

Ashley Quick

From: Office of Commissioner Brown
Sent: Tuesday, May 03, 2016 7:51 AM
To: Commissioner Correspondence
Subject: FW: KW Resort Utilities Corp Rate Request Docket 150071-SU
Attachments: CertifiedLetterfromC.JohnsonKWRU.pdf; LettertoUnit25redepositetc.pdf

Please place in docket correspondence, consumers and their representatives in Docket No. 150071-SU.

Thank you,
Joann

From: Akta@aol.com [mailto:Akta@aol.com]
Sent: Monday, May 02, 2016 4:12 PM
To: Office of Commissioner Patronis; Office of Commissioner Brown; Office of Commissioner Brisé; Office Of Commissioner Edgar; Office Of Commissioner Graham
Cc: sayler.erik@leg.state.fl.us; Akta@aol.com; harborshoreshoa@gmail.com
Subject: KW Resort Utilities Corp Rate Request Docket 150071-SU

Ref: PSC-16-0123-PAA-SU and Docket No. 150071-SU

Dear Commissioners,

I realize that this is a lot to ask of you, because I'm quite sure you have many issues to handle on a daily basis, but I am hoping you will take the time to read the below e-mails and the attached documents, in their entirety, from the beginning (bottom of this message on up) so that you have a good understanding of what is happening in this case.

It is unconscionable behavior on the part of KWRU and I cannot understand why your staff has not already told KWRU to cease their demands of deposits and other documents from our homeowners until the petitions and cross petitions have been heard.

Please read below and thank you for your time and attention.

Ann Aktabowski
770 862-6200

=====
From: Akta@aol.com
To: Akta@aol.com, SAYLER.ERIK@leg.state.fl.us, mfriedman@ff-attorneys.com, MBARRERA@PSC.STATE.FL.US, schef@gbwlegal.com, jlavina@gbwlegal.com, harborshoreshoa@gmail.com, KELLY.JR@leg.state.fl.us, jcrawler@psc.state.fl.us, khetric@psc.state.fl.us, MHelton@PSC.STATE.FL.US
CC: chris@kwru.com, greg@kwru.com, bart@smithorozeza.com, merchant.tricia@leg.state.fl.us
Sent: 4/28/2016 9:07:36 A.M. Eastern Standard Time
Subj: Re: KWRU Rate Case - Customer Notice

Ms. Barrera and others,

Further to my e-mail below and having been confronted by angry HOA members last night waving their KWRU "Deposit Notices" asking if the HOA had not paid their sewer bills etc. I am asking the PSC for answers to the many questions KWRU's actions have raised.

First let me clarify my reference in the first paragraph below to the notice I received from the Post Office, this was a notice informing me of a certified letter ready for pick-up and that letter contained the response to my letter to KWRU requesting that Harbor Shores be classified as a General Service customer. There was no letter or notice of the rate increase ever received by the HOA. I also spoke to our regular mail carrier and she confirmed that 69 notices were not delivered to the

Harbor Shores office mailbox in the last two weeks. In fact she said that 69 letters would, most likely, not fit in the mailbox. It also appears that KWRU is attempting to sully my reputation by implying that I discarded the 69 letters that they supposedly sent to Harbor Shores.

Moving on to the other subject of the letters received by the Unit Owners yesterday from KWRU requiring security deposits, copies of driver's license and copies of lease(?). KWRU is citing PSC-16-0123-PAA as their authority to require the deposits and other information from our Owners and their letter is stating that each owner will be responsible for the monthly bill for sewer service.

Does this PAA actually require this or is this simply bullying and intimidation tactics for which, I'm told, KWRU is well known for in the Stock Island and Key West community. The only reference that I can find in the PAA is the customer deposit rule which allows for "an additional deposit, in order to secure payment of current bills", if this is what KWRU is using for their deposit demands please explain how this can apply to customers whose bills have been paid on time for the last nine years by the Harbor Shores Homeowners Association.

