

Antonia Hover

From: Antonia Hover on behalf of Records Clerk
Sent: Friday, January 21, 2022 8:28 AM
To: 'Mike Riley'
Cc: Consumer Contact
Subject: RE: Docket #20200226-SU opposition

Good Morning, Michael Riley.

We will be placing the comments below in consumer correspondence in Docket No. 20200226, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

Toni Hover
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-6467

From: Mike Riley <mikenriley@comcast.net>
Sent: Thursday, January 20, 2022 5:23 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>; Office of Commissioner La Rosa <Commissioner.LaRosa@psc.state.fl.us>; commissioner.clark@psc.state.fl.us; Office of Commissioner Passidomo <Commissioner.Passidomo@psc.state.fl.us>
Subject: Docket #20200226-SU opposition

January 18, 2022

Reference: Docket #20200226 – Environmental Utilities, Inc. (EU)

To Whom it may concern:

My name is Michael Riley and I own and live on Don Pedro Island at 220 Kettle Harbor Dr. which is a property within the service area of the proposed central sewer system, Docket #20200226-SU

I am in opposition to this application and REQUEST THAT THE PSC DENY Environmental Utilities application for an Original Certificate of Authorization.

My arguments against this application go to the 4 criteria used to grant the application:

1. **NEED FOR SERVICE:**

Don Pedro island has no necessary or urgent need for the proposed central sewer system. No documentation has been given that there is a problem or pollution in our waterways or canals. To my knowledge, No water or ground testing has been done by the applicant. All waste water is currently handled with Septic systems, that must be approved and permitted by Charlotte County prior to installation. In addition, all individual septic systems must be pumped out and tested on a regular basis to insure proper, safe, and adequate operation per Charlotte County code. There have been no pollution or spills, small or disastrous, that I am aware of, in the 12+

years I have lived on the island. Several independent companies are used to pump and test these systems, all approved by Charlotte County.

Understanding that the Charlotte County long range plan calls for removal of septic systems, a private sewer system is not the answer. It would be in everyone's best interest to have a public entity handle any sewer system so there is transparency, guaranteed cost control, unquestionable financial ability to build and operate, and avoid the need for stakeholders to 'pay a profit' to a private individual for a "utility".

Bocilla Islands Conservancy, Inc. (a 501(c)(3) public charity on island) owns and maintains conservation land and easements as well as providing awareness of potential environmental issues (pertaining to flora, fauna, protection of endangered species, removal of invasive plants, and water pollution) on our islands. In 2020, they sold and/or donated 81 mini reefs as part of the '1,000 reef challenge' participated in by numerous cities and communities on or near the barrier islands in south west Florida. They plan on doing another campaign to try to get an additional 100 reefs in place on our island in the near future. These mini reefs help keep our waterways clean and create a habitat for growing smaller fish and sea life.

The Charlotte County Director of Utilities supported EU's application with a written letter to the PSC, but I am not sure that the Charlotte County Administration does. This Director of Utilities recently and suddenly resigned his position (around the time depositions for EU were held)...and according to emails between him and Jack Boyer he was a close ally and friend of Jack Boyer. This alone lends itself to the applicants fitness.

2. FINANCIAL ABILITY:

The applicants ability to adequately and safely build and finance the proposed central sewer system is questionable, at best. EU as a company does not have the financial capability to fund a project of this magnitude without a "contribution for aid in construction". Whether this contribution is from a bank or financial institution (loan) or another unidentified entity (potential partner or owner) is not known. The latest statement (in depositions) is that the owner of EU, Mr. Jack Boyer will finance the entire project personally, but his personal financial statements or financial capability are only available to the PSC staff. I am a former CPA with utility rate making experience and I am unable to get copies to evaluate. There are too many unknowns and financial information is strategically being withheld by attorney Martin Freidman.

The applicant has not done adequate engineering studies to be able to justify the estimated costs of this project. EU is attempting to get the certificate first, then spend the money to do the engineering studies – in other words 'the cart before the horse', as the certificate has enough value in itself to allow EU to move forward in trying to get 'contributions in aid of construction' Aid. The actual cost of installation of the system is unknown and the estimated initial cost to hook up to this system has varied from \$20,000 to 11,000 to 13,221 since the application was filed – definitely an inadequate study and an estimate that could vary significantly, generally higher. EU needs to do additional and complete engineering studies to enable them to know the actual cost – before applying for certification.

3. TECHNICAL EXPERTISE:

Jack Boyer (owner of EU) has experience with operating a small water utility on Little Gasparilla Island for many years, but NO EXPERIENCE WITH WASTE WATER. Mr. Boyer hired Martin Friedman, a well-connected utility attorney, to handle his application, so he can probably hire competent advisors, constructors, etc. to build and operate a central sewer system. Unfortunately, it is the stakeholders, the residents of the Islands, that must bear the cost of these highly paid consultants and advisors.

