. ZINSMEISTER:** Yes. Her name is Francis
21 Parrino. And I help her carry the buckets because she
22 has arthritis so bad that she can't.

23 **MR. MAY:** And what is the -- how do you spell
24 the last name.

25 **MS. ZINSMEISTER:** P-A-R-R-I-N-O.

1 **MR. MAY:** Thank you very much.

2 **COMMISSIONER BRISÉ:** Thank you.

3 **MR. KELLY:** Dee Bussey followed by Arthur
4 Craft.

5 **DEE BUSSEY**

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

8 **DIRECT STATEMENT**

9 **MS. BUSSEY:** Hello. I want to thank you for
10 coming here and listening to all of these comments. And
11 I just pray to God that you really listen. It breaks my
12 heart to hear these people and what they are having to
13 live with. It's just unconscionable. How you can sleep
14 at night, I have no idea.

15 But I agree with all the comments that are
16 made; but I will not be redundant. I am sure Frank's
17 wife, Carol, would agree with me completely. We have
18 the unique privilege of being married to these men. I'd
19 like to quote what Earl Poucher stated in the newspaper
20 October 9th. He was talking about what has been going
21 on, and he said -- he noted that the role Bussey and
22 Reams played in this appeal, obviously Flow Florida did
23 not spring up this year simply because their members had
24 nothing to do. That's true. Something very unique
25 caused Flow Florida to get organized.

1 I would like to tell you that Dave and Frank
2 have traveled all over the state to let others know that
3 they are not alone. That we are fighting for them
4 through Flow Florida, which stands for Friends of
5 Locally Owned Water.

6 We want Pasco water. We want their good
7 service. We want their good water, and their good
8 rates, too, which we obviously don't have. And I would
9 just like to say that these men have spent hours and
10 hours and hours on the road, at home, doing research on
11 this. And I would just like to have my husband back.

12 **COMMISSIONER BRISÉ:** Thank you very much.

13 **MR. KELLY:** Arthur Craft followed by Frank
14 Reams.

15 **ARTHUR CRAFT**

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

18 **DIRECT STATEMENT**

19 **MR. CRAFT:** Good afternoon, everybody. My
20 name is Arthur Craft. I'm with the Palm Terrace
21 subdivision. I am a little new to this. I just bought
22 my house in the Palm Terrace subdivision last year. It
23 has been kind of a rollercoaster. I think this is my
24 third meeting now in one year of owning this house
25 fighting this Aqua Water Company.

1 I only have a few problems with it and, you
2 know, a lot of it is my house is directly across from
3 the pond, so we do get the odor and the smell. And, you
4 know, if I knew I was paying \$114,000 to live in a
5 septic system, then I probably would not have purchased
6 a house in Pasco County.

7 As far as rain, when it rains our streets
8 flood. They have talked about these pipes, and ponds,
9 and everything. Every time it does rain, our streets
10 flood. I don't know how many times I have been out
11 there personally pushing senior citizens out of the
12 water. They were waste deep in water with their car.

13 You know, it's just an ongoing thing. And
14 being new to this, and I hear about these improvements
15 and everything that Aqua Water says that they are doing,
16 and the money they are putting back into the community.
17 But basically I think they are just taking credit for
18 what we are paying and putting back into the community,
19 because that's our money. They are taking the money out
20 of our pockets, but they are taking credit for the
21 improvements that they are saying that they are doing.
22 And I don't think that's right.

23 I am a big person of choice. You know, I get
24 to choose everything in my life. I get to choose who my
25 cell phone carrier is. I get to choose who my cable

1 provider is. I get to choose, you know, who my
2 homeowners insurance is. Who picks up my trash. Okay.
3 I'm not against Aqua. I'm not against business. I'm
4 not against people being in America and having the
5 opportunity to have a business and to grow their
6 business. But when it's forced down our throat to say
7 the only people you can buy water from is this company,
8 that's wrong. I mean, if Aqua wants to be in Pasco
9 County, let them be in Pasco County. Let them solicit
10 every customer they want, but give every person in Pasco
11 County the option to choose who they want, whether it be
12 Pasco County or whether it be Aqua water.

13 It's a real simple solution. Let them have as
14 many customers as they want, but give us the right to
15 choose. You know, base it on whoever has how many
16 customers each person has. Let that be the determining
17 factor of who pays what for what kind of improvements.
18 I mean, it's not rocket science. I mean, hello. I'm
19 not against anybody that has a business. I'm not. You
20 know, that's what America is based on. But let's give
21 the people here the right to choose.

22 Do they want Aqua water? Do they want Pasco
23 County water? Bring in a third water company. You
24 know, this is what keeps people honest. This is what
25 keeps companies competitive. This is what keeps our

1 prices down. It just doesn't make sense that they can
2 corner the market and force-feed it to us and for you
3 guys to sit there. I mean, I don't if any of you have
4 watched the news, but there's these rallies and these
5 protests going on all over America where people just
6 like this are calling the shots.

7 You are our elected officials who makes the
8 decisions, just like these people out here protesting
9 are saying. Are you in a position where you can make a
10 decision, or are they making them for you? I mean,
11 watch the news. You know, just like choices. I can
12 choose what movie I want to see. I can choose who picks
13 up my garbage, but I can also choose who sits in that
14 chair. So keep that in mind.

15 Thank you.

16 **COMMISSIONER BRISE:** Thank you.

17 Mr. Kelly.

18 **MR. KELLY:** Mr. Frank Reams followed by
19 Kimberly Graham.

20 **FRANK REAMS**

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

23 **DIRECT STATEMENT**

24 **MR. REAMS:** I'm Frank Reams, and I live in
25 Zephyrhills. It's nice to see you folks again.

1 I'm going to be very brief today. I hope no
2 one minds, but I worked in Minnesota for 25 years, and
3 there's two guys that's pretty popular in Minnesota.
4 And I don't mean to offend anyone by this, but two
5 engineers were standing one morning out in front of the
6 flag pole. And a lady walks by and said, "What are you
7 fellows up to? "Well," he says, "We need to measure the
8 heighth of the flag pole, but we don't have a ladder."
9 The lady reached in her purse, pulled out a wrench, laid
10 the pole down, pulled out a tape measure, measured the
11 pole, and told them it is 18 feet, 6 inches long.

12 "Well," he says to Stan, he says, "just like a lady," he
13 says, "you ask her for heighth and she gives you the
14 length." Now (inaudible) served in the U.S. Senate.

15 Okay. Anyway, I want to talk about Aqua's
16 customer service, and it doesn't make any difference how
17 you measure it, it's pretty bad. Now, another thing I
18 want to share with you. I have got a lot of years, too
19 many of them, in the telephone business. And we were in
20 there before they busted up Ma Bell, and I know what
21 service is. And because we were a regulated utility, we
22 went out of our way to exceed the customers'
23 expectations when it came to service. I think those are
24 some pretty important words that we need to dwell on
25 here today, exceed the customers' expectations.

1 This company doesn't do it any way you look at
2 it. Whether you measure it by the height or you
3 measure it by the width. When they own 47 percent of
4 the total Commission complaints submitted by every water
5 company in Florida, that's not service, folks. That's
6 not service.

