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Public Staff's Cease and Desist Letter, dated April 11, 2022,
addressed to CV-WWT, LLC and Envirolink, Inc.

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Mar 26 2024

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**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

April 11, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

CV-WWT, LLC
251 Dry Valley Road NE
Unit S-2
Cleveland, TN 37312

Envirolink, Inc.
4700 Homewood Court
Suite 108
Raleigh, NC 27609

RE: Carolina Village Mobile Home Park (Moyock, NC)

To Whom It May Concern:

It has come to our attention that CV-WWT, LLC and Envirolink, Inc. are engaging in activities reserved for authorized public utilities in direct contravention of Chapter 62 of the North Carolina General Statutes. According to N.C. Gen. Stat. § 62-3(23), any individual or entity that furnishes water or sewer service to 15 or more residential customers for compensation is a public utility. Public utilities are regulated by the North Carolina Utilities Commission and, per N.C.G.S. § 62-110, they cannot charge customers for utility services without having first received a certificate of public convenience and necessity (CPCN) from the North Carolina Utilities Commission.

The attached documents clearly show that CV-WWT, LLC or Envirolink, Inc. is billing residents of the Carolina Village Mobile Home Park for water and sewer service despite the fact that neither entity has a CPCN giving it authorization to do so. Given the foregoing, both entities are advised to (i) cease and desist charging customers living in Carolina Village Mobile Home Park for water

| | | | |
|--------------------------------------|------------------------------|-------------------------------------|-------------------------------------|
| Executive Director (919) 733-2435 | Accounting (919) 733-4279 | Consumer Services (919) 733-9277 | Economic Research (919) 733-2267 |
| Energy (919) 733-2267 | Legal (919) 733-6110 | Transportation (919) 733-7766 | Water/Telephone (919) 733-5610 |

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April 11, 2022
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and sewer services immediately upon receipt of this letter; (ii) refund all monies received from customers for water and sewer service within 10 calendar days of receipt of this letter; and (iii) send the Public Staff the written response described in greater detail below within 20 calendar days of receipt of this letter.

The written response must, at a minimum, include the following information:

- a. the names and physical address of all customers;
- b. amount each customer has been charged to date;
- c. the date on which each customer began being billed for service;
- d. amount each customer has paid to date;
- e. the amount each customer was refunded, the method used to issue refunds, and the date on which the refund was completed;
- f. the rates and charges assessed for water and sewer service; and
- g. future plans regarding operation, maintenance, and ownership of the water and sewer system.

Your response can be mailed to the Public Staff Water, Sewer, and Telephone Division using the address shown below or submitted via email to: charles.junis@psncuc.nc.gov.

Contact me via email at the address provided above with any questions regarding this notice.

Sincerely,


for Charles M. Junis

Attachments

cc: **Nelson Communities, LLC**
111 Universal Circle
Moyock, NC 27958

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CAROLINA VILLAGE

111 UNIVERSAL CIRCLE • WYOMER, NC 27658 • (252) 435-2663

NOTICE

TO: All Carolina Village Residents
FROM: Nelson MGMT
DATE: March 16, 2022
SUBJECT: Water and Sewer Billing

CV-WWT LLC, a division of EnviroLink, took over operations, maintenance and management of the Carolina Village MHC, LLC's water and sewer system serving the community in February 2022.

As part of the new operations all residents will receive a separate water and sewer bill from CV-WWT LLC which is not included in your monthly lot lease payment. This separate bill should be remitted directly to CV-WWT per their payment instructions.

Unfortunately, CV-WWT inadvertently sent individual residents bills for March. Please ignore the bill dated March 4. Carolina Village will pay those bills for all residents. We apologize for the confusion and inconvenience. All residents will, however, begin making payments for water and sewer in April. (If you have already paid the water/sewer bill you received dated March 4, CV-WWT will credit your individual account for April.)

