

February & March 2021, Coconut Telegraph

Important information in this issue you won't want to miss!

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Sewer Project Update

From LGPOA Director, Barb Dwyer:

By now, most of you are aware that Charlotte County (CC) is planning on bringing a wastewater system to the area. Environmental Utilities LLC (EU), a company wholly owned by Diane & Jack Boyer, is in the process of applying to be the provider of this service. The scope of the project includes LGI, Cape Haze (CH), Don Pedro Island & Knight Island aka Palm Island (PIE). This is expected to be about 1164 customers. EU entered into an agreement with CC in July 2020 to accept the wastewater at the Rotunda Wastewater Treatment plant. EU filed a request for a Certificate of Authorization to install the system with the Public Service Commission (PSC) in Oct. (Docket 20200226-WS) At that time, they submitted a confidential financial statement. They also requested a bifurcation of rate/cost info from the certificate.

To date, LGPOA has contacted CC Utility Director Rudy, CC Commissioner Truex, the PSC, the Office of Public Council (OPC) and our FL State Representatives looking for information & guidance. We have also been in contact with the PIE group & the CHPOA.

Since the last website update in December, EU mailed out a notice on Dec 18, 2020 to all affected homeowners of the plan to install the wastewater system. This notice gave homeowners 30 days to comment or object to the EU plan to the PSC.

The PSC meeting to determine if bifurcation was to be allowed was held on January 5, 2021. There were 144 pieces of correspondence filed prior to New Years. Over 100 additional pieces came in over the weekend that the PSC did not have time to review before voting. This large number of consumer concerns had a big influence on the PSC decision. In the end, the PSC denied the motion to bifurcate. EU's has not demonstrated that establishing initial rates and charges in its application for an original certificate demonstrates a substantial hardship. This means the cost of the system & the rates will have to be submitted prior to approval of the certificate. The full transcript of this meeting can be found in the document filings for Docket 20200226-WS. www.psc.state.fl.us

After this decision, the LGPOA tried to determine what our next steps should be. A few different lawyers were called to get information. The consensus was we didn't need to hire a lawyer unless we wanted to fight the whole process. There were a couple of suggestions given by the lawyers. A few that were mentioned:

- Hire an outside provider to perform an open book audit to review the wastewater systems. [L] [SEP]
- Form our own Not for Profit Utility. Contact the Rural Water Association which is a good resource for small utilities. The Florida Government Utilities Association (FGUA) can also help. [L] [SEP]
- Form a Community Development District - a special group for managing & financing infrastructure required to support development. [L] [SEP]

CHPOA had their members meeting on Jan 9th. They have decided to fight the whole project. They have hired a lawyer and have requested administrative hearing with the PSC. Their reasons include the financial capability of EU, the lack of experience for a project of this scope, the character of EU's owner, their low population density & the lack of detailed studies of the area. Complete information on their concerns can be found in the PSC document filings for Docket 20200226-WS.

PIE and 2 other persons have also filed official complaints and requested administrative hearings with the PSC with similar concerns. These letters are also found in the docket filings.

Knight Island Utilities is in support of moving forward with this project with EU. This letter can also be found in the docket filings.

Another LGI resident (& lawyer) indicated that LGPOA should also file an objection & piggyback on the administrative hearing request that the others have submitted. It was suggested if we weren't a part of the objection, we might not be considered when the objections were ruled upon.

EU has not provided any financial documentation for the public to view. They have not provided any engineering studies that have shown they have taken LGIs unique characteristics into the design of the wastewater system. They have not provided any realistic costs for construction & installation (impact fees) as well as costs for ongoing operation & maintenance (monthly rates).

We do disagree with one point from the other groups. **LGPOA board acknowledges that we are part of the problem regarding the nutrient runoff into the gulf and the bay. Sewers are inevitable to address the declining water quality in the area.**

Because of these reasons, LGPOA board has decided to file an objection with the PSC & ask for an administrative hearing. As of 2/4/2021, our objection has been officially accepted by the PSC.

The LGPOA has been told that EU has hired Giffels Webster Engineering firm. They are currently completing a study to compare the vacuum system versus the low pressure grinder pump system. Once that is determined, the project will go into the preliminary engineering stage, which will determine the cost factors. The proposed impact fees as well as the annual operating expenses will be projected. This will take approximately 2 months to put together for the PSC. The PSC will then make all findings public knowledge & set a date to review the proposal.

