

Ruth Nettles

090170 - WU

From: Tom Hawkins [hawkclub@gmail.com]
Sent: Wednesday, November 04, 2009 12:29 PM
To: Filings@psc.state.fl.us
Cc: Harold & Lona Kinder
Subject: Docket Number 090170-WU
Attachments: Harold Kinder.pdf

Please find attached my comments to be presented for review by the commission on November 10th, 2009.

s/Harold Kinder

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FPSC-COMMISSION CLERK

11/4/2009

To: Public Service Commission
From: Harold Kinder
Subject: Docket Number 090170-WU
Date: October 26, 2009

As a past board member I would like to respond to the comments about Mobile Manor Water Company I have read on the PSC website.

Per our bylaws (and confirmed by our attorney) the hiring of management personnel and the salary decisions are the responsibility of the board of Directors. The residents of Mobile Manor do not have involvement or a vote in this process.

The board members were voted into office (per the bylaws) by the residents **that pay** monthly maintenance fees to make these decisions.

The reason the Audit was requested by the current board is to make sure we are following the guidelines for a public utility. We wanted an unbiased opinion to evaluate and determine what our needs are to operate the utility properly. In addition this would show the community that we have nothing to hide and have set the company up to run per the guidelines that exist. The current board assumed the responsibility for the Water Company and Mobile Manor Inc. in 2008. Here are just a few things they ran into when taking over.

A potential fine of \$32,500.00 a day for failure to comply with EPA stage one procedure. An attorney was required to get involved to buy us time to get the program in place that the past management team ignored.

MMWC & MMI were breaking **federal law** by not providing workers compensation for employees. (Way to keep cost down by past park manager Carol Julius and board members)

No separate officers and directors insurance for the water company were in place to protect board members.

Records were not maintained per PSC guidelines. Your audit division can confirm this based on the number of documents that were not available when requested.

The water lines were being repaired by unskilled volunteer residents for the past 15 years. This, according to code enforcement, is not allowed as we should have been using a licensed plumber. (Another way to keep cost down and stay under the radar)

The increased rate if approved by the commission will only average \$5.00 to \$7.00 per household per month. **The first of its kind in more than 15 years.** We should already be at the rate that is being recommended based on the preliminary audit findings.

The expenses for electricity, phones, internet service, leased space, office supplies have all gone up over the years.

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Water testing for LCHD has doubled in the last several years.

Mileage for running water samples to LCHD was not an issue prior 2008. LCHD cut their budgets and we now have to drive the samples to their office.

The cost of water meters and valves have gone up. We have the **first** meter change out program in place. The water loss we have is due to old meters that should have been changed out per EPA guidelines or bench tested for accuracy. Here again we were out of compliance due to past management choosing to ignore a change out program to keep cost down. No index increases requested for 15years **why not?**

New EPA water testing is running \$4,000.00 a year that wasn't in existence until 2008

Lee County raised the cost per 1000 gals of water in 2007

There was no map available prior to 2008 showing the locations of the water lines and shutoff valves.

Here is the ridiculous part of it; Minimum wage is \$7.25 an hour. This amounts to \$15,008.00 a year for a full time person working 2080 hours a year.

The water company is only paying a portion of Benson's management fee based on the services they provide. The combination of office clerical and Benson's amounts to \$25,000.00 a year, which only averages out to be \$12.01 an hour for a person working 2080 hours a year. Benson's offers 24/7 emergency service in addition to staying on top of changes to Florida law. They have unlimited access to information at no additional cost to us.

We have **two new** programs going into effect in the next several weeks for Bensons to manage. EPA ground rule training and compliance. Annual DOH/DEP hurricane Boiled Water Noticed Program.

What the residents are asking for is an unskilled person to operate the water company just to keep the cost down to make residents happy. This is how we got into the mess we are in now.

When the request for the interim rate increase was submitted you **used two examples of Class C Utilities** to determine if our expenses were in line and reasonable. The two examples you refer to showed that our expenses **were considerably** lower than the two communities you approved for an interim rate increase. Please review your documents to verify the accuracy of my comments.

In closing, I would like to point out that the comments about Mobile Manor Inc. have no bearing on the issue of the Water Company. It is two separate corporations and as such the water company audit should stand alone. The expenses for the Water Company speak for themselves; the company is being run as efficiently as possible. No hidden Mobile Manor Inc. expenses are being transferred into or being paid by the Water Company customers.

Thank You

s/Harold Kinder