Any questions concerning your water and sewer bill should be directed to CV-WWT at 252-235-4930 Option 2 which is their customer service and billing department. You should continue to call 888-754-5878 for all maintenance and/or service problems. Please remember that should you experience a service issue that CV-WWT determines is a problem with your personal residence, you are responsible for repairing the issue. If, however, CV-WWT determines there is possibly a problem with the water or sewer lines that the Park maintains, CV-WWT will call the Park Office or Park Manager directly to discuss repairs/replacements needed. Carolina Village is not responsible for paying any plumber a resident calls for personal service. (If a resident's chosen plumber were to determine there is possibly a problem with the Park's sewer/water lines, that plumber should immediately stop work and call the Park Office. Carolina Village has a maintenance department that will handle these issues.)

Again, we apologize for any inconvenience and confusion concerning the water/sewer bill residents received for March.

Management

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Please Read – Important Information Regarding Your Water Service

March 1, 2022

Carolina Village Utility Customers

Dear Customer:

As you may be aware, CV-WWT, LLC took over operations, maintenance and management of the Carolina Village MHC, LLC's water and sewer system serving the community in February 2022. This includes customer service, billing and collections. There are several changes that will take place beginning in 2022. We are spending \$150,000 to upgrade the lift stations and wastewater plant and that we will be spending \$100,000 to meter the water system over the next 12 months.

As an CV-WWT, LLC customer, we want you to have the best consumer experience possible.

What is New?

- **Monthly Water Billing**
- **New Customer Service Numbers for water related issues**
- **New Full Page Bill for water services**
- **Additional Payment Options**

Monthly Water Billing Announcement.

Beginning for service in February 2022, you will receive a monthly bill from CV-WWT, LLC for water and sewer service. You should expect the first monthly bill the first of March. Please feel free to contact our customer service representatives during normal business hours Monday through Friday with questions.

Customer Service Numbers

Our customer service department is open Monday through Friday 7:00 am to 9:00 pm Eastern Standard Time, excluding holidays. After hours calls are directed to an answering service for next day follow up. In the event of an after-hours emergency, the answering service will contact one of our field technicians, who will contact you to assist with resolving your service-related issue. Typically, a technician will contact you within 1 hour of your call for afterhours issues.

Please use the following phone numbers:

Customer Service & Billing Issues

7:00 am – 9:00 pm Monday through Friday

Main Number – 252-233-4900

Toll Free – 888-754-9878

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Utility Statement

888-794-9878



CV-WWT, LLC
4700 Homewood Court
Suite 108
Raleigh NC 27609

Customer Name [REDACTED]
Service Address [REDACTED]

| Summary of Charges | |
|-----------------------------|--------------|
| Previous Balance: | 0.00 |
| Payment | |
| Service | Charged |
| Residential Sewer Flat Rate | 45.00 |
| Residential Water Flat Rate | 27.47 |
| Rate Plan Charges | |
| Support & Administration | 0.00 |
| Total Bill Amount | 71.02 |

| Reading | Multiplier | Usage | Units | Charged |
|----------|------------|-----------|----------|---------|
| 3/1/2022 | | | | |
| 71.02 | 1 | 3/31/2023 | 03/31/23 | |

Account # [REDACTED]

| Service | Meter # | Read Dates | | | Reading | | Multiplier | Usage | Units | Charged |
|------------|---------|------------|----------|-------------|---------|----------|------------|-------|-------|---------|
| | | Current | Previous | Days Billed | Current | Previous | | | | |
| [REDACTED] | | | | | | | | | | |

Please call customer service at listed toll free number with any questions or concerns. Autodraft and credit card payments available. We look forward to serving your community.

