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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of :

Application for rate increase in Brevard:
Charlotte/Lee, Citrus, Clay, Duval, :
Highlands, Lake, Marion, Martin, Nassau, :
Orange, Osceola, Pasco, Putnam, Seminole :
Volusia, and Washington Counties by :
SOUTHERN STATES UTILITIES, INC.; Collier :
County by MARCO SHORES UTILITIES :
(Deltona); Hernando County by SPRING :
HILL UTILITIES (Deltona); and Volusia :
County by DELTONA LAKES UTILITIES :
(Deltona) :

DOCKET NO. 920199-WS

FIRST DAY - MORNING SESSION

VOLUME I

Pages 1 through 157

PROCEEDINGS:

FINAL HEARING

BEFORE:

CHAIRMAN THOMAS M. BEARD
COMMISSIONER BETTY EASLEY
COMMISSIONER SUSAN F. CLARK

RECEIVED

DATE: Division of Records & Reporting Friday, November 6, 1992

TIME: NOV 9 1992 Commenced at 9:30 a.m.

PLACE: Florida Public Service Commission FPSC, Hearing Room 106
101 East Gaines Street
Tallahassee, Florida 32399

REPORTED BY:

JOY KELLY, CSR, RPR
SYDNEY C. SILVA, CSR, RPR
PAMELA A. CANELL
Official Commission Reporters
and
LISA GIROD JONES, RPR, CM

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APPEARANCES CONTINUED:

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PRENTICE P. PRUITT, Florida Public Service
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Florida 32399-0862, Counsel to the Commissioners.

ALSO PRESENT:

BUD HANSEN, Cypress and Oak Villages
Association, Sugar Mill Woods

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P R O C E E D I N G S

(Hearing convened at 9:30 a.m.)

CHAIRMAN BEARD: Good morning. Do you want to read the notice?

MR. FEIL: Yes, sir. Pursuant to notice, this time and place has been scheduled for the hearing in Docket No. 920199-WS, application for rate increase by Southern States Utilities, Inc.

CHAIRMAN BEARD: Take appearances, somebody?

MR. HOFFMAN: Good morning, Mr. Chairman.

My name is Kenneth A. Hoffman, with the Messer Vickers firm in Tallahassee, P.O. Box 1876, Tallahassee, Florida 32302. With me is Brian P. Armstrong, Southern States Utilities, Inc., 1000 Color Place, Apopka, Florida, 32703. And we are both appearing on behalf of Southern States Utilities, Inc.

CHAIRMAN BEARD: Okay.

MR. JONES: My name is Harry Jones. I'm President of the Cypress and Oak Villages Association in Sugar Mill Woods. With me is Mr. Bud Hansen, who is our resident expert on sewers and water. And we're appearing on behalf of the residents of Sugar Mill Woods.

CHAIRMAN BEARD: Okay.

MR. HAAG: Larry Haag, County Attorney for

1 Citrus County, representing the Board of County
2 Commissioners, Citrus County.

3 CHAIRMAN BEARD: Okay.

4 MR. McLEAN: Jack Shreve and Harold McLean,
5 representing the Citizens of the State of Florida, 111
6 West Madison, Tallahassee, Florida 32399.

7 MR. FEIL: Representing Commission Staff will
8 be myself, Matthew Feil, Ms. Catherine Bedell, Ms. Lila
9 Jaber, Ms. LeeAnn Knowles, Ms. Karen Asher-Cohen, Ms.
10 Suzanne Summerlin and Mr. Rex Golden.

11 MR. PRUITT: And I'm Prentice Pruitt, Counsel
12 to the Commissioners.

13 CHAIRMAN BEARD: Okay. It's my understanding
14 we have some outstanding motions, et cetera, et cetera,
15 et cetera.

16 MR. FEIL: Mr. Commissioner, I believe we
17 have two outstanding motions: One is a motion from
18 Southern States to submit revised rebuttal testimony of
19 Mr. Scott Vierima.

20 The second motion, I believe, was a motion
21 that Commissioner Easley reserved ruling on after the
22 Prehearing Conference, and that was Southern States
23 Motion for Expedited Discovery.

24 CHAIRMAN BEARD: Okay. On the Prehearing
25 Order, help me out real quickly, I show three motions.

1 MR. FEIL: Excuse me, Mr. Commissioner. Let
2 me clarify that. Both of those requests for
3 confidentiality -- excuse me, one of those has been
4 ruled on and an order has been signed already. The
5 other, the order is either signed already by
6 Commissioner Easley or on her desk.

7 COMMISSIONER EASLEY: It was signed this
8 morning.

9 CHAIRMAN BEARD: So the only one showing in
10 the prehearing motion is the third one, the Motion for
11 Expedited Discovery?

12 MR. FEIL: Yes, Mr. Chairman.

13 CHAIRMAN BEARD: And then there is one other
14 motion beside that?

15 MR. FEIL: That was filed on November 3rd,
16 yes, sir.

17 CHAIRMAN BEARD: And that again is what?

18 MR. FEIL: Southern States Motion to Submit
19 Revised Rebuttal of Witness Vierima. (Pause)

20 CHAIRMAN BEARD: And there have been
21 responses?

22 MR. FEIL: I don't believe there have been
23 responses filed to either motions, although the time
24 for filing response for the Motion for Revised Rebuttal
25 Testimony hasn't expired yet.

1 COMMISSIONER EASLEY: I thought the time for
2 expedited discovery has expired.

3 MR. FEIL: The time has expired, yes.

4 COMMISSIONER EASLEY: That was one of the
5 reasons I deferred ruling, as I recall.

6 MR. FEIL: I believe so.

7 CHAIRMAN BEARD: Where does that leave us?
8 Help me out here real quick. There's no response?

9 MR. FEIL: There's no response with regards
10 to the Motion for Revised Rebuttal Testimony.

11 CHAIRMAN BEARD: There's no response to the
12 Motion for Expedited Discovery?

13 MR. FEIL: Yes, sir.

14 CHAIRMAN BEARD: And the time has run?

15 MR. FEIL: Yes, sir. At the Prehearing
16 Conference, Commissioner Easley was under the
17 understanding that the parties would attempt to work
18 out their dispute regarding the discovery.

19 CHAIRMAN BEARD: And that happened?

20 MR. SHREVE: There was an attempt. There was
21 no resolution of it. And if there is -- and, of
22 course, I understand you're taking up the motion to
23 have our responses expedited. I'd like to have the
24 opportunity to argue that.

25 There is no agreement, we feel, and would

1 like to make a motion at this time that the other
2 outstanding discovery be expedited by the Company. And
3 I would like to very briefly identify the questions
4 that we're talking about on the expedited discovery,
5 which came at a very convenient time.

6 "Please identify the amount of rain that will
7 fall during the calendar year 1992."

8 "Please identify when housing sales will
9 increase in Florida to the levels experienced in the
10 1980s."

11 COMMISSIONER EASLEY: I'm sorry. Read the
12 second one again.

13 MR. SHREVE: Please identify when housing
14 sales will increase in Florida to the levels
15 experienced in the 1980s? Please identify when home
16 constructions will return to the levels experience in
17 the 1990s? And please identify when the current
18 recession will end? Then, in addition to that, there
19 were very lengthy, which -- and I'm frankly still
20 trying to answer -- I don't really have good answers to
21 these. We'll do our best on them. I'm trying to
22 answer some interrogatories concerning my conversations
23 with legislators over the last two or three years, not
24 concerning just utility matters, but all matters.
25 We're in the process of doing that, because we do not

1 feel they're relevant, but we can't even object to that
2 because then the Company will have one more opportunity
3 to run up rate case expense.

4 So we're at your mercy on these. We'll
5 going to try and answer them. If you want them
6 expedited, we'll be glad to do it. We have legitimate
7 questions we've asked them. We'll in the case now. We
8 need that information; if we don't get it by
9 interrogatory, we'll go through it detail-by-detail on
10 the stand.

11 CHAIRMAN BEARD: I can give you the first
12 three questions: 97 inches, September of '93 and
13 October of '94. They can't dispute them.

14 MR. SHREVE: I will go ahead and accept that,
15 subject to check.

16 CHAIRMAN BEARD: Well, of course, of course.

17 COMMISSIONER EASLEY: I don't know how you're
18 going to check them.

19 MR. SHREVE: Well, I don't think you can. I
20 think it's nothing more than harassment.

21 MR. ARMSTRONG: Commissioners, if I may?

22 MR. SHREVE: Briefly, yeah, you may.

23 MR. ARMSTRONG: My name is Brian Armstrong,
24 and I am an in-house attorney with Southern States.

25 Mr. Shreve has identified three requests.

1 There were less than 100 requests that were made, and I
2 think if you review those requests you'd find that the
3 vast majorities referred specifically to the testimony
4 of Kim Dismukes, who is a Public Counsel witness. I
5 think we picked out three or four of the requests, and
6 I don't think that's an accurate representation of what
7 those requests comprised.

8 MR. SHREVE: I think those three or four are
9 accurate representations of those three or four if he
10 wants credit for them.

11 CHAIRMAN BEARD: What are we talking about --

12 MR. SHREVE: I frankly am still -- we're
13 trying to answer them, and I'm still trying to get the
14 legislative ones together and we'll be more than happy.
15 I think they're relevant, but we're not going to raise
16 that because I don't want the Company running up any
17 more rate case expense than they already have.

18 CHAIRMAN BEARD: When we're talking about
19 expediting these responses, let's start first with the
20 -- SSU has a motion for expedited discovery. I guess,
21 you know, I could easily postpone response to that to
22 January the first of '93, then we'd know what the
23 rainfall is in '92. I'm trying to find out what a
24 reasonable compromise is here, because if you can't do
25 that, then I can start this week out by being real

1 unreasonable, and I'm not adverse to that.

2 MR. SHREVE: Commissioner, we'll go ahead and
3 try and get ours together just as quickly as we can.
4 We'll do what we can on them. I will continue -- I can
5 even get the legislative stuff together as quickly as I
6 can. I have to go over it and check and try to
7 remember the stuff between that record, is all I was
8 asking.

9 COMMISSIONER EASLEY: Mr. Shreve, the trouble
10 is this is precisely the answer I got at the Prehearing
11 from both parties, that one of the reasons for the
12 deferral on the ruling was that both sides had wanted
13 expedited discovery and both sides said, "Yeah, we'll
14 try and handle it." And now I'm hearing, "Yeah, we'll
15 try and handle it." What have we been doing since the
16 prehearing?

17 MR. SHREVE: There was no agreement. You give
18 us a date --

19 COMMISSIONER EASLEY: You all said in front
20 of me, "We will try and handle it." Now both sides
21 said that. Now how much -- I thought that was a
22 commitment.

23 MR. SHREVE: It was tried to. They tried to
24 handle it as far as I understand, and there was no
25 agreement that the Company -- we will try and get ours

1 in, what we have; if the Company will do the same
2 thing. I think that's when "try and handle" -- now,
3 we've had problems with discovery from the very first
4 one when we filed them and then they were delayed by
5 two months. If you want to go ahead and claim a date,
6 that's fine.

7 COMMISSIONER EASLEY: I'm not directing this
8 to one or the other party but I am directing it to both
9 parties.

10 MR. SHREVE: It cuts both ways.

11 COMMISSIONER EASLEY: You're darn right it
12 cuts both ways, because the commitment I had at the
13 Prehearing -- and I will tell you, frankly, I probably
14 would have ruled on the motions had I known that I was
15 going to get the to hearing and hear exactly the same
16 response I heard at the prehearing, and it's because we
17 can't work it out. We couldn't work it out then. You
18 know, I'm sorry, but it's a little irritating to come
19 to the morning of the hearing and be dealing with
20 expedited discovery on first parts.

21 MR. SHREVE: Commissioner, we will get -- I
22 will have to eliminate the ones that I do not have the
23 information on yet, because we do not have any order
24 and there are certain things that I just know can't be
25 answered. We'll continue to do what we can on those.

1 The others we will try and furnish tomorrow morning,
2 today, whatever, if you'll have the Company do the same
3 thing.

4 CHAIRMAN BEARD: Expedited testimony on both
5 parts; can be in by start of business on Monday
6 morning.

7 MR. SHREVE: That's fine. That's all
8 outstanding discovery that we've been talking about, so
9 that we're not talking technicality.

10 COMMISSIONER EASLEY: That's right. It's
11 both sides.

12 MR. SHREVE: I think that's fair.

13 CHAIRMAN BEARD: Okay. On the motion to
14 submit revised rebuttal testimony, response time is not
15 up; is there any response on that one from Public
16 Counsel?

17 MR. McLEAN: No, we have no objection.

18 CHAIRMAN BEARD: Okay. That takes care of
19 that motion. What else have we got?

20 MR. FEIL: Commissioner, I believe that there
21 are a few stipulations that have arisen since the
22 prehearing order was issued. Also with regards to the
23 order of witnesses appearing there, I realize this
24 morning that I made a mistake, and did not put the
25 direct --

1 CHAIRMAN BEARD: Let's -- one thing at a
2 time. You've got stipulations. I'm in the back here
3 on Title Page 81. It's listed as Category 1
4 Stipulations. That's 1 through 8. Then I have
5 Category 2 Stipulations. Are these the ones that are
6 in excess of 130 miles per hour?

7 COMMISSIONER EASLEY: Yes. These are exactly
8 like Andrew classification.

9 CHAIRMAN BEARD: I thought maybe they were.

10 COMMISSIONER EASLEY: Very appropriately.

11 MR. FEIL: Mr. Chairman, the Utility has
12 advised us that they are willing to stipulate to
13 several issues in addition to those appearing at the
14 stipulation section at the back. I believe the ones --

15 CHAIRMAN BEARD: Well, let's -- bear with me
16 in my limited cognitive ability. The 23 -- 26, excuse
17 me, issues or stipulations, those are stipulated by all
18 parties?

19 MR. FEIL: No, Mr. Chairman, that's one of
20 those unusual circumstances where some of the parties
21 participate in the stipulations and some of them don't.

22 CHAIRMAN BEARD: Are any of these
23 stipulations opposed by any party in this case?

24 MR. FEIL: Not that I'm aware of.

25 CHAIRMAN BEARD: So they either have agreed

1 to the stipulation or they have agreed not to disagree
2 with the stipulation?

3 MR. FEIL: Yes, sir.

4 CHAIRMAN BEARD: Okay. So I can assume those
5 24 are, for all intents and purposes, stipulated, if we
6 approve them?

7 MR. FEIL: Yes, sir, those 26, yes, sir.

8 CHAIRMAN BEARD: Okay. 26, excuse me, thank
9 you. Now, in addition to that, you're telling me that
10 the Company has some others that they are willing to
11 stipulate too.

12 MR. FEIL: Yes, sir.

13 CHAIRMAN BEARD: And those are?

14 MR. FEIL: I believe, unless Mr. Hoffman
15 corrects my numbering, I believe they're Issues No. 21,
16 55, 76 and 98. I'll repeat those. 21, 55, 76 and 98.