7 Now, what I have here in front of you, and
8 this is going to be the next issue that you are going to
9 have to face with this company, but I have here a
10 picture of a water meter. It happens to be a Neptune
11 water meter, and this comes from Honolulu, Hawaii, and
12 it's half full of water. This meter was in service
13 about seven years, and what happens is the glass or the
14 case on the meter register develops minute cracks.
15 Water invades the meter, and it doesn't read anymore.

16 So the first -- the first thing I have given
17 you up there is one of those meters. Now, here is the
18 important thing. Out of 54,000 meters, they have had to
19 replace 40,000. Unbelievable. Worse yet, Neptune will
20 not stand behind their warranty. They will not stand
21 behind the warranty.

22 Secondly, I have just a few comments from an
23 audit force that was conducted by the City of Atlanta
24 because they have 151,000 of these meters. So my
25 concern here is a concern that we faced with Contel in

1 Minnesota back in the early '80s, because they were one
2 of the first companies into digital switching. We made
3 a purchase of several hundred thousand dollars of Vydar
4 (phonetic) digital switching equipment. A couple of
5 years later that company went out of business. We went
6 to the Minnesota Public Service Commission, and we said
7 is there any way possible that we can get an accelerated
8 depreciation on these switches, because we don't have
9 any support? You know what the Commission told us? You
10 folks made a bad decision. You made a bad decision.
11 That's my point to you with these meters.

12 I'm sure that they are losing a lot of meters.
13 They are having to replace them. I don't understand the
14 chart of accounts for the water companies. I know it
15 for the telephone companies.

16 **COMMISSIONER BRISÉ:** Mr. Reams, you have about
17 a minute left.

18 **MR. REAMS:** Okay.

19 I just want to be sure. You know, if they
20 have made a bad decision here, we don't want the
21 customers to pay for that. The stockholders have to pay
22 for that.

23 Thank you.

24 **COMMISSIONER BRISÉ:** Thank you very much.
25 There are questions for you.

1 **MR. MAY:** Thank you, Mr. Reams. Can you hear
2 me?

3 **MR. REAMS:** Just barely.

4 **MR. MAY:** Let me see if I can get this thing a
5 little closer.

6 I think you have testified in some earlier
7 customer service hearings, is that correct?

8 **MR. REAMS:** You are correct.

9 **MR. MAY:** And you are not a customer of Aqua
10 Utilities Florida?

11 **MR. REAMS:** That is also correct.

12 **MR. MAY:** Are you aware that the Florida
13 Public Service Commission during the course of the last
14 rate case docket audited the accuracy of Aqua's meters?

15 **MR. REAMS:** Yes, I am aware of that.

16 **MR. MAY:** And are you aware that the Florida
17 Public Service Commission found that the meters were
18 accurate?

19 **MR. REAMS:** Yes. I'm not challenging that.

20 **MR. MAY:** Okay. You are not a customer of
21 Aqua, but you are a member of Flow Florida, correct?

22 **MR. REAMS:** I'm a volunteer with Flow Florida,
23 yes.

24 **MR. MAY:** And the Flow Florida website lists
25 Ms. Kelly Sullivan as a member. Do you know Ms.

1 Sullivan?

2 MR. REAMS: Yes, I'm acquainted with her.

3 MR. MAY: And is Ms. Sullivan a member of Flow
4 Florida?

5 MR. REAMS: At times.

6 MR. MAY: And is that the same Ms. Kelly
7 Sullivan, the attorney who filed a petition to intervene
8 in this case and filed a protest to the PAA order on
9 behalf of Lucy Wambsgan?

10 MR. REAMS: I believe it might be.

11 MR. MAY: Is she here today?

12 MR. REAMS: I haven't seen her. She might be.

13 MR. MAY: During the discovery phase of this
14 proceeding, the Office of Public Counsel has produced a
15 number of documents, and some of those documents
16 involved, in fact, over 300 pages of e-mails between you
17 and Mr. Poucher. Is it true that you and Mr. Poucher
18 communicate rather often?

19 MR. REAMS: Yes.

20 MR. MAY: Mr. Chairman, I'd like to provide
21 this as a cross-examination exhibit to Mr. Reams.

22 If you look down, I guess you and Mr. Poucher
23 were having a conversation regarding a book about Ma
24 Bell. I'm not inquiring about that. I'm looking at
25 maybe the two communications that you had on

1 September 7th and September 3rd. Mr. Poucher asked you
2 on September 7th, do you have a contact list of
3 homeowner association officers that I could use for the
4 upcoming hearings. How was he using homeowner
5 association officers in the upcoming hearings?

6 **MR. KELLY:** I object to the question on the
7 basis of this requires him to know the mind of Mr.
8 Poucher. Mr. Poucher is a witness, and he can ask Mr.
9 Poucher that at the hearing.

10 **MR. MAY:** Very good.

11 On the cc line from the e-mail from you to Mr.
12 Poucher and others, could you read the e-mail addresses
13 on that CC line?

14 **MR. REAMS:** On the bottom one?

15 **MR. MAY:** Yes, sir.

16 **MR. REAMS:** It says J. R. Kelly, Steve Reilly,
17 Earl Poucher, Dave Bussey, Jack Mariano.

18 **MR. MAY:** Okay. Is that the Dave Bussey who
19 has testified earlier?

20 **MR. REAMS:** I'm sorry, I missed that.

21 **MR. MAY:** I said when you listed the
22 DaveBussey@hotmail.com, is that the Dave Bussey who
23 testified earlier today?

24 **MR. REAMS:** Yes, it is.

25 **MR. MAY:** Okay. And Jack Mariano, is he the

1 gentleman who testified earlier today?

2 MR. REAMS: Yes.

3 MR. MAY: Okay. And who was the next person?

4 MR. REAMS: That's another resident of
5 American Condo.

6 MR. MAY: Okay. At the end there is a line,
7 Mary Grant. Do you see that?

8 MR. REAMS: I'm sorry, I missed that.

9 MR. MAY: Do you see the name Mary Grant?

10 MR. REAMS: Yes, I do.

11 MR. MAY: She's a senior researcher with the
12 Food and Water Watch, is she not?

13 MR. REAMS: That's correct.

14 MR. MAY: Okay. And Jorge Aguilar, the next
15 line on the cc list, who is he?

16 MR. REAMS: He is also -- he is employed by
17 Food and Water Watch.

18 MR. MAY: Where is their headquarters?

19 MR. REAMS: They have several. These people
20 happen to be in the DC office.

21 MR. MAY: Washington, DC?

22 MR. REAMS: Yes.

23 MR. MAY: Okay. In looking at your Flow
24 Florida website, it lists Mr. Jorge Aguilar as a member
25 of Flow Florida, is that correct?

1 **MR. REAMS:** That's correct.

2 **MR. MAY:** Okay. I have no further questions.

3 **COMMISSIONER BRISÉ:** Thank you.

4 At this time we are going to go ahead -- thank
5 you very much.

6 **MR. REAMS:** Thank you.