Please detach lower portion and remit with your payment



EnviroLink, Inc.
4700 Homewood Court
Suite 108
Raleigh, NC 27609

| Amount Due | |
|------------------|--------------|
| Current Due | 71.02 |
| Previous Due | 0.00 |
| Total Due | 71.02 |

Please Remit Payment To:

1155811-06-1 1 2



DAVID OR
MOYOCK NC 27658-0682



CV-WWT, LLC
ENVIROLINK, INC
4700 HOMEWOOD COURT # 108
RALEIGH NC 27609-5732

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CV-WWT, LLC's Response to the Public Staff's Cease and Desist Letter,
dated April 29, 2022,
provided via email by Michael Myers from the following email address:
mmyers@envirolinkinc.com

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CV-WWT, LLC
1415 W Gannon Ave.
Zebulon, North Carolina 27597

April 29, 2022

Mr. Charles M Junis
Acting Director, Water, Sewer and Telephone Division
Public Staff – North Carolina Utilities Commission
430 N Salisbury Street, Suite 2074
4326 Mail Service Center
Raleigh, North Carolina 27699-4300

Dear Mr. Junis,

We thank the Public Staff for their attention to this matter, it was not CV-WWT's intention to become subject to NCUC jurisdiction. Carolina Village has been in existence for over 30 years and historically has included water and sewer in the monthly rent. This is a very common structure used by hundreds of mobile home and apartment communities across the State of North Carolina and to the best of our knowledge this structure is not subject to NCUC jurisdiction.

At Carolina Village, the water and sewer system has been and continues to be owned by CV-WWT. Recently, the mobile park was sold to a new park owner with a goal to transfer the water and sewer system to a buyer that is a Public Utility. We anticipate transferring the water and sewer to either a regulated utility under NCUC jurisdiction or utility exempt from NCUC jurisdiction.

Our intention, with the recent sale of the community, was to segregate the rent into "rent" and "rent for water and sewer" in anticipation of plans for the sale of the water and sewer system. As such we have worked with the new park owner to lower monthly rent and separately invoice rent for water and sewer service and rent for lot and home. As such, the total charges to residents is unchanged and remains the same. This was intended to purely be a change in how "rent" was presented and collected.

CV-WWT understands the concerns associated with NCUC regulation, it was our opinion that since this was purely a matter of presentation with no financial impact to the residents of Carolina Village, it would not subject CV-WWT jurisdiction.

In recognizing Public Staff's concern, we have worked with the new park owner (Nelson Communities) to return to the prior structure where water and sewer is included in the monthly rent and will continue this practice until the water and sewer system can be transferred to a Public Utility.

We appreciate the Public Staffs attention and position on this matter and intend to comply with their request. Please see below for responses to each request in the April 11, 2022 letter.

1. Names and Addresses of resident. Attached. This material should be treated as confidential as it contains personal information.
2. Amount each resident has been charged to date. \$142.04
3. Date of first billing: 4/7/2022. There have been two billings.
4. Amount each customer was refunded, method of issued refunds and date of refund.
 - a. Refunds were issued based on the status of payment.

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- i. Customers who submitted payment were refunded via check
 - ii. Customers who have not submitted payment were refunded via credit applied to the account
 - b. As of 4/26/2022, five customers have submitted payment, checks were issued refunding the payment from CV-WWT's account.
 - c. Other customers were issued credits to the account.
 - d. Date of refund 4/26/2022.
5. Rates & Charges: A flat rate of \$71.02 was charged to each resident that included both water and sewer.
6. Future Plans. As stated, our goal is to transfer the water and sewer to a public utility.

We trust that this response addresses Mr. Junis' concerns and resolves this matter, if you have any questions, please feel free to contact Mr. Michael Myers, he is authorized to discuss this matter with Public Staff.

