CORRESPONDENCE
6/22/2026
DOCUMENT NO. 03663-2026

Antonia Hover

From:	Office of Commissioner Ortega
Sent:	Monday, June 22, 2026 2:51 PM
To:	Commissioner Correspondence
Subject:	Docket No. 20250088-WU
Attachments:	15 Jun 2026 - Brief DBPR_SJRWM summary.pdf; 17 Jun 2026 - SJRWMD.pdf

Please place the attached in Docket No. 20250088.

From: Someome Wateroaks <wateroakssomeome@gmail.com>
Sent: Monday, June 22, 2026 12:01 PM
To: Office of Chairman Smith <Chairman.Smith@psc.state.fl.us>; Office of Commissioner Clark <Commissioner.Clark@psc.state.fl.us>; Office of Commissioner La Rosa <Commissioner.LaRosa@psc.state.fl.us>; Office of Commissioner Payne <Commissioner.Payne@psc.state.fl.us>; Office of Commissioner Ortega <Commissioner.Ortega@psc.state.fl.us>
Subject: Fwd: FW: Docket No. 20250088-WU

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Please review

---------- Forwarded message ---------
From: **Records Clerk** <CLERK@psc.state.fl.us>
Date: Mon, Jun 22, 2026 at 8:29 AM
Subject: FW: Docket No. 20250088-WU
To: wateroakssomeome@gmail.com <wateroakssomeome@gmail.com>
Cc: Consumer Contact <Contact@psc.state.fl.us>

Good Morning,

We will be placing your comments below in consumer correspondence in Docket No. 20250088, 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: Someome Wateroaks <wateroakssomeome@gmail.com>
Sent: Sunday, June 21, 2026 4:11 PM
To: Consumer Contact <Contact@PSC.STATE.FL.US>; Records Clerk <CLERK@PSC.STATE.FL.US>
Subject: Docket No. 20250088-WU

Attention PSC

This is NOT a protest or an appeal

It was overwhelming to hear the PSC Jun 2, 2026 closing remarks on Docket No. 20250088-WU. The awareness that the PSC knows of the deception of Sun Communities is important.

As the time comes for PAA decision on the rate hike, it's hopeful that the PSC considers the communication delay your CSAR has had with DBPR & SJRWMD. It would be of utmost importance to differ, until the results of these two agencies' investigations, or, render a decision that will require modification in a few months.

There are multiple dis-satisfied statements from the PSC Jun 2, 2026 in the hearing transcript. They all lead to the utilities lack of information and transparency for this case. In regards to the PSC infringing a review on all Florida Sun Communities. There is no documentation on this PSC decision.

It's politely asked that the PSC review the attached documents.

WATER OAK ESTATES OVERSIGHT COMMITTEE

Lady Lake, Florida | PSC Docket No. 20250088-WU

DBPR Case No. 2026-032353 | OIG Referral No. 2026-518-REF

BRIEFING REPORT FOR INVESTIGATORS

Natalie Clary, Financial Examiner/Analyst II — DBPR

Garrett Rochelle, Investigator — SJRWMD

June 15, 2026

FROM: Dinah Schiegner, J.D. (Ret.)
Regulatory Advocate, Water Oak Estates Oversight Committee
1219 San Bernadino Way, Lady Lake, FL 32159

PART 1: WHAT IS THIS ABOUT?

This report explains a water billing problem that affects about 1,337 families in Lady Lake, Florida.

Those families all live in a neighborhood called Water Oak Estates (also known as Water Oak Country Club Estates). They share one water company. That company is called:

Sun Communities Finance, LLC d/b/a Water Oak Utility

In June 2025, that water company asked the State of Florida for permission to raise water bills. The proposed increase was very large. It was 175.17%. That means families who had been paying, for example, $50 per month would be asked to pay nearly $138 per month.

The residents of Water Oak Estates could not simply switch to a different water company. Sun Communities is the only water provider allowed to serve this neighborhood. Residents had no choice but to pay whatever was approved.

Because of this, a group of residents formed the Water Oak Estates Oversight Committee to fight back and make sure the government looked closely at this request before approving it.

PART 2: WHO MAKES THE DECISIONS ABOUT WATER RATES IN FLORIDA?

In Florida, one government agency has the authority to approve or deny rate increases for private water companies. That agency is called:

The Florida Public Service Commission (PSC)

Think of the PSC as the referee. When a water company wants to charge customers more money, the company must ask the PSC for permission. The PSC then studies the request carefully and decides what is fair.

The PSC is run by five Commissioners. These are government officials appointed to make decisions about utility services across the entire state of Florida. They cover water, electricity, natural gas, and telephone services.

The PSC has a legal address and headquarters in Tallahassee, Florida:

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Phone: 1-800-342-3552

PART 3: WHAT IS THE OFFICE OF PUBLIC COUNSEL (OPC)?

The PSC also works alongside a separate agency called the Office of Public Counsel (OPC). The OPC is sometimes called the people's lawyer. Its job is to represent the customers — meaning the regular families who pay the bills — during rate cases.

Think of it this way: the water company hires its own lawyers to argue for a high rate increase. The OPC hires lawyers to argue for the customers and push for a lower, fairer rate. The PSC Commissioners then listen to both sides and decide.

In the Water Oak case, the OPC was actively involved from the beginning. The OPC's lead attorney on this case is:

Name	Walt Trierweiler, Esq.
Title	Public Counsel — Florida Office of Public Counsel
Address	111 West Madison Street, Suite 812, Tallahassee, FL 32399-1400
Phone	850-294-4537

Fax	(850) 487-6419
Email	Trierweiler.Walt@leg.state.fl.us

Mr. Trierweiler is a senior attorney with decades of experience in utility law. He has been involved in this Water Oak case from the very beginning. He described the June 2, 2026 outcome as the most pro-consumer result he had seen in over a decade. He is an outstanding resource and can explain the full history of this rate case in detail.

PART 4: WHAT IS THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT (SJRWMD)?

The St. Johns River Water Management District (SJRWMD) is a Florida state agency. Its job is to protect the water supply across 18 counties in northeast and east-central Florida. It makes sure that water is used wisely, that water quality stays safe, and that the environment is not harmed.