17 CHAIRMAN BEARD: Is that correct?

18 MR. HOFFMAN: If I could have a moment, Mr.
19 Chairman. 21 I know is correct, 76 I know is correct.
20 What was the last one, Mr. Feil?

21 MR. FEIL: 98.

22 COMMISSIONER EASLEY: And you missed 55.

23 MR. HOFFMAN: And 55.

24 CHAIRMAN BEARD: Let's do this: Immediately
25 after lunch, assuming we take one, which is -- I'm

1 hesitant to make that assumption at this time. But at
2 some time in the 1:00 time frame, all of the parties
3 will have had time to look at those four issues and see
4 if there is agreement or disagreement on stipulating
5 those issues, or at least agreeing not to oppose it. I
6 don't want to rush something through here and other
7 parties don't get to look at that, and make sure they
8 don't have a problem.

9 COMMISSIONER EASLEY: Let me add one, Mr.
10 Chairman. If you'd look at Issue 16 on Page 21, no
11 parties have taken any position, and I can't remember
12 if we dealt with this in the prehearing conference and
13 if we did why it was left as an issue.

14 MR. FEIL: I don't believe that was a
15 stipulated issue, I believe that's something -- an
16 issue that Staff raised, which we intended to explore
17 on cross examination.

18 COMMISSIONER EASLEY: All right.

19 CHAIRMAN BEARD: So, if someone will make a
20 little note early this afternoon, I will again survey
21 the parties on Issues 21, 55, 76 and 98 to see if
22 there's opposition to stipulating those issues. If
23 you'll take a look at those this morning in your spare
24 time. Okay.

25 Now, the order of witnesses that you were

1 going to refer to. Now, let me start out,
2 Commissioners, what's your pleasure on doing direct and
3 rebuttal at the same time? (Pause)

4 COMMISSIONER CLARK: Mr. Chairman, given the
5 short of time we have to process this case, I'm willing
6 to change my position with respect to rebuttal
7 testimony, and it would be all right with me if we
8 heard them at the same time.

9 COMMISSIONER BEARD: Do the parties have
10 opposition to that?

11 MR. McLEAN: No. In fact we support it.

12 MR. FEIL: We support it.

13 COMMISSIONER BEARD: Well, against my better
14 judgment and personal preference, I'm outnumbered. I
15 will allow it this time. Don't take that as a
16 precedent, though.

17 COMMISSIONER CLARK: We know what your
18 preference is. Mine is not a firm vote.

19 COMMISSIONER BEARD: Nor is mine.

20 COMMISSIONER EASLEY: Well, the only problem
21 I have, Ms. Chairman, and I'll tell you up front, the
22 only problem I have is this case is complicated enough;
23 and I see an advantage in having rebuttal follow
24 direct. But I'm willing to give it a try, and if it
25 becomes even as confusing as I think it's going to, you

1 may want to revert to the other way.

2 COMMISSIONER BEARD: And I will maintain that
3 option. We'll see how it goes. Okay?

4 COMMISSIONER EASLEY: Mr. Jones?

5 MR. JONES: I have a question. I believe
6 there's one or two witnesses that only are rebuttal
7 witnesses. What do you do with them?

8 COMMISSIONER BEARD: They would then come at
9 the end.

10 MR. JONES: At the end of regular witnesses?

11 COMMISSIONER BEARD: Yes, sir. We would do
12 the direct and rebuttal as a convenience to try to get
13 some of these people who are from out of town; it saves
14 ratepayer money; it saves double travel times. Those
15 kinds of things. That's the only thing we would do,
16 but for scheduling the witness' purposes. Do you have
17 any just for rebuttal?

18 MR. JONES: No. We're not involved in
19 rebuttal. We have some rebuttals that we want to
20 question.

21 COMMISSIONER BEARD: Okay. Now, order of
22 witnesses.

23 MR. FEIL: I realize this morning that I did
24 not put the order of witnesses for the Utility's direct
25 case in the order that Mr. Hoffman suggested. He may

1 even now have a different order of witnesses, so
2 perhaps if he made whatever changes he thinks are
3 necessary, we can deal with that.

4 MR. HOFFMAN: Mr. Chairman, we would like to
5 begin with Mr. Sandbulte.

6 COMMISSIONER BEARD: Uh-huh.

7 MR. HOFFMAN: And then Mr. Phillips.

8 COMMISSIONER BEARD: Uh-huh.

9 MR. HOFFMAN: We would like to then move up
10 Mr. Gangnon.

11 COMMISSIONER BEARD: Uh-huh.

12 MR. HOFFMAN: Because he's from Minnesota.

13 COMMISSIONER CLARK: Is he in a hurry to get
14 back?

15 COMMISSIONER EASLEY: I assume that's because
16 of travel, not just because he's from Minnesota.

17 (Laugh) I mean is Minnesota day-to-day?

18 COMMISSIONER BEARD: We don't want people
19 from Minnesota to stay in town too long, is that it?

20 MR. HOFFMAN: Basically, yeah.

21 COMMISSIONER EASLEY: Okay.

22 COMMISSIONER BEARD: I see.

23 MR. HOFFMAN: And then the remaining order
24 would stay the same.

25 COMMISSIONER BEARD: Is he avoiding

1 homecoming or trying to get home to a Vikings game? It
2 makes a big difference on whether he comes out of order
3 or not.

4 MR. HOFFMAN: Subject to check, I don't think
5 he's avoiding homecoming.

6 COMMISSIONER BEARD: And then we would retain
7 the order of witnesses?

8 MR. HOFFMAN: Yes.

9 COMMISSIONER BEARD: Okay. Any the other
10 problems with order of witnesses?

11 MR. HOFFMAN: One other comment, Mr.
12 Chariman.

13 COMMISSIONER BEARD: Uh-huh.

14 MR. HOFFMAN: Mr. Cresse will be unavailable
15 beginning next Wednesday, so depending on where we're
16 at, we would like to get him up there before then.

17 COMMISSIONER EASLEY: Either Monday or
18 Tuesday?

19 MR. HOFFMAN: Yes, ma'am.

20 COMMISSIONER BEARD: We'll give it our best
21 shot.

22 MR. HOFFMAN: Thank you.

23 COMMISSIONER BEARD: Is he adverse to
24 testifying at 2:00 in the morning?

25 MR. HOFFMAN: I'll have to ask.

1 COMMISSIONER BEARD: Well, knowing the case
2 schedules he used to keep, the answer is probably no.

3 COMMISSIONER CLARK: I think it's entirely
4 appropriate. The last time I remember working on
5 Veteran's Day, he was making us work because there was
6 a gas rate case going on. I think we ought to make him
7 work on Wednesday myself.

8 MR. HOFFMAN: He may have trouble
9 recollecting that, Commissioner, but your probably just
10 refreshed his memory.

11 COMMISSIONER CLARK: You can tell him I was
12 nine months pregnant, and I had the baby the next day.
13 I remember it very well. (Laughter)

14 COMMISSIONER EASLEY: I'll tell you what, Joe
15 wouldn't have that excuse. (Laughter)

16 COMMISSIONER BEARD: I sense that the
17 Commission is not very sypathetic to his plight.

18 COMMISSIONER EASLEY: And if he's listening,
19 he'll understand.

20 COMMISSIONER BEARD: Okay. That takes care
21 of order of witnesses. Anything else before we call
22 the first witness?

23 COMMISSIONER EASLEY: I have one question,
24 Mr. Chairman.

25 Mr. Hoffman, did we not agree at the

1 prehearing that we would expand upon some of these
2 responses to these issues and change as per the MFRs
3 where we could. Have we done any of those? I did not
4 see any.

5 MR. HOFFMAN: Yes, ma'am. We filed that --
6 let me just look -- we had it hand delivered to the
7 Commission's office.

8 COMMISSIONER EASLEY: Is that the November
9 5th revision?

10 MR. HOFFMAN: It's called revisions to
11 prehearing orders.

12 COMMISSIONER EASLEY: Would some of these
13 replace that language?

14 MR. HOFFMAN: They expand -- where we had per
15 the MFRs?

16 COMMISSIONER EASLEY: Uh-huh.

17 MR. HOFFMAN: They provide an expanded
18 position.

19 COMMISSIONER EASLEY: Okay. I will take
20 another look at them. I must have looked too quick.
21 If so, I apologize; if not, you'll hear from me again.

22 COMMISSIONER BEARD: Anything else? Company?

23 MR. HOFFMAN: Yes, Mr. Chairman. At this
24 point we would like to make an ore tenus motion to
25 strike one of the issues in the prehearing order.

1 COMMISSIONER BEARD: Which is number?

2 MR. HOFFMAN: No. 40.

3 COMMISSIONER BEARD: Page 33.

4 MR. HOFFMAN: Yes. Let me explain and give
5 you a little background.

6 The issue asks, and I think it was raised by
7 Public Counsel, should the cost of debt capital be
8 adjusted to reflect the reduced interest rate for the
9 15.95% fixed rate on the Company's \$22.5 million of
10 long-term mortgage bonds. Southern States' position
11 was that this issue has already been decided by the
12 First DCA in the Marco Island Utilities versus Public
13 Service Commission decision.

14 Following up on that, we think that the legal
15 doctrine of collateral estoppel applies to this issue,
16 and what we're saying is that Public Counsel has had
17 its day -- both its day before the Commission and its
18 day in court on this issue. The principle of
19 collateral --

20 COMMISSIONER BEARD: Excuse me. Please hold
21 the conversations down. I'm sorry. Go ahead.

22 MR. HOFFMAN: The principle of collateral
23 estoppel does apply to administrative proceedings,
24 including those before the Commission, and you need to
25 have three things. You need to have an identity of

1 issues, identity of parties, and the specific issue
2 might have been litigated and determined in a prior
3 case.

4 Now, here, the parties are the same as those
5 in the last Marco Island rate case. Southern States is
6 a successor in interest to Marco Island Utilities and,
7 of course, Public Counsel was a party in the last case
8 and is a party in this case.

9 The issue raised under Issue No. 40 is
10 whether the cost of debt issued to Marco Island
11 Utilities in 1984 should be adjusted for rate making
12 purposes. That issue has been previously litigated and
13 adjudicated on its merits. Once by the Commission,
14 then on appeal by the First DCA, and then the
15 Commission again, which modified its first decision in
16 accordance with the First DCA's decision.

17 Now, after the remand from the First DCA, the
18 Commission issued an order, and I'll quote two
19 sentences from that. It's Order No. 23841. It says
20 "Following the mandate of the Court of Appeals upon
21 remand and upon review of the record, we find that the
22 appropriate cost of debt is 16.1%, which is the actual
23 cost of debt."

24 Issue No. 40 is simply a second attempt to
25 litigate the interest rate again for rate making

1 purposes. You would note that there's a 15.95% number
 2 used in the issue, and the only reason it's different
 3 than the 16.1% is due to the amortization of debt
 4 expense on these bonds.

5 So our position is under the legal doctrine
 6 of collateral estoppel, Public Counsel is barred from
 7 relitigating the issue. Their position is they would
 8 like to ask the Commission to impose a negative
 9 acquisition adjustment. They can pursue a negative
 10 acquisition adjustment under Issue 34, which
 11 specifically deals with the negative acquisition
 12 adjustments as in issue. But we do not believe that
 13 they can attempt to modify the interest rate on these
 14 bonds -- excuse me -- in seeking an end result of a
 15 negative acquisition adjustment.

16 COMMISSIONER BEARD: Public Counsel, it's
 17 your issue.

18 MR. McLEAN: Yes, sir, it is. I have some
 19 familiarity with that issue because I was counsel to
 20 the Commissioners at the hearing, I appealed it on
 21 behalf the the Commission, and then when I got to the
 22 office of Public Counsel they wanted me to -- they
 23 asked me if I wanted to file for reconsideration on
 24 behalf of the Public Counsel. So it's one I've been
 25 involved with for a little while.

1 The issue at trial, and at hearing later, was
2 whether the Company -- whether it was a prudent
3 decision for the Company to engage in a lending
4 agreement whereby they could not refinance,
5 essentially.

6 The remedy which the Commission chose was to
7 simply assign a new cost of equity to the case. The
8 First DCA thought that that wasn't such a good idea
9 because the record wouldn't support the new number. So
10 what came out of that case was Deltona was assigned its
11 actual cost of debt. There was no surviving finding by
12 the Commission that Deltona had acted imprudently in
13 any way, and as I say, they got their cost of debt.

14 This issue, I think, is a lot different.
15 Southern States has bought a utility with a high debt,
16 irrespect of prudent or otherwise, it's an unusually
17 high percentage rate to pay for debt. And that
18 utility, Deltona namely, can't refinance it. The
19 question arises is: Is that a prudent decision? And
20 the answer is yes, if you reflect that sort of
21 liability in the original purchase price.

22 The First DCA, I will give them this, found
23 that Deltona had not acted imprudently. And I think
24 that forecloses the question forever unless there was
25 an appeal to some other authority, but there was not.

1 So that issue is foreclosed.

2 Now, when the new utility comes in and buys
3 that existing utility, which has a very high
4 obligation, it does not have the opportunity to revisit
5 that obligation, is that a prudent decision on the part
6 of the new utility? I don't think so, unless they
7 chose to get by the utility at less than market price,
8 because there's the existing liability there. That's a
9 liability that Deltona has; Southern States when they
10 took that on should have made arrangements to
11 accommodate it. So I think the issue is different.

12 COMMISSIONER CLARK: Mr. Chairman, I looked
13 at Public Counsel's position. I think it should remain
14 a viable issue. I think what Public Counsel is
15 suggesting is that you have a successor in interest,
16 and what did they gain by taking on this significant
17 liability; that being a high interest rate for
18 long-term debt. And I think that's something we should
19 look at in terms of how much should be allowed in rate
20 base for the investment in this plant, so I think it's
21 a slightly different issue and should remain.

22 CHAIRMAN BEARD: Any comments from other
23 parties? Staff? Mr. Pruitt, any sage advice?

24 MR. PRUITT: I agree with Commissioner Clark.

25 CHAIRMAN BEARD: Well, No. 40 sits on paper

1 and stays in the case.

2 MR. HOFFMAN: Thank you, Mr. Chairman.

3 CHAIRMAN BEARD: Anything else from the
4 Company?

5 MR. HOFFMAN: Mr. Chairman, the Company will
6 be filing, as a late-filed exhibit, the written
7 responses that the Company has submitted in response to
8 customer complaints raised at the service hearings and
9 we wanted to let you know that up front.