Sincerely,



Libby Jenkins

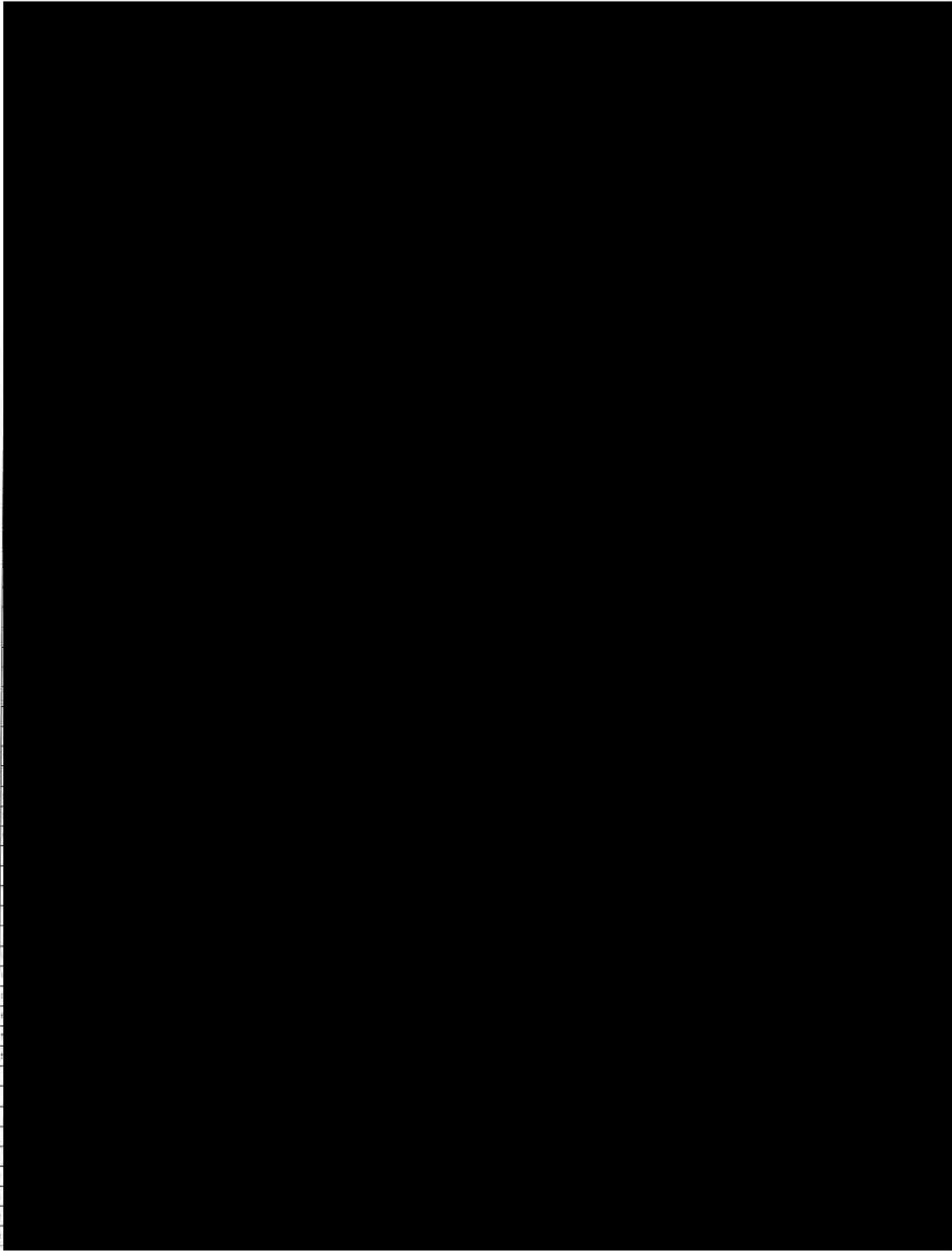
Manager

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Customer information provided by CV-WWT is redacted below.