In the Water Oak case, concerns were raised about the water meters at the property. Specifically, some meters appeared to be inaccurate, broken, or not properly reporting water usage. This raised questions about whether customers were being billed correctly — and whether water was being wasted or going unreported.

As a result of concerns reported during this case, the SJRWMD opened its own investigation. The assigned investigator is:

Name	Garrett Rochelle
Title	Investigator — St. Johns River Water Management District
Agency Address	4049 Reid Street, Palatka, FL 32178-1429
Main Phone	386-538-4628
Email format	First initial + last name @sjrwmd.com (e.g., grochelle@sjrwmd.com — please verify)

NOTE TO INVESTIGATORS: Mr. Rochelle is being copied on this report because his investigation runs parallel to the DBPR investigation. The two investigations are related. Coordination between DBPR and SJRWMD is strongly recommended.

PART 5: WHAT IS DBPR, AND WHY IS IT INVOLVED?

DBPR stands for the Florida Department of Business and Professional Regulation. DBPR licenses and oversees businesses in Florida. It investigates complaints of fraud, misconduct, and improper business practices.

In April 2026, during hearings before the PSC, Commissioner Ana Ortega recommended that residents contact DBPR. Commissioner Ortega believed that certain financial practices by Sun Communities Finance, LLC warranted a formal investigation beyond what the PSC could address in a rate case.

Acting on that recommendation, the Water Oak Estates Oversight Committee formally contacted DBPR. That resulted in a full formal investigation being opened.

DBPR Case Number	2026-032353
OIG Referral Number	2026-518-REF
Assigned Investigator	Natalie Clary, Financial Examiner/Analyst II
Investigator Email	Natalie.Clary@myfloridalicense.com
DBPR Address	2601 Blair Stone Road, Tallahassee, FL 32399

PART 6: WHAT HAPPENED WITH THE WATER COMPANY'S REQUEST?

Here is the timeline of events, explained simply:

June 2025 — Water Company Files Its Request

Sun Communities Finance, LLC d/b/a Water Oak Utility filed an application with the PSC requesting a 175.17% increase in revenue. The case was assigned PSC Docket No. 20250088-WU.

January – March 2026 — Residents Speak Up

Over 300 written comments were submitted to the PSC by Water Oak residents. The Water Oak Estates Oversight Committee was formally organized. A Regulatory Advocate was retained to represent the community.

April 7, 2026 — First PSC Hearing (Commission Conference)

The PSC held its first public hearing on this case. The Oversight Committee's Regulatory Advocate testified. Commissioner Ana Ortega recommended that the case be deferred (paused) while more information was gathered. Commissioner Ortega also specifically recommended that residents contact DBPR. The Commissioners voted to postpone the final decision.

May 2026 — PSC Staff Revised Its Recommendation

The PSC's own staff reviewed the case further and issued a revised recommendation. Staff recommended reducing the requested rate increase from 175.17% down to 117.17%.

May 27, 2026 — DBPR Opens Formal Investigation

DBPR confirmed that a full formal investigation had been opened: DBPR Case No. 2026-032353, assigned to Natalie Clary.

June 2, 2026 — Final PSC Vote

The PSC held its second and final hearing. The Commissioners voted to approve the revised staff recommendation. Three important resident protections were added to the final order:

- Sun Communities must hold mandatory customer meetings once per year for two consecutive years.
- Sun Communities must disclose the findings of the DBPR investigation AND the SJRWMD investigation to all Water Oak residents.
- Sun Communities must notify residents of the results of both investigations within one year.

Walt Trierweiler, the OPC's Public Counsel, described this outcome as the most pro-consumer result he had seen in more than a decade. The final approved rates are contained in the PSC's official order issued after June 2, 2026, in Docket No. 20250088-WU.

PART 7: WHAT PROBLEMS WERE FOUND DURING THIS CASE?

Several serious concerns were documented and submitted to the PSC and to DBPR. These concerns are summarized here for the investigators.

Problem 1 — The Water Meters Were Not Working Correctly

Water Oak has residential water meters and transmitters. These are the devices that measure how much water each family uses so the company can bill them accurately.

Evidence showed that a significant number of these meters were broken, malfunctioning, or not properly reporting usage. This means customers may have been billed for the wrong amounts

— either too much or too little. The PSC's own staff noted these meter problems in their written recommendations.

Problem 2 — Sewer Billing Was Applied Incorrectly

Water Oak Utility charges customers for both water AND sewer. The sewer bill is supposed to be based on how much water goes INTO the house (indoor use only).

However, Water Oak's records showed that sewer charges were being applied against ALL water usage measured by the meter — including water used for irrigation (watering the lawn). Water used for irrigation never enters the sewer system. Charging for sewer based on irrigation water is improper.

Additionally, an irrigation meter at the property consistently read zero — meaning it appeared to not be recording water used for irrigation at all — while the main meter continued to record all usage and sewer charges continued to be applied to the full amount.

Between January and April 2026, sewer charges increased by 41.2%. No notice was given to customers. No regulatory authorization was obtained for this increase.

Problem 3 — Financial Practices Raised Serious Concerns

Documents reviewed during the PSC case raised questions about how Sun Communities Finance, LLC was reporting its costs and expenses. The PSC's own staff recommended reducing the company's claimed operating expenses because they appeared inflated. Specifically:

- Salary and wage expenses were reduced by 30%.
- Professional services expenses were reduced by 30%.
- The company's allowed Return on Equity was reduced by 75 basis points.

These reductions were made because the PSC staff found the company's claimed costs were not reasonable or fully supported. This is relevant to the DBPR investigation of the company's financial practices.

Problem 4 — A Prior Written Promise Was Not Honored

In 2018, a Sun Communities representative named Sheri Woodworth made a written promise to Water Oak residents that rates would not be raised beyond a certain level. That written promise was submitted into evidence during the PSC rate case. The proposed 175.17% rate increase appeared to contradict that written promise.

PART 8: WHAT IS STILL OPEN AND PENDING?