One of the LGPOA Board members questioned the OPC regarding the review of Jack Boyer's personal financial documents, LGWU's business financials & EU's business financials. The response from Anastasia Pirrello at the OPC was^[L]_[SEP] "An accountant from OPC evaluated the unredacted version of the financial documents filed with the application. We did not evaluate the financial integrity of any other utility. Hope this clarifies your questions."

Two members of the Board met with CC Commissioner Bill Truex & CC Utilities Director Craig Rudy along with other residents of CH, PIE & Don Pedro Island to

discuss the wastewater project. The meeting began with a presentation by Dr Mary Lusk to describe the coastal septic system & drainfield and how it contributes to water quality issues. It was a very informative discussion. I encourage anyone who would like more information to go to the website www.aftertheflushfl.com for a good explanation of how a septic system works.

The meeting proceeded with most of the group expressing their concerns about the sewer project and about EU. CCU director Rudy fielded the majority of questions. He gave a lot of background information about CCU & the issues they are currently dealing with. CCU is limited with the number of projects they can run at any one time based on the FL state budget allocations to the county. They have had to bail out other small utilities that have failed or walked away from their obligations. He indicated they wouldn't be able to fund this project until 2029.

There were a number of questions asked about why EU was given the contract, why it wasn't put out for bid, what role CCU would have with the utility & the oversight of the project. In the end it came down to first come, first served. EU was the first company to ask for the agreement. It is not a contract. There was no financial review or technical evaluation of EU. That is for PSC & the DEP to evaluate before the certificates or permits are issued. CC responsibility ends where the EU lines connect with the existing CC sewer system.

The meeting progressed with people pressing for CC involvement. Many different scenarios were presented & many questions about oversight & easements were raised. Rudy was also asked about the project timeline. As time moves on, it is more unlikely that EU can get the work done in the timeline stated. Rudy was asked what effect this would have on CC being able to step in and take over? In the short term, it would have no effect, but if the certificate or permits were denied, then it might be a different story. But, it did not appear that Rudy was interested in this prospect.

Both Truex & Rudy were asked about the absence of CC representation at the PSC meeting. It was discussed that if the time frame did move out 3-5 years, having CC as an interested party would be helpful. They were asked if CC would file an Amicus Brief in the matter (to become an interested party in the PSC proceedings without being a litigant).

The final discussion was on the character of Jack Boyer. Concerns were raised about numerous complaints raised by LGWU customers, unlawful activities he has admitted, & the lack of oversight to ensure best business practices are followed. Both Truex & Rudy were aware of Jack's history.

Truex was very receptive to the discussions but admitted he needed to get more information on the matter from FL State Reps, the legal department & about EU finances. He offered to keep us informed if we were interested.

The responsibility of septic system oversight is being moved from the Dept of Health to the DEP. It is just speculation at this point, but it is thought that the rules and enforcement of septic system operation will become more strict with this change. Please note: when each homeowner filled out the on-site wastewater disposal system application, the following statement was included "This declaration of Restrictions/Utility Easement shall be deemed a covenant running with the land & shall be binding upon the undersigned, their lessees, successors & assigns until sanitary sewers are made available to & accessed by the property, at which time the restriction shall be terminated & released."

Finally, there is a group of people from each of the project areas that are going to research what it will entail to start a Utility Board. A Utility Board would buy out all utilities involved with our islands in a phased process. Meaning it would own all water and sewer for the project area after 5-10 years as a guess. Homeowners would each own a share of the utility. It would not be set up as a non profit, it would be its' own governmental entity. Because it would be a governmental entity, it takes more time, legislative support and a committee to start. A meeting with our state representative, Mike Grant, is scheduled later this month. It will help the team be able to get a better grasp of Florida law and the steps necessary for the Utility Board by attending.

To all membership, please contact your representative on the Board of Directors, in writing by email, to let the board know your thoughts and/or concerns.

****Spring Break Tips...Police Protection**

As we prepare for our Spring Break visitors, islanders and visiting guests will be reassured by the additional police officers hired by the LGPOA. Each officer that's

new to our unique island is briefed by Billy Prummell and receives an island customs orientation from an LGPOA board member or our Fire Chief, Bill Underhill.

What can you do to help if you have guests?

1. Are adults staying at your home to supervise your younger guests?
2. We all know litter occurs, sometimes accidentally, please encourage your guests to pick up after themselves and others.
3. If your guests have pets, provide or ask them to bring waste bags for animal clean up. Remind them to bring their leashes!
4. Carts need at least a flashlight for travel at night on the island. Encourage people to drive slow and be mindful of other islanders.
5. Store fishing equipment out of site and secure your golf carts.

