

Summertree Water Alliance Taskforce



March 15, 2016

Dear Summertree Resident,

Summertree Water Alliance Taskforce and the Office of Public Counsel (OPC) have been working with the Utilities, Inc. of Florida (UIF) for over two years to find a solution to the community's secondary water quality concerns. At the conclusion of the utility's last rate case (November 2013), the Florida Public Service Commission (FPSC) directed UIF to work with the customers and OPC to address the complaints regarding the hardness, taste, color, and smell of the water in the Summertree water system.

WATER QUALITY IMPROVEMENT OPTIONS

As required by the FPSC, UIF retained an engineering firm to identify and evaluate suitable options to address the secondary water quality issues. The engineering firm evaluated four water treatment options for the groundwater withdrawn from UIF's existing wells within Summertree.

Those options included (1) building a central aeration plant, (2) installing individual Magnetic Ion Exchange (MIEX) treatment facilities at each well, (3) constructing a central MIEX treatment plant, and (4) building a central reverse osmosis treatment plant. The engineering firm's report determined that the four water treatment options would not cost-effectively resolve the secondary water quality problems.

The engineering firm also investigated the option of replacing Summertree's water source by interconnecting with Pasco County's water system and then relying solely on purchased water to meet customer demand. *The engineering firm determined that interconnecting to Pasco County is the best and lowest cost solution to resolve the secondary water quality problems.*

Each of the water quality improvement options identified by the engineering firm will result in an increase in your water rates. The Customer Survey Ballot accompanying this letter shows the estimated rate impacts for customers using 3,000 gallons per month. The impact on your bill will vary based on your actual water consumption.

There are also potential customer savings associated with choosing to interconnect with Pasco County. With better water quality, customers can avoid the cost of purchasing bottled water, in-home filters, and maintaining water softening systems. This reduction in household living expenses could act as a partial or complete offset to the rate impact associated with choosing the interconnection option.

Whether you vote Yes or No to interconnect, UIF will continue to request periodic rate increases. On December 30, 2015, UIF filed a rate increase request with the FPSC in order to recover lost irrigation revenues, engineering study costs, and rate case expense as well as the expense of interconnecting and purchasing water from Pasco County. Recovery of these costs are subject to FPSC review and approval.

STATE GRANT FOR INTERCONNECTION OPTION

In the 2015 Legislative Session, Senator Simpson and Representative Corcoran secured a \$1 million grant to Pasco County to be applied to the cost of interconnecting the UIF-Summertree water system to Pasco County and paying for impact fees. This grant can only be applied towards the interconnection option. The County will own and construct the interconnection between the two water systems. The grant will help reduce the rate impact if you vote **YES** to support the interconnection option.

YOUR DECISION:

In order to gauge the community's support for resolving its secondary water quality issues, the FPSC directed UIF to survey Summertree residents as to which option they would like UIF to pursue. Enclosed with this letter is the Summertree Customer Survey Ballot. **Only one vote per customer account.** Completed Ballots can be returned by U.S. Mail in the enclosed envelope post-marked on or before April 18, 2016 to *Summertree Customer Survey Ballot, c/o Summertree Recreation Facility, 12005 Paradise Pointe Way, New Port Richey, FL 34654* or by placing it in a sealed ballot box located at the Summertree Recreation Office on or before April 18, 2016. The Customer Survey Ballots will be opened and counted by UIF staff in the presence of members of the Summertree Water Alliance Taskforce. The results of the survey will be compiled and shared with the Summertree community, and then submitted to the FPSC.

To aid in understanding the various options and estimated rate impacts, the Summertree Water Alliance Taskforce previously hosted community-wide meetings at the Summertree Recreation Facility in January and March. Representatives from OPC were also present to answer questions. If you were unable to attend those meetings or still have questions about the Customer Survey Ballot or this letter, please call Ms. Ann Marie Ryan with the Summertree Water Alliance Taskforce ((727) 856-2203) or Mr. Erik Sayler with OPC ((850) 717-0337).

The Summertree Water Alliance Taskforce, OPC, and UIF want to encourage you to take a moment to cast your vote on this important issue and thank you in advance for your participation in this process. **You MUST complete Parts 1, 2, and 3 to validate the attached Summertree Customer Survey Ballot.** Please return completed Summertree Customer Survey Ballot by April 18, 2016. Surveys received after this date will not be counted.

Sincerely,

Summertree Water Alliance Taskforce: Ann Marie Ryan, Leader, Lorraine Mack, Joe Mitchell
Richard Neilson, Lee Robida, and Ed Youngs

Ann Marie Ryan, Leader

Lorraine Mack

Joe Mitchell

Richard Neilson

Lee Robida

Fred Stall

Ed Youngs

Associate Taskforce Members: Maria Cristiano (PW), Chuck Hoehn (GR), Ken Jennings (CC), George Metz (Villas), Fred Stall (ARB), Violet Weeks (SRF), Bill White (GR)

Maria Cristiano

Chuck Hoehn

Ken Jennings

George Metz

Fred Stall

Violet Weeks

Bill White

Office of Public Counsel: Erik Sayler

Utilities Inc. of Florida: John Hoy, President



Summertree Customer Survey Ballot



Customer Name (print): _____ Billing Account Number: _____

Summertree Street Address _____

_____ New Port Richey, FL 34654

**You MUST Complete Parts 1, 2, and 3 to validate this Ballot.
Reminder: Only 1 Ballot per household.**

PART 1: Do you want Summertree to Interconnect with Pasco County Utilities for better quality water?

Please Circle: Yes / No

If you select **YES**, the estimated monthly rate impact to interconnect will be between \$2 to \$5 for a customer using 3,000 gallons per month. The impact on your bill will vary based on your actual water consumption. The estimated rate impact is subject to review and approval by the Florida Public Service Commission (FPSC).

If you select **NO**, Utilities, Inc. of Florida (UIF) will take **no** further action to correct the secondary water quality problems. UIF will continue to operate the system as they do currently and Summertree's water quality will remain the same; however, UIF may seek to raise your rates for other reasons in the future.

Note: The engineering firm determined that interconnecting to Pasco County is the best and lowest cost solution to resolve Summertree's secondary water quality problems with taste, color, and odor. Rather than incurring a \$21 to \$58 per month for the other engineering options, the interconnection option was selected by UIF as the best, lowest cost solution for customers. In the last rate case, the FPSC ordered UIF to survey customers as to what solution you want, hence your vote is very important.

Whether you vote YES or NO to interconnect, UIF will continue to request periodic rate increases. On December 30, 2015, UIF filed a rate increase request with the FPSC in order to recover lost irrigation revenues, engineering study costs, and rate case expense as well as the expense of interconnecting and purchasing water from Pasco County at a later date. The amount of the rate increase will depend on how the FPSC allocates or spreads the costs among utility customers.

PART 2: How would you rate the quality of water service that UIF provides?

Please Circle: Satisfactory Marginal Unsatisfactory

PART 3: Please Sign, Date, and Return by April 18, 2016:

By signing this Summertree Customer Survey Ballot, I understand that the actual rate impact may differ from the estimated rate impact. Any rate increase will be determined by the Florida Public Service Commission. Any Survey Ballot post-marked or received after April 18, 2016 will not be counted.

Signature

Date

Please mail your completed Summertree Customer Survey Ballot in the enclosed addressed envelope on or before April 18, 2016 to Summertree Customer Survey Ballot, c/o Summertree Recreation Facility, 12005 Paradise Pointe Way, New Port Richey, FL 34654 or place in the ballot box located at the Summertree Recreation Facility Office.