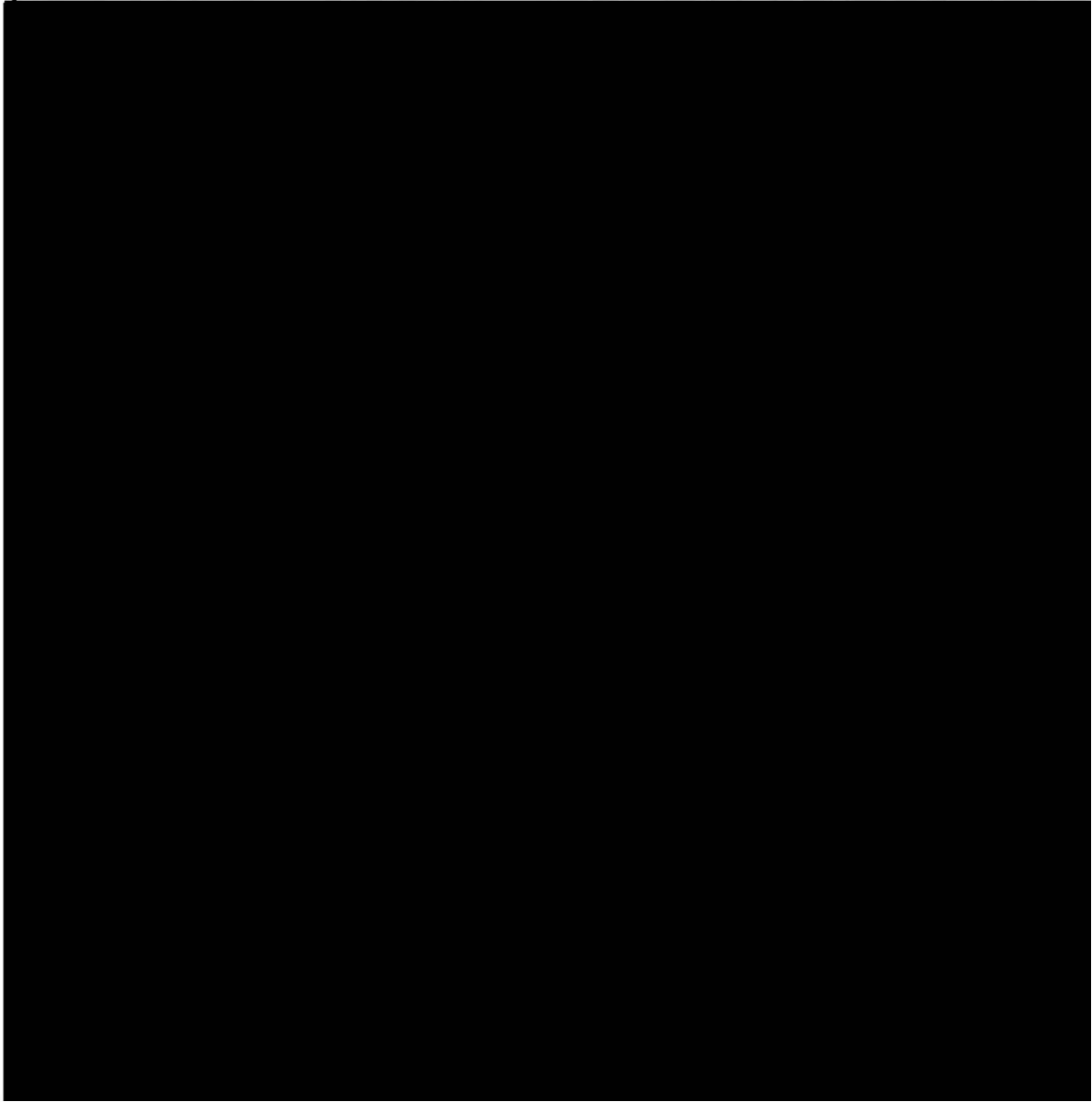


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Customer information provided by CV-WWT is redacted below.



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Public Staff's Response to CV-WWT, LLC's Response to the Public Staff's Cease and
Desist Letter,

dated May 24, 2022

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May 24, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

CV-WWT, LLC
251 Dry Valley Road NE
Unit S-2
Cleveland, TN 37312

Envirolink, Inc.
4700 Homewood Court
Suite 108
Raleigh, NC 27609

RE: Carolina Village Mobile Home Park (Moyock, NC)

To Whom It May Concern:

The Public Staff received and reviewed CV-WWT, LLC's response to the cease and desist letter it sent to Envirolink, Inc., and CV-WWT, LLC on April 11, 2022. The response prompted the follow-up questions listed below. Please provide a response within 15 days of receipt of this correspondence.