10 CHAIRMAN BEARD: Okay.

11 COMMISSIONER EASLEY: When will that be coming?

12 MR. HOFFMAN: Excuse me. (Pause)

13 Commissioner Easley, I'm going to have the
14 follow up on that to give you a specific time.

15 COMMISSIONER EASLEY: All right.

16 CHAIRMAN BEARD: When will we have an answer?

17 (Pause)

18 MR. HOFFMAN: After the first break.

19 CHAIRMAN BEARD: Very good. Anything else
20 before we begin, gentlemen? Counselor?

21 MR. McLEAN: No, sir. Nothing.

22 CHAIRMAN BEARD: Public Counsel?

23 MR. McLEAN: Nothing further.

24 CHAIRMAN BEARD: Okay.

25 It is my understanding that we are momentarily

1 expecting the arrival of some people from at least Spring
2 Hill if not other points south of here. And to the extent
3 that there are parties that arrive here that have not had
4 the opportunity at one of the ten service hearings that
5 we've held to give public testimony because they were up
6 north or for whatever reason they were unable to attend, I
7 will do my best to accommodate them. We will not stop in
8 the middle of a technical witness, but we'll find a way
9 today to try to fit those in.

10 I'm very specifically saying those that have not
11 testified before, okay? We tried very hard to get as many
12 cases as we could out there at service hearings. But I
13 know that there were people up north that have not been
14 able to get down here that are here now who want to
15 testify, and those people need to be accommodated if we
16 can at all do that. Okay. But it is not a matter of
17 going through case-by-case a repeat of every witness that
18 testified before. We want to be reasonable in the
19 accommodation, but we have a lot of work to do, as we all
20 know. Okay.

21 Okay? Anything, Staff?

22 MR. FEIL: Commissioner, one other thing that
23 perhaps this would be a good time to mention now
24 regarding the DER witnesses, which are here --

25 CHAIRMAN BEARD: Uh-huh.

1 MR. FEIL: -- on the order of witnesses.

2 The Company and the parties have agreed to
3 stipulate in the testimony of all of those persons
4 appearing there, beginning on Page 6 with Mr. Burghardt,
5 going through the next page and ending with Mr. Reining.

6 CHAIRMAN BEARD: Hang on for a second, let me
7 get -- beginning with Mr. Burghardt?

8 MR. FEIL: Yes, sir.

9 CHAIRMAN BEARD: And that includes one HRS
10 witness, Van Loon?

11 MR. FEIL: Yes.

12 CHAIRMAN BEARD: And then tracking all the
13 way down.

14 MR. FEIL: Through the next page.

15 CHAIRMAN BEARD: Through City of Jacksonville,
16 DER, DER, all the way through Reining?

17 MR. FEIL: Yes, sir.

18 CHAIRMAN BEARD: Those are all stipulated?

19 MR. FEIL: Yes.

20 CHAIRMAN BEARD: The direct testimony is
21 stipulated?

22 MR. FEIL: Yes, sir.

23 CHAIRMAN BEARD: Are there exhibits
24 associated with that?

25 MR. FEIL: Yes, sir, there are. They should

1 appear in the exhibit list on Page 78. Beginning with
2 the exhibit for Mr. Schobert, there's an exhibit for
3 Mr. Squitieri, Ms. Ball and Mr. Burghardt.

4 CHAIRMAN BEARD: Okay. What exhibit number
5 am I at, do we know?

6 MR. FEIL: I don't know for certain. I think
7 it's 16. 16.

8 CHAIRMAN BEARD: 16 is the next number.
9 Okay. In that case, JS-1, for Squitieri, will become
10 Exhibit No. 16.

11 COMMISSIONER EASLEY: What about Schobert?
12 Didn't they include Schobert?

13 CHAIRMAN BEARD: Excuse me. I apologize.

14 NS-1, my mistake, for Schobert, will become
15 Exhibit No. 1. JS-1 for Squitieri will become Exhibit No.
16 2. And Ball's Exhibits 1 and 2 will now become 3 and 4
17 and PB-1 for Burghardt will become Exhibit No. 5.

18 COMMISSIONER EASLEY: Are you doing 1, 2, 3,
19 4 or 16, 17, 18?

20 MR. FEIL: Commissioner, if I may make a --

21 CHAIRMAN BEARD: What day is it?

22 COMMISSIONER EASLEY: It's apparently about
23 December 3rd?

24 CHAIRMAN BEARD: Yes, I'm sorry.

25 COMMISSIONER EASLEY: We're starting with 16.

1 CHAIRMAN BEARD: 16, 17, 18, 19 and 20. Let
2 me try it again to make sure I got it right.

3 NS-1 for Schobert will become Exhibit No. 16;
4 Squitieri's Exhibit JS-1 will become 17; Ball's BB-1
5 will become 18; Ball's BB-2 will become 19 and
6 Burghardt's PB-1 will become Exhibit No. 20.

7 Have I cleared up the mess I made?

8 MR. FEIL: You're clear, Mr. Chairman. I
9 would like to move those into the record now.

10 CHAIRMAN BEARD: Okay, without objection,
11 those will be moved into the record. The stipulated
12 testimony as identified for all the DER witnesses --

13 COMMISSIONER EASLEY: And HRS.

14 CHAIRMAN BEARD: -- and HRS and City of
15 Jacksonville, which begins on Page 6 with Burghardt and
16 ends on Page 8 with Reining, are entered into the
17 record as though read without objection. Okay.

18 (Exhibit Nos. 16 through 20 marked for
19 identification and received in evidence.)
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DIRECT TESTIMONY OF PETE BURGHARDT

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2 | Q. Please state your name and business address.

3 | A. My name is Pete Burghardt and my business address is 3804 Coconut Palm
4 | Drive, Tampa, Florida 33619.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I have a B.S. degree (1980) in Biology from the University of South
8 | Florida and ten years experience with the Department of Environmental
9 | Regulation.

10 | Q. By whom are you presently employed?

11 | A. I am employed by the State of Florida, Department of Environmental
12 | Regulation (DER).

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have been employed since October 31, 1990 as an Environmental
16 | Specialist in the Domestic Wastewater Section.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. My duties are to assure that all wastewater treatment plants in the
20 | Southwest district are in compliance with pertinent state regulations.

21 | Q. Are you familiar with the Palm Terrace and Zephyr Shores wastewater
22 | systems in Pasco County?

23 | A. Yes.

24 | Q. Does the utility have current operating or construction permits from the
25 | Department of Environmental Regulation?

1 | A. No. The Zephyr Shores plant has no permit. Palm Terrace has a current
2 | operating permit, D051-150578, issued September 6, 1988, which expires on
3 | August 18, 1993.

4 | Q. Is Palm Terrace in compliance with its permit?

5 | A. This plant has experienced problems with turbidity and fecal coliforms
6 | as shown by its groundwater monitoring.

7 | Q. Please explain why Zephyr Shores does not have a current operating or
8 | construction permit.

9 | A. The Department issued a notice of permit denial on August 25, 1992, as
10 | a result of review of the utility's application for permit number
11 | D051-201779.

12 | Q. What problem does this Zephyr Shores plant have?

13 | A. The plant has inadequate effluent disposal capability. To correct this
14 | problem, the plant will need to build additional disposal, or, divert its flow
15 | to the county's wastewater system.

16 | Q. Are the wastewater collection, treatment and disposal facilities
17 | adequate to serve present customers based on permitted capacity?

18 | A. No, not at Zephyr Shores, due to the effluent disposal problem discussed
19 | above. Palm Terrace's facilities are adequate.

20 | Q. Are the treatment and disposal facilities located in accordance with
21 | Section 17-6.070(2), Florida Administrative Code?

22 | A. Yes.

23 | Q. Has DER required the utility to take any action so as to minimize
24 | possible adverse effects resulting from odors, noise, aerosol drift or
25 | lighting?

- 1 A. Not for the Zephyr Shores plant. At Palm Terrace, aerosol drift from
2 the restricted access sprayfield has required some attention by the DER.
- 3 Q. Do the pump stations and lift stations meet DER requirements with
4 respect to location, reliability and safety?
- 5 A. The DER's files contain no information addressing this point.
- 6 Q. Does the utility have certified operators as required by Chapter 17-602,
7 Florida Administrative Code?
- 8 A. Yes, the utility's plant staffing is sufficient.
- 9 Q. Is the overall maintenance of the treatment, collection, and disposal
10 facilities satisfactory?
- 11 A. No. The Zephyr Shores plant's disposal system is inadequate as already
12 discussed. The utility's failure to resolve this problem has resulted in the
13 Department's denial of the permit application and consideration of enforcement
14 action. Palm Terrace's facilities are satisfactorily maintained.
- 15 Q. Do the facilities meet effluent disposal requirements of Sections 17-
16 6.055 and 17-6.080, Florida Administrative Code?
- 17 A. No. The disposal problem at Zephyr Shores was discussed earlier in this
18 testimony. The Palm Terrace plant discharges to two percolation/evaporation
19 ponds and also a 2.2 acre restricted area sprayfield and is meeting effluent
20 disposal requirements.
- 21 Q. Are the collection, treatment and disposal facilities in compliance with
22 all the other provisions of Title 17, Florida Administrative Code, not
23 previously mentioned?
- 24 A. As far as I know, yes.
- 25 Q. Have any of these system been the subject of any Department of

1 | Environmental Regulation enforcement action within the past two years?

2 | A. A consent order involving Zephyr Shores, comprised of six pages is being
3 | provided as Exhibit PB-1.

4 | Q. Do you have anything further to add?

5 | A. Yes. On November 27, 1990, an inspection of Palm Terrace showed the
6 | facility was not reporting abnormal events as required. Specifically an
7 | "office wall calendar," instead of the official operator's log, noted 16 days
8 | in November, 1990, of solids loss. This was neither reported to the
9 | Department nor recorded in the operator's log. A reinspection on May 2, 1991
10 | indicated that at that time the problems were resolved.

11 | Q. Does this conclude your testimony?

12 | A. Yes, it does.

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DIRECT TESTIMONY OF RAYMOND VAN LOON

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Q. Please state your name and business address.

A. Raymond Van Loon, Volusia County Public Health Unit, 501 S. Clyde Morris Blvd., P.O. Box 9190, Daytona Beach, FL 32120-9190.

Q. Please state a brief description of your educational background and experience.

A. I graduated from college with a bachelor of science degree in civil engineering.

Q. By whom are you presently employed?

A. I am employed by the Florida Department of Health and Rehabilitative Services (HRS).

Q. How long have you been employed with the Department of Health and Rehabilitative Services and in what capacity?

A. I have been employed with HRS as licensed Professional Engineer II for one year and eight months. I am the engineer in charge of the drinking water program in Volusia County.

Q. What are your general responsibilities at the Department of Health and Rehabilitative Services?

A. My responsibilities include seeing that all water systems in Volusia County comply with both the State and Federal Safe Drinking Water Acts. This includes permitting, compliance monitoring, and enforcement.

Q. Are you familiar with Southern States Utilities, Inc.'s Deltona Lakes, and Sugar Mill Water System in Volusia County?

A. Yes.

Q. Does the utility have a current construction permit from the Department

1 | of Environmental Regulation?

2 | A. Yes.

3 | Q. Please state the issuance date the construction permit.

4 | A. For Deltona Lakes, the earliest construction permit date that I located
5 | in the files was April 8, 1966. This appears to be the initial permit.

6 | For Sugar Mill, the original issuance date of the construction permit
7 | is January 25, 1979.

8 | Q. Are the plants in compliance with their permits?

9 | A. Yes.

10 | Q. Are the utility's treatment facilities and distribution system
11 | sufficient to serve its present customers?

12 | A. Yes.

13 | Q. Does the utility maintain the 20 psi minimum pressure throughout the
14 | distribution system as required by Section 17-555.350, Florida Administrative
15 | Code?

16 | A. Yes.

17 | Q. Does the utility have an adequate auxiliary power source in the event
18 | of a power outage?

19 | A. Yes.

20 | Q. Are the utility's water wells in a location complies with Section
21 | 17-555.312, Florida Administrative Code?

22 | A. Yes.

23 | Q. Does the utility have certified operators as required by Chapter 17-602,
24 | Florida Administrative Code?

25 | A. Yes.

1 Q. Has the utility established a cross-connection control program in
2 accordance with Section 17-555.360, Florida Administrative Code?

3 A. Yes.

4 Q. Is the overall maintenance of the treatment plant and distribution
5 facilities satisfactory?

6 A. Yes.

7 Q. Does the water produced by the utility meet the State and Federal
8 maximum contaminant levels for primary and secondary water quality standards?

9 A. Yes, except Deltona Lakes. For the secondary standards at Deltona
10 Lakes, there have been levels of chlorides, iron, color and TDS exceeded the
11 MCLs in 1990, and recheck samples were required. SSU has not submitted the
12 analyses of recheck water samples.

13 Q. Does the utility monitor the organic contaminants listed in Section
14 17-550.410, Florida Administrative Code?

15 A. Yes.

16 Q. Do recent chemical analyses of raw and finished water, when compared to
17 regulations, suggest the need for additional treatment?

18 A. No. However, recent secondary chemical tests indicate that there may
19 be a need for additional treatment at Deltona Lakes.

20 Q. Does the utility maintain the required chlorine residual or its
21 equivalent throughout the distribution system?

22 A. Yes.

23 Q. Are the plant and distribution systems in compliance with all the other
24 provisions of Chapter 17 Florida Administrative Code, not previously
25 mentioned?

1 | A. Yes.

2 | Q. Has the Deltona Lakes or Sugar Mill System of Southern States Utilities,
3 | Inc. been the subject of any Department of Environmental Regulation
4 | enforcement action or Department of Health and Rehabilitative Services within
5 | the past two years?

6 | A. No.

7 | Q. Does SSU resell water from Astor West, Inc. for the Jungle Den system?

8 | A. Yes.

9 | Q. Is the utility's distribution system sufficient to serve its present
10 | customers?

11 | A. Yes.

12 | Q. Does SSU meet all applicable requirement of Chapter 17 of the Florida
13 | Administrative Code for this system?

14 | A. Yes.

15 | Q. Has the Jungle Den System of Southern States Utilities, Inc. been the
16 | subject of any Department of Environmental Regulation enforcement action or
17 | Department of Health and Rehabilitative Services within the past two years?

18 | A. No.

19 | Q. Do you have anything further to add?

20 | A. No, I do not.

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DIRECT TESTIMONY OF WILLIAM DARLING

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Q. Please state your name and business address.

A. My name is William E. Darling. My address is 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803.

Q. Please state a brief description of your educational background and experience.

A. I received a Bachelor of Science in Biology from Stetson in 1958. I have sixteen years experience with county and state environmental regulatory agencies.

Q. By whom are you presently employed?

A. I am employed by the Florida Department of Environmental Regulation (FDER).

Q. How long have you been employed with the FDER and in what capacity?

A. I have been employed by the FDER for 12 1/2 years: eight years in enforcement, 3 years in domestic waste, and 1 1/2 years in the potable water section.