7 **COMMISSIONER BRISÉ:** At this time we are going
8 to take a quick five-minute recess, and we will
9 reconvene in five minutes.

10 (Recess.)

11 **COMMISSIONER BRISÉ:** All right. We are ready
12 to reconvene. And there are some housekeeping things
13 that we have to do, and one of them is Mr. Reams had an
14 exhibit, and we need to go ahead and enter that into the
15 record. And I'm not sure how we want to title this.

16 **MS. BENNETT:** I have it titled Neptune Meter
17 Issues, which is the top title.

18 **COMMISSIONER BRISÉ:** Perfect.

19 **MS. BENNETT:** Exhibit 32.

20 (Exhibit 32 marked for identification.)

21 **COMMISSIONER BRISÉ:** And we will deal with the
22 cross-examination exhibit in the same manner as we dealt
23 with the Bussey cross-examination exhibit, and we will
24 deal with that at the end.

25 So Mr. Kelly.

1 **MR. KELLY:** The next speaker is Ms. Kimberly
2 Graham followed by Tammie Charles.

3 **KIMBERLY GRAHAM**

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

6 **DIRECT STATEMENT**

7 **MS. GRAHAM:** Hello. Good afternoon. As you
8 said, my name is Kimberly Graham. I live in Jasmine
9 Estates, or Jasmine Lakes. We moved in there in 2005.
10 If I had known then about the water and the rates, I
11 would not have leased the house.

12 My biggest problem is with the water rates.
13 They said a family of four in our area is \$45,000 a
14 year. We live off of half of that. It's to the point
15 to where we scrape by to pay our bills. If our water
16 rates get hiked up even more, I'm not going to be able
17 to pay it. It's not that I don't want to pay it, I
18 won't be able to.

19 Another thing is boiled water notices. In the
20 time that we have lived there, I have received one, and
21 it was after the time period of which we were supposed
22 to boil our water. When I moved in, my daughter who's
23 now 14, was only eight or nine years old. She was going
24 into third grade. We had her -- all she drank was
25 water. She refused to drink the water once we moved in.

1 I have to buy bottled water for my kids to drink because
2 they will not drink it.

3 We do use it to mix with our iced tea or
4 coffee, or for cooking, but that's about it. My
5 nine-year-old son only takes a bath once, maybe twice a
6 week, depending on how filthy he gets. My daughter, who
7 is now 14, is a teen-aged daughter, you know, a
8 teen-aged girl. She wants to take showers; she wants to
9 be clean. I have to tell her, "Don't take a shower
10 unless you absolutely have to." She has had friends
11 come over. They have asked to stay the night. Can we
12 take a shower? At times I have had to tell them no, we
13 can't afford it, I'm sorry.

14 Another problem that I had -- now this was
15 only one night. On the evening of September 20th of
16 2011, between 11:00 and 11:30 at night, my fiancée went
17 to make some Ramen noodles to munch on, because we don't
18 go to bed early. He notices as he is putting the water
19 in the pot that it looked weird, okay. So we checked it
20 out, and as it turns out this is what it looked like. I
21 have pictures of what it looked like. The ones with the
22 dates are from my camera. There is one photo that
23 doesn't have a date, which is from my cell phone. I did
24 post these to my facebook.

25 When I called the next day and asked about,

1 you know, what's going on, the lady I spoke with said,
2 well, there's no boil water notice in your area. The
3 only thing we have on record in your area was there was
4 a main valve being replaced on a main water line. Now,
5 I would think that any time you are going to be messing
6 with the main water line that a notice should be sent
7 out saying, okay, this may or may not affect your water,
8 don't be alarmed, it won't last long. And that's what
9 gets me. You know, how do I know -- I don't know if my
10 kids brushed their teeth with that water. I was going
11 to run my dishwasher. Luckily I didn't, because we try
12 to cut back as much as we can for financial reasons, and
13 to conserve water in our world, because we know we are
14 going through a drought.

15 That is my biggest thing or those things and
16 the water rate hike. We can't afford it. And if I
17 could afford to move, I would. But, unfortunately, we
18 scrape by to pay our bills and to put food on the table.

19 Thank you very much.

20 **COMMISSIONER BRISÉ:** Thank you.

21 Any questions? Thank you very much.

22 **MS. BENNETT:** This would be Composite Exhibit
23 33, Kimberly Graham.

24 **MR. KELLY:** Yes.

25 (Exhibit 33 marked for identification.)

1 **COMMISSIONER BRISÉ:** Thank you very much.

2 **MR. KELLY:** The next speaker is Tammie Charles
3 followed by Getsid Novak. Did I pronounce that
4 correctly?

5 **TAMMIE CHARLES**

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

8 **DIRECT STATEMENT**

9 **MS. CHARLES:** Good afternoon. My name is
10 Tammie Charles, and I live in Jasmine Lakes. I came to
11 Jasmine Lakes about a year and three or four months ago.
12 Unfortunately, we were in Hudson. The landlord wasn't
13 paying his mortgage, and we were forced to move because
14 the house was being foreclosed. We had to find
15 something reasonable to move into, and we found a place
16 in Jasmine Lakes. We checked on electricity, what the
17 average bill is. Different things. Didn't even think
18 to check on the water. I have lived in Florida now 15
19 or 20 years. My water bill in St. Pete, Tampa,
20 Clearwater, Hudson has always been 50 to \$60. I moved
21 in here, twice as much. And I'm like, you know, what is
22 going on? What is so special about this water? I don't
23 understand.

24 You pour a glass of water, you see little
25 floaties. You make ice, it goes into your drinks, you

1 have floaties into your soda. You know, it's like
2 contaminated, and I don't think they are doing enough to
3 correct these issues.

4 I hear from neighbors in my neighborhood who
5 have been going through these problems for years and
6 years and not being resolved. I don't have any faith
7 that it's going to be resolved with this company, so I
8 was really upset when this last increase did go through.
9 I got my first bill last month, and it was approximately
10 40 to \$50 higher. I cried. I was so upset. I am on a
11 fixed income. I'm 43 years old. I'm not a senior, you
12 know, but I'm in the same category with them on these
13 fixed incomes. I have a roommate who's unemployed. She
14 has been looking for a job for the past eight months and
15 can't find something. She is a single mother, so I have
16 been living with her for the last four years now to help
17 her to help support her kids with what little bit I
18 have, sharing expenses.

19 I have never spoken at any meeting before in
20 front of the Commissioners or anything. I didn't feel
21 that something was so important that I needed to go and
22 say something, but today I do. I just can't afford it.
23 It's a monopoly. I remember Ma Bell. I've worked for
24 phone companies before. I remember the Ma Bell. I
25 remember how it was broken up. Prices got outrageous,

1 and finally people were given a choice. And that
2 helped. Because now the prices with these phone
3 companies people can afford. They do have a choice to
4 decide where they want to put their money, their
5 business, because of customer service, because of what
6 they are receiving.

7 To me, I'm paying two water companies. I'm
8 paying Aqua and I'm paying the company that I'm buying
9 bottled water from. Why should I have to pay for
10 bottled water when I have it coming right into my home?
11 I should not have to.