I would truly appreciate a speedy response to my e-mails because I will need to quickly advise our Unit Owners as to what they should do about the KWRU's demands. It seems clear to us that we are a General Service customer and all of this "game-playing" on the part of KWRU is an attempt to avoid addressing and correcting the problem.

Thank you,

Ann Aktabowski
770 862-6200

In a message dated 4/27/2016 4:19:52 P.M. Eastern Standard Time, Akta@aol.com writes:

Ms.Barrera and others,

With regard to the below message from Mr. Johnson. the certified letter (attached) was mailed on April 23, 2016 and a notice was received from the Post Office late on 4/25/16. I picked up the notice on 4/26/16 after P.O. closing and went to the downtown main Post Office at lunch time today and picked up the letter. As far as the snide comment that I don't live there anymore, that's true but for the record, I live less than two miles away and visit the park and the mailbox every day with very few exceptions. Does Mr. Johnson and others live at their business locations? I doubt it. The association did not receive 69 letters nor did individual Unit Owners.

Since Mr. Johnson does not think this is a real issue let me bring up an even bigger issue. Today I have been confronted with angry Unit owners who have received letters from KWRU, copies of which I have attached in a PDF file below.

It appears that KWRU has decided that the PSC requires deposits from our 69 Unit Owners in Harbor shores because they are **Individual Customers and not General Service customers which we clearly are by contract. KWRU is now trying to unilaterally breach the contract by requiring bills and deposits from individual HOA members.**

The certified letter attached states that a decision on how we are to be categorized must be formally addressed in an administrative hearing, yet KWRU has chosen to, suddenly, after nine years and a contract that states that the association will pay all 69 units, (which they have been doing without interruption) send the Unit Owners the attached letters.

We have indeed asked for a ruling on our status as a General Service or Individual Customers so these notices to the Unit Owners seem to contradict both Harbor Shores and KWRU's cross-petitions.

The timing of this correspondence to the Owners is astonishing, considering the fact that the owners have, to my knowledge, never received any communication from KWRU whatsoever until today.

You should know that Harbor Shores has been told many times that the Association is responsible for the pipes and valves etc. and the reason we must pay all 69 units is because the whole park will be shut down if one unit does not pay.

Please let me know if KWRU is allowed to do this per the PSC PAA without notifying the Harbor Shores Association that we are about to be confronted by angry homeowners who have been taken by complete surprise as have we.

Again, the bills have been paid by the HOA every month for nine years so, even if somehow, KWru is allowed to collect security deposits, is this situation acceptable to the PSC?

Thank you for your attention to this matter.

Ann Aktabowski
770 862-6200

In a message dated 4/27/2016 2:21:20 P.M. Eastern Standard Time, SAYLER.ERIK@leg.state.fl.us writes:

Hi Marty,

I'm **replying all** because Ms. Aktabowski didn't receive your 2:22pm email. She will respond, describing what she received via certified mail which wasn't the customer PAA notice.

By separate email, she will address a developing situation at Harbor Shores that has greatly angered her community.

Erik

Erik L. Saylor

Associate Public Counsel

850-717-0337

Please note: Florida has a very broad public records law and e-mail communication may be subject to disclosure.

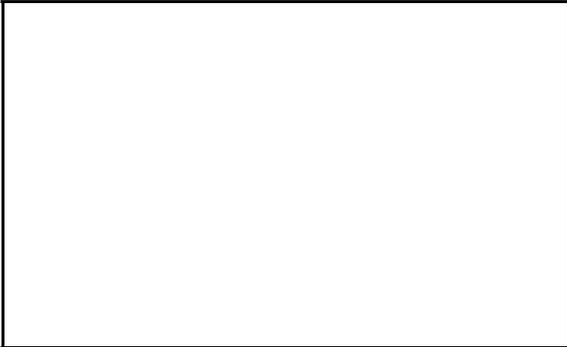
From: Martin S. Friedman [mailto:mfriedman@ff-attorneys.com]
Sent: Wednesday, April 27, 2016 2:22 PM
To: Saylor, Erik <SAYLER.ERIK@leg.state.fl.us>; Martha Barrera <MBARRERA@PSC.STATE.FL.US>; akta@aol.com; Schef Wright (schef@gbwlegal.com) <schef@gbwlegal.com>; jlavia@gbwlegal.com
Cc: Chris Johnson <chris@kwru.com>; 'Greg Wright' <greg@kwru.com>; Bart Smith

<bart@smithoropeza.com>

Subject: KWRU Rate Case - Customer Notice

Please see the response below.