Q. What are your general responsibilities at the FDER?

A. My responsibilities include but are not limited to supervising the potable water monitoring and reporting section, enforcing federal and state drinking water rules, and inspecting drinking water systems.

Q. Are you familiar with Southern States Utilities, Inc.'s (SSU) East Lake Harris Estates, Western Shores, Venetian Village, Morningview, Sunshine Park Way, Palisades, Palms Mobile Home Park, and Stone Mountain water systems in Lake County?

A. Yes.

- 1 | Q. Are the utility's treatment facilities and distribution system
2 | sufficient to serve its present customers?
- 3 | A. Yes.
- 4 | Q. Does the utility maintain the 20 psi minimum pressure throughout the
5 | distribution system as required by Section 17-555.350, Florida Administrative
6 | Code?
- 7 | A. Yes.
- 8 | Q. Does the utility have an adequate auxiliary power source in the event
9 | of a power outage for these systems?
- 10 | A. Yes.
- 11 | Q. Are the utility's water wells in a location which complies Section 17-
12 | 555.312, Florida Administrative Code?
- 13 | A. Yes.
- 14 | Q. Does the utility have certified operators as required by Chapter 17-602,
15 | Florida Administrative Code?
- 16 | A. Yes.
- 17 | Q. Has the utility established a cross-connection control program in
18 | accordance with Section 17-555.360, Florida Administrative Code?
- 19 | A. Yes.
- 20 | Q. Is the overall maintenance of these treatment plants and distribution
21 | facilities satisfactory?
- 22 | A. Yes.
- 23 | Q. Does the water produced by the utility meet the State and Federal
24 | maximum contaminant levels for primary and secondary water quality standards?
- 25 | A. Yes.

1 Q. Does the utility monitor the organic contaminants listed in Section 17-
2 550.410, Florida Administrative Code?

3 A. Yes.

4 Q. Do recent chemical analyst of raw and finished water, when compared to
5 regulations, suggest the need for additional treatment?

6 A. No.

7 Q. Does the utility maintain the required chlorine residual or its
8 equivalent throughout the distribution system?

9 A. Yes.

10 Q. Are the plant and distribution systems in compliance with all the other
11 provisions of Chapter 17, Florida Administrative Code, not previously
12 mentioned?

13 A. Yes.

14 Q. Does SSU resell water from Brevard County for the Kingswood and Oakwood
15 systems?

16 A. Yes.

17 Q. Is the distribution system sufficient to serve the present customers?

18 A. Yes.

19 Q. Does SSU meet all applicable requirement of Ch. 17 of the Florida
20 Administrative Code for these two systems?

21 A. Yes.

22 Q. Have any of these systems been the subject of any Department of
23 Environmental Regulation enforcement action within the past two years?

24 A. No.

25 Q. Do you have anything further to add?

A. No.

DIRECT TESTIMONY OF DEBORAH OBLACZYNSKI

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Q. Please state your name and business address.

A. My name is Deborah Lee Oblaczynski.

Department of Environmental Regulation, 1900 South Congress Avenue, Suite A,
West Palm Beach, FL 33406.

Q. Please state a brief description of your educational background and
experience.

A. I have a bachelor of science degree in biological science from the
Florida State University in 1989, and interdisciplinary minor in chemistry and
physics. I have one year and two months experience as an environmental
chemist with the McGinnes Laboratories, Inc. in West Palm Beach, Florida and
one year and five months experience as an environmental specialist in the
drinking water section of the Florida Department of Environmental Regulation.

Q. By whom are you presently employed?

A. I am employed by the Florida Department of Environmental Regulation
(DER).

Q. How long have you been employed with the Department of Environmental
Regulation and in what capacity?

A. One year and four months as an Environmental Specialist I and one month
as an Environmental Specialist II.

Q. What are your general responsibilities at the Department of
Environmental Regulation?

A. My responsibilities include tracking and determining compliance with
monitoring and reporting requirements for public water systems in Martin
County, inspections of 130 public water systems in Martin and St. Lucie

1 Counties, and some enforcement responsibilities for systems out of compliance.

2 Q. Are you familiar with Southern States Utilities, Inc.'s Leilani Heights,
3 Fisherman's Haven, and Fox Run Water Systems in Martin County?

4 A. Yes.

5 Q. Does the utility have a current construction permit from the Department
6 of Environmental Regulation?

7 A. Yes, except Fisherman's Haven.

8 Q. Please state the issuance date of the construction permit.

9 A. For Leilani Heights, the original issuance date of the construction
10 permit is July 6, 1973, Permit No. B-14659, for Plant No. 1 by HRS, and this
11 plant was never cleared for service. The Department is asking SSU to provide
12 related information for clearance. For Plant No.2, the original issuance date
13 is December 1, 1982, Permit No. WC-43-61732 by DER, and the plant was cleared
14 on December 12, 1983.

15 The Department has no construction permit record for Fisherman's Haven,
16 and we are asking the utility to provide related information.

17 For Fox Run, WC-43-2054 was issued on November 8, 1977 for a 0.055 MGD
18 plant with one well but it was never cleared. Currently this plant is in
19 service. WC-43-102024 was issued on June 24, 1986 for a 0.035 MGD plant,
20 three new filters, and two gas chlorinators. WC-43-148796 was issued on
21 February 14, 1989 for upgrading treatment: two new filters, three backwash
22 ponds, and a 20,000 gallon storage tank. WC-43-180019 was issued on September
23 21, 1990 to construct a sodium hydroxide chemical feeding facility to aid in
24 the control of iron. However, SSU does not intend to install this chemical
25 feeding facility. WC-43-176328 was issued on February 25, 1991 to modify the

1 existing water treatment plant, including a second well of 8 inches, a new
2 high service pump, auxiliary power, a double walled fuel storage unit, a
3 curbed concrete pad beneath the auxiliary power unit, and a storage tank. It
4 is not cleared for service yet. WC-43-188475 was also issued on February 25,
5 1991 for the addition of eight new pressure filters. It is cleared for
6 service.

7 Q. Are the plants in compliance with their permits?

8 A. Yes, except Leilani Heights and Fisherman's Haven. The loss of chlorine
9 alarms were added to both plants without the Department's permits for
10 modifying the plants at Leilani Heights.

11 For Fisherman's Haven, because of no permit record, in the Department's
12 opinion there has not been a plant design capacity established. An
13 engineering evaluation will be necessary to properly rate the plant.

14 Q. Are the utility's treatment facilities and distribution system
15 sufficient to serve its present customers?

16 A. Yes, except Leilani Heights and Fisherman's Haven. The water plant at
17 Leilani Heights does not have adequate chlorine detention time to meet the
18 maximum day flow demand.

19 For Fisherman's Haven, answer depends upon determination of plant
20 capacity and comparison to actual flows because there is no construction
21 permit record.

22 Q. Does the utility maintain the 20 psi minimum pressure throughout the
23 distribution system as required by Section 17-555.350, Florida Administrative
24 Code?

25 A. Yes.

1 Q. Does the utility have an adequate auxiliary power source in the event
2 of a power outage?

3 A. Yes, except Leilani Heights and Fisherman's Haven. No auxiliary power
4 source is provided as required at Leilani Heights and Fisherman's Haven. The
5 requirement for auxiliary power is based on population exceeding 350. In the
6 Department's opinion, based on 146 service connections and the type of
7 community of Fisherman's Haven, a definite potential to exceed 350 exists.

8 For Leilani Heights, the ability to meet fire control demand is
9 dependent on both Plants No.1 and No.2 being in service. Also the requirement
10 for two wells appears to be being met by Plant No.2. However, auxiliary power
11 should be provided to both plants. The company has not responded for this
12 issue.

13 Q. Are the utility's water wells in a location that complies with Section
14 17-555.312, Florida Administrative Code?

15 A. Yes. However, the well of Fisherman's Haven may be less than 100 feet
16 away from residential sewage plumbing, and the utility is required to submit
17 more information regarding this concern.

18 Q. Does the utility have certified operators as required by Chapter 17-602,
19 Florida Administrative Code?

20 A. Yes.

21 Q. Has the utility established a cross-connection control program in
22 accordance with Section 17-555.360, Florida Administrative Code?

23 A. Yes, the program is on file with the Department.

24 Q. Are the overall maintenance of the treatment plants and distribution
25 facilities satisfactory?

- 1 A. Yes.
- 2 Q. Does the water produced by the utility meet the State and Federal
3 maximum contaminant levels for primary and secondary water quality standards?
- 4 A. Yes, except Fox Run. Iron is still above the 0.3 mg/L maximum
5 contaminant level at Fox Run. It ranges from 0.3 to 0.6 mg/L.
- 6 Q. Does the utility monitor the organic contaminants listed in Section
7 17-550.410, Florida Administrative Code?
- 8 A. Yes.
- 9 Q. Do recent chemical analyses of raw and finished water, when compared to
10 regulations, suggest the need for additional treatment?
- 11 A. No, except Fox Run. The water produced by Fox Run water plant still
12 exceeds MCLs for iron, even though the utility has just installed several new
13 filters.
- 14 Q. Does the utility maintain the required chlorine residual or its
15 equivalent throughout the distribution system?
- 16 A. Yes.
- 17 Q. Are the plant and distribution systems in compliance with all the other
18 provisions of Chapter 17, Florida Administrative Code, not previously
19 mentioned?
- 20 A. Yes, except Fisherman's Haven. Some construction and operational
21 deficiencies exist at Fisherman's Haven. There is inadequate protection of
22 well which has no well pad and is subject to inundation. There should be two
23 wells as required by rule, and inadequate detention time is provided for
24 chlorination.
- 25 Q. Has any of the water systems of Southern States Utilities, Inc. in

1 | Martin County been the subject of any Department of Environmental Regulation
2 | enforcement action within the past two years?

3 | A. No, except Fox Run. The Department has a current enforcement case
4 | concerning iron levels.

5 | Q. Do you have anything further to add?

6 | A. No.

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DIRECT TESTIMONY OF WILLAIM THIEL

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Q. Please state your name and business address.

A. My name is William J. Thiel. My business address is the Department of Environmental Regulation, 1801 S.E. Hillmoore Drive, Port St. Lucie, FL 34952.

Q. Please state a brief description of your educational background and experience.

A. I have a bachelor of science degree in environmental science from the Florida Institute of Technology in 1983 and more than seven years experience in the environmental regulatory field.

Q. By whom are you presently employed?

A. Currently, I am employed by the Department of Environmental Regulation (DER).

Q. How long have you been employed with the Department of Environmental Regulation and in what capacity?

A. I have been employed with the DER for approximately four years as an environmental specialist in domestic wastewater compliance and enforcement and technical service, and three and a half years as a technician in the technical service section.

Q. What are your general responsibilities at the Department of Environmental Regulation?

A. My responsibilities include compliance assurance and enforcement procedures for domestic wastewater facilities.

Q. Are you familiar with Southern States Utilities, Inc.'s wastewater systems in Martin County particularly the Fox Run, Fisherman's Haven, and Leilani Heights Systems?

1 A. Yes.

2 Q. Does the utility have current operating or construction permits from the
3 Department of Environmental Regulation?

4 A. Yes.

5 Q. Please state the issuance date and the expiration date of the operating
6 or construction permits.

7 A. For Fox Run, the permit DT 43-193523 was issued on December 13, 1991 and
8 will be expired on December 31, 1993.

9 For Fisherman's Haven, the construction permit DC 43-150277 was issued
10 on February 20, 1990 and the expiration date has been extended to February 28,
11 1993.

12 For Leilani Heights, the facility is currently under operating permit
13 DO 43-194646 issued on October 14, 1991 and will be expired on October 14,
14 1996.

15 Q. Please state whether the permit is a temporary operating permit, and if
16 so, please describe the permit terms.

17 A. No, except Fox Run. See Exhibit WJT-1 for corrective action schedule.

18 Q. Are the plants in compliance with their permits?

19 A. The Fox Run system appears to be in compliance with effluent
20 requirements. However, the permittee is falling behind the permit's
21 corrective action schedule.

22 Yes for Fisherman's Haven, with the exception of occasional low chlorine
23 residual excursions in March 1992.

24 For Leilani Heights, a noncompliance letter was issued to Southern
25 States Utilities following a DER inspection on June 2, 1992, regarding

1 | bypassing of the filters, sludge in one of the percolation ponds and weir box,
2 | and lack of a standby blower as required by the permit. A response dated June
3 | 25, 1992, has addressed the above deficiencies, though corrective actions have
4 | not been verified by DER inspection.

5 | Q. Are the wastewater collection, treatment and disposal facilities
6 | adequate to serve present customers based on permitted capacity?

7 | A. Yes, except Fox Run. The effluent disposal facility of Fox Run is not
8 | adequate. The facility of Fisherman's Haven is at less than 50% of its
9 | permitted capacity.

10 | For Leilani Heights, based on the submitted self monitoring data, the
11 | facilities are adequate. However, current flows are approaching the permitted
12 | capacity.

13 | Q. Are the treatment and disposal facilities located in accordance with
14 | Rule 17-600, Florida Administrative Code?

15 | A. Yes. However, at Fisherman's Haven, the plant is located near a private
16 | potable well, and this well was constructed after the plant was in service.
17 | As such, the construction permit required the installation and sampling of an
18 | intercepting monitoring well. As groundwater violations have been reported
19 | by the utility, they are in the process of developing a more stringent
20 | monitoring program and developing a means to increase the level of treatment
21 | at the plant.

22 | The wastewater treatment plant at Leilani Heights was constructed prior
23 | to Chapter 17-600, Florida Administrative Code. The wastewater treatment
24 | plant should have been located in accordance with the applicable rules at that
25 | time.

1 Q. Has the Department of Environmental Regulation (DER) required the
2 utility to take any action so as to minimize possible adverse effects
3 resulting from odors, noise, aerosol drift or lighting?

4 A. No for Fox Run and Fisherman's Haven. In the past several years at
5 Fisherman's Haven, there have been no problems. Though more careful attention
6 to operation was needed in 1987 following odor complaints.

7 Yes for Leilani Heights, pursuant to the consent order entered into with
8 Southern States Utilities, an engineering evaluation was undertaken to correct
9 odor problems. Vegetative screening, chemical addition, etc. were instituted.
10 Currently, odors do not appear to be a problem.

11 Q. Do the pump stations and lift stations meet DER requirements with
12 respect to location, reliability and safety?

13 A. Yes, at the time of permitting. DER regulations require that prior to
14 construction, a permit must be obtained from DER unless the source is exempt
15 from permitting. During the permitting process the application is reviewed
16 by the Department to confirm the proposed construction provides reasonable
17 assurances, that the facilities will meet DER requirements. After permitting,
18 DER does not usually inspect the lift stations.