As of June 15, 2026, the following matters remain open and active:

- DBPR Case No. 2026-032353 — formal investigation of Sun Communities Finance, LLC by DBPR — assigned to Natalie Clary.
- SJRWMD Investigation — formal investigation of water meter issues and water usage practices — assigned to Garrett Rochelle.
- PSC Final Order — the written order from the June 2, 2026 vote has been issued and is available at www.floridapsc.com, Docket No. 20250088-WU. The order requires Sun Communities to disclose DBPR and SJRWMD findings to residents.

Both investigations are referenced in the PSC's final order. Sun Communities is required to report the results of both investigations to all Water Oak residents. This means the two investigations are not separate from the PSC matter — they are connected to it.

PART 9: KEY CONTACTS FOR INVESTIGATORS

The investigators are strongly encouraged to contact the following individuals. Each person listed below has direct knowledge of this case and can provide additional documentation, testimony, or guidance.

Name / Title	Phone	Email
Walt Trierweiler, Esq. Public Counsel Florida Office of Public Counsel	850-294-4537	Trierweiler.Walt@leg.state.fl.us
Josh Cohn Staff Attorney / Representative Office of Public Counsel	850-413-6068	JCohn@psc.state.fl.us
Garrett Rochelle Investigator St. Johns River Water Management District	386-538-4628	grochelle@sjrwmd.com (please verify)
Commissioner Mike La Rosa Chairman Florida Public Service Commission	1-800-342-3552	Contact via clerk@psc.state.fl.us
Commissioner Ana Ortega Commissioner Florida Public Service Commission	1-800-342-3552	Contact via clerk@psc.state.fl.us

NOTE: Commissioner Ana Ortega is the Commissioner who specifically recommended, on April 7, 2026, that residents contact DBPR. Her recommendation is what led directly to the opening of DBPR Case No. 2026-032353. She has direct knowledge of why this investigation was initiated.

NOTE: Commissioner Mike La Rosa was the PSC Chairman who presided over both the April 7, 2026 and June 2, 2026 Commission Conferences where this case was heard.

PART 10: A FINAL NOTE TO BOTH INVESTIGATORS

This report was prepared to help both investigators — Ms. Natalie Clary at DBPR and Mr. Garrett Rochelle at SJRWMD — understand the full picture of what has happened at Water Oak Estates.

The families living at Water Oak Estates are mostly senior citizens. Many are 70 years of age or older. They live on fixed incomes. They cannot shop for a different water company. Whatever the government decides, they must live with it.

These families trusted the government agencies — the PSC, DBPR, and SJRWMD — to protect them. The PSC has completed its work. The DBPR and SJRWMD investigations are still open. The residents of Water Oak Estates are counting on both investigations to be completed fully and properly.

All documents, correspondence, PSC filings, meter data, billing records, and related materials are available upon request. Please do not hesitate to reach out directly.

Respectfully submitted,

Dinah Schiegner, J.D. (Ret.)

Regulatory Advocate

Water Oak Estates Oversight Committee

1219 San Bernadino Way

Lady Lake, Florida 32159

cc: Garrett Rochelle, SJRWMD | Walt Trierweiler, OPC | Kelly Thompson, PSC (850-413-6986 / KThompson@psc.state.fl.us)

Commissioner Mike La Rosa, FPSC | Commissioner Ana Ortega, FPSC

WATER OAK ESTATES OVERSIGHT COMMITTEE

Lady Lake, Florida | PSC Docket No. 20250088-WU

SJRWMD Item Nos. 1550337 and 1550949 | CUP No. 282-11

TO: J. Garrett Rachal, Regulatory Hydrologist III
Bureau of Water Use Regulation
St. Johns River Water Management District (SJRWMD)
2501 S. Binion Road, Apopka, FL 32703
Office: (321) 676-6624 | Cell: (386) 538-4628 | jrachal@sjrwmd.com

CC: Natalie Clary, Financial Examiner/Analyst II — DBPR | Natalie.Clary@myfloridalicense.com
Walt Trierweiler, Esq. — Office of Public Counsel | 850-294-4537 | Trierweiler.Walt@leg.state.fl.us

FROM: Dinah Schiegner, J.D. (Ret.)
Regulatory Advocate, Water Oak Estates Oversight Committee
1219 San Bernadino Way, Lady Lake, FL 32159

DATE: June 16, 2026

RE: Follow-Up to Our Telephone Conversation — SJRWMD Item Nos. 1550337 and 1550949 | CUP No. 282-11

Dear Mr. Rachal,

I am grateful for the time you gave me yesterday — 45 minutes is a meaningful investment, and I did not take it lightly. I appreciated your professionalism and your willingness to engage with what is a complex and serious matter.

I am also grateful for your follow-up email, which summarized the District's current understanding and actions to date. I have read it carefully. And because I have read it carefully, I feel obligated to respond — directly and honestly — with information I believe is critical to your investigation.

The purpose of this memo is straightforward: to make sure you have everything you need to conduct a complete and independent review — one that does not rely solely on data provided by Sun Communities Finance, LLC.

That last point is not a suggestion. It is the single most important thing I can tell you.

THE FOUNDATION OF THIS CASE — HOW WE GOT HERE

Mr. Rachal, before I address the specific concerns outlined in the sections below, I want to give you the complete picture of how this case came to exist — and how it grew into what it is today. Because the history is as important as the current findings.

Water Oak Country Club Estates in Lady Lake, Florida is a 55-and-older, land-lease manufactured home community of approximately 1,337 homes. The residents own their homes but ***rent the land beneath them*** from Sun Communities Finance, LLC — one of the largest manufactured home community operators in the United States, headquartered in Michigan.

Sun Communities Finance, LLC also owns and operates the community's private water utility — doing business as Water Oak Utility. This means Sun Communities is simultaneously the landlord and the utility provider. There is no alternative. Residents cannot choose a different water company. Whatever Sun Communities charges, they must pay.

The Infrastructure — Three Generations of Deteriorating Systems

The water system at Water Oak Estates is not one system. It is three systems — each built during a different era of expansion, each constructed to the codes and standards of its time, and each subsequently tapped into and interconnected with the others as the community grew.