12 My appliances, I bought some new appliances
13 when we got into our new place. Just simple things like
14 a coffeemaker. My coffeemaker within three to four
15 months time has got white residue, silver residue, slimy
16 residue. I'm constantly having to clean that thing. I
17 have to use Limeaway, and whatever else kind of parts I
18 can use on my showerheads. I have already replaced my
19 showerheads. I had new showerheads when I originally
20 moved in just over a year ago, and just recently, last
21 month I had to replace them because the water can't come
22 out. It's being clogged with whatever is in this water
23 making it even harder and more money out of my pocket.

24 Flushing toilets, something we all take for
25 granted. Myself, my roommate, and the kids now, we

1 don't even flush after every use. And to go into the
2 bathroom and smell that. You know, I'm not saying
3 number two, okay, but when we can, we try to flush every
4 other time because of this water bill. You just can't
5 afford it.

6 My landlord, I called him last month and told
7 him, you know, there's this rate increase. I don't know
8 what I'm going to do. We are going to probably have to
9 move. We just can't afford --

10 **COMMISSIONER BRISÉ:** Ma'am, you have about a
11 minute left.

12 **MS. CHARLES:** Luckily, he was nice enough to
13 drop our rent \$50 because he doesn't want us to leave.
14 He knows that the rental properties in the area are not
15 being rented out because of the water company.

16 We also have a pool for the kids. They can't
17 even use the pool anymore because I can't afford to put
18 water in it. When we moved there, we took the pool with
19 us, filled it up. I couldn't get a discount on that
20 water or anything. They said I had to provide them with
21 a receipt that I just bought the pool. Well, I didn't
22 just buy the pool. We brought the pool with us from the
23 last place we lived. So my first bill was outrageous.

24 A friend a mile down the road, a family of
25 six, uses a lot more water than I do. Average bill,

1 60 to \$70. That's water and sewer. My average bill
2 now, \$150 for four people, and we are conserving as much
3 as we can. I've got buckets in the yard now to collect
4 rainwater just so I can water a few plants to keep my
5 house looking nice. Because I can't water my grass,
6 it's all turning to dust and sand.

7 I have arrangements, payment arrangements with
8 them because I couldn't afford my monthly bill prior to
9 these first rates. I paid them early. I mean, luckily
10 they did give me arrangements. You have to pay X amount
11 more each month to bring you back to current. I pay
12 early. I'm on Social Security, so I paid on the 3rd.
13 My bill wasn't due until the 15th. I get a letter after
14 the 15th stating that my agreement has been canceled
15 because I didn't pay them. I went what do you mean? I
16 paid you early. They are like, no, you are due on the
17 15th. I'm like I already paid you. If you go back to
18 your records you will see that I did pay you.

19 So they had to set up another arrangement, and
20 this arrangement was for even more money. So now I'm
21 paying with my arrangement and my water bill around \$205
22 a month just so I can catch up. And that is more than
23 my electricity bill, and I shouldn't have to spend more
24 money on water than I do on electricity when I can do
25 way more with my electricity than I can with my water.

1 **COMMISSIONER BRISÉ:** Thank you, ma'am, for
2 your testimony. I don't know if there is any questions.
3 Thank you very much.

4 Mr. Kelly.

5 **MR. KELLY:** Mr. Gerald Novak followed by John
6 St. Martin.

7 **GERALD NOVAK**

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

10 **DIRECT STATEMENT**

11 **MR. NOVAK:** Commissioners, Aqua Utility
12 representatives, staff members, good afternoon. Thank
13 you for having this hearing. Everybody hear me okay?

14 My name is Jerry Novak. I live in the Zephyr
15 Shores system. I have been -- this is the third time I
16 have been in front of you people talking about the real
17 estate aspect and the values of the property in our
18 park. The last two times I was here I was actually a
19 real estate agent licensed in New York. I have
20 completed my courses here. I am just ready to go take
21 my licenses to get my -- be an active sales associate in
22 Florida.

23 The last time I talked to you, I indicated
24 that our park -- normal attrition for home sales in our
25 park would run about 5 percent. We have 307 homes, and

1 they normally would run over the years, and I have
2 talked to people that have lived in the park, between 7
3 and 15 homes at any one point in time on the market.

4 The last time I was here, the number was over
5 30. I can report today that it is down to 30. Of the
6 ones that were over 30, four of them have gone into
7 foreclosure, and one of them was sold on an auction
8 basis, which is not great for our park. It doesn't help
9 the values. Homes are a commodity; law of supply and
10 demand. And our park has been unique. It has always
11 been a park that people wanted to be in. We don't have
12 that environment anymore.

13 I have three friends of mine that have their
14 homes up for sale, which was a shock to me. They are
15 way below what I would consider to be market value. I
16 have talked to realtors in our area; they said people
17 don't want to buy in your park because of the Aqua
18 Utility rates.

19 Again, I said the homes are, as far as I am
20 concerned, one of the homes he had on the market for 65,
21 he probably would have gotten that had had the people
22 not wanted to be in our park, and he is down to 45 now
23 and desperate to sell. Some of the other homes that
24 have not sold, they have put them up for rent because
25 they have got to do something to pay the maintenance

1 fees and so on. So Aqua Utilities, their rates have
2 definitely affected the value of homes in our park and
3 the lifestyle. We have more homes for sale than we need
4 to have, and more than we ever have had.

5 Any questions?

6 **COMMISSIONER BRISÉ:** Thank you very much.

7 **MR. NOVAK:** Thank you.

8 **COMMISSIONER BRISÉ:** Mr. Kelly.

9 **MR. KELLY:** John St. Martin followed by Fred
10 Mock (phonetic). Mr. St. Martin? Mr. Mock.

11 **MR. MOCK:** Right here.

12 **FRED MOCK**

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

15 **DIRECT STATEMENT**

16 **MR. MOCK:** Good afternoon. Thank you for
17 allowing us to come here and express our feelings. I
18 bought a house three months in Palm Terrace, my wife and
19 I. I thought we did our due diligence on doing every
20 bit of research we could when purchasing a home, but we
21 didn't. We didn't find out who the water company was.

22 I have been there for three months. My first
23 water bill was \$58. I was there for two weeks. I
24 figured I had some people in and out of the house. My
25 second water bill was \$86. My third water bill was

1 \$106. I have been in Florida for 33 years. I have
2 owned a lot of homes. I have never paid \$106 a month
3 for a water bill, nonetheless for an inferior product.
4 And they are asking for a raise, and we are not getting
5 a quality product.

6 I remodeled the master bathroom and put a new
7 1.6-gallon flush in and still don't flush that every
8 time. In the spare bathroom I had to put bricks in the
9 tub so I wouldn't use as much water. You know, one
10 thing you guys might want to think of, and this was done
11 a long time ago, I think I was in Palm Harbor. They
12 passed out water bladders for the toilet tubs, and they
13 handed out water saving showerheads to every customer.

14 But I think you've got a lot of gall to sit
15 there and ask for a raise, a hike, and you're not giving
16 us a quality product. None of you sitting in that chair
17 would pay an ungodly amount of money for any inferior
18 product, but yet --

19 **COMMISSIONER BRISÉ:** Sir, please address the
20 Commission.

