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CLERK Water and Wastewater Utility Operations, Maintenance, Engineering, Management

September 12, 2007

Florida Public Service Commission Office of Commission Clerk 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0870

> Re: Docket# 060540-WU Colonial Manor Rate Case

## Gentlemen;

This letter is for the purpose of adding to and clarifying the record of the public meeting held September 6, 2007.

U.S. Water Services Corporation personnel, as representatives of Colonial Manor Utilities, were present but did not make oral comments for the record nor were comments from Colonial Manor utilities requested by PSC staff during the proceeding.

Please consider the following comments and facts when reviewing the record of oral comments made by others attending said meeting:

1.) The public was confused by discrepancies in the proposed base rate meter charges for a ¾ inch meter. The public record will show that the public could not understand why the commission was presenting a 118% increase when the ¾ meter rate was over 400% higher than the current rate. The public commented that such charge was intentionally proposed to be higher than adjacent meter sizes on the rate schedule as the utility's way of taking advantage of its customers, knowing that most customers had a ¾ inch service line to this house. Although commission representatives pointed out that there was no direct relationship between meter size and service line size and that the utility had reported that all residential meters in Colonial Manor were 5/8" and not ¾" skepticism remained as to why the ¾" meter change was significantly higher than the 5/8" meter and even higher than the 1".

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Please let the record show that the PSC'S handout for the meeting contained a significant error in the rate shown for the ¾" meter. The ¾" meter rate requested by the utility is \$26.23 and the rate shown on the handout was \$61.25. The point of the public's comments was that such a rate is not in keeping with the logical progression of rates as meter sizes increased and should be investigated.

The public comments that the Utility is being deceptive in proposing this rate, is without merit. The rate requested by the Utility is reasonable; therefore such comments regarding the ¾ inch meter rate and service line should be ignored.

2.) Multiple comments were made by the public that the water was unfit to drink, the water is not safe for babies less than 6 months of age or for seniors with health problems, and that they know this to be true as they receive notices from the utility telling them that.

It is true that the public almost continually receives notices (copy attached) informing them of the health risks of drinking water high in Nitrates and that there has been an exceedence of the maximum contaminant level (MCL) for nitrates. You will note that the notice states the non-complying wells are not in service. Nearly two years ago Well #1 and #4 experienced an exceedence of the MCL and the customers were properly noticed at the time of the exceedence. Colonial Manor removed Wells #1 and #4 from service as a water source for Colonial Manor because of a Nitrate of 10.6 mg/l and 10.4mg/l marginally above the Maximum Contaminant Level of 10mgl. DEP regulations do not require that these wells be removed from service, only that they be tested and each time they exceed the MCL a notice be issued until such time as the problem is corrected under the action of a consent order.

Colonial Manor, in the interest of its customers health and well being, voluntarily removed these wells from service and in writing informed FDEP that they would not place the wells back into service without the approval of FDEP. Such action by Colonial Manor utilities was the ultimate safeguard but placed the burden of water supply on wells #2 and #3 until the proposed water treatment facility is constructed. Even though wells #1 and #4 have been removed from service FDEP requires that they be sampled along with the wells that are in service and the sampling results reported to DEP. If the wells were not sampled FDEP would under a new and questionable practice declare the wells to be abandoned. Even though wells #1 and #4 are by written agreement not used as a water source, when their sample results are reported to FDEP and they exceed the MCL, FDEP without any apparent purpose requires the public be noticed just the same as it would if the wells were in service. This constant noticing of the public about a condition to which they are not exposed has led to the customers' misperception of the water quality.



The customer concern regarding water quality is a result of a FDEP practice that leads to this misperception. Public comments about the water not being fit to drink should be considered a matter of individual taste, not quality.

3.) The construction of the proposed water treatment facility is necessary if Colonial Manor is to have a water source of sufficient capacity that can with reliability meet the water quality standards of the State. Wells #2 and #3 will have difficulty in meeting demand as the ground water in the area will be influenced to a greater degree in the future by septage from the adjacent un-sewered areas. The sole reliance on Wells #2 and #3 requires a higher daily withdrawal rate than normal from each well which in turn, will accelerate the decline of water quality for those wells. Treatment must be provided and the unused wells brought on-line to assure adequate quality water for the future. The proposed treatment facility and the rate increase necessary to cover such cost is a packaged situation. Colonial Manor has proposed the least experience treatment technology smallest design capacity that will meet the FDEP requirements. The requested rate increase of 118% may appear dramatic but is necessary if the water quality of the Colonial Manor customers are to be protected and if the improvements are to be constructed.

We trust that during the Commissions review of the public record the statements contained herein will be utilized to correct the record accordingly.

Please contact this office should you require any clarification of the above.

Sincerely,

David B. Schultz

Sr. Vice President, U.S. Water Services Corporation

On behalf of Colonial Manor Utilities

CC: Steve Riley

# COLONIAL MANOR UTILITIES PWS ID # 651-0355

EFFECTIVE IMMEDIATELY

This notice comes as a follow-up to a notice given in September 2005, to inform consumers that Well #4 at Colonial Manor continues to show elevated results for Nitrate levels when tested in April 2006.