- The original Water Oak water system — aging, deteriorating infrastructure from the community's earliest construction.
- A second system added during the first community expansion — different materials, different era, different standards — tapped into the original.
- A third system added during subsequent expansions — again, different era, different standards — tapped into both prior systems.

Today, all three systems are simultaneously deteriorating. Pipes are crumbling. Connections are failing. The infrastructure is collapsing from the inside out — and it has been doing so for years while Sun Communities collected lot rent, collected water fees, and deferred the cost of maintenance and replacement.

The consequences are measurable and documented. In 2024 alone, Water Oak Utility lost 39.7% of all water pumped through its system. The allowable threshold under Florida regulations is 10%. Water Oak lost nearly four times the legal limit — meaning that for every ten gallons extracted from your District's aquifer, nearly four gallons simply vanished into failing pipes before reaching a single resident's home.

39.7% water loss in 2024. The allowable threshold is 10%. That is not a maintenance issue. That is a system in the advanced stages of failure — and it has been happening on SJRWMD's permitted watch.

The Original Request — 800% to 900%

In June 2025, after 29 years of near silence, Sun Communities Finance, LLC filed an application with the Florida Public Service Commission requesting permission to raise water rates. The original request was staggering.

Sun Communities' initial rate increase request was between 800% and 900%. Not 8%. Not 80%. Eight hundred to nine hundred percent. Imposed on elderly residents living on fixed incomes with no alternative water provider and no ability to simply move.

Think about what a request of that magnitude reveals. A company does not submit an 800% rate increase application by accident. That number was calculated. It was deliberate. It was submitted because Sun Communities knew exactly how deteriorated their infrastructure was, exactly what it would cost to replace it, and exactly how much profit they intended to extract — and their first instinct was to put every single penny of that burden onto their residents.

Under Florida law and PSC regulations, the cost of capital improvements to utility infrastructure is the legal responsibility of the utility owner. Sun Communities owns this system. Sun Communities allowed it to deteriorate over 29 years. Sun Communities is legally obligated to fund its replacement through proper capital planning, Contributions in Aid of Construction (CIAC), and reasonable, documented rate cases over time.

Instead, they filed for 800% to 900% — and expected no one to fight back.

What Changed — One Resident, One Question at a Time

What Sun Communities did not anticipate was that one resident — a retired attorney with a prosecutorial background and a deep knowledge of regulatory law — would step forward, organize a formal Oversight Committee, and begin asking questions.

What followed over the next several months was one of the most methodical, documented regulatory challenges in recent PSC history. And it happened not because a large law firm was retained or a government agency took the lead — but because one person began lifting the lids off pots.

> Every time a question was asked, a new problem was found. Every time a document was examined, a new irregularity appeared. Every time a number was checked, it did not match. The case did not start large. It grew — because the problems were everywhere, and they had simply never been looked for before.

Here is what was uncovered, in the order it was found:

- The proposed rate increase was not supported by accurate data. Sun Communities' customer count was wrong — they reported 1,265 customers. The actual count, confirmed in writing by their own General Manager, was 1,337.
- The meter data was unreliable. Residents had submitted over 425 formal maintenance requests about broken meters. Fewer than 5% were properly repaired.
- Sun Communities was charging residents for 16 internal irrigation meters — meters on Sun's own common area accounts — that had never been billed or disclosed. This was admitted in writing by Sun's own Division Vice President.
- Sewer charges were being applied to all water usage — including irrigation water that never enters the sewer system — with no regulatory authorization.
- Between January and April 2026, sewer charges increased 41.2% with no notice, no PSC approval, and no explanation.
- A written promise made in 2018 by Sun Communities representative Sheri Woodworth — that rates would not be raised beyond a certain level — was submitted into evidence and directly contradicted by the 800%-900% request.
- Sun Communities concealed four qualifying service interruptions from the PSC in 2020 and 2021, violating Rule 25-30.251, Florida Administrative Code.
- The licensed operator of record — US Water Services Corporation — has had zero presence, zero supervision, and zero involvement at Water Oak Estates. All utility work has been performed by unlicensed general maintenance staff.
- The irrigation meter at the property has consistently read zero — despite visible, ongoing irrigation of common areas throughout the community — meaning Sun Communities has been consuming water with no accountability and no billing.

Each of these findings was documented, submitted to the PSC, and ultimately contributed to one of the most significant consumer protection outcomes in PSC history. Walt Trierweiler, the Public Counsel of the Florida Office of Public Counsel — with decades of utility law experience — described the June 2, 2026 result as the most pro-consumer outcome he had seen in over ten years.

The PSC reduced Sun Communities' requested rate increase from between 800%-900% down to 117.17%. They cut Sun's claimed operating expenses by 30% across multiple categories. They reduced the allowed return on equity. And they added three Commissioner conditions to the final order — including a requirement that both the DBPR and SJRWMD investigation findings be disclosed to all Water Oak residents.

Every single one of those reductions — every cut to expenses, every reduction in return on equity, the entire 117.17% outcome instead of 800%-900% — happened because Sun Communities' own submitted data was found to be false, inflated, and unreliable. Not by an outside critic. By the PSC's own professional staff.

Let that be clearly understood: the data Sun Communities submitted during their test year — the financial records, the expense reports, the operational figures, the customer counts, the meter readings — none of it was accurate. None of it was factual. The PSC staff had to tear it apart line by line and rebuild a picture of what was real from what Sun had buried under inflated numbers and unsupported claims.

Mr. Rachal, this is precisely why I am asking you — respectfully but directly — to place no credibility whatsoever in any data Sun Communities has submitted to your District. Not the wellhead reports. Not the meter verification records. Not the permit compliance filings. Not the water use reports. None of it.

Every document in your CUP No. 282-11 compliance file that originated from Sun Communities passed through the same hands, the same management, and the same culture that produced the false data the PSC staff was forced to correct. The PSC Chairman looked Sun's attorney in the eye and said he could not believe anything their client submits. That statement applies equally to everything in your file.

Only independent, third-party collected raw data — gathered by qualified professionals with no connection to Sun Communities Finance, LLC — should be considered reliable. Only then will the residents of Water Oak Estates have any confidence that the numbers being used to regulate their water system bear any relationship to reality.