21 **MR. MOCK:** But yet they are asking us to do
22 that.

23 I thank you, again, for allowing me to express
24 my feelings. Thank you.

25 **COMMISSIONER BRISÉ:** Thank you very much.

1 **MS. BENNETT:** I'm sorry, sir, what utility --
2 I mean, what --

3 **COMMISSIONER BRISÉ:** Palm Terrace.

4 **MR. KELLY:** Sadie Dye (phonetic). Or is it
5 Sally Dye? I apologize. And the next one after her
6 will be Irene St. John.

7 **SALLY DYE**

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

10 **DIRECT STATEMENT**

11 **MS. DYE:** Can you hear me okay?

12 **COMMISSIONER BRISÉ:** Yes, ma'am.

13 **MS. DYE:** I have been living in Palm Terrace
14 since 2002. And when I moved there they were having
15 problems with how they were going to take water out of
16 people's houses and everything else. Well, the people
17 came to me, and I said what is this house on? And I
18 said I'm going to go to the county and find out. My
19 house was built on a lake and the lake was still there.
20 It was underneath my house. And I said oops. I said I
21 can't have this. So what they did, they drained it and
22 got it out and took all the rocks out. And I have a
23 nice yard and two beautiful oak trees out there. And I
24 also have Seven Springs water coming into my house. I
25 don't have bad water for that reason because they tapped

1 into the springs that were underneath there and made we
2 a new line in.

3 But yet the water bill is now going up all
4 over, so I don't know what the story is on that part of
5 it. But I wanted to say that I do get good water out of
6 it, if nothing else. And there is a lady sitting over
7 there, she's from Philadelphia, and somebody started
8 stealing water from my house, and I called her on the
9 phone, and she said, well, I will put your Aqua bill up
10 here, and we will itemize it. And they took a deduction
11 off of it because of it, which I appreciated, because
12 that helped me out.

13 So maybe some of y'all that are having
14 problems, maybe you may run into what I did and find out
15 that there is a way to get to it. Okay?

16 **COMMISSIONER BRISÉ:** Thank you.

17 **MS. DYE:** Thank you very much.

18 **COMMISSIONER BRISÉ:** Thank you very much. Any
19 questions?

20 **MS. DYE:** But we need to -- Aqua needs to stop
21 where they are now and go back to what they gave us.
22 Because they were giving us a water bill of \$50 a month,
23 okay?

24 **COMMISSIONER BRISÉ:** Thank you very much.

25 **UNIDENTIFIED SPEAKER:** I have a question. Did

1 you say somebody was stealing your water? They were
2 tapping into your line to steal water?

3 (Inaudible.)

4 **MS. DYE:** In fact, Bright House found it out
5 for me. They checked my Bright House lines, and the guy
6 jerked the line up and said this is where they were
7 doing it.

8 **COMMISSIONER BRISÉ:** Thank you very much.

9 **MS. DYE:** Thank you.

10 **MR. KELLY:** The next speaker is Irene St. John
11 followed by Pasquale Colaserdo (phonetic).

12 **IRENE ST. JOHN**

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

15 **DIRECT STATEMENT**

16 **MS. ST. JOHN:** It's probably Pasquale.

17 Anyhow, my name is Irene St. John. I don't
18 know why people here are begging not to have the water
19 increased. We should be demanding to have a water rate
20 reduction. There is nothing about the water that
21 warrants the rates that we pay. I first moved into my
22 house -- I rent, and I would say 50 percent of the
23 people in my neighborhood rent. And I deduced that the
24 owners bought their houses, saw the water rates, moved
25 and purchased someplace else, and rented their houses

1 out because they didn't want to pay the high rates for
2 water.

3 The first month I was there, I did planting
4 right away. Even though I'm just a tenant, I like to
5 put in palm trees and other greenery. And I watered my
6 plants. My first water bill was \$200. Now my plants
7 are begging, please let us just die, because I won't
8 water them anymore. And they look decrepit. I'm going
9 to just mow them all down.

10 But, like I said, most of the people in my
11 neighborhood are tenants. And when I first walked in
12 here today, I noticed that most of the people were
13 seniors, so they are retired. The tenants are off to
14 work. The meeting should be held in the evening so that
15 the people who are paying these high bills that are off
16 at work and breaking their backs just to make the water
17 bill each month can attend these meetings. If you have
18 something in the daytime when the tenants can't attend
19 the meetings, they just can't take time off of work.
20 The homeowner is not getting the notice to come to the
21 meeting. It is being delivered to the house, so the
22 tenant gets the notice.

23 Like I said, I don't know why we're crying
24 about a rate increase. We should be screaming for a
25 rate reduction. There is no reason in the world why

1 other water districts pay roughly \$50 or \$60 a month,
2 and that's a high bill, and I'm paying \$150 a month. I
3 don't wash my car; I don't water my lawn. We have this
4 saying if it is yellow, let it mellow. If it's brown,
5 flush it down. Okay. And it's a pretty gross way to
6 live, but that's what we do.

7 I was hospitalized over the summer twice, and
8 I didn't know about boiling water until I came home from
9 the hospital. I had gastrointestinal problems. I lost
10 18 pounds in two weeks. I put back about ten. Now,
11 it's nice to lose weight, but not that way. And I'm
12 still on mostly a clear liquid diet. And they couldn't
13 find anything wrong with me except the only thing I
14 could deduce is that it had to do with the water. I
15 don't drink the water. I make my coffee with the water.
16 It doesn't get boiled when I make coffee, so that's the
17 only way I consume water.

18 My hair falls out. My skins has never -- I
19 have never needed to -- I have lived in many different
20 areas of the country. I have never needed to use skin
21 lotion. My skin cracks. I'm of Italian descent --

22 **COMMISSIONER BRISÉ:** Ma'am, you have about a
23 minute left.

24 **MS. ST. JOHN:** Okay. Then I'm going to hurry
25 this thing up.

1 I didn't find out about the water needing to
2 be boiled until I got the notice saying that it no
3 longer needed to be boiled, but that was after I
4 returned from the hospital.

5 There is really nothing much more for me to
6 say except for that. I, again, beg that people demand a
7 reduction in the rates. Not even consider a rate
8 increase, but that we should be more in line with other
9 water districts.

10 Thank you.

11 **COMMISSIONER BRISÉ:** Thank you.

12 And there is a question for you, ma'am.

13 **MS. ST. JOHN:** Yes.

14 **COMMISSIONER BROWN:** Thank you for coming and
15 for speaking to us. I'm curious about the date that you
16 were hospitalized and what that boil water --

17 **MS. ST. JOHN:** It was in July. The exact
18 dates I don't know. You'll know soon enough.

19 **COMMISSIONER BROWN:** And what service area?

20 **MS. ST. JOHN:** I believe Palm Terrace. I'm on
21 Yellow Wood Lane.

22 **COMMISSIONER BROWN:** Okay. Thank you.

23 **COMMISSIONER BRISÉ:** There is -- okay. Thank
24 you very much.