Mr. Boyer's experience as a water small utility operator supposedly includes tapping into the Don Pedro State Park water system and selling their (the State parks water supply) water to his customers (the residents of Little Gasparilla Island) and hooking up new water customer residents on Little Gasparilla Island without adequate licensing and delaying payment for the Charlotte County hookup fees per Charlotte County's agreement. Obviously he has experience in how to make money for himself whether ethical or not.

The system EU is proposing is supposedly the lowest cost to build but the highest cost to maintain. Looking at other island communities including the Florida Keys, as well as personal experience operating a pumping station in multiply businesses I owned, a vacuum system seems to be the best and preferred type. EU is proposing a system requiring a pumping station at each residence to push the waste. This type system includes a small tank and a grinder pump at each residence. Being located on a barrier island, we have a lot of corrosion from the salt air causing the pumps to be replaced, possibly on 5 year interval's.

Being on a bridgeless barrier island we are subject to many things the mainland is not. We have a ferry to contend with that operates from 6:30 am to 10:00 pm (slightly later on weekends) and does not operate if winds exceed 45 mph. We are also subject to more electrical outages than the mainland. EU has not addressed how the sewer system will be serviced in the event of a major storm failure or adverse conditions. If our electrical service is out for an extended period of time, the small storage tank at each residential pump, could overflow creating a localized spill or leak, which could become catastrophic in a major storm. A generator would be required (at the homeowners expense) to keep the sewage moving, where we do not have this issue with our current approved septic systems. There is also the increased risk of a central sewer system leak into the intra-coastal waterway with a potential leak at the subaqueous crossing – pollution at its best. Look back at the hurricane that hit Ft Myers Beach community which was devastated by waste water and closed for over 10 days after the hurricane because there was not a backup generator in place to move the waste off island.

4. FAIR AND EQUITABLE RATES & CHARGES:

This is a total unknown. EU has done inadequate engineering studies to properly evaluate 'actual' costs, only supplying estimates, which have changed dramatically over the period of application. The hookup fees have varied from \$20,000 per residence to \$13,221 and this does not include the cost of a customer installed separate electric panel and landscape/hardscape modifications or changes to install a grinder pump and to crush and fill the septic tank area.

Even using his estimates, which should be considered the lower end of the cost structure, the proposed rates are \$178.45 per month for sewer service only. This is roughly two times the rate Rotonda pays – and that rate includes **both water and sewer**.

I currently pay \$78 to \$90 per month for water only and that is with me personally and strictly controlling my volume, which runs between 1,800 and 2,200 gallons per month (well below the 3,000 average customer water consumption). I consider our water rates to be excessive [even though these rates were approved by the PSC] and as proposed, our water/sewer combined rates would be in the neighborhood of \$275 to 300 per month – very excessive.

Other items that I feel are important in my opposition to this application:

Without proof of need, discussed above in item 1, there is an inherent cost to each resident because we will be required to hook up to the central sewer within 1 year. Many residents have recently built and installed new septic systems and many have repaired or replaced the drain fields to ensure safe adequate operation. This proposal allows for no "grandfathering" of newer septic system or recently repaired systems.

If approved, there is no single point of contact for general oversight of this private sewer system. The PSC only approves certification and then only regulates rates and charges. Multiple other agencies including Charlotte County, DEP, Army Corps, etc. oversee or regulate their specific areas so we have no one point of contact.

If the county builds and operates the sewer system, they are the one point of contact for all issues....again, a private entity is not in the best interest of the residents and stakeholders.

The Palm Island Transit ferry is a significant problem not only in construction but also maintenance. The ferry is just about at capacity during season, and this would cause further delays (of over an hour), just in access to and from the island by increasing the construction traffic, probably for several years.

The individual residence pump and holding tank is planned to be on the homeowners/stakeholders property and EU is trying to claim an easement from the sewer pump and holding tank to the road connection without compensation.

Many of us on the island do not have the excess cash funds to pay for hookup. EU's application does not allow for a deferred payment plan, only a cash up front program.

Development always carries a toll on communities, whether time, delays, cost, noise pollution, air pollution, loss of life style, etc. Island residents enjoy a quiet environment with open space, but pay for it in time delay waiting to cross to the mainland by ferry. This project will for many years cause substantial trees and landscaping to be removed, increased dust pollution and traffic from construction, increased noise from heavy equipment, invasion of our own property in crushing our existing tanks and installing a new tank, pump, lines, and electrical, and an excessive cost increase for waste water removal. This does not even take into consideration each homeowners loss by a general easement grant to EU without compensation to the homeowner.

Once again, I formally request the PSC to deny EU's application for a private sewer system on Don Pedro Island.

Thank you

Michael Riley

mikenriley@comcast.net