Mr. Rachal, that is how we got here. That is the foundation of this case. And that is why the work your District is doing — and the work Ms. Clary is doing at DBPR — matters so profoundly to the 1,337 families who live at Water Oak Estates.

Everything that follows in this memo builds on that foundation.

The Question Every Resident Is Asking

Mr. Rachal, I want to share something with you that I hear every single time I stand face to face with a Water Oak resident. It is not a legal argument. It is not a regulatory citation. It is a simple, honest question — asked by elderly men and women on fixed incomes who are trying to understand what is happening to them:

> How is any of this our fault? Sun neglected this system for 29 years. They never asked for a rate increase. They never maintained the pipes. They never planned for replacement. And now — after 29 years of their own neglect — they want US to pay for their failing, dilapidated underground system. How is that our fault?

I have no satisfying answer to give them. Because they are right.

They did not cause this problem. They did not benefit from 29 years of deferred maintenance. They paid their lot rent every month. They paid their water bills every month. They held up their end of the bargain — every single month — for nearly three decades.

Sun Communities held up nothing.

When Sun Communities took ownership of this community and this water utility, they accepted with it a clear legal obligation: maintain the system, plan for its eventual replacement, fund capital reserves, and file reasonable and timely rate cases along the way to keep pace with actual costs. That is what responsible utility ownership requires. That is what Florida law expects.

Sun Communities did none of it. For 29 years they collected lot rent. They collected water fees. They watched three generations of aging infrastructure deteriorate simultaneously. They deferred every maintenance cost they could. They invested nothing in capital replacement. And when the system finally reached the point of collapse — when the pipes were crumbling and they could no longer look away — they walked into the Florida Public Service Commission and handed the entire 29-year bill to their residents.

In one single rate case filing.

Asking for 800% to 900%.

From elderly people on fixed incomes who have no other water provider and nowhere else to turn.

Sun Communities Finance, LLC is not a struggling small business. They are one of the largest manufactured home community operators in the United States, with billions of dollars in assets. They chose not to maintain this system. They chose to defer the costs year after year. They chose to wait until the infrastructure was collapsing — and then they chose to make 1,337 senior citizens pay for 29 years of their own deliberate neglect.

That is not a billing dispute. That is not a permit compliance question. That is a fundamental question of who bears responsibility for the consequences of 29 years of choices — and the answer, under any fair reading of Florida utility law, is not the residents of Water Oak Estates.

I ask you to carry that question with you as you conduct your compliance review. When you look at the wellhead data, when you examine the permit conditions, when you evaluate what Sun Communities has told your District — please remember who is waiting for your findings.

These residents range in age from their 60s to their upper 90s. They live on Social Security and fixed incomes. They cannot simply pick up and move. They cannot switch to a different water company. They are entirely dependent on the government agencies assigned to protect them — including yours — to ensure that what happens next is fair, accurate, and honest.

They have been waiting a very long time.

PART 1: THE FOUNDATION OF YOUR INVESTIGATION IS COMPROMISED

Your email states that the District evaluated information submitted by the permittee through required reporting — and that based on that information, Sun Communities does not appear to have exceeded its permitted groundwater allocation under CUP No. 282-11.

I understand that. And I am not disputing your process. What I am telling you is this:

The data Sun Communities submitted to your District cannot be trusted. This is not my opinion. This is the documented finding of the Florida Public Service Commission — the state agency with full regulatory authority over Sun Communities' water utility operations.

Here is the proof.

On June 2, 2026, the Florida PSC held its final Commission Conference on PSC Docket No. 20250088-WU — the Water Oak Utility rate case. During that official government proceeding, PSC Chairman Commissioner Mike La Rosa looked directly at Sun Communities' own attorney and stated, on the record:

> "I cannot believe anything your client submits."

That statement was not made casually. It was not an offhand remark. It was made by the Chairman of a state regulatory commission, in an official public hearing, directed at the attorney of record for the company whose data you are currently relying upon.

The PSC's own professional staff — after conducting a thorough review of Sun Communities' financial and operational data — made the following reductions to the company's claimed figures:

- Salary and wage expenses — reduced by 30% (data found to be inflated)
- Contractual services — reduced by 30% (data found to be inflated)
- Professional services — reduced by 30% (data found to be inflated)
- Return on equity — reduced by 75 basis points (figures found to be unsupported)

A company whose submitted financial data was reduced by 30% across multiple categories by state regulators is not a company whose self-reported water use data should be accepted at face value without independent verification.

PART 2: THE CRITICAL QUESTION — WHERE IS THE MISSING WATER?

Mr. Rachal, your investigation focuses on CUP No. 282-11 and whether Sun Communities has exceeded its permitted groundwater withdrawal limits. The permit requires groundwater withdrawals to be measured at the wellheads using flowmeters. You have reviewed that wellhead data — data submitted by Sun Communities — and have not found evidence of permit exceedance.

Here is the question I am respectfully asking you to answer:

> **If the wellhead flowmeters show X gallons of water pumped out of the ground — and the residential billing meters only account for Y gallons billed to residents — where is the difference going? Who is accounting for it? And why does the irrigation meter consistently read zero?**

Water Oak Estates has approximately 1,337 residential homes. Each home has a water meter. Those meters are supposed to measure how much water each family uses so they can be billed accurately.

There is also an irrigation meter. That meter is supposed to separately track water used for common area irrigation — the lawns, the landscaping, the shared grounds throughout the community.

That irrigation meter has been reading zero. Consistently. Month after month.

A meter that reads zero every month is not functioning. It is not measuring anything. Which means the water used for all of that common area irrigation — water that is being pumped out of the ground and measured at your wellhead flowmeters — is not being captured anywhere in the residential billing system.

So where does it go in the accounting? Nowhere. It disappears.

Meanwhile, the common areas are being irrigated. The restaurant is using water. The administration office is using water. Sun Communities' own business operations are consuming water every single day. That water comes out of the ground — your wellhead meters are counting it — but it never appears on any resident's bill or any irrigation accounting report.