19 Q. Does the utility have certified operators as required by Chapter 17-602,
20 Florida Administrative Code?

21 A. Yes.

22 Q. Are the overall maintenance of the treatment, collection, and disposal
23 facilities satisfactory?

24 A. Yes, the maintenance appears satisfactory at Fisherman's Haven and
25 Leilani Heights with the exception of the recent problems noted above. For

1 | Fox Run at this time, besides disposal facility, the treatment and collection
2 | systems are generally satisfactory.

3 | Q. Does the facility meet all applicable technology based effluent
4 | limitations (TBELS) and water quality based effluent limitations (WQBELS)?

5 | A. Yes, as determined by the monthly self monitoring data submitted, the
6 | facilities generally meet all technology based limits.

7 | However at Fisherman's Haven, groundwater contamination has been
8 | confirmed as above.

9 | Q. Does the facility meet the effluent disposal requirements of Sections
10 | 17-600 and 17-610, Florida Administrative Code?

11 | A. No for Fox Run. Not until the completion of alternate disposal system
12 | or connection to a regional facility is accomplished as stipulated in the
13 | temporary operating permit.

14 | With regard to effluent limitations at Fisherman's Haven, the minimum
15 | chlorine residual for disinfection was not met on seven days during March
16 | 1992.

17 | For Leilani Heights, the construction of the percolation ponds were
18 | permitted prior to Chapter 17-610, Florida Administrative Code. The facility
19 | should have met the applicable rules at that time.

20 | Q. Are the collection, treatment and disposal facilities in compliance with
21 | all the other provisions of Chapter 17, Florida Administrative Code, not
22 | previously mentioned?

23 | A. Yes. However for Fisherman's Haven, it is yes upon the completion of
24 | modifications and upgrading of the construction permit and any corrective
25 | actions required as a result of the groundwater contamination.

1 | Q. Has any wastewater systems of Southern States Utilities, Inc. in Martin
2 | County been the subject of any Department of Environmental Regulation
3 | enforcement action within the past two years?

4 | A. No.

5 | Q. Do you have anything further to add?

6 | A. No, I do not.

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DIRECT TESTIMONY OF JOHN POPE

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2 | Q. Please state your name and business address.

3 | A. John H. Pope, Department of Environmental Regulation, 160 Governmental
4 | Center, Pensacola, FL 32501.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a Bachelor of Science degree in environmental science in 1978
8 | from the University of West Florida, Pensacola, Florida. I have 15 years
9 | environmental experience.

10 | Q. By whom are you presently employed?

11 | A. I am employed by the Florida Department of Environmental Regulation
12 | (DER).

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have been employed by DER for seven years as an Environmental
16 | Specialist.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. My responsibilities include compliance and enforcement for public water
20 | systems.

21 | Q. Are you familiar with Southern States Utilities, Inc.'s Water System in
22 | Washington County, particularly the Sunny Hills System?

23 | A. Yes.

24 | Q. Does the utility have a current construction permit from the Department
25 | of Environmental Regulation?

- 1 A. Currently there are no open water construction permits.
- 2 Q. Please state the issuance date and the expiration date of the operation
3 or construction permit.
- 4 A. The system was in existence at the inspection of the Department.
5 Therefore, we did not issue an original construction permit for this system.
6 DER does not issue operating permits for potable water systems.
- 7 Q. Are the utility's treatment facilities and distribution system
8 sufficient to serve its present customers?
- 9 A. Yes.
- 10 Q. Does the utility maintain the 20 psi minimum pressure throughout the
11 distribution system as required by Section 17-555.350, Florida Administrative
12 Code?
- 13 A. Yes.
- 14 Q. Does the utility have an adequate auxiliary power source in the event
15 of a power outage?
- 16 A. Yes.
- 17 Q. Are the utility's water wells in a location that complies with Section
18 17-555.312, Florida Administrative Code?
- 19 A. Yes.
- 20 Q. Does the utility have certified operators as required by Chapter 17-602,
21 Florida Administrative Code?
- 22 A. Yes.
- 23 Q. Has the utility established a cross-connection control program in
24 accordance with Section 17-555.360, Florida Administrative Code?
- 25 A. Yes.

- 1 Q. Is the overall maintenance of the treatment plant and distribution
2 facilities satisfactory?
- 3 A. Yes.
- 4 Q. Does the water produced by the utility meet the State and Federal
5 maximum contaminant levels for primary and secondary water quality standards?
- 6 A. Yes.
- 7 Q. Does the utility monitor the organic contaminants listed in Section
8 17-550.410, Florida Administrative Code?
- 9 A. Yes.
- 10 Q. Do recent chemical analyses of raw and finished water, when compared to
11 regulations, suggest the need for additional treatment?
- 12 A. No.
- 13 Q. Does the utility maintain the required chlorine residual or its
14 equivalent throughout the distribution system?
- 15 A. Yes.
- 16 Q. Are the plant and distribution systems in compliance with all the other
17 provisions of Chapter 17 Florida Administrative Code, not previously
18 mentioned?
- 19 A. Yes.
- 20 Q. Has the Sunny Hills System of Southern States Utilities, Inc. been the
21 subject of any Department of Environmental Regulation enforcement action
22 within the past two years?
- 23 A. No.
- 24 Q. Do you have anything further to add?
- 25 A. No, I do not.

DIRECT TESTIMONY OF LYNAL DEFALCO

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2 | Q. Please state your name and business address.

3 | A. My name is Lynam DeFalco and my business address is 7825 Baymeadows Way
4 | Suite 200-B, Jacksonville, FL 32256-7577.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I have a Bachelor of Arts Degree in Biology from Jacksonville
8 | University. I have over ten years experience in the Drinking Water Section of
9 | DER and HRS.

10 | Q. By whom are you presently employed?

11 | A. I am currently employed by The Florida Department of Environmental
12 | Regulation.

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have been employed in the potable water section of DER as an
16 | Environmental Specialist for approximately eight years.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. I perform field inspections of public drinking water systems and monitor
20 | compliance and enforcement of state and federal regulations.

21 | Q. Are you familiar with the Southern States Utilities Water Systems in
22 | Clay County, particularly the Keystone Heights, Lakeview Villas and Postmaster
23 | Village systems?

24 | A. I am familiar with all of the systems through DER files. I have visited
25 | the Keystone Heights and Postmaster Village systems. I have not visited the

1 Lakeview Villas system.

2 Q. Do the utilities have construction permits from the Department of
3 Environmental Regulation?

4 A. The systems do not have current construction permits.

5 Q. Are the utility's treatment facilities and distribution systems
6 sufficient to serve its present customers?

7 A. Yes.

8 Q. Does the utility maintain the required 20 psi minimum pressure
9 throughout the distribution systems?

10 A. Yes. I have not received customer complaints that indicate a pressure
11 problem.

12 Q. Do these systems have an adequate auxiliary power source in the event
13 of a power outage?

14 A. The Keystone Heights system has adequate auxiliary power.

15 The Lakeview Villas is not required to have auxiliary power.

16 The Postmaster Village is required to have auxiliary power but does not
17 have adequate auxiliary power. I have sent SSU a non-compliance letter and am
18 waiting for a response.

19 Q. Are the utility's water wells located in compliance with Rule
20 17-555.312, Florida Administrative Code?

21 A. Yes.

22 Q. Does the utility have certified operators as required by Chapter 17-602,
23 Florida Administrative Code?

24 A. Yes.

25 Q. Has the utility established a cross-connection control program in

1 | accordance with Section 17-555.360, Florida Administrative Code?

2 | A. No written program is on file. SSU is required to develop a cross-
3 | connection control program. However, it has been my experience with this
4 | utility that each connection is checked for potential hazards and a
5 | determination is made whether further protection is needed.

6 | Q. Is the overall maintenance of the treatment plants and distribution
7 | facilities satisfactory?

8 | A. Yes, I inspected the Postmaster Village and Keystone Heights systems in
9 | June 1992. Both systems were deficient because they do not have a loss of gas
10 | chlorination capability alarm. I have sent SSU a non-compliance letter and am
11 | waiting for a response.

12 | Q. Does the water produced by the utilities meet the State and Federal
13 | maximum contaminant levels for primary and secondary water quality standards?

14 | A. Yes.

15 | Q. Do the utilities monitor the organic contaminants listed in Rule
16 | 17-550.410, Florida Administrative Code?

17 | A. Yes.

18 | Q. Do recent chemical analyses of raw and finished water, when compared to
19 | regulations, suggest the need for additional treatment at any of the systems?

20 | A. No.

21 | Q. Do the utilities maintain the required chlorine residual or its
22 | equivalent throughout the distribution systems?

23 | A. Yes.

24 | Q. Are the plants and distribution systems in compliance with all the other
25 | provisions of Title 17, Florida Administrative Code, not previously mentioned?

1 | A. Yes.

2 | Q. Have any of the SSU - Clay County systems been the subject of any
3 | Department of Environmental Regulation enforcement action within the past two
4 | years?

5 | A. No.

6 | Q. Do you have anything further to add?

7 | A. No, I do not.

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DIRECT TESTIMONY OF THOMAS HAMILTON

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Q. Please state your name and business address.

A. My name is Thomas R. Hamilton and by business address is HRS Duval County Public Health, 515 W. Sixth St., Jacksonville, FL 32206.

Q. Please state a brief description of your educational background and experience.

A. I have a B.S. Degree in mechanical engineering from Auburn University. I am a registered professional engineer, #24457. I have been employed by HRS as an environmental engineer since January, 1972.

Q. By whom are you presently employed?

A. HRS Duval County Public Health Unit.

Q. How long have you been employed with the Duval County Public Health Unit and in what capacity?

A. I have been employed with the Duval county public health since October 12, 1990 as a Professional Engineer Administrator

Q. What are your general responsibilities at the Duval County Public Health Unit?

A. I oversee the planing and implementation of the environmental engineering division programs. One of these programs is the Florida Safe Drinking Water Act program.

Q. Are you familiar with the Southern States Utilities Water Systems in Duval County, particularly the Beacon Hills, Cobblestone and Woodmere systems?

A. Yes. The Beacon Hills and Cobblestone systems are interconnected. I understand that in the PSC filing both of these systems are referred to as the Beacon Hills system.

1 Q. Do the utilities have current construction permits from the Department
2 of Environmental Regulation?

3 A. Yes. The systems have current permits for line extensions.

4 Q. Are the plants in compliance with their permits?

5 A. Yes. The limitation of 1546 ERCs for the Cobblestone system has been
6 exceeded. However, the system is interconnected to the Beacon Hills system and
7 this additional source is sufficient to satisfy the water demand.

8 Q. Are the utility's treatment facilities and distribution systems
9 sufficient to serve its present customers?

10 A. Based on our information, all three plants have insufficient chlorine
11 contact times. Because these plants are old, it is not clear how DER and the
12 Duval County Public Health Unit will address this problem. Also, the
13 Cobblestone plant is supplying more water than its design capacity. In order
14 for the interconnection with the Beacon Hills system to suffice for meeting
15 demand, the Cobblestone plant production must be limited to the plant design.

16 Q. Does the utility maintain the required 20 psi minimum pressure
17 throughout the distribution systems?

18 A. Yes. There have not been any pressure complaints in the past two years.
19 However, there had been pressure complaints in previous years.

20 Q. Does each system have an adequate auxiliary power source in the event
21 of a power outage?

22 A. The Beacon Hills and Woodmere systems have adequate auxiliary power. The
23 Cobblestone system does not have adequate auxiliary power. An official notice
24 was sent to SSU regarding this matter. SSU engineers believe that, in the
25 event of a power outage, the Beacon Hills plant is capable of supplying enough

1 water for both the Beacon Hills and Cobblestone systems. If this is correct,
2 the Cobblestone plant may not be required to have an auxiliary power source.
3 The Duval County Public Health Unit is studying this situation to determine
4 is an auxiliary power source at the Cobblestone plant will be required.

5 Q. Are the utility's water wells located in compliance with Section
6 17-555.312, Florida Administrative Code?

7 A. Yes.

8 Q. Does the utility have certified operators as required by Chapter 17-602,
9 Florida Administrative Code?

10 A. Yes.

11 Q. Has the utility established a cross-connection control program in
12 accordance with Section 17-555.360, Florida Administrative Code?

13 A. Yes.

14 Q. Is the overall maintenance of the treatment plants and distribution
15 facilities satisfactory?

16 A. Yes. With the exception of a leaking ground storage tank at the Beacon
17 Hills plant. SSU was sent an official notice regarding this matter. SSU has
18 stated that the ground storage tank is a double walled tank, and that the leak
19 is water that has spilled over the first wall and become trapped between the
20 two walls. If this is correct the problem may be less severe than previously
21 thought. We are currently reviewing this matter to determine if additional
22 enforcement action will be required.

23 Q. Does the water produced by the utilities meet the State and Federal
24 maximum contaminant levels for primary and secondary water quality standards?

25 A. Yes.

1 Q. Do the utilities monitor the organic contaminants listed in Section
2 17-550.410, Florida Administrative Code?

3 A. Yes.

4 Q. Do recent chemical analyses of raw and finished water, when compared to
5 regulations, suggest the need for additional treatment at any of the systems?

6 A. No. However, as mentioned previously, retention time for hydrogen-
7 sulfide reduction limits the plant capacity and the chlorine contact time is
8 inadequate during peak flows.

9 Q. Do the utilities maintain the required chlorine residual or its
10 equivalent throughout the distribution systems?

11 A. Yes.

12 Q. Are the plants and distribution systems in compliance with all the other
13 provisions of Title 17, Florida Administrative Code, not previously mentioned?

14 A. Yes.

15 Q. Have any of the SSU Duval County systems been the subject of any
16 Department of Environmental Regulation or Duval County Public Health Unit
17 enforcement action within the past two years?

18 A. Yes. As mentioned previously, an official notice was sent to SSU
19 regarding the leaking ground storage tank at the Beacon Hills plant and the
20 lack of auxiliary power at the Cobblestone plant. SSU has responded to both
21 of the problems and the problems are being reviewed.

22 Q. Do you have anything further to add?

23 A. No, I do not.

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1 DIRECT TESTIMONY OF VINCENT SEIBOLD

2 Q. Please state your name and business address.

3 A. My name is Vincent Seibold and my business address is 7825 Baymeadows
4 Way Suite 200-B, Jacksonville, FL 32256-7577

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I earned a Bachelor of Science Degree in Environmental Engineering in
8 December 1989. I have been employed with DER since December 1989.

9 Q. By whom are you presently employed?

10 A. The Florida Department of Environmental Regulation.

11 Q. How long have you been employed with the Department of Environmental
12 Regulation and in what capacity?

13 A. I have been employed with DER for over two years. From December 1989 to
14 April 1990 I was an Engineer I in the domestic waste section. From April 1990
15 to June 1991 I was an Engineer 2 in the industrial waste section. I have been
16 employed as an Engineer 3 in the potable water section since June 1991.