We know these “island customs” are expected on the island, but visitors may not. Please share them to make the island a better place for everyone!

****Minutes from our Business Meeting February 4th**

From Dawn Bokar:

CALL TO ORDER

The meeting was called to order by President Richard Leydon at 5:03 PM at the Placida Beach clubhouse.

PRESENT

Board members present were Richard Leydon, Rhonda Olson (phone) Paul Holmes, Deric Flom, Roy Petteway Barb Dwyer, Joe Bokar and Laurie Tremblay (phone).

APPROVAL OF MINUTES

Minutes of the November 16, 2020 minutes were approved via email previously.

TREASURER’S REPORT

Paul Holmes reported that the bank account balance is \$22,500.

COMMITTEE UPDATES

POTHOLE PROJECT

Richard Leydon reported that the path in front of the A-Frame has been filled with additional rock, the project completed, and should be under the \$5000 budget. Cost to the LGPOA was \$2800. Richard led discussion on the northern hole which is on private property and questioned whether the new owner may pay to fill it. It was decided that the next hole worked on will be on the area of Alborado and Privateer.

MEMBERSHIP

Dawn Bokar updated the board on the membership drive. She asked the Board members to review and approve or suggest changes to the membership letter, informed them that the tax roll had been pulled, the cost of the mailing per piece will be \$1.05 + postage. Postage will be less this year with the mailing house now having presorted first class, reducing the rate to between .40 and .47. The packets will be going out the last week of February.

SEWER PROJECT

Richard Leydon thanked everyone for their hard work getting up to speed on the sewer project and helping to educate islanders when possible.

BARB DWYER AND PAUL HOLMES

Meeting with Charlotte County Commissioner Truex & CC Utilities Director Rudy

Barb Dwyer & Paul Holmes shared the info they learned at a meeting with CC leadership & 16 other homeowners from Cape Haze, Don Pedro & Knight Island. The discussion began with an explanation by scientists from the University of Florida as to why the sewers are needed. Porous, sandy soil lacking in organic matter allows septic system effluent to enter the groundwater too quickly.

Without adequate time to percolate, the nutrients in the groundwater flow into the nearby waterways, contributing to algae growth & red tide blooms. A discussion also ensued about the nutrient levels in reclaimed water that is used for irrigation which is pumped back into the ground if it is not used. The group consensus was there is a need for sewers. The concerns center around EU's ability to do the job.

Utilities Director Rudy indicated CC can't touch this project until 2029 due to budget constraints. CC has had to bail out other small utilities in the area that have failed. EU was given the agreement with CC because they asked for it first. First come, first served. There was no financial review or technical evaluation of EU done by CC. The total cost of the project for Cape Haze, Don Pedro/Knight Island and LGI is thought to be \$22-25 million based on data from the CC 2017 Sewer Master Plan, adjusted for inflation. There was a lot of push in the room to have CC do the project despite the delay in timeframe. The majority of concerns centered around the EU financials and their lack of experience with a project of this magnitude. CC indicated they would not step in unless the PSC denied the permit. Rudy/Truex were questioned whether CC would file an Amicus Brief (friend of the court, not a litigant) with the PSC to be able to sit in on the discussions.

Commissioner Truex took notes of all the concerns discussed & indicated he needed more information. He agreed to contact the FL State Representatives about an increase in the budget allocation. He said he would contact the legal department about the Amicus Brief. He would also check into EU's financials. It was felt by both Barb & Paul that Truex was genuinely interested in the concerns of the group. He offered to share any additional information garnered.

Richard Leydon then asked each Board member for their thoughts on the project.

JOE BOKAR - I agree with surveying the islanders and believe it's inevitable that we will be getting sewers and our main goal should be for homeowners to not overpay. I feel that the best way to avoid that would be for the county to do the project but agree with Rhonda that we should seriously look at doing forming our own utility with county oversight. We should engage Volpe, and keep doing our due diligence, making sure as

many islanders, POA, and lawyers are kept in the loop on every detail so we can respond proactively.

BARB DWYER - I agree that there is a need for sewers on LGI based on the scientific data & the changes I have seen in the water quality over the 5 years I have lived on the island. I am concerned with EU doing the project based on the history of LGWU. I have gone back to research the water data filed with the PSC. There were numerous complaints & concerns raised, but there doesn't appear to be any follow through showing any kind of resolution with those complaints regarding installation & service. The dealings with LGWU when HBBC needed to hook up the fire suppression system was not good. No one from LGWU was available to address two major water leaks at HBBC in the past 6 months. Boil water notices are not sent out on a timely basis. A leak involving water is not good, but an untended leak with a sewer system could be a major environmental issue.

