

**Amanda Griffith**

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**From:** Ruth McHargue  
**Sent:** Thursday, February 22, 2018 12:35 PM  
**To:** Consumer Correspondence  
**Cc:** Diane Hood; Janet Brunson  
**Subject:** docket 20170141  
**Attachments:** FW Docket No. 20170141-SU, KW Resort Utilities Corp Rate increase request.; FW Docket No. 20170141-SU, KW Resort Utilities Corp Rate increase request.

Customer correspondence

## Amanda Griffith

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**From:** Ruth McHargue  
**Sent:** Thursday, February 22, 2018 12:34 PM  
**To:** Ruth McHargue  
**Subject:** FW: Docket No. 20170141-SU, KW Resort Utilities Corp Rate increase request.

Case number 1271439C

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**From:** Bart Smith [<mailto:bart@smithhawks.com>]  
**Sent:** Thursday, February 22, 2018 9:32 AM  
**To:** Tim Watson; Consumer Contact  
**Cc:** [mfriedman@ff-attorneys.com](mailto:mfriedman@ff-attorneys.com)  
**Subject:** RE: Docket No. 20170141-SU, KW Resort Utilities Corp Rate increase request.

Good morning Mr. and Mrs. Watson,

I want to address a misunderstanding below. KWRU never bid to service Stock Island, nor has FCAA been part of any bid to service Stock Island. KWRU has serviced your property since your property was constructed. Your specific property has been connected to KWRU since it was built and is part of KWRU's tariff area which tariff area has been in place for over 30 years. KWRU is requesting rates to fairly compensate it for servicing your property including recovering costs of operation and damaged incurred during Hurricane Irma. I hope this clears up any misunderstanding as to KWRU's service of your property as a wastewater utility.

Regards,

BARTON W. SMITH, ESQ.

## SMITH / HAWKS

ATTORNEYS AT LAW

138 SIMONTON STREET, KEY WEST, FLORIDA 33040 U.S.A.  
TEL. 305-296-7227 FAX. 305-296-8448 WEB. [SMITHHAWKS.COM](http://SMITHHAWKS.COM)

**From:** Tim Watson [<mailto:seabus11@gmail.com>]  
**Sent:** Thursday, February 22, 2018 9:21 AM  
**To:** [contact@psc.state.fl.us](mailto:contact@psc.state.fl.us)  
**Cc:** Bart Smith <[bart@smithhawks.com](mailto:bart@smithhawks.com)>; [mfriedman@ff-attorneys.com](mailto:mfriedman@ff-attorneys.com)  
**Subject:** Docket No. 20170141-SU, KW Resort Utilities Corp Rate increase request.

To whom it may concern,

We live on Stock Island, Monroe County, FL.

The residents of Stock Island have seen large increases in our waste water billing over the previous three years that far exceed, on a percentage basis, the rise in the cost of living.

It is my understanding that Key West Resort Utilities won a bidding process for the rights to manage the waste water on Stock Island over Florida Keys Aqueduct Authority several years ago.

It is clear that they under bid the contract in order to win and once they did, they have successfully raised their rates in order to compensate.

If their winning bid was such that they were unable to fulfill the obligations of the contract, there should a process to reopen the bidding on behalf of the citizens in order to 'test' the proposed new rates against other, viable utilities.

For the record, we stand in staunch opposition to any further rate increases by KWRU. Additionally, we believe that this situation was anticipated by KWRU when they initially bid to provide the service to the residents of Stock Island. We believe that the contract was awarded in good faith by the country based on their belief that both utilities were bidding openly and honestly. We believe that KWRU knew that their bidding would not allow them to adhere to the requirements of the contract unless substantial, future rate increases were approved.

The residents of Stock Island should not be made to reward what seems to be duplicitous actions on the part of a service provider. If KWRU is unable to fulfill its contractual obligations under the current (or better, the initially bid rates), let the contract for these services be reopened.

Best regards

Tim & Janie Watson  
5030 5th Ave, #21  
Key West, FL 33040

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