17 Q. What are your general responsibilities at the Department of
18 Environmental Regulation?

19 A. I conduct inspections of public water systems, review permit
20 applications and engineering drawings, investigate water quality complaints
21 and review water chemical data, and prepare and transmit enforcement related
22 documents.

23 Q. Are you familiar with Southern States Utilities Water System in Nassau
24 County, particularly the Amelia Island System?

25 A. Yes, I have been a DER inspector for Nassau County for the past year.

1 I conducted a sanitary survey at Amelia Island on August 8, 1991.

2 Q. Are the utility's treatment facilities and distribution system
3 sufficient to serve its present customers?

4 A. Yes.

5 Q. Does the utility maintain the required 20 psi minimum pressure
6 throughout the distribution system?

7 A. Yes.

8 Q. Does the utility have an adequate auxiliary power source in the event
9 of a power outage?

10 A. Yes.

11 Q. Are the utility's water wells located in compliance with Rule
12 17-555.312, Florida Administrative Code?

13 A. Yes.

14 Q. Does the utility have certified operators as required by Rule 17-602,
15 Florida Administrative Code?

16 A. Yes.

17 Q. Has the utility established a cross-connection control program in
18 accordance with Rule 17-555.360, Florida Administrative Code?

19 A. No. SSU is required to develop a cross-connection control program. I
20 informed SSU of their need to develop a program in a letter dated 11/7/91.

21 Q. Is the overall maintenance of the treatment plant and distribution
22 facilities satisfactory?

23 A. Yes. During my survey on August 8, 1991 I noted two deficiencies. The
24 roof on Aerator needed maintenance or replacement and the air relief valve on
25 60hp pump was leaking.

1 The aerator roof was replaced on 10/17/91. Air valve leak was repaired
2 the same day as the inspection.

3 Q. Does the water produced by the utility meet the State and Federal
4 maximum contaminant levels for primary and secondary water quality standards?

5 A. Yes.

6 Q. Does the utility monitor the organic contaminants listed in Section
7 17-550.410, Florida Administrative Code?

8 A. Yes.

9 Q. Do recent chemical analyses of raw and finished water, when compared to
10 regulations, suggest the need for additional treatment?

11 A. No.

12 Q. Does the utility maintain the required chlorine residual or its
13 equivalent throughout the distribution system?

14 A. Yes.

15 Q. Are the plant and distribution systems in compliance with all the other
16 provisions of Title 17, Florida Administrative Code, not previously mentioned?

17 A. Yes.

18 Q. Has the Amelia Island been the subject of any Department of
19 Environmental Regulation enforcement action within the past two years?

20 A. No.

21 Q. Do you have anything further to add?

22 A. No, I do not.

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DIRECT TESTIMONY OF JAMES MAHER

1
2 Q. Please state your name and business address.

3 A. My name is James R. Maher and my business address is 7825 Baymeadows Rd.
4 Suite 200-B, Jacksonville, FL 32256-7577

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I received a Bachelor of Science Degree in Chemical Engineering from
8 Lehigh University. I served as a Naval Engineer on the USS Forrestal. I have
9 also been employed as an environmental engineer for HRS. I have been employed
10 for approximately four years in the drinking water section of DER.

11 Q. By whom are you presently employed?

12 A. The Florida Department of Environmental Regulation.

13 Q. How long have you been employed with the Department of Environmental
14 Regulation and in what capacity?

15 A. I have been employed with DER for approximately 4 years. I am currently
16 an Engineer 4 in the Potable Water Section.

17 Q. What are your general responsibilities at the Department of
18 Environmental Regulation?

19 A. I inspect public water facilities, monitor system compliance, recommend
20 corrective action for deficiencies and recommend enforcement action when
21 necessary. I also permit new systems and upgrades.

22 Q. Are you familiar with the Southern States Utilities Water Systems in
23 Putnam County, particularly the Beechers Point, Hermits Cove, Interlachen Lake
24 Estates, Palm Port, Park Manor, Pomona Park, River Grove, River Park, Saratoga
25 Harbor, Silver Lake Oaks, St. Johns Highlands, Welaka and Wootens systems?

1 A. Yes, I am familiar with all of these water systems.

2 Q. Are the utility's distribution systems sufficient to serve its present
3 customers?

4 A. Yes.

5 Q. Does the utility maintain the required 20 psi minimum pressure
6 throughout the distribution systems?

7 A. Yes.

8 Q. Does each system have an adequate auxiliary power source in the event
9 of a power outage?

10 A. The Beechers Point, Palm Port, River Grove, Silver Lake Oaks, St. Johns
11 Highlands, Welaka and Wootens systems are not required to have auxiliary
12 power.

13 The Hermits Cove system has an adequate auxiliary power source as
14 required by DER.

15 The Interlachen Lake Estates system does not have adequate auxiliary
16 power as required by DER. A permit has been issued to install the auxiliary
17 power source, but the work has not been completed.

18 The Pomona Park system does not have adequate auxiliary power as
19 required by DER. I have issued a non-compliance letter to SSU about this
20 matter. I am currently waiting for a response from SSU.

21 The River Park system does not have adequate auxiliary power as required
22 by DER. A permit has been issued to install the auxiliary power source, but
23 the work has not been completed.

24 The Saratoga Harbor system does not have adequate auxiliary power as
25 required by DER. I have issued a non-compliance letter to SSU about this

1 matter. I am currently waiting for a response from SSU.

2 Q. Are the utility's water wells located in compliance with Rule
3 17-555.312, Florida Administrative Code?

4 A. Yes.

5 Q. Does the utility have certified operators as required by Chapter 17-602,
6 Florida Administrative Code?

7 A. Yes.

8 Q. Has the utility established a cross-connection control program in
9 accordance with Section 17-555.360, Florida Administrative Code?

10 A. I am not aware of a cross-connection program established by any of the
11 Putnam county systems. SSU is responsible for developing a cross-connection
12 control program.

13 Q. Is the overall maintenance of the treatment plants and distribution
14 facilities satisfactory?

15 A. Yes. Southern States corrects minor deficiencies when they are noted.

16 Q. Does the water produced by the utilities meet the State and Federal
17 maximum contaminant levels for primary and secondary water quality standards?

18 A. The water produced by the Interlachen Lake Estates, Palm Port, River
19 Grove and Welaka systems meet state and federal maximum contaminant levels for
20 primary and secondary water quality standards.

21 The Beechers Point system does not meet the primary MCL for Sodium. The
22 Beechers Point system does meet the secondary MCLs for Chloride and TDS.
23 Additional treatment or additional source of supply is needed. I have sent a
24 non-compliance letter to SSU about their water quality. SSU has informed me
25 they have hired a engineering firm to study the problem and recommend a

1 solution. I am currently waiting for this report.

2 The Hermits Cove system does not meet the secondary MCLs for Manganese
3 and TDS. These contaminants did not clear the 1992 rechecks. I have sent a
4 non-compliance letter to SSU about their water quality. SSU has informed me
5 they have hired a engineering firm to study the problem and recommend a
6 solution. I am currently waiting for this report.

7 The Park Manor water plant is no longer in operation. Water is supplied
8 through a interconnection with the Interlachen Lake Estates water system.

9 The Pomona Park system showed high levels of Manganese in the 1992
10 analysis. The 1992 rechecks confirmed the Manganese levels exceed the MCLs but
11 the test results were erratic. We are allowing additional sampling before
12 additional treatment is mandated.

13 The River Park system does not meet the secondary MCLs for iron. High
14 iron levels were measured in 1985 and 1988, but the rechecks cleared the MCLs
15 both years. However, the rechecks did not clear the MCLs in 1992. Also, Color
16 is at the current MCL. I have sent a non-compliance letter to SSU about their
17 water quality. SSU has informed me they have hired a engineering firm to study
18 the problem and recommend a solution. I am currently waiting for this report.

19 The Saratoga Harbor system meets the primary and secondary MCLs with
20 some qualification. The odor levels exceeded the MCL but the rechecks are
21 erratic and additional sampling is needed before the Odor level is confirmed
22 to exceed the MCL. The aerator and ground storage tank are adequately sized.

23 The Silver Lake Oaks system meets primary and secondary MCLs. However,
24 iron levels fluctuate greatly, so filtration may be required in the future.

25 The St. Johns Highlands system meets primary and secondary MCLs.

1 | However, TDS and chloride barely cleared the 1992 rechecks.

2 | The Wootens system does not meet secondary MCLs. Color, odor and
3 | turbidity levels currently exceed the MCLs. It should be noted that none of
4 | these parameters exceeded the MCLs before 1991. I have sent a non-compliance
5 | letter to SSU about their water quality. SSU has informed me they have hired
6 | a engineering firm to study the problem and recommend a solution. I am
7 | currently waiting for this report.

8 | Q. Do the utilities monitor the organic contaminants listed in Rule
9 | 17-550.410, Florida Administrative Code?

10 | A. Yes.

11 | Q. Do the utilities maintain the required chlorine residual or its
12 | equivalent throughout the distribution systems?

13 | A. Yes, generally. When inspections note a low chlorine residual, adequate
14 | levels are soon restored.

15 | Q. Are the plants and distribution systems in compliance with all the other
16 | provisions of Title 17, Florida Administrative Code, not previously mentioned?

17 | A. Yes.

18 | Q. Have any of the SSU - Putnam County water systems been the subject of
19 | any Department of Environmental Regulation enforcement action within the past
20 | two years?

21 | A. Yes. Warning notices were issued for past due chemical analyses. The
22 | chemical analyses have now been received and the violations cleared.

23 | Q. Do you have anything further to add?

24 | A. No, I do not.

25 |

DIRECT TESTIMONY OF CINDY HAYNIE

- 1
- 2 Q. Please state your name and business address.
- 3 A. My name is Cindy Haynie. My business address is 3319 Maguire Blvd.,
4 Orlando, Florida 32803-3767.
- 5 Q. Please state a brief description of your educational background and
6 experience.
- 7 A. I received a B.S. in Food Technology from Texas Tech University IN 1979
8 and have 3½ years experience in the environmental field.
- 9 Q. By whom are you presently employed?
- 10 A. I am employed by the Florida Department of Environmental Regulation.
- 11 Q. How long have you been employed with the Department of Environmental
12 Regulation and in what capacity?
- 13 A. I have been with DER for 17 months as an Environmental Specialist,
14 Drinking Water.
- 15 Q. What are your general responsibilities at the Department of
16 Environmental Regulation?
- 17 A. My general responsibilities include enforcement and compliance
18 monitoring of public water systems.
- 19 Q. Are you familiar with Southern States' Holiday Heights and University
20 Shores water treatment systems?
- 21 A. Yes.
- 22 Q. Are the utility's treatment facilities and distribution system
23 sufficient to serve its present customers?
- 24 A. Yes.
- 25 Q. Does the utility maintain the required 20 psi minimum pressure

1 | throughout the distribution system?

2 | A. Yes.

3 | Q. Does the utility have an adequate auxiliary power source in the event
4 | of a power outage?

5 | A. Yes.

6 | Q. Are the utility's water wells located in compliance with Section
7 | 17-555.312, Florida Administrative Code?

8 | A. Yes, for University Shores. No, for Holiday Heights. The Holiday
9 | Heights well is within 100 feet of a wastewater plumbing discharge. At this
10 | time DER has accepted this situation.

11 | Q. Does the utility have certified operators as required by Chapter 17-602,
12 | Florida Administrative Code?

13 | A. Yes.

14 | Q. Has the utility established a cross-connection control program in
15 | accordance with Section 17-555.360, Florida Administrative Code?

16 | A. Yes.

17 | Q. Is the overall maintenance of the treatment plant and distribution
18 | facilities satisfactory?

19 | A. Yes.

20 | Q. Does the water produced by the utility meet the State and Federal
21 | maximum contaminant levels for primary and secondary water quality standards?

22 | A. Yes.

23 | Q. Does the utility monitor the organic contaminants listed in Section
24 | 17-550.410, Florida Administrative Code?

25 | A. Yes.

1 Q. Do recent chemical analyses of raw and finished water, when compared to
2 regulations, suggest the need for additional treatment?

3 A. No.

4 Q. Does the utility maintain the required chlorine residual or its
5 equivalent throughout the distribution system?

6 A. Yes.

7 Q. Has the water system of the Utility been the subject of any Department
8 of Environmental Regulation enforcement action within the past two years?

9 A. Yes.

10 Q. Do you have anything further to add?

11 A. No.

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DIRECT TESTIMONY OF ROBERTO ANSAG

1 |
2 | Q. Please state your name and business address.

3 | A. My name is Roberto Ansag. My address is 3319 Maguire Blvd., Suite 232,
4 | Orlando, Florida 32803-3767.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I graduated from Rollins College with a degree in Environmental Science
8 | in 1983. I have been employed with the Florida Department of Environmental
9 | Regulation (FDER) since 1985.

10 | Q. By whom are you presently employed?

11 | A. I am employed by the Florida Department of Environmental Regulation
12 | (FDER).

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have worked at the FDER for 7 years and am now an Environmental
16 | Supervisor II.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation.

19 | A. My responsibilities are to ensure that public water systems are in
20 | compliance with Florida's potable drinking water rules (Chapter 17-550,
21 | Florida Administrative Code).

22 | Q. Are you familiar with Southern States Utilities, Inc's Citrus Park and
23 | Salt Springs water systems in Marion County?

24 | A. Yes.

25 | Q. Are the utility's treatment facilities and distribution system

- 1 sufficient to serve its present customers?
- 2 A. Yes.
- 3 Q. Does the utility maintain the 20 psi minimum pressure throughout the
4 distribution system as required by Section 17-555.350, Florida Administrative
5 Code?
- 6 A. Yes.
- 7 Q. Does the utility have an adequate auxiliary power source in the event
8 of a power outage for these systems?
- 9 A. Yes.
- 10 Q. Are the utility's water wells in a location which complies Section 17-
11 555.312, Florida Administrative Code?
- 12 A. Yes.
- 13 Q. Does the utility have certified operators as required by Chapter 17-602,
14 Florida Administrative Code?
- 15 A. Yes.
- 16 Q. Has the utility established a cross-connection control program in
17 accordance with Section 17-555.360, Florida Administrative Code?
- 18 A. Yes.
- 19 Q. Is the overall maintenance of the treatment plant and distribution
20 facilities satisfactory?
- 21 A. Yes.
- 22 Q. Does the water produced by the utility meet the State and Federal
23 maximum contaminant levels for primary and secondary water quality standards?
- 24 A. Yes.
- 25 Q. Does the utility monitor the organic contaminants listed in Section 17-

1 550.410, Florida Administrative Code?

2 A. Yes.

3 Q. Do recent chemical analysis of raw and finished water, when compared to
4 regulations, suggest the need for additional treatment?

5 A. No.

6 Q. Does the utility maintain the required chlorine residual or its
7 equivalent throughout the distribution system?

8 A. Yes.

9 Q. Are the plant and distribution systems in compliance with all the other
10 provisions of Chapter 17 Florida Administrative Code, not previously
11 mentioned?