> In effect, Sun Communities is withdrawing water from the aquifer for its own operational use, reporting that withdrawal to SJRWMD through wellhead data, and then absorbing the cost of that water invisibly into the residential billing system — charging the residents for it without their knowledge.

Sun has, in essence, free water. The 1,337 families of Water Oak Estates are paying for it.

PART 3: NOT ONE RESIDENTIAL METER OR TRANSMITTER CAN BE TRUSTED

The wellhead flowmeters that SJRWMD relies upon measure water at the point of extraction — where it comes out of the ground. But the water then travels through a distribution system and is ultimately measured again at each residential meter before billing.

Those residential meters are broken.

> **There is not a single water meter or water transmitter in all of Water Oak Estates that can be confirmed as accurate and fully operational. Not one.**

This is not a claim I am making without support. The PSC's own staff documented meter and data integrity problems significant enough to affect the outcome of the entire rate case. The billing errors produced by these broken meters have been staggering — month after month, family after family — despite repeated pressure from the PSC.

Sun Communities management has insisted that the meters are functioning correctly. That maintenance has checked them. That everything is in order.

The PSC Chairman's statement — that he cannot believe anything Sun Communities submits — applies equally to those assurances.

The relevance to your investigation is this: if the residential meters are inaccurate and untrustworthy, then the only reliable measurement of how much water is actually being consumed at Water Oak Estates is the wellhead flowmeter data your District holds. That data is therefore the single most important independent data point in this entire matter — and it needs to be compared rigorously against what Sun Communities claims is being billed and consumed.

That comparison has not been done. Not by Sun Communities. Not yet by SJRWMD. That gap is where the truth lives.

PART 4: YOUR INVESTIGATION IS REFERENCED IN AN OFFICIAL PSC ORDER

I want to make sure you are aware of something that directly affects the weight and urgency of your compliance review.

On June 2, 2026, the Florida PSC voted to approve its final order in Docket No. 20250088-WU. That order contains three specific conditions added by the Commissioners. One of those conditions states:

> Any reports or management-related findings issued by SJRWMD or DBPR shall be submitted to the Commission and communicated to customers.

A second condition states:

> Sun Communities shall notify the Commission if SJRWMD or DBPR investigations are not completed within one year.

Mr. Rachal, your compliance review — SJRWMD Item Nos. 1550337 and 1550949 — is named by implication in an official Florida PSC Commissioner's order. Your findings will be required to be submitted to the PSC and communicated directly to all 1,337 Water Oak residents.

This is not a routine complaint review. The outcome of your investigation carries regulatory weight at the state level.

PART 5: WHAT I AM ASKING YOU TO DO

Mr. Rachal, I am not asking you to reach any conclusion before your review is complete. I am asking you to ensure that your review is genuinely independent — that it does not rest entirely on data provided by the entity under investigation.

Specifically, I am respectfully asking the District to consider the following:

- Compare the total wellhead flowmeter data (water extracted from the ground) against the total residential water billed to customers. Quantify the gap. Demand an accounting of where the difference went.
- Require Sun Communities to produce documentation of the irrigation meter readings — specifically explaining why the irrigation meter has consistently read zero while visible irrigation of common areas has continued.
- Independently verify the accuracy of the wellhead flowmeters — not through Sun Communities' self-certification, but through independent testing or third-party verification.
- Review the permit conditions related to meter accuracy verification (EN-51) and confirm that those verifications were conducted properly, on schedule, and by qualified independent parties — not by Sun Communities' own maintenance staff.
- Contact Walt Trierweiler, Esq. at the Office of Public Counsel (850-294-4537) to obtain the full PSC evidentiary record, including all data requests submitted to Sun Communities and the company's responses. Those responses will tell you exactly what Sun told state regulators — and the PSC's reductions will show you exactly where the data was false.

PART 6: COORDINATE WITH DBPR — THIS IS ONE CONNECTED CASE

Natalie Clary at the Florida Department of Business and Professional Regulation (DBPR) has been assigned to DBPR Case No. 2026-032353 — a formal investigation of Sun Communities Finance, LLC that was opened as a direct result of a recommendation made by PSC Commissioner Ana Ortega on April 7, 2026.

Ms. Clary is copied on this memo. Her investigation focuses on the financial practices and potential misconduct of Sun Communities Finance, LLC — including billing irregularities, inflated expense submissions, and improper rate increases. Your investigation focuses on groundwater withdrawal compliance and meter accuracy.

These two investigations are not separate. They are two sides of the same problem.

The water that disappears between your wellhead flowmeters and the residential billing system is both a SJRWMD compliance issue and a DBPR financial misconduct issue. The broken residential meters are both a permit compliance issue and a consumer fraud issue. The zero-reading irrigation meter is both a water management issue and a billing fraud issue.

I strongly encourage you and Ms. Clary to speak directly with each other and with Walt Trierweiler at the OPC. The three of you, working together, hold the complete picture. Separately, each investigation sees only part of it.

PART 7: ONE METER, ONE MASSIVE PROBLEM — THE SEWER BILLING SCANDAL

Mr. Rachal, I need to bring a billing structure to your attention that directly intersects with your compliance review — because the water your District regulates is the same water being used to gouge these residents on their sewer bills.

First, a fundamental structural problem:

Every home in Water Oak Estates has exactly ONE meter. That single meter handles everything — water coming in AND the basis for sewer charges going out. There is no separate sewer meter. There is no functioning irrigation submeter. One meter. One number. Applied to everything.

Here is why that matters enormously. Florida law and standard utility practice are clear: sewer charges are supposed to be based only on water that actually enters the sewer system — indoor water use only. Water used for outdoor irrigation soaks into the ground. It evaporates. It never touches the sewer system. You cannot legally charge sewer fees on irrigation water.

But because there is only one meter — and because the irrigation meter consistently reads zero — Sun Communities applies sewer charges against the entire meter reading. Every gallon. Lawn water. Irrigation water. All of it. Every single month, every single resident is being charged sewer fees on water that never went near a sewer pipe.

Now add this: Sun Communities is not the sewer provider. The Town of Lady Lake provides sewer service and bills Sun Communities a master monthly invoice. Sun then passes those charges through to residents.