25 Mr. Kelly.

1 **MR. KELLY:** The last speaker I have signed up
2 is Pasquale Colaserda.

3 **PASQUALE COLASERDA**

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

6 **DIRECT STATEMENT**

7 **MR. COLASERDA:** I'm from Jasmine Lakes. I
8 have been here before. The first question I would like
9 to ask the people sitting to my left is what is the
10 difference between the bands? How come the water that
11 comes into our house comes in at band one and goes out
12 at band two? Can somebody explain that to me?

13 **COMMISSIONER BRISÉ:** Do you want to respond to
14 that?

15 **MR. MAY:** I think -- I don't know if I'm
16 really following your question.

17 **MR. COLASERDA:** Well, here we have monthly
18 water -- the old rate of band one for Jasmine Lakes is
19 29.15, and the monthly wastewater band -- we're in band
20 two. The rates in band two. The band one rate for
21 wastewater was 46.63. When we move into band two it is
22 \$78.10. If the water coming in is in band one, why does
23 it go out in band two?

24 **MR. MAY:** Sir, during the rate case
25 proceeding, one of the issues was the structure of the

1 rates, and at one point in time there were multiple
2 bands, and as a result of the proposed agency action
3 order, those bands have been collapsed into really just
4 two bands now. So at one time you might have been in
5 band one, and now you are in band two.

6 **MR. COLASERDA:** Well, we are still being
7 charged -- the water coming in in band one and being
8 charged at band two for wastewater. I just couldn't
9 figure that out.

10 **COMMISSIONER BRISÉ:** Thank you, sir. You can
11 continue.

12 **MR. COLASERDA:** I can continue? All right. I
13 happened to -- I was cleaning out my attic yesterday and
14 I found some water bills from 2004. And the rental is
15 what I call it. Now, these people have a real good
16 thing going here. If you move into Jasmine Lakes like I
17 did 13 years ago, they charge you so much to hook up,
18 and then they charge you so much to use their product.
19 Somebody has to explain to me where else in the world
20 can you get something that you can charge rent to use
21 your product. I can go nowhere else, and yet they are
22 charging me -- it was \$20 in 2004. It was \$9 for the
23 water, and I think it was \$10 for the wastewater rental.
24 Usage is what it is, right?

25 Now we are up to \$50 a month. What has

1 increased in Jasmine Lakes to bring this price up to \$50
2 a month for the rental? I live there. I live directly
3 behind their company. I watch them people work every
4 day. There's no work going on on the streets. There is
5 no new pipes going in. They did because we had -- the
6 last time we had this little thing, they put in two new
7 manhole covers. One in front of my place and one in
8 front of my neighbors. And being I gave them a problem,
9 they lifted it up high enough that I can't even mow
10 around it. It's four inches off the ground.

11 There is no work going on. You want to tell
12 me that the chemicals cost more? Fine. But what is the
13 increase in their usage fee when they are not doing
14 anything? They came in -- the last time we was here
15 they got a 70 percent increase to put in new meters.
16 All right. I don't know how long the meters are going
17 to last. The gentleman said something about doing
18 something. Please don't do nothing else, because every
19 time they pick up a shovel it costs us money. I mean,
20 now they are in for -- I think they are going to spend
21 \$2.5 million and they want us to pay for it.

22 The second line here says why Aqua is
23 requesting a rate increase. According to Aqua, a rate
24 increase and a fair return on their investment. Do you
25 know how many people are going out of business in this

1 country because they invested their money without a fair
2 return? Why should they be guaranteed a fair return on
3 their money? Why? Who are they? Are they special?
4 The water ain't special.

5 I got a full house water filter. I got a
6 filter on my refrigerator. I've got a filter going into
7 my refrigerator so I can drink this water. So why are
8 they special that they should get -- let their rate --
9 let their people that they have got money invested take
10 a little loss. Let them pay for something once in
11 awhile. Every time they do something, they want us to
12 pay for it. What are we supposed to be?

13 I'm on a fixed income. I'm on Social
14 Security, and it's getting ridiculous. My water bill
15 was \$140 this month. In 2004 I had a problem with my
16 pool. I used 13,000 gallons of water. The bill was
17 \$84. They are getting right now, without the increase,
18 \$18. The way I look at it, every thousand gallons of
19 water that comes into my house with the water going out,
20 when I divide the bill up, it's 6,000 gallons, or
21 7,000 gallons, they get \$18 a gallon -- \$18 every
22 thousand gallons of water that comes into the house, all
23 right. The county is getting 10. This is \$8 a gallon
24 more than the county is getting.

25 I left the paper at home. I forgot to bring

1 it with me. The county just got a 20 percent increase
2 over the next four years. When they get done, after
3 four years with a 20 percent increase, all right, they
4 are going to have -- their bill is going to be \$72.
5 Ours is going to be \$150. Where is the disparity? They
6 are 100 yards away from us.

7 Me, personally, the state ought to pull the
8 license off of these people, because they are gouging
9 the people. There is no way on earth their water out of
10 the same thing 100 yards away can cost them \$20 a gallon
11 to come out of the water over the county. No way on
12 earth. Okay.

13 You got any questions for me?

14 **COMMISSIONER BRISÉ:** Yes.

15 **MR. MAY:** I just wanted to clarify one thing.
16 I think your question with respect to the different
17 bands, I think you are being charged for water in band
18 number one and then there is a separate band number two
19 for wastewater. But Mr. Stacy Barnes in the back would
20 have a computer and he would be able to walk you through
21 your account, if you would like.

22 **MR. COLASERDA:** I know my account. I'm not
23 too swift, I'm an old man, I understand that, but I know
24 when I use 6,000 gallons of water, or 7,000 gallons of
25 water for the month, and my bill is \$144, if I divide

1 it, it is \$20 a gallon -- \$20 for every hundred gallons
2 of water coming in and going out. And the county is
3 \$10.

4 There is no way you people can justify -- they
5 use the same chemical. I called the county up, and I
6 asked the girl at the county how could this be. And she
7 said what they charge covers all of their expenses for
8 the chemicals and a little addition in case they have a
9 major problem, and they pay their workers. Now, you
10 must be paying your men a lot.

11 From where I sit at my house and look at
12 there, your men are working just as hard as everybody
13 else and they are entitled to pay, but they are not
14 entitled -- we are not entitled to get gouged to get
15 this thing done. It's up to you. You guys have got to
16 sleep at night, you know, not me. Any other questions?

17 **MR. MAY:** No, sir.

18 **MR. COLASERDA:** I didn't think there would be.

19 **COMMISSIONER BRISÉ:** Thank you very much.

20 Mr. Kelly.

21 **MR. KELLY:** I have no more names.

22 **COMMISSIONER BRISÉ:** All right. As we
23 promised before, we said that if there is anyone who
24 testified already who felt that they needed a little bit
25 more time to put more information into the record, we're

1 going to go ahead and honor our promise. And so if you
2 could come to the first row here, and then we will take
3 you up as we see you.

4 We are going to go ahead and limit these to an
5 additional five minutes so that we can be conscious of
6 the time and those who are still here. Thank you.