1. Identify Ms. Jenkins' employer.
2. Explain why Envirolink, Inc., did not provide a response.
3. Explain the relationship between Envirolink, Inc., and CV-WWT, LLC.
4. Explain why the date of first billing provided in the response is inconsistent with each of the following:
 - a. Per the response, the first billing occurred on April 7, 2022 and then states that two billings have occurred.
 - b. The resident list shows two billings: March 4, 2022 and April 7, 2022.
 - c. The date of first billing in the response does not align with the inconsistent correspondence residents of the mobile home park received discussed below.

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- i. Residents provided documentation authored by CV-WWT, LLC, dated March 1, 2022, stating the following: *“Beginning for service in February 2022, you will receive a monthly bill from CV-WWT, LLC for water and sewer service. You should expect the first monthly bill the first of March.”*
 - ii. Residents provided documentation authored by Nelson Management, dated March 16, 2022, stating that *“CV-WWT inadvertently sent individual residents bills for March.”*
5. Explain the following discrepancy regarding the total monthly charges to residents for rent and water and sewer service. The response stated: *“Our intention . . . was to segregate rent into “rent” and “rent for water and sewer” in anticipation of plans for the sale of the water and sewer system. As such we have worked with the new park owner to lower monthly rent and separately invoice rent for water and sewer and rent for lot and home. As such, the total charges to residents is unchanged and remains the same. This was intended to purely be a change in how “rent” was presented and collected.”* Yet, residents provided documentation authored by Nelson Communities, LLC, dated February 28, 2022, stating that *“lot rent will remain the same for the remainder of this year.”*
6. Provide documentation showing that residents’ rent was, in fact, reduced by \$71.02 for the months during which residents were billed separately by CV-WWT, LLC.
7. Provide documentation showing that residents have been notified that they will no longer be billed for water and sewer service separately, the amount charged by Nelson Management includes water and sewer service, and the total amount charged by Nelson Management through December 31, 2022, will not exceed the monthly amount each resident paid to Carolina Village MHP, LLC.
8. Provide copies of the cancelled checks issued to the following customers: John Keller, Wesley Mercer, Benjamin White, Cynthia Matthews, and Virginia and Robert Williams.

Your response can be mailed to the Public Staff Water, Sewer, and Telephone Division using the address shown below or submitted via email to: charles.junis@psncuc.nc.gov.

Contact me via email at the address provided above with any questions regarding this notice.

Sincerely,

Charles M. Junis
Director, Water, Sewer, and Telephone Division
Public Staff - North Carolina Utilities Commission

cc: **Nelson Communities, LLC**
111 Universal Circle
Moyock, NC 27958

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CV-WWT, LLC's Response to the Public Staff's May 24, 2022 Follow-up Letter to
CV-WWT, LLC and Envirolink, Inc.

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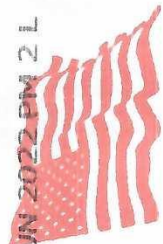
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CV-WWT
1415 Gannon Ave
Zebulo, NC 27590

RALEIGH NC 275

21 JUN 2022 PM 2 L



FIRST-CLASS MAIL

NEOPOST

04/20/2022

US POSTAGE \$000.53



ZIP 27609
041M10281047

Public STAFF of NCUA
4326 Marc Service Centre
Raleigh, NC 27699-4300

27699-432699



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CV-WWT, LLC
1415 W Gannon Ave
Zebulon, North Carolina 27597

June 10, 2022

Mr. Charles Junis
Director, Water, Sewer and Telephone Division
Public Staff
4326 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Carolina Village MHP

Dear Mr. Junis,

This letter is meant to provide the additional information requested in your May 24, 2022 letter and to request additional information related to G.S. 62. In an effort to resolve this matter expeditiously without further delay, we voluntarily provide the following response.

In response to this issue, we have reviewed G.S. 62 and specifically G.S. 62-3, G.S. 62-15 (d) (7), G.S. 62-30, G.S. 62-34, G.S. 62-37, and G.S. 62-110, in an effort to ensure that we comply with appropriate statute and fully understand the authority granted to the Public Staff. Based on our review, Public Staff has been granted the authority to *“Investigate complaints affecting the using and consuming public generally which are directed to the Commission, members of the Commission, or the Public Staff and where appropriate make recommendations to the Commission with respect to such complaints;”*.