Here is what the documented numbers show:

- The Town of Lady Lake charges Sun Communities approximately 3,054.75 per month for sewer service across the entire community.
- Sun Communities collects approximately 5,870 per month from residents for that same sewer service.
- That is a gap of approximately ,815 per month — or roughly 3,783 per year — that Sun Communities appears to be pocketing above what Lady Lake actually charges them.
- Between January 2026 and April 2026 alone, Sun Communities increased the per-gallon sewer rate charged to residents by 41.2%.
- No notice was given to residents about this increase.
- No regulatory authorization was obtained from the PSC for this increase.
- No explanation was ever provided.

A 41.2% sewer rate increase with no customer notice and no PSC authorization is not a billing adjustment. It is an unauthorized rate increase — and it may constitute a violation of both PSC rules and Florida Statute Chapter 723.

Mr. Rachal, your wellhead flowmeter data measures every gallon Sun Communities pumps out of the ground. Some of that water goes indoors. Some goes to irrigation. Some goes to the restaurant and administration office. ALL of it — every single gallon — is currently being run through a single residential meter calculation and used as the basis for sewer charges to residents. Your data could help prove exactly how much water is being improperly included in those sewer billing calculations. That is yet another reason why an independent comparison of wellhead extraction data against billing records is so critically important.

PART 7A: HOW THE SEWER BILLING ACTUALLY WORKS — FOLLOW THE MONEY

Mr. Rachal, I want to walk you through the sewer billing chain step by step — because when you see it laid out in order, the problem becomes impossible to ignore.

Here is exactly how it works:

- STEP 1 — Water is pumped from the ground. Your wellhead flowmeters at CUP No. 282-11 measure every gallon extracted from the aquifer. This is the only truly independent, unfiltered measurement in the entire system.
- STEP 2 — Water flows through the distribution system to 1,337 homes, common areas, the restaurant, the administration office, and irrigated grounds throughout the community.
- STEP 3 — The Town of Lady Lake measures the total sewer consumption for the entire Water Oak community and sends ONE master invoice to Sun Communities Finance, LLC each month. That invoice is calculated using Lady Lake's established, regulated rates — approximately 3,054.75 per month, broken into four specific line items: a volume charge, a base facilities fee, a base reservation fee, and a flat base billing charge.
- STEP 4 — Sun Communities receives that master invoice from Lady Lake. At this point, the amount Sun owes is fixed, documented, and regulated by the Town of Lady Lake.
- STEP 5 — Sun Communities then performs its own internal recalculation. Instead of simply dividing the Lady Lake invoice proportionally among residents, Sun applies its own per-gallon rate — a rate that changes from month to month with no notice, no regulatory approval, and no explanation to residents.
- STEP 6 — Each resident receives an individual sewer charge on their monthly bill based on Sun's arbitrary recalculation — not based on Lady Lake's actual regulated rate.

The manipulation happens entirely in Step 5. Between what Lady Lake charges Sun Communities and what Sun Communities charges residents, there is an unexplained gap of approximately ,815 per month — 3,783 per year — that Sun Communities appears to be retaining. No regulator has ever required Sun to account for that gap.

Since January 2026, residents have watched their sewer charges increase month after month. There was no announcement. There was no letter. There was no PSC filing. The number simply went up — by 41.2% between January and April 2026 alone — because Sun Communities changed its internal recalculation without asking anyone's permission.

Mr. Rachal, you sit at Step 1 of this chain. Your wellhead data is the only number in this entire process that Sun Communities did not generate, did not calculate, and did not control. That makes your data extraordinarily valuable — because it is the one independent measuring point against which everything else can be verified.

If your wellhead data shows X gallons extracted — and Lady Lake's sewer invoice reflects Y gallons of consumption — and Sun's resident billing reflects Z gallons charged — those three numbers should align. If they do not align, the gaps tell the story of exactly where the manipulation is occurring and how much money is being improperly extracted from these residents every single month.

PART 8: AN INDEPENDENT AUDIT IS ESSENTIAL — AND LONG OVERDUE

I want to make a formal request — one I am making simultaneously to DBPR, SJRWMD, and the PSC.

Everything that has gone wrong at Water Oak Estates has one common thread: every number, every figure, every data point reviewed by regulators to date has passed through Sun Communities first. The wellhead data your District reviewed — submitted by Sun. The financial data the PSC reviewed — submitted by Sun. The meter readings used for billing — reported by Sun. The sewer pass-through charges — calculated by Sun.

The PSC Chairman said he cannot believe anything Sun Communities submits. The PSC staff reduced Sun's submitted expenses by 30% across multiple categories. And yet, to date, no independent third party has walked into Water Oak Estates, pulled the raw data directly from the equipment, and compared it against what Sun has been telling everyone.

A full, independent forensic audit of Sun Communities' water extraction data, residential meter readings, sewer billing calculations, and financial records is not just warranted — it is essential. Without it, every regulatory review conducted so far has been based at least partly on the word of a company that regulators have already found to be untrustworthy.

The audit should be conducted by a qualified, independent third party — selected by the regulators, not by Sun Communities. It should cover at minimum:

- Wellhead flowmeter data — independent reading and verification against SJRWMD permit records
- Residential meter readings — independent accuracy testing across the full community
- Irrigation meter data — independent investigation of why this meter has read zero consistently while visible community irrigation continues
- Sewer billing calculations — line by line comparison of what Lady Lake actually charges Sun vs. what Sun charges residents
- Financial records — independent review of the operating expenses Sun Communities submitted to the PSC
- Pass-through tax and fee calculations — verification that residents are charged only what Sun Communities actually pays

This audit is not a fishing expedition. It is a targeted, documented verification of data that state regulators have already found reason to question. The cost of that audit is trivial compared to what 1,337 families have already overpaid.

PART 9: INDEPENDENT THIRD PARTY METER TESTING AND FULL REMEDIATION

Mr. Rachal, more than half of the water meters in Water Oak Estates are faulty. That is not an estimate. That is a documented finding supported by resident records, PSC staff analysis, and the billing error patterns that have persisted month after month despite management's repeated assurances that everything is fine.