7 (Pause.)

8 So we're going to have the hearing all over.

9 (Laughter.)

10 **COMMISSIONER BRISÉ:** Just give me one second.
11 Give me one second. I think we will reduce that five
12 minutes to more like two minutes. We'll do two minutes.
13 And so, please, don't go over what you said before.
14 Things that you did not say last time that you feel you
15 have to put into the record, we will allow that at this
16 time. And we will start from left to right. My left,
17 so I guess that would be your right. So you can go
18 first.

19 **MR. KELLY:** Mr. Chair, could you ask them to
20 restate their names?

21 **COMMISSIONER BRISÉ:** Yes. As you come up,
22 restate your name.

23 **LOU VILLEA**

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

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DIRECT STATEMENT

MR. VILLEA: Yes. My name is Lou Villea. Again, I'm from Palm Terrace Gardens. And before we came over here this morning, I stopped at the county building and got the accurate records for what they are charging at the Pasco County Utility System. And at the present time between our rates in Palm Terrace provided by Aqua, the May 2011 increase that they have gotten, it is 230 percent higher than the county.

Gentlemen, that is unacceptable. I would like to see -- for what you have for seven years and did something with the infrastructure at Palm Terrace Gardens, you have not done a thing but other than just rip the people off.

You talk about double billing. In 2009 there was four months that you double billed in one month, each month. Now this year we have got two months so far this year that you have double billed, and that is over one dollars per usage of only around 2,500 gallons of water and sewer that you are charging the consumer. People that have got families of four, and six, and eight, and we are only on a -- you know, just the two of us, and it is roughly 50 gallons a day per person. So that is 3,000-gallon usage. And that's nothing, considering what you are asking to charge the consumer.

1 Again, it's a prime example where the Public
2 Service Commission needs to step in and do something
3 about it. Thank you for your time.

4 **COMMISSIONER BRISÉ:** Thank you very much.

5 Ma'am.

6 **TAMMIE CHARLES**

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

9 **DIRECT STATEMENT**

10 **MS. CHARLES:** Again, I'm Tammie Charles from
11 Jasmine Lakes. And I, too, agree with us looking at,
12 you know, a reduction. I know I mentioned before I had
13 payment arrangements with Aqua. I have never had to do
14 that ever with a water company, and I have been on my
15 own since 17 years old and never had to making payment
16 arrangements before. And the payment arrangements I
17 have with them, you also have two billing dates. You
18 have one billing date for your arrangements for the past
19 due and you also have your current month due. And that
20 is why I went ahead and paid all at once and paid early,
21 and those arrangements were canceled, and I had to make
22 new arrangements.

23 Prior to that, I also had arrangements with
24 them, and the same thing. I paid early, and it got
25 canceled. So now I'm finding myself each month having

1 to call in and explain to them I have paid this. You
2 need to not stop the arrangements. Because each time I
3 make an arrangement, my arrangement is even more each
4 month. I started off and my arrangement was \$50. Now
5 it's \$100. Now, they wanted, like, another 150. And
6 I'm like, I can't do this. You asking for 150 a month
7 on my bill, and then you want 150 on my arrangements?
8 It's not possible. If I couldn't afford to pay you my
9 regular monthly bill, which has caused me to get behind,
10 how do you expect me to pay these arrangements with an
11 increase and ever --

12 **COMMISSIONER BRISÉ:** Ma'am, you have
13 30 seconds.

14 **MS. CHARLES:** -- and ever be able to become,
15 you know, to where I'm just paying my monthly service
16 bill again. So each month it seems like I'm paying more
17 and more and more. And I'm never going to get down to
18 where I just have my monthly bill, because I can't
19 afford just the monthly bill.

20 **COMMISSIONER BRISÉ:** Thank you.

21 **RALPH ZANELLO**

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

24 **DIRECT STATEMENT**

25 **MR. ZANELLO:** Ralph Zanello, Palm Terrace

FLORIDA PUBLIC SERVICE COMMISSION

1 Gardens. I just wanted to bring up one thing is that
2 the turnover in Palm Terrace is horrendous. In every
3 block, if you drove through the area, you would see on
4 every block in Palm Terrace there is at least one, more
5 than likely two or three empty houses. What is
6 happening is that if you talk to the people -- I'm
7 retired and I talk to people, real estate people. You
8 see people in a house and a month or two later there's
9 other people in the house. And what is happening is
10 that people are moving in, the banks are taking the
11 houses over so that the -- or the landlord that owns the
12 house is trying to rereant it.

13 People move in, one or two months go by, they
14 see the heavy water rates that they have, and they move
15 out. And there's new people in there. This causes a
16 blight in the area. We have a nice neighborhood and
17 always have. Like I said earlier, I have been here 18
18 years, and to see the area go down and become a blight
19 area because we have a bunch of empty houses in there,
20 then that starts to be a hangout for the wrong kind of
21 people. And when that happens, and it has happened, the
22 Pasco Sheriff's Department has increased the patrol in
23 that area. There isn't a week goes by that something
24 isn't going on, and this is all related --

25 **COMMISSIONER BRISÉ:** Sir, you've got

1 30 seconds.

2 **MR. ZANELLO:** It's all related to the heavy
3 water bills that we have. People can't afford to pay
4 it. Thank you.

5 **COMMISSIONER BRISÉ:** Thank you.

6 **JAMES FOSTER**

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

9 **DIRECT STATEMENT**

10 **MR. FOSTER:** James Foster, again. There's one
11 way we can do away with all of this bickering between
12 here and Sarasota, and I wish you would consider
13 revoking their permit. Stop wasting your time, our
14 time, all the politicians' time.

15 Thank you.

16 **COMMISSIONER BRISÉ:** Thank you.

17 **IRENE ST. JOHN**

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

20 **DIRECT STATEMENT**

21 **MS. ST. JOHN:** Irene St. John. I just wanted
22 to say that my base bill before I even turn on the
23 faucet, my bill is \$80. Before I even run the water.
24 My mother lives in Regency Park. Her bill on a high
25 month is \$50, that's including using the water, actually

1 using the water. As the gentleman was saying about the
2 turnover, Palm Terrace is very transient. Every other
3 week I see a moving van on one block or another, because
4 people are finding out they cannot afford the water
5 bills. Or I will see two families move into a house
6 that is meant for one family. And its turning into a
7 blighted community. And when I took a break on the
8 price of the real estate, I'm not taking a break on my
9 rent. So my rent is no longer 700, it's automatically
10 considered to be \$900 a month because of the cost of the
11 water. Thank you.

12 **COMMISSIONER BRISÉ:** Thank you.

13 **BILL EVERETT**

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

16 **DIRECT STATEMENT**

17 **MR. EVERETT:** Bill Everett, Zephyr Shores. I
18 hope you heard that this is affecting houses,
19 homeowners. This is tragic. I mean, this isn't just I
20 can't afford a bill, this is going out in the community
21 and this is going to wreck something, the economy, I
22 guess. But the other thing is I know at American Condo
23 in Zephyr Shores we have been putting in so many filter
24 systems. We are not only paying our bill, but we are
25 paying for bottled water over and above. We are paying

1 for filter systems. I mean, \$1,000 filter systems that
2 sits out back of your motor homes and out back of your
3 mobile homes. And this is over and above the rate that
4 they are charging us.