MARTIN S. FRIEDMAN, ESQ.
Shareholder



766 North Sun Drive

Suite 4030

Lake Mary, FL 32746

T: 407.830.6331

F: 407.878.2178

C: 407.310.2077

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From: Chris Johnson [<mailto:chris@kwru.com>]

Sent: Wednesday, April 27, 2016 1:49 PM

To: Martin S. Friedman <mfriedman@ff-attorneys.com>; 'Bart Smith' <bart@smithoropeza.com>; 'Greg Wright' <greg@kwru.com>

Cc: chriskw@bellsouth.net

Subject: RE: PAA Noticing problem

Marty,

We have done some research this morning about the Noticing. Ann Aktabowski has not picked up the Certified Letter that was sent by KWRU to the Harbor Shores address she indicated in her letter to the Utility. Marty, this was the response letter stating that the matter would be

addressed at hearing. The Post Office told the Utility this morning that a notice was left at the delivery location informing the addressee that there was a Certified Letter delivery attempt. As far as we can tell the Post Office still has the letter. Maybe she is not getting the mail because she no longer lives at Harbor Shores.

69 customer Notices were sent via First Class US Mail addressed to each account holder care of the Association at 6800 Maloney Ave. Key West, FL 33040. Evidently the Association received these and what they did with them I do not know.

I personally received my letter for my property. Bart Smith confirmed that he received the 4 notices for properties and 2 additional notices were received by other large properties Oceanside and Stock Island Marina Village that he represents.

In addition, I spoke with staff and a handful of customers called in with questions regarding the Notice. Utility Staff confirms phone correspondence with the following customers; Peter Cumalo, Thomas Lara, and Leila Henry about the notice. Other customers have made reference to the notice but did not specifically call about the notice.

Harbor Shores in the last rate case made an issue of Notice as well. From the last rate case, the record shows that the Utility made a good faith effort to Notice all customers. A good faith effort is all a Utility/other business can do when folks refuse to sign for mail.

I have reviewed the Notice issue with staff and I think Harbor Shores is looking to make an issue here. I wear a shirt with the KWRU logo every single day and in the past week several people have mentioned the Notice to me in passing.

I don't think this is a real issue.

Christopher A. Johnson

President

KW Resort Utilities Corp.

6630 Front Street

Key West, FL 33040

305.522.0052 Cell

305.295.3301 Office

305.295.0143 Fax

www.kwru.com



KW Resort Utilities Corp

6630 Front Street
Key West, FL 33040
305.295.3301
FAX 305.295.0143
www.kwru.com

VIA CERTIFIED MAIL

April 22, 2016

Harbor Shores Condo Unit Owners Association, Inc.
Ann Aktabowski, Finance & Administration
6800 Maloney Avenue, Lot 100
Key West, FL 33040

Ms. Aktabowski,

The Utility has received your certified letter dated April 11, 2016. Because the Association has subsequently filed a Cross-Petition with the Florida Public Service Commission, the issue that you raise will be formally addressed in the administrative hearing.

Sincerely,

Christopher Johnson
President, KW Resort Utilities

CERTIFIED MAIL

KW RESORT UTILITIES CORP
P.O. Box 2125
Key West, FL 33045



7015 1520 0000 4748 6628



1000



33040

U.S. POSTAGE
PAID
BIG PINE KEY, FL
33043
APR 23 '16
AMOUNT

\$6.47

R2305H130363-06

LM/AB/16
4/23/16

Harbor Shores Condo Owner's Association
Ann Aktabowski, Fin & Admin
6800 Maloney Avenue, Lot 100
Key West, FL 33040

33040-88112 0015





KW Resort Utilities Corp
P. O. Box 2125
Key West, FL 33045
Telephone: 305.295.3301
Facsimile: 305.295.0143

April 22, 2016

DAVID & AGNES FRICTON
6800 MALONEY AVENUE, LOT 25
KEY WEST, FL 33040

Re: **Sanitary Sewer Account #: HS025.01**
6800 Maloney Avenue Lot 25

DAVID & AGNES FRICTON:

KW Resort Utilities Corp has been notified that you are responsible for monthly sanitary sewer charges for the above property. Attached is the application for sanitary sewer service and escrow request, \$168.32.