12 A. Yes.

13 Q. Have any of these water systems been the subject of any Department of
14 Environmental Regulation enforcement action within the past two years?

15 A. Yes.

16 Q. Are you familiar with Southern States Utilities, Inc. Daetwyler Shores,
17 Lake Conway Park, and Westmont water systems in Orange County?

18 A. Yes.

19 Q. Does SSU resell water from the Orlando Utilities Commission for the
20 above systems in Orange County?

21 A. Yes.

22 Q. Is the distribution system sufficient to serve the present customers?

23 A. Yes.

24 Q. Does SSU meet all other applicable requirements of Ch. 17 of the Florida
25 Administrative Code for these three systems?

1 | A. Yes.

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3 | Q. Have any of these systems been the subject of Department of
4 | Environmental Regulation enforcement action within the past two years?

5 | A. Yes. SSU failed to submit sufficient numbers of satisfactory monthly
6 | bacteriological tests at the Westmont system. The utility paid a fine and the
7 | case was closed on 4/22/91.

8 | Q. Do you have anything further to add?

9 | A. No.

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DIRECT TESTIMONY OF ROMEO ENAGE

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Q. Please state your name and business address.

A. My name is Romeo Enage. My business address is 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803-3767.

Q. Please state a brief description of your educational background and experience.

A. I received a B.S. in Civil Engineering from University of Baguio, Philippines in 1978. I have 13 years experience in water supply engineering.

Q. By whom are you presently employed?

A. I am employed by the Florida Department of Environmental Regulation.

Q. How long have you been employed with the Department of Environmental Regulation and in what capacity?

A. I have been employed for 1½ years as an Engineer I.

Q. What are your general responsibilities at the Department of Environmental Regulation?

A. My responsibilities include enforcement, conducting sanitary surveys and compliance inspections related to public drinking water.

Q. Are you familiar with Southern States' Apple Valley, Chuluota, Dol Ray Manor, Druid Hills, Fern Park, Harmony Homes, Lake Brantley and Meredith Manor water treatment systems?

A. Yes.

Q. Are all treatment plants in compliance with their permit(s)?

A. Yes.

Q. Are the utility's treatment facilities and distribution systems sufficient to serve its present customers?

1 A. Yes.

2 Q. Does the utility maintain the required 20 psi minimum pressure
3 throughout the distribution system?

4 A. Yes.

5 Q. Does the utility have an adequate auxiliary power source in the event
6 of a power outage?

7 A. Yes, except for Harmony Homes, Lake Brantley and Lake Harriet Estates.
8 Those systems serve fewer than 350 people and are exempt from the emergency
9 power requirement.

10 Q. Are the utility's water wells located in compliance with Section
11 17-555.312, Florida Administrative Code?

12 A. Yes.

13 Q. Does the utility have certified operators as required by Chapter 17-602,
14 Florida Administrative Code?

15 A. Yes.

16 Q. Has the utility established a cross-connection control program in
17 accordance with Section 17-555.360, Florida Administrative Code?

18 A. Yes.

19 Q. Is the overall maintenance of the treatment plant and distribution
20 facilities satisfactory?

21 A. Yes, except for minor deficiencies in various systems which have been
22 reported to the Utility and have been rectified.

23 Q. Does the water produced by the utility meet the State and Federal
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1 | maximum contaminant levels for primary and secondary water quality standards?

2 | A. Yes, except for the Chuluota facility. The combined Radium-226 and
3 | Radium 288 level registered 7.01 pCi/L. This level exceeds the maximum
4 | contaminate level (MCL) of 5.0 pCi/L. Pursuant to Rule 17-550.510 (7) (a) 10,
5 | Florida Administrative Code, quarterly sampling shall be required until the
6 | annual average does not exceed the MCL.

7 | Q. Does the utility monitor the organic contaminants listed in Section
8 | 17-550.410, Florida Administrative Code?

9 | A. Yes.

10 | Q. Do recent chemical analyses of raw and finished water, when compared to
11 | regulations, suggest the need for additional treatment?

12 | A. No.

13 | Q. Does the utility maintain the required chlorine residual or its
14 | equivalent throughout the distribution system?

15 | A. Yes.

16 | Q. Has the water system of the Utility been the subject of any Department
17 | of Environmental Regulation enforcement action within the past two years?

18 | A. No.

19 | Q. Do you have anything further to add?

20 | A. No.

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DIRECT TESTIMONY OF MIRIAM HUNT-BOATENG

1 |
2 | Q. Please state your name and business address.

3 | A. My name is Miriam Hunt-Boateng. My business address is 3319 Maguire
4 | Blvd., Orlando, Florida 32803-3767.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a B.S. in Electrical Engineering from Pennsylvania State
8 | University. I have a total of 5 years of water regulatory experience in the
9 | States of Connecticut (Dept. of Public Utility Control) and Florida.

10 | Q. By whom are you presently employed?

11 | A. I am presently employed by the Florida Department of Environmental
12 | Regulation in the Central District.

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have been employed by DER approximately 3 months as an Engineer I in
16 | the Drinking Water Compliance/Enforcement Section.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. My general responsibilities include inspecting public water systems and
20 | examining all engineering drawings and related technical data.

21 | Q. Are you familiar with Southern States' Bay Lake Estates, Fountains,
22 | Intercession City, Lake Ajay Village, Pineridge Estates, Tropical Park and
23 | Windsong water treatment systems?

24 | A. Yes.

25 | Q. Are all plants in compliance with current permit(s)?

- 1 A. Yes.
- 2 Q. Are the utility's treatment facilities and distribution systems
3 sufficient to serve its present customers?
- 4 A. Yes.
- 5 Q. Does the utility maintain the required 20 psi minimum pressure
6 throughout the distribution systems?
- 7 A. Yes.
- 8 Q. Does the utility have an adequate auxiliary power source in the event
9 of a power outage?
- 10 A. Yes, for Intercession City, Pineridge Estates, Tropical Park and
11 Windsong. No, for Bay Lake Estates, Fountains and Lake Ajay Village.
12 According to DER Rule 17-555.320(6) since these systems serve fewer than 350
13 people, emergency power is not required.
- 14 Q. Are the utility's water wells located in compliance with Section
15 17-555.312, Florida Administrative Code?
- 16 A. Yes, for Bay Lake Estates, Fountains, Lake Ajay Village, Pineridge
17 Estates and Windsong. Intercession City and Tropical Park each have a well
18 within 100 feet of a septic tank or a wastewater plumbing source, however, DER
19 has currently accepted both wells.
- 20 Q. Does the utility have certified operators as required by Chapter 17-602,
21 Florida Administrative Code?
- 22 A. Yes.
- 23 Q. Has the utility established a cross connection control program in
24 accordance with Section 17-555.360, Florida Administrative Code?
- 25 A. No, for all systems.

1 Q. What is required to bring the utility into compliance with the cross-
2 connection control program?

3 A. The Utility must submit a written cross connection control program to
4 this department and provide a copy to each resident.

5 Q. Is the overall maintenance of the treatment plant and distribution
6 facilities satisfactory?

7 A. Yes, for Bay Lake Estates, Fountains, Lake Ajay Village, Pineridge
8 Estates and Tropical Park. No, for Intercession City and Windsong.
9 Intercession City's hydropneumatic tank shows evidence of corrosive pitting
10 and should be repaired or replaced. Windsong, at the time of inspection on
11 9/29/92, was utilizing the interconnection to the City of Kissimmee water
12 system due to customer complaints of sand in the distribution lines.

13 Q. Does the water produced by the utility meet the State and Federal
14 maximum contaminant levels for primary and secondary water quality standards?

15 A. Yes.

16 Q. Does the utility monitor the organic contaminants listed in Section
17 17-550.410, Florida Administrative Code?

18 A. Yes.

19 Q. Do recent chemical analyses of raw and finished water, when compared to
20 regulations, suggest the need for additional treatment?

21 A. No.

22 Q. Does the utility maintain the required chlorine residual or its
23 equivalent throughout the distribution system?

24 A. Yes.

25 Q. Has the water system of the Utility been the subject of any Department

1 | of Environmental Regulation enforcement action within the past two years?

2 | A. No.

3 | Q. Do you have anything further to add?

4 | A. No, except with regard to Bay Lakes Estates and Windsong. At Bay Lakes
5 | Estates, a sanitary survey was conducted by this department on September 27,
6 | 1990, and SSU was told the pressure tank was not being maintained in good
7 | operating condition. The access manhole was rusted. On October 2, 1990, the
8 | pressure tank ruptured. The tank was replaced and the system reinspected on
9 | 9/24/91 and 9/29/92. No major deficiencies were noted.

10 | The Windsong system has a history of pumping sand from the well since
11 | April of 1989. The Utility attempted to correct the problem by installing a
12 | 6 inch PVC liner and packer to a depth of 220 feet. The Utility's explanation
13 | for the 9/29/92 problem of sand in the distribution system was a buildup of
14 | sand in the hydropneumatic tank.

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DIRECT TESTIMONY OF THOMAS CHERUKARA

- 1
- 2 Q. Please state your name and business address.
- 3 A. My name is Thomas Cherukara, my business address is 2295 Victoria
4 Avenue, Ft. Myers, Florida 33901.
- 5 Q. Please state a brief description of your educational background and
6 experience.
- 7 A. I received a B.S. in Mechanical Engineering from Ranchi University in
8 Ranchi, India in 1978, and a Master of Science in Material Science and
9 Engineering (M.S.E.) from Rochester Institute of Technology in 1984. I have
10 11 years experience in mechanical construction and 3 years in environmental
11 engineering.
- 12 Q. By whom are you presently employed?
- 13 A. I am employed by the Department of Environmental Regulation.
- 14 Q. How long have you been employed with the Department of Environmental
15 Regulation and in what capacity?
- 16 A. I have been employed 3 years as a Professional Engineer.
- 17 Q. What are your general responsibilities at the Department of
18 Environmental Regulation?
- 19 A. I supervise permitting, compliance and enforcement in the drinking water
20 section.
- 21 Q. Are you familiar with Southern States' Burnt Store water treatment
22 system?
- 23 A. Yes.
- 24 Q. Does the utility have a construction permit(s) from the Department of
25 Environmental Regulation?

- 1 A. Yes.
- 2 Q. Please state the issuance date of the construction permit(s).
- 3 A. WC08-180225 dated 1/14/91
- 4 Q. Is the plant in compliance with its permit(s)?
- 5 A. Yes.
- 6 Q. Are the utility's treatment facilities and distribution system
7 sufficient to serve its present customers?
- 8 A. Yes.
- 9 Q. Does the utility maintain the required 20 psi minimum pressure
10 throughout the distribution system?
- 11 A. Yes.
- 12 Q. Does the utility have an adequate auxiliary power source in the event
13 of a power outage?
- 14 A. Yes
- 15 Q. Are the utility's water wells located in compliance with Section
16 17-555.312, Florida Administrative Code?
- 17 A. Yes.
- 18 Q. Does the utility have certified operators as required by Chapter 17-602,
19 Florida Administrative Code?
- 20 A. Yes.
- 21 Q. Has the utility established a cross-connection control program in
22 accordance with Section 17-555.360, Florida Administrative Code?
- 23 A. No.
- 24 Q. What is required to bring the utility into compliance with the cross-
25 connection control program?

- 1 A. They must develop a cross-connection control plan and submit it to the
2 department for approval.
- 3 Q. Is the overall maintenance of the treatment plant and distribution
4 facilities satisfactory?
- 5 A. Yes
- 6 Q. Does the water produced by the utility meet the State and Federal
7 maximum contaminant levels for primary and secondary water quality standards?
- 8 A. Yes, except the utility missed two reporting quarters, 5/92 and 8/92,
9 for radiological analysis reports.
- 10 Q. Does the utility monitor the organic contaminants listed in Section
11 17-550.410, Florida Administrative Code?
- 12 A. Yes
- 13 Q. Do recent chemical analyses of raw and finished water, when compared to
14 regulations, suggest the need for additional treatment?
- 15 A. No.
- 16 Q. Does the utility maintain the required chlorine residual or its
17 equivalent throughout the distribution system?
- 18 A. Yes.
- 19 Q. Has the water system of the Utility been the subject of any Department
20 of Environmental Regulation enforcement action within the past two years?
- 21 A. No, as far as this District office and the water facilities are
22 concerned.
- 23 Q. Do you have anything further to add?
- 24 A. Yes, the water system is under enforcement through the Tampa office of
25 DER for industrial wastewater violations. The Burnt Store treatment plant is

1 | a reverse osmosis (RO) facility. RO plants have a certain percentage (15% to
2 | 25%) of what is referred to as reject water. It is water that is left over
3 | from the treatment process that is laden with minerals. DER considers it
4 | industrial waste. The action of the Tampa office has been ongoing for about
5 | three years. Additionally, iron levels at one of the residences served by the
6 | utility exceeded the Maximum Contaminate Level (MCL) for a period of time.
7 | However, now the results show full compliance in regard to iron at the
8 | residence.

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DIRECT TESTIMONY OF PETER DENTICE

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2 | Q. Please state your name and business address.

3 | A. My name is Peter F. Dentice. My address is Department of Environmental
4 | Regulation, 3319 Maguire Blvd., Suite 232, Orlando, Florida 32714.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a B.A. in Biology from the State University of New York,
8 | Potsdam N.Y., in May, 1975. I also completed 30 hours of graduate level study
9 | in Environmental Engineering at Clarkston College of Technology in Potsdam.

10 | Q. By whom are you presently employed?

11 | A. I am employed by the Florida Department of Environmental Regulation.

12 | Q. How long have you been employed with the Department of Environmental
13 | Regulation and in what capacity?

14 | A. I have been with the Department since December 12, 1977 in various
15 | positions. My current title is Environmental Specialist II, in the Domestic
16 | Waste section.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. My responsibilities include performing enforcement reconnaissance
20 | inspections, drafting reports, reviewing files to determine compliance, and
21 | drafting enforcement correspondence and documents.

22 | Q. Are you familiar with the Southern States Inc. Apple Valley, Florida
23 | Central/Commerce Park, Chuluota, Meredith Manor, Deltona Lakes, Jungle Den,
24 | Sugar Mill, Morningview, Citrus Park, Salt Springs, South Forty, Venetian
25 | Village, Holiday Haven, Sunshine Parkway and University Shores wastewater

1 | systems in Orange, Seminole, Volusia, Marion, and Lake Counties?

2 | A. Yes, except for Meredith Manor which was permitted with a group under
3 | the name of Lake Brantley and is a collection system only. Apple Valley is
4 | a collection system only. All wastewater is pumped to the City of Altamonte
5 | Springs for treatment.

6 | Q. Does the utility have current and valid operating or construction
7 | permits from the Department of Environmental Regulation for the above listed
8 | systems?