As such, we appreciate Public Staff’s investigation into his matter and willing volunteer the following information as requested in the May 24, 2022 letter. In or around 2015, Equity First NC acquired the Carolina Village mobile home community including the water and sewer system. Portions of the assets acquired were transferred to Carolina Village NC, Equity First NC and CV-WWT. Since 2015, CV-WWT has owned and operated the water and sewer system serving the Carolina Village MHP. In 2019, CV-WWT engaged Environlink as a subcontractor to operate and assist with managing the water and sewer system. In 2022, Carolina Village NC sold the mobile home community to Nelson Communities. Additionally, in 2022, CV-WWT appointed Libby Jenkins Manager of CV-WWT and Equity First of NC until CV-WWT can transfer the water and sewer system to a public utility.

In or around February 2022, CV-WWT and Nelson Communities, in recognition of CV-WWT’s intent to transfer the water and sewer system to a public utility, decided to segregate

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rent into rent for water/sewer and rent for other services. CV-WWT directed Environlink to issue invoices rent for water/sewer. The first invoices were sent March 4, 2022.

Upon recognizing that the invoices for water/sewer rent were issued before the rent for other services was modified (e.g. reduced) Nelson Communities notified the renters not to pay the March 4, 2022 invoices and that they would pay the water/sewer rent. Of the 149 renters, five customers paid before receiving the notice not to pay. After issuance of the first invoices, CV-WWT and Nelson Communities decided that Nelson Communities would pay rent for water/sewer directly. However, before CV-WWT notified Environlink of the change and to refund the five customers, the second invoice had been mailed on April 7, 2022. Of the 149 renters, zero paid the second invoice. Of the 298 invoices sent, Nelson Communities has or is paying all 298 invoices directly and CV-WWT has directed Environlink to refund the five customers that had paid and has confirmed the customers have been refunded. Moving forward, Nelson Communities will pay for water/sewer directly until CV-WWT can transfer the water and sewer system to a public utility.

We do not believe that there is a discrepancy regarding the total monthly charges but rather a misinterpretation of the statement *"lot rent will remain the same for the remainder of the year."* Upon becoming aware that invoices had been issued, Nelson Communities prioritized getting a message to the customers notifying them that they would pay invoices and did not consider or evaluate the role of the North Carolina Utilities Commission how public staff would interpret the message. We would also point out that the message was distributed prior to public staff's involvement.

The above information is provided in response to items 1, 3, 4, 5, 6, 7 and 8. In addition, the May 24th letter requested certain pieces of information. The following is offered in response to this requested information.

- A. Rent Reduction Documentation (#6): CV-WWT objects to this request as this question has been asked and answered in our previous correspondence and this response. Public Staff should now be aware that in fact, for reasons stated herein, rent was not reduced and customers did not pay a water or sewer service fee.
- B. Documentation of notice to customers regarding future billing for water/sewer, services included in rent, and rent control through December 31, 2022 – CV-WWT objects to this request for the following reasons:
 - a. Public Staff is already in possession of notices issued to the customers;
 - b. The question regarding inclusion of water/sewer in rent has been asked and answered in this and the prior response;
 - c. The control of rent to tenants is beyond the scope and authority of Public Staff;

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- C. Proof of refunds to customers who paid. CV-WWT has directed Environlink to provide this information to Public Staff under confidential separate correspondence.

Regarding an Environlink's response. We understand Environlink will provide a statement when submitting proof of customer refunds but CV-WWT was responsive to Public Staff in our previous correspondence and as a contractor of CV-WWT, CV-WWT's response, as owner of water and sewer system, was deemed appropriate.

In conclusion, all invoices have been or are in the process of being paid by Nelson Communities and the five customers who paid prior to receiving the notice have been refunded. Until the water and sewer system can be transferred to public utility water and sewer will be included in rent as one invoice. As such, this response is assumed to be sufficient for Public Staff.

Sincerely,



Libby Jenkins
Manager
CV-WWT, LLC

cc:

Nelson Communities
Environlink

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