The Florida Public Service Commission regulates KW Resort Utilities and requires the Utility collect a security deposit from each customer. The security deposit is currently 2 months charge per unit of the monthly base rate, \$31.66, billed in advance and water usage, \$5.25 per 1000 gallons, billed in arrears and capped at 10,000 gallons per month, \$52.50. Therefore, the current maximum monthly charge is \$84.16.

The required application and security deposit may be mailed to the Post Office Box, or deposited at the Utility Drop-Box located at 6630 Front Street, Stock Island.

A future payment option is On-Line. Your account # **HS025.01** *will be available on our web-site* www.KWRU.com **May 9th** to view the bill, schedule a payment, or sign up for monthly Auto-Debit through a checking account. All monthly charges are payable as stated by the due date on the bill.

Please note that KW Resort Utilities does not accept credit card, debit card or cash as payment.

Thank you for your attention to this matter. Do not hesitate to contact me should additional information or assistance be necessary.

Sincerely,

Judi Irizarry
Accounts Manager
www.judikwru@gmail.com



KW Resort Utilities Corp

6630 Front Street
Key West, FL 33040
305.295.3301
FAX 305.295.0143
www.kwru.com

April 22, 2016

DAVID & AGNES FRICTON
6800 MALONEY AVENUE, LOT 25
KEY WEST, FL 33040

Dear Property Owner,

By Order No. PSC-16-0123-PAA-SU in Docket No. 150071-SU issued March 23, 2016 the Florida Public Service Commission approved a new rate structure for KW Resort Utilities Corp. The new rate structure requires, per the Tariff with effective date of April 20, 2016, that each residential customer with a Florida Keys Aqueduct Authority water meter be billed based on the meter. Therefore it is necessary for the owner of each residence to complete an Application for Wastewater Service (enclosed). The Application allows each owner to stipulate a billing address and this ensures that the bill is sent to the proper address. Each owner will be responsible for the monthly bill for the sanitary sewer service provided to their residence.

Please contact customer service at (305) 295-3301 from 8:00 AM to 4:30 PM (Monday- Friday) for assistance with the enclosed application or any other matter that you may need assistance with.

Sincerely,

Christopher A. Johnson
President

ALL APPLICANTS:

Application, Driver's License Copy, Security Deposit, and Copy of Lease can be sent by:

✚ **MAIL**

- KW Resort Utilities Corp
P.O. Box 2125
Key West, FL 33045

✚ **FAX**

- 305-295-0143

✚ **EMAIL**

- INFO@KWRU.COM

✚ **DROP BOX**

- 6630 Front Street in Stock Island

PAY YOUR BILL ONLINE!

It is free and easy just go to www.kwru.com and click this button

**View or Pay
your Bill**

- SCHEDULE PAYMENTS
- MANAGE YOUR ACCOUNT
- VIEW YOUR BILL this month or for any month going back 18 months.

WWW.KWRU.COM



Your Water and Wastewater Service



Florida Public Service Commission

The Florida Public Service Commission is responsible for the economic regulation of investor-owned water and/or wastewater facilities in certain counties throughout the state, assuring adequate service and setting just, reasonable, compensatory and nondiscriminatory rates. The Commission consists of five members appointed by the Governor and confirmed by the Senate. Environmental regulation of water and/or wastewater utilities in areas such as water withdrawal permits, sewage disposal and health and safety standards is enforced by the Florida Department of Environmental Protection, the Water Management Districts and the local county health agencies.