I don't know if we have any control in who gets awarded this contract to install sewers on LGI. The overall cost of installation as well as the operation & maintenance costs must be reasonable. Higher installation costs of a system with lower operation & maintenance costs which might be recouped with grant money could be a better option for residents than a system with lower initial installation costs but higher ongoing operation & maintenance costs. It is my goal that the installation of the sewer system be done properly from the start, with continuing oversight throughout the project.

DERIC FLOM- I feel it's important to get all the information and facts out to membership and let the island owners decide from the options presented.

PAUL HOLMES - I don't care if the county subcontracts to Jack as long as they have (a) final responsibility and (b) can stretch payments over 20 years. The statement that the county would cost "at least 1/3 more" is not substantiated and does not include the approximately \$2 million as profit that would be paid to Jack.

RICHARD LEYDON – I feel that we need to step back and look at the total picture. The county and state have identified Cape Haze, LGI and Palm

Island as areas of concern in their Sewer Master Plan. LGI has been in the five-year plan for several years. They have seized upon an opportunity with EU to move this project forward. EU is moving forward. The county has been asked repeatedly to step in and take the project over. They have declined each time. EU continues to the next stage of the permitting process. Unless the PSC finds fault with their application, they will take the next steps to getting the project built. Other parties have decided to fight the project. That may ultimately impact us as well. Only time will tell.

What we do know...The DEP is taking over control of septic systems from the counties. We have already been identified as an area of concern and it would be very easy for the DEP to start inspecting existing septic systems. If they do, and if you fail, they will shut the property down until the issues are resolved. To replace a septic system on the island could easily cost a homeowner thirty to forty thousand (\$30,000.00-\$40,000.00) Dollars. Each home has already agreed to hooking up to a sewer collection system when the initial septic permit was applied for. This means that if you have to install a new system you will then have to hook up to a collection system within a year of it passing your property. In the worst-case scenario, you would have to pay twice. First to rebuild your system and second to hook up to the new collections system.

We need to stay involved and monitor the next steps for system design and costs. I believe the sooner this happens the better. Better for the environment and better for the homeowners. Nobody wants to pay more to maintain their home, but when it ultimately makes your home more saleable while also protecting the precious environment that surrounds us, it is hard to argue with.

RHONDA OLSON - I believe the job of the board is to educate membership with facts. When we discuss the topic is when we get to express our concerns and debate our findings. Here are my opinions on the research we've accumulated.

My husband and I installed residential septic, community septic systems, waterlines for the city, etc. for half of our lives. I understand sewer projects, county involvement and a bit about business.

The bifurcation of rates was turned down by PSC (Public Service Commission). Excellent news! Now EU will provide PSC projections of costs for installation and maintenance. EU estimates delivery to PSC in 90 days. Once EU provides the information to PSC, they will give all interested parties notice and share the information.

Since PSC turned down EU's request to bifurcate the rates on January 5th Cape Haze and PIE filed a petition for arbitration. We were advised to file also by an attorney (an islander) to have our "foot in the door." He said if we weren't part of the administrative hearing we may not be considered in the outcome. The LGPOA decided to file our own petition to participate, saving attorney fees. We now will be considered in the results of the hearing. Other board members feel it's important to hire an attorney to protect the interest of islanders, but at this time, I don't see the point. We will be notified by PSC in every step of this process. OPC (Office of Public Counsel) and PSC both have attentive attorneys, accountants and engineers that are ready to work for and with us. They have been very helpful thus far. Therefore, I believe using LGPOA membership dues to hire an attorney would be a waste.

The LGPOA board has discussed sending a survey to membership. I spoke to PIE about their thoughts on the matter and they felt the results wouldn't reflect the majority of their population so they decided it wouldn't be a fair survey. Much like the LGPOA, PIE is voluntary. We do not represent all homeowners, only those who choose to join are members. Another point she made was if people aren't educated about the choices, it's likely their answers will be an unfair representation. I agree that that's the case on LGI as well and a survey wouldn't give us a true reflection of our island.

Regarding the meeting with Truex earlier this month, the gentleman that organized the meeting informed me he thought Truex was "being a politician" and telling the people attending what they wanted to hear. He is convinced that CC is not going to step in or take over the project. CC has agreed the project will use their treatment plant, but that's as far as they are willing to help at this time.