Residents submitted over 425 formal written maintenance requests related to meter problems. Approximately 12% were reviewed. Fewer than 5% were actually repaired. And of those repaired, the majority were subsequently confirmed to still be inaccurate.

That is not a maintenance backlog. That is a documented pattern of deliberate neglect.

Sun Communities cannot be permitted to test, certify, or repair its own meters. A company whose submitted data the PSC Chairman declared unbelievable cannot be trusted to independently verify the accuracy of the very instruments used to generate its own revenue.

I am formally requesting that the appropriate regulatory authority — whether SJRWMD, DBPR, or the PSC — order the following:

- An independent third party company, selected by regulators — not by Sun Communities — shall be assigned to test every water meter and transmitter in Water Oak Estates.
- Any meter that fails accuracy standards shall be replaced immediately at Sun Communities' expense — not passed through to residents as a capital improvement cost.
- A full retroactive billing review shall be conducted covering the period during which faulty meters were in operation, with credits issued to all affected residents.
- Sun Communities shall not be permitted to implement new rates under the PSC's June 2, 2026 order until independent meter accuracy certification has been completed across the entire community.

The PSC's final order requires new rates to take effect only after Sun Communities provides proper customer notice and files an affidavit of notice. That process has not yet been completed. There is still time — right now — to ensure that when new rates do take effect, they are being measured by instruments that are actually accurate.

The 1,337 families of Water Oak Estates deserve to be billed for the water they actually used. Not for a number generated by a broken meter managed by a company with a documented history of submitting unreliable data to state regulators.

PART 10: A GHOST LICENSE — THE US WATER SERVICES PROBLEM

Mr. Rachal, I have saved perhaps the most serious concern for last — because it calls into question the legal foundation of this entire water system.

Water Oak Utility operates under a contract with US Water Services Corporation, headquartered in New Port Richey, Florida. US Water Services holds the operating license for this water system — the license issued by the Florida Department of Environmental Protection that authorizes the operation of a public water distribution system serving 1,337 homes.

That license is not a formality. Under Florida law, the licensed operator of record carries full legal responsibility for the safe, accurate, and compliant operation of the water system. They are required to be present. They are required to supervise. They are required to ensure that all work performed on the system is done by qualified, licensed personnel. They are required to ensure that all data reported to regulators is accurate and reliable.

US Water Services Corporation has had zero presence at Water Oak Estates. Zero supervision. Zero involvement. Nothing on this water system — not one meter repair, not one transmitter installation, not one equipment inspection, not one data verification — has been performed by or under the supervision of US Water Services.

Everything — every single thing — has been done by Water Oak's own general maintenance staff. These are not licensed water system operators. They are not licensed plumbers. They are not plumber apprentices. They are general maintenance employees of Sun Communities Finance, LLC, performing regulated utility work on a public water system without the qualifications, certifications, or licenses required by Florida law and DEP regulations.

Let that sink in for a moment, Mr. Rachal.

Every meter reading your District has received — generated by unlicensed maintenance workers.

Every meter repair that Sun Communities claimed to have performed — done by unlicensed maintenance workers.

Every transmitter installation throughout the community — done by unlicensed maintenance workers.

Every data report submitted to SJRWMD under CUP No. 282-11 — based on equipment maintained exclusively by unlicensed maintenance workers.

Every bill sent to 1,337 families — calculated from readings produced by equipment that has never once been touched by the licensed operator whose name is on the operating license.

US Water Services Corporation appears to be operating as a ghost licensee — lending their DEP credentials and operating license to Water Oak Utility while performing none of the actual work, providing none of the required supervision, and accepting none of the day-to-day responsibility that their license legally obligates them to carry.

This is not a paperwork problem. This has direct consequences for your investigation:

- Every data point submitted to SJRWMD under CUP No. 282-11 was generated by an unlicensed system. The permit compliance data you have reviewed cannot be considered reliably certified.
- The flowmeter accuracy verification required under permit condition EN-51 — who performed it? Under whose license? If it was performed by Water Oak maintenance staff rather than US Water Services' licensed personnel, those verifications are invalid.
- Florida DEP requires licensed operators to oversee water distribution system operations. If US Water Services has had zero involvement, they may be in violation of their own DEP operating license.
- Sun Communities may be operating an unlicensed water system in practice — regardless of what the paperwork says.

I am respectfully requesting that your District's compliance review include a formal inquiry into the following:

- What is the precise scope of US Water Services' contract with Water Oak Utility?
- Has US Water Services ever physically visited Water Oak Estates to inspect, supervise, or verify the water system operations?
- Who specifically performed the flowmeter accuracy verifications required under CUP No. 282-11 permit condition EN-51 — and were those individuals licensed?
- Has Sun Communities been operating this water distribution system without qualified licensed oversight — in violation of Florida Statute and DEP regulations?

Ms. Clary at DBPR is copied on this memo and will note the relevance of this information to DBPR Case No. 2026-032353 as well. A company that submits false financial data to the PSC, charges residents for water it cannot accurately measure, and operates a public water system through unlicensed personnel under a ghost operating license presents a picture that no single agency can address alone.

This matter may also warrant a separate referral to the Florida Department of Environmental Protection's Operator Certification Program (850-245-7500 / operator.certification@floridadep.gov) to investigate whether US Water Services Corporation has violated the conditions of their DEP operating license at Water Oak Utility.

Closing

Mr. Rachal, I want to be clear about one thing: I am not here to make your job harder. I am here to make sure it gets done completely.

The residents of Water Oak Estates range in age from their 60s to their upper 90s. They live on fixed incomes. They have no alternative water provider. They have been paying inflated, inaccurate bills for years — bills based on broken meters, unaccounted irrigation, and data submitted by a company that the PSC Chairman himself declared untrustworthy.

Your compliance review is one of the last remaining opportunities for the truth about what has happened at Water Oak Estates to be fully documented by a government agency. I am asking you to use it.

All PSC filings, evidentiary submissions, staff recommendations, billing records, meter data, and related documentation are available upon request. Please do not hesitate to contact me directly.

Respectfully submitted,

Dinah Schiegner, J.D. (Ret.)

Regulatory Advocate

Water Oak Estates Oversight Committee

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