However, Wells #1 & Well #4 remain off, and have not been in service since September 2005. The Utility is currently working with the Department of Environmental Protection Compliance & Permitting to implement treatment options to remove Nitrate in the drinking water wells. These wells will NOT be placed into service until the nitrate problem is corrected and only after authorization by the Florida Department of Environmental Protection. Therefore, the following health advisory is not applicable at this time and is provided for information purposes only.

The United States Environmental Protection Agency (EPA) sets drinking water standards and has determined that nitrate poses an acute health concern at certain levels of exposure. Nitrate is used in fertilizer and is found in sewage and wastes from human and/or farm animals and generally gets into drinking water from those activities. Excessive levels of nitrate in drinking water have caused serious illness and sometimes death in infants under six months of age. The serious illness in infants is caused because nitrate is converted to nitrite in the body. Nitrite interferes with the oxygen carrying capacity of the child's blood. This is an acute disease in that symptoms can develop rapidly in infants. In most cases, health deteriorates over a period of days. Symptoms include shortness of breath and blueness of the skin. Clearly, expert medical advice should be sought immediately if these symptoms occur. Local and state health authorities are the best source for information concerning alternate sources of drinking water for infants. EPA has set the drinking water standard at 10 parts per million (ppm) for nitrate to protect against the risk of these adverse effects. EPA has also set a drinking water standard for nitrite at 1 ppm. To allow for the fact that the toxicity of nitrate and nitrite are additive. EPA has also established a standard for the sum of nitrate and nitrite at 10 ppm. Drinking water that meets the EPA standard is associated with little to none of this risk and is considered safe with respect to nitrate.

### What is your water system doing?

The two wells (#1 & #4) which yielded the elevated Nitrate results remain off.

The two wells (#2 & #3) that supply the water to your system comply with the Nitrate standard and therefore, there is no cause for alarm.

Currently the utility monitors for Nitrate in your drinking water on a quarterly basis.

We will inform you when the nitrate problem in wells # 1 and # 4 has been corrected. For more information, please contact Melisa Rotteveel of US Water Services Corporation at 727-848-8292 ext. 207.

Please share this information with all other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this notice in a public place or distributing copies by hand or mail.

## **DRINKING WATER WARNING**

## Colonial Manor water has high levels of nitrate

## DO NOT GIVE THE WATER TO INFANTS UNDER 6 MONTHS OLD OR USE IT TO MAKE INFANT FORMULA

Results of Water samples collected on October 11, 2006 were received from our Lab on October 30, 2006. The results showed nitrate levels of 12 parts per million (ppm) for Well #2. A Confirmation sample was collected on October 30, 2006 (within hours of notification from the contract laboratory), results of the confirmation sample showed a nitrate level of 9.94(ppm). An average of the two tests is 10.97 parts per million (ppm) for Well # 2 (one of the two wells currently in operation). This is 0.97 (ppm) above the nitrate standard, or maximum contaminant level (MCL) of 10 (ppm). Nitrate in drinking water is a serious health concern for infants less than six months old.

#### What should I do?

- DO NOT GIVE THE WATER TO INFANTS. Infants below the age of six months who drink
  water containing nitrate in excess of the MCL could become seriously ill and, if untreated,
  may die. Symptoms include shortness of breath and blue baby syndrome. Blue baby
  syndrome is indicated by blueness of the skin. Symptoms in infants can develop rapidly, with
  health deteriorating over a period of days. If symptoms occur, seek medical attention
  immediately.
- Water, juice, and formula for children <u>under six months of age</u> should not be prepared with tap water. Bottled water or other water low in nitrates should be used for infants until further notice.
- **DO NOT BOIL THE WATER.** Boiling, freezing, filtering, or letting water stand does not reduce the nitrate level. Excessive boiling can make the nitrates more concentrated, because nitrates remain behind when the water evaporates.
- Adults and children older than six months can drink the tap water (nitrate is a concern for infants because they can't process nitrates in the same way adults can). However, if you are pregnant or have specific health concerns, you may wish to consult your doctor.

#### What happened? What is being done?

Nitrate in drinking water can come from natural, industrial, or agricultural sources (including septic systems and run-off). Levels of nitrate in drinking water can vary throughout the year. We will let you know when the amount of nitrate is again below the limit.

A permit application to provide treatment for the removal of Nitrates is currently pending with the Florida Department of Environmental Protection and awaiting issuance. The construction of the treatment facilities is estimated to be completed within 1 year of FDEP permit issuance.

For more information, please contact Melisa Rotteveel at 727-848-8292 ext 207 or 4939 Cross Bayou Blvd. New Port Richey, FL 34652.

Please share this information with all the other people who drink this water, especially those who may not have received this notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.

This notice is being sent to you by Colonial Manor Water System ID#: 651-0355 Date distributed: 11/9/2006.