Since I believe fighting the project EU is applying for isn't good use of my time, my focus from here forward is to help research and develop a utility district for all involved, outside of the LGPOA. A utility district is a political subdivision of the State of Florida to provide water, sewage, drainage, and other utility-related services. We would essentially buy the project from EU and over time phase in the water utilities as well. This reduces individual homeowner costs for many, many reasons. EU supports this idea and is taking a member of our group with them to meet with our state representative later this month. They will explore options and gather information. We had planned to send out a survey to determine homeowner interest, but we determined it's too early at this time. Instead, we are forming a research committee of experienced people to analyze the project and evaluate savings, etc. When I reached out to the attorney (islander) mentioned above to ask him if his firm could represent such a project he stated, "I agree that there is support for this concept (utility district). There should be more support if folks knew the low chance of success in stopping the Environmental Utilities application." He also confirmed his firm is willing to guide and help us through the project. We are interviewing several attorneys for representation. I'll keep you posted, with board approval, in the upcoming Coconut Telegraphs.

ROY PETTEWAY - I've stated numerous times, I probably feel like the residents in the area, I feel like sewers would probably be a good thing in the future. I do not think EU has either the experience, nor the responsibility to build and maintain a project of this scope and size, based on Mr. Boyer's prior actions and inactions with the water project on the island. I'd like to see the county oversee this, even if we must wait a few years to do it, it would give property owners the opportunity to pay over years, and there would be professional oversight, as well as proper easements and right of ways purchased. In the past few days, I've received numerous emails from people who are against EU handling the project but are in more or less support of a sewer project. One statement in the letter that was made is that the county would cost at least 1/3 more. I'd like to see data on that statement, or is that just a personal estimate?

LAURIE TREMBLAY - In order to be prepared, we should decide on the type of sewer system for the island. Low maintenance and low operating costs

are important. Grants and other aid should be investigated for the initial installation of the system. If the county will not undertake the installation of a sewer system and awards it to a private utility, then EU or any other private utility should be closely supervised for quality workmanship and financial responsibility.

NEXT MEETING

Annual meeting will be held on Saturday, April 10, 2021 at 11:00 am. The logistics will be posted on the website and in the Coconut Telegraph when they are confirmed.

ADJOURN

A motion to adjourn was made by Joe Bokar and seconded by Barb Dwyer at 6:46 pm.

**** LGPOA Annual Membership Drive**

From Membership Chair, Dawn Bokar:

The 2021 LGPOA membership drive is about to get underway with the 2021 membership packet arriving in your mailbox in early March! You can mail in your legibly completed form and check as instructed in the letter or go online to <https://lgpoa.org/membership/> and complete the form and payment. Don't miss out on island news and updated information. Current memberships expire on April 30, 2021. Join before the 30th of April and you're grandfathered in until May 2022.

****Paul Holmes resigns as LGPOA Treasurer and District**

Paul Holmes has resigned from the LGPOA after many years of service. His experience, advice and humor will be missed.

****Mark your calendar- LGPOA Annual Meeting**

This years Annual Meeting is scheduled for April 10th at 11am. Due to Covid the logistics will be posted on the website and in the Coconut Telegraph when they are confirmed.

****Environmental Update - Thank you to Bren!**

On behalf of islanders and the LGPOA I'd like to thank Bren Curtis for her hard work and leadership while leading the turtle patrol last year. And I'd like to thank her for the articles she submitted for the Coconut Telegraph. Good luck Bren and thanks again for volunteering!

****Little Gasparilla Island Fire and Rescue (LGIFR)** (The LGPOA is not affiliated with the LGIFR, we just want to keep you up to date on all island activities.)

From Fire Chief, Bill Underhill:

If you smell something besides wood burning, please stay off Facebook, call 941-270-7607 so something can be done about it. Facebook will not solve the problem.

Please don't let your kids drag their feet off the back of the golf cart. The roads are full of roots, rocks, shells, nails and sometimes broken glass. Also small children should not be driving carts. I've seen some riding on the roofs; they can so easily be thrown off and injured.

Everything else has been nice for a while: good weather, great water and most people have been behaving!

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Please feel free to email me at twrhonda@gmail.com with any information you'd like circulated in the next month's Coconut Telegraph by the 25th of the month. Content is reviewed by board members for approval.

Have a happy St Patrick's Day!
Rhonda Olson