This brochure (required by PSC Rule 25-30.310(3), F.A.C.) is designed to explain some of the policies and procedures that relate to customers of investor-owned water and/or wastewater utilities regulated by the Florida Public Service Commission.

Initiation of Water and Wastewater Service

Each utility is required to provide service without unreasonable delay to anyone in its service area who makes proper application. The utility is also required to maintain in its office for public inspection, a copy of its tariff which has been approved by the Florida Public Service Commission (PSC). The tariff contains all rate schedules, a schedule of charges, and the rules and regulations of the utility company.

Customer Deposits

When a customer applies for water or wastewater service, the utility can ask that the customer establish credit by furnishing a cash deposit, a satisfactory guarantor to secure payment of bills, an irrevocable letter of credit from a bank, or a surety bond. Each utility requiring customer deposits must pay a minimum of 2 percent interest per year on the deposit. However, after a residential customer has established a satisfactory payment record and has had continuous service for 23 months, the utility must refund the customer's deposit. A satisfactory payment record is established when the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill, (b) paid with a check refused by a bank, (c) been disconnected for nonpayment, or at any time, (d) tampered with the

meter, or (e) used service in a fraudulent or unauthorized manner. Under certain circumstances, such as repeated late payment of bills or continued bills in excess of the amount of the current deposit, the company may require an additional or new deposit. However, the total amount of the requested deposit cannot exceed the average of the actual charge for water and/or wastewater service for two billing periods for the most recent 12-month period. The company must give 30 days written notice of an additional deposit request. When an account is closed, the deposit can be credited to the final bill and any balance must be refunded to the customer within 15 days.

Rate Structure

Most water and wastewater rates are developed with a base facilities charge and a gallonage charge. The base facilities charge is a flat charge that is designed to recover the fixed costs of utility service that remain the same each month regardless of consumption. The gallonage charge recovers the variable costs associated with the utility service such as electricity, chemicals, and labor involved in production and distribution of water service and the removal, treatment, and disposal of wastewater. The gallonage charge is assessed for each 1,000 gallons or 100 cubic feet of water that is registered on the customer's meter. Recognizing that all of the water used by residential customers is not returned to the wastewater collection system, a maximum (or cap) is set on the number of gallons of water consumption for which the customer is billed a wastewater gallonage charge. The cap is normally between 6,000 and 10,000 gallons. Any water consumption over that amount is generally considered to be used for purposes such as irrigation; therefore, it is not returned to the wastewater facility.

Billing Practices

The utility company is required to read the customer's meter and send bills at regular intervals. Most utilities bill monthly for service; however, a few utilities bill bimonthly or quarterly. The customer has 20 days from the postmark date to pay the bill. If payment is not made by the due date on the bill, service may be discontinued provided the company sends a written notice that the account is delinquent and subject to interruption of service. The notice should allow the customer at least 5 business days to remedy any deficiency. Service may not be discontinued between 12 noon on a Friday and 8:00 a.m. the following Monday or between 12 noon on the day before a holiday and 8:00 a.m. the next working day, for nonpayment of a bill. Also, service cannot be discontinued or withheld because a previous occupant did not pay the bill. Each customer has the right to request and receive information from the utility as to the method of reading meters and computing bills, and be given an explanation of the utility's rates applicable to the customer's class of service. The utility is required to assist the customer in obtaining the rate which is most advantageous for the customer's service requirements.

Meter Problems

A customer who suspects that the meter is not accurately measuring water consumption may request that the utility perform a field test of the water meter. To witness the field test the PSC advises customers to make an appointment with the utility's representative. The utility will perform the field test at no charge. If the customer is not satisfied with the results of the field test, he or she can make a written request for a bench test. The utility is allowed to charge a fee to defray the cost of the bench test. The customer also has the right to have a Public Service Commission representative observe and/or supervise the bench test. The utility is required to provide a written report of the results of the test to the customer that requested the test.

Leaky Faucets

Leaky faucets are common and can increase a utility bill. It is important to have leaks repaired because the customer, not the utility company, is responsible for any