5 Now, to me, we are paying twice to get our
6 freshwater, drinking water, bathing water. Why should
7 we have to go to the store and buy water off the shelf
8 to live on and to get by on a daily basis? Why; why;
9 why; why? We have to do another expense on top of our
10 rate, and then on top of -- if they get their raise,
11 that is going to be all the more that we are getting
12 charged for.

13 **COMMISSIONER BRISÉ:** Sir, you have 30 seconds.

14 **MR. EVERETT:** Thank you.

15 **GENNARO CONTE**

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

18 **DIRECT STATEMENT**

19 **MR. CONTE:** Gennaro (Gerry) Conte, Jasmine
20 Lakes. My home was built in the final phase in Jasmine.
21 My lot is 108 by 82. I have no lawn. Okay. We do not
22 drink the water. My fixtures are deteriorating. None
23 of this I mentioned earlier, by the way. I don't let
24 guests drink the water, either. There is only eight
25 homes on my street. We are a north/south street. Four

1 are residents. Two homes have been on the real estate
2 market for over three years, and they are vacant. And
3 then there are two rentals also that have changed hands.
4 The renters have left, obviously, I think because of
5 what is taking place. I'm not positive on that, but
6 other than that, that's about all I have to say right
7 now. And thank you.

8 **COMMISSIONER BRISÉ:** Thank you very much.

9 Commissioner.

10 **COMMISSIONER JACK MARIANO**

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

13 **DIRECT STATEMENT**

14 **COMMISSIONER MARIANO:** Jack Mariano,
15 Commissioner of Pasco. I just wanted to clarify just
16 because I have heard some of the residents talking about
17 a statement I was talking about earlier when I talked
18 about affordability and the income level. The state or
19 the federal government does a study on block grant
20 funding. When they looked at that, to qualify you have
21 got to be 80 percent of the medium income, which is
22 45,000. That in no way portrays what income levels are
23 actually in that area. You have heard of many seniors
24 today, widows of seniors, low-income families that some
25 of they stayed off work today to come before you today.

1 I don't want to state what that average income is, but
2 to qualify there is probably -- I want to say 20 areas
3 in the whole county that qualify for this at most. This
4 is one of the lowest income areas that we have, highest
5 foreclosure rates, et cetera, so the economics of
6 everything. But I just wanted to clarify it is a very
7 low-income area, which you can see by the property
8 values. And the high foreclosure rate is because of the
9 increased prices that they are paying now.

10 The situation is only going to get worse. To
11 try to say that by raising their rates you are going to
12 help them create more money, you are just going to make
13 the problem get worse and worse and worse. Because poor
14 people are going to use less water. There will be less
15 people in homes, and it will just drive rates up even
16 further.

17 Thank you.

18 **COMMISSIONER BRISÉ:** Thank you very much.

19 Well, we want to thank all of you for coming
20 this afternoon and testifying. We have a couple of
21 issues that we have to deal with. We have to put some
22 things into the record. You're welcome to stay as we do
23 that. I know that we have the notice and all those type
24 of things that Aqua needs to go ahead and make available
25 to put that into the record.

1 So, Mr. May.

2 **MR. MAY:** Thank you, Mr. Chairman. Just a few
3 housekeeping items. One is we have a composite notice
4 exhibit which demonstrates that the company has
5 published notice and mailed notice to the customers for
6 the hearing today in New Port Richey, and also the
7 hearing tomorrow in Lakeland. And I have provided
8 copies to Ms. Bennett, and we would ask that that
9 exhibit be identified for the record.

10 **COMMISSIONER BRISÉ:** Okay. That will be 34.

11 **MS. BENNETT:** That will be 34.

12 (Exhibit 34 marked for identification.)

13 **COMMISSIONER BRISÉ:** And then there are two
14 cross-examination exhibits.

15 **MR. MAY:** Yes, Mr. Chairman. The first
16 cross-examination exhibit, I think it would be Number
17 35, and I will defer to counsel for the Commission on
18 the name for that.

19 **MS. BENNETT:** St. Petersburg Times article.

20 (Exhibit 35 marked for identification.)

21 **MR. MAY:** And then there is a
22 cross-examination Exhibit Number 36. It is e-mails
23 among and between Earl Poucher and Frank Reams.

24 **COMMISSIONER BRISÉ:** How do you suggest that
25 we --

1 **MS. BENNETT:** E-mails, Poucher to Reams.
2 Reams to Poucher.

3 **COMMISSIONER BRISÉ:** Reams to Poucher.
4 (Exhibit 36 marked for identification.)

5 **COMMISSIONER BRISÉ:** Are there any other
6 issues from Aqua? No.

7 **MS. BENNETT:** There is one other exhibit. The
8 Attorney General's Office has taken photographs and will
9 be providing them to us. We can make that Composite
10 Exhibit 37.

11 **COMMISSIONER BRISÉ:** 37.
12 (Composite Exhibit 37 marked for
13 identification.)

14 **MS. BENNETT:** Photographs of water.

15 **COMMISSIONER BRISÉ:** Staff, are there any
16 other issues that we need to deal with at this time
17 before we adjourn?

18 **MS. BENNETT:** We have no other issues.

19 **COMMISSIONER BRISÉ:** Okay. OPC?
20 Office of Attorney General?
21 Aqua?

22 **MR. MAY:** Just to reiterate, if there are
23 customers here who have questions with respect to their
24 accounts, Mr. Barnes and the AUF technical staff are in
25 the back with computers and they are prepared to help

1 out in any way they can. Thank you.

2 COMMISSIONER BRISÉ: Well, with that, we want
3 to thank all of you for your participation today. And
4 some of you I'm sure I will see tomorrow.

5 So I want to thank my fellow Commissioners for
6 their hard work this morning and this afternoon. So
7 with that, we are adjourned. Have a great afternoon.

8 (The service hearing concluded at 2:25 p.m.)
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1 STATE OF FLORIDA)

2 : CERTIFICATE OF REPORTERS

3 COUNTY OF LEON)

4

5 WE, JANE FAUROT, RPR, and LINDA BOLES, RPR,
6 CRR, Official Commission Reporters, do hereby certify
7 that the foregoing proceeding was heard at the time and
8 place herein stated.


9 IT IS FURTHER CERTIFIED that we
10 stenographically reported the said proceedings; that the
11 same has been transcribed under our direct supervision;
12 and that this transcript constitutes a true
13 transcription of our notes of said proceedings.

14 WE FURTHER CERTIFY that we are not a relative,
15 employee, attorney or counsel of any of the parties, nor
16 are we a relative or employee of any of the parties'
17 attorneys or counsel connected with the action, nor are
18 we financially interested in the action.

19 DATED THIS 1st DAY OF November, 2011.

20

21 
22 _____
23 JANE FAUROT, RPR

24 
25 _____
LINDA BOLES, CRR, RPR

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