9 | A. Yes, except for Sugar Mill. For Sugar Mill, the owner submitted the
10 | application for an operation permit in a timely manner and is authorized to
11 | operate under the conditions of permit No. DO 64-134622 until issuance of a
12 | currently valid operation permit.

13 | Q. Please state whether any of the permits are temporary, if so, please
14 | describe the permit terms.

15 | A. Sunshine Parkway and Holiday Haven are the only systems with temporary
16 | operating permits. The Sunshine Parkway compliance schedule allows for the
17 | construction of additional effluent disposal area to eliminate the discharge
18 | from the spray field at Sunshine Parkway to surface water.

19 | For Holiday Haven, the temporary operating permit is required to provide
20 | additional effluent disposal capacity to eliminate the existing effluent
21 | discharge to the St. John's River.

22 | Q. Are the facilities in compliance with their permits?

23 | A. Yes, except for Sunshine Parkway, Holiday Haven and the University
24 | Shores No. 1 and No. 2 facilities. The Sunshine Parkway system is in
25 | substantial compliance with its permits.

1 At Holiday Haven, the utility was to commence construction of the
2 additional effluent disposal capability prior to August 8, 1992 in accordance
3 with the compliance schedule contained in the permit DT35-148316. The utility
4 was unable to commence construction because the Astor/Astor Park Water
5 Association filed a petition against the issuance of the construction permit
6 to construct two additional percolation ponds. This matter should be resolved
7 in the near future. The utility proposes to modify the current percolation
8 pond design to a spray irrigation site.

9 The Utility was notified by the Department on April 13, 1992 of the
10 results of a bioassay of their effluent from the University Shores No. 1
11 facility. The effluent was determined to be acutely toxic. After meeting
12 with the Department, the Utility decided to rehabilitate the plant in hopes
13 of eliminating the toxicity problem and improving the nitrogen removal
14 results, which have exceeded the effluent limitations set forth in their
15 operation permit No. D048-187714. A recent inspection of University Shores
16 No. 2 plant indicates that effluent is ponding on the drainfields and two of
17 the percolation ponds are discharging to surface waters. The problems are
18 under investigation by the Department.

19 Q. Are the wastewater collection, treatment, and disposal facilities of
20 sufficient size to serve the present customers?

21 A. Yes, except for Holiday Haven. As I stated earlier, the effluent
22 disposal is inadequate until expanded effluent disposal can be permitted and
23 constructed.

24 Q. Are the treatment and disposal facilities located in accordance with
25 Chapter 17-600, Florida Administrative Code?

1 A. Yes, except for the Morningview, Sunshine Parkway, and Holiday Haven
2 systems.

3 For Morningview, the treatment and disposal facilities are located in
4 accordance with the requirements of the Department at the time the original
5 construction permit DC 72466 was issued on November 8, 1978.

6 For Sunshine Parkway, the facilities approved under DC 35-174231, when
7 completed, will be in compliance with the rules and requirements of the
8 Department.

9 For Holiday Haven, the effluent disposal is inadequate until additional
10 effluent disposal can be permitted and constructed.

11 Q. Are the treatment plants located on the site so as to minimize adverse
12 effects resulting from odors, noise, and lighting?

13 A. Yes, except for Salt Springs. In response to an odor and hydraulic
14 loading problem being experienced due to the volume and characteristic of
15 wastewater received from Adventures Resorts Campground (an RV resort), the
16 utility is in the process of installing a surge tank. The surge tank will
17 equalize the flows and provide the volatilization of the formaldehyde present
18 in the wastewater. This is the work which construction permit DC42-205369
19 authorizes.

20 Q. Do the pump stations and lift stations meet DER requirements with
21 respect to location, reliability and safety?

22 A. Yes, the pump stations and lift stations were constructed and located
23 in accordance with the rules and regulations at the time of approval.

24 Q. Does the utility have certified operators as required by Chapter 17-602,
25 Florida Administrative Code?

1 A. Yes.

2 Q. Do Department of Environmental Regulation rules require the utility to
3 have certified operators if they only operate a collection system?

4 A. No.

5 Q. Is the overall maintenance of the treatment, collection and disposal
6 facilities satisfactory?

7 A. Yes, except for the Jungle Den and Holiday Haven systems. For Jungle
8 Den the collection system has experienced periodic and excessive hydraulic
9 loading due to high levels of infiltration.

10 For Holiday Haven, the utility needs to address the following items:
11 the catwalk supports are corroded and require replacement and the existing
12 percolation pond requires removal of excessive vegetation and regular mowing.

13 Q. Do the facilities meet the effluent disposal requirements of Rules 17-
14 600 and 17-610, Florida Administrative Code?

15 A. Yes, except for the following systems.

16 For Morningview, the facility's effluent disposal area was designed and
17 constructed in accordance with the rules and regulations at the time of
18 approval. The operation of the effluent disposal area is in compliance with
19 Rule 17-600s, Florida Administrative Code.

20 For Sunshine Parkway, when the construction authorized under DC 35-
21 174231 is completed it will meet the requirements.

22 Holiday Haven is only allowed a temporary discharge to the St. John's
23 River until construction of additional effluent disposal. WQBELS have not
24 been developed and TBELS are not applicable.

25 The problems of University Shores Nos. 1 and 2 were discussed

1 | previously.

2 | Q. Are the collection, treatment, and disposal facilities in compliance
3 | with all the other provisions of Chapter 17, Florida Administrative Code, not
4 | previously mentioned?

5 | A. Yes.

6 | Q. Have any of the systems of Southern States Utilities, Inc. been the
7 | subject of any Department of Environmental Regulation enforcement action
8 | within the past two years?

9 | A. No, except for Deltona Lakes. Deltona Lakes System of Southern States
10 | Utilities, Inc. has been the subject of DER enforcement within the past two
11 | years. On June 14, 1991, the Department issued a warning notice (No. DW-91-
12 | 0100) to Southern States Utilities, Inc. for failing to produce reclaimed
13 | water which would meet unrestricted public access treatment levels, releasing
14 | of substandard reclaimed water to a public access disposal site, and failing
15 | to notify the Department of the facilities' inability to meet treatment
16 | levels. All violations were corrected, therefore, the facility was returned
17 | to compliance operation. The enforcement action was resolved through the
18 | issuance of a consent order.

19 | Q. Do you have anything further to add?

20 | A. Yes, the renovation of the University Shores Nos. 1 and 2 facilities is
21 | very important because failure to eliminate the toxicity and ponding problems
22 | may require the Utility to obtain additional effluent disposal sites.

23 | Q. Does this conclude your testimony?

24 | A. Yes.

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DIRECT TESTIMONY OF HARLEY W. YOUNG

1 |
2 | Q. Please state your name and business address.

3 | A. My name is Harley W. Young. My business address is 2295 Victoria
4 | Avenue, Ft. Myers, Florida 33901.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a B.S. and M.S. in Civil Engineering from Iowa State
8 | University in 1980 and 1982 respectively. I have 12 years engineering
9 | experience.

10 | Q. By whom are you presently employed?

11 | A. I am presently employed by the Florida Department of Environmental
12 | Regulation.

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have been with the department for 3 years as a Professional Engineer
16 | III.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. My responsibilities include administration, permitting, enforcement and
20 | compliance in Domestic Wastewater-Water facilities.

21 | Q. Are you familiar with the Southern States' Burnt Store wastewater
22 | treatment and collection system in Charlotte County?

23 | A. Yes.

24 | Q. Does the utility have any current construction permits? If yes, explain
25 | what the permit is for and when it expires.

- 1 | A. No.
- 2 | Q. What is the permitted capacity of the wastewater treatment plant?
- 3 | A. The current permitted capacity is 0.025 million gallons per day.
- 4 | Q. Is the wastewater treatment facility of sufficient size to serve the
- 5 | present customers?
- 6 | A. Yes.
- 7 | Q. Is the treatment plant located on the site so as to minimize adverse
- 8 | effects resulting from odors, noise, and lighting?
- 9 | A. Yes.
- 10 | Q. Is the wastewater collection system adequate to serve the present
- 11 | customers?
- 12 | A. Yes.
- 13 | Q. Is the overall maintenance of the collection system satisfactory?
- 14 | A. Yes.
- 15 | Q. Do the pump stations and lift stations meet DER requirements with
- 16 | respect to location, reliability and safety?
- 17 | A. Yes.
- 18 | Q. Does the utility have the appropriate number and type of certified
- 19 | operators as required by Chapter 17-602, Florida Administrative Code?
- 20 | A. Yes.
- 21 | Q. How often and how much time is the certified operator required to spend
- 22 | at the wastewater plant during a week?
- 23 | A. The operator requirement for this facility is 5 days per week, 3 hours
- 24 | per day plus one weekend visit.
- 25 | Q. Is the overall maintenance of the wastewater plant and equipment

1 | satisfactory?

2 | A. Yes.

3 | Q. Does the facility meet all applicable Technology Based Effluent
4 | Limitations (TBELS) and Water Quality Based Effluent Limitations (WQBELS)?

5 | A. Yes.

6 | Q. Does the utility have any citations, violations, or corrective orders
7 | in regard to the wastewater treatment plant and effluent disposal system?

8 | A. No.

9 | Q. Do you have anything further to add?

10 | A. No.

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DIRECT TESTIMONY OF PETER SCRENOCK

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2 | Q. Please state your name and business address.

3 | A. My name is Peter Screnock and my business address is 3804 Coconut Palm
4 | Drive, Tampa, FL 33619.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I have a Bachelors degree in Environmental Science from Ramapo College of
8 | New Jersey and have worked as a water and wastewater plant operator.

9 | Q. By whom are you presently employed?

10 | A. I am employed by the State of Florida, Department of Environmental
11 | Regulation (DER).

12 | Q. How long have you been employed with the Department of Environmental
13 | Regulation and in what capacity?

14 | A. I have been employed with the DER for one and a half years, in the
15 | Compliance/Enforcement potable water section.

16 | Q. What are your general responsibilities at the Department of Environmental
17 | Regulation?

18 | A. My general responsibilities include monitoring compliance of public
19 | drinking water systems, in my assigned areas by conducting sanitary surveys,
20 | inspections and complaint investigations and enforcement actions necessary to
21 | bring about compliance with the Department's rules and regulations.

22 | Q. Are you familiar with Crystal River Highlands and Sugarmill Woods in
23 | Citrus County?

24 | A. Yes.

25 | Q. Do the systems have current permits from the DER?

1 A. Yes.

2 Q. Are the plants in compliance with their permits?

3 A. Yes.

4 Q. Are the utility's treatment facilities and distribution systems sufficient
5 to serve its present customers?

6 A. Yes.

7 Q. Does the utility maintain the required 20 PSI minimum pressure throughout
8 the distribution systems?

9 A. Yes.

10 Q. Does the utility have an adequate auxiliary power source in the event of
11 a power outage?

12 A. Crystal River is exempt from this requirement due to its small size.
13 Sugarmill Woods has an adequate auxiliary power source.

14 Q. Are the utility's water wells located in compliance with Section 17-
15 555.312, Florida Administrative Code?

16 A. Yes.

17 Q. Does the utility have certified operators as required by Chapter 17-602,
18 Florida Administrative Code?

19 A. Yes, the utility's plant staffing is sufficient.

20 Q. Has the utility established a cross-connection control program in
21 accordance with Section 17-555.360, Florida Administrative Code?

22 A. Yes.

23 Q. Is the overall maintenance of the treatment plant and distribution
24 facilities satisfactory?

25 A. Yes.

1 Q. Does the water produced by the utility meet the state and federal maximum
2 contaminant levels for primary and secondary water quality standards?

3 A. Yes.

4 Q. Does the utility monitor the organic contaminants listed in Section
5 17-550.410, Florida Administrative Code?

6 A. Yes.

7 Q. Do recent chemical analyses of raw and finished water, when compared to
8 regulations, suggest the need for additional treatment?

9 A. No.

10 Q. Does the utility maintain the exemptions chlorine residual or its
11 equivalent throughout the distribution system?

12 A. Yes.

13 Q. Are the plant and distribution systems in compliance with all the other
14 provisions of Title 17, Florida Administrative Code, not previously mentioned?

15 A. Yes.

16 Q. Have any of the systems been the subject of any Department of
17 Environmental Regulation enforcement action within the past two years?

18 A. No.

19 Q. Do you have anything further to add?

20 A. No, I do not.

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1 DIRECT TESTIMONY OF ROBERT BARKER

2 Q. Please state your name and business address.

3 A. My name is Robert Barker and my business address is 3804 Coconut Palm
4 Drive, Tampa, FL 33619.

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I have a Bachelors degree in Geography, with a minor in Science from
8 Florida State University and have worked for the State of Florida for 30
9 years.

10 Q. By whom are you presently employed?

11 A. I am employed by the State of Florida, Department of Environmental
12 Regulation (DER).

13 Q. How long have you been employed with the Department of Environmental
14 Regulation and in what capacity?

15 A. I have been employed with the State of Florida for 30 years, and with DER
16 since its inception. I have worked in the Air Program for 16 years, Solid
17 Waste for 4 years, and over 10 years in Drinking Water. I am currently an
18 Environmental Specialist II.

19 Q. What are your general responsibilities at the Department of Environmental
20 Regulation?

21 A. My general responsibilities include monitoring compliance of public
22 drinking water system, in my assigned areas by conducting sanitary surveys,
23 inspections and complaint investigations and enforcement actions necessary to
24 bring about compliance with the Department's rules and regulations.

25 Q. Are you familiar with the Palm Terrace system in Pasco County?

1 A. Yes, but at the DER we have two separate systems, one called Ell-Nar
2 (C. L. Smith) and the other called Palm Terrace, which is the way these
3 systems were originally permitted years ago.

4 Q. Do the systems have current permits from the DER?

5 A. Yes.

6 Q. Are the plants in compliance with their permits?

7 A. Yes, the plants are in compliance with their permits, except as stated
8 later in this testimony.

9 Q. Are the utility's treatment facilities and distribution systems sufficient
10 to serve its present customers?

11 A. Yes, but it should be pointed out that Palm Terrace no longer has
12 treatment facilities and purchases its water from a municipality. This makes
13 Palm Terrace a consecutive system.

14 Q. Does the utility maintain the required 20 PSI minimum pressure throughout
15 the distribution systems?

16 A. Yes.

17 Q. Does the utility have an adequate power source in the event of a power
18 outage?

19 A. Yes, for Ell-Nar.

20 Q. Are the utility's water wells located in compliance with Section 17-
21 555.312, Florida Administrative Code?

22 A. Yes, for Ell-Nar. Palm Terrace has no wells.

23 Q. Does the utility have certified operators as required by Chapter 17-602,
24 Florida Administrative Code?

25 A. Yes, the utility's plant staffing is sufficient.

1 Q. Has the utility established a cross-connection control program in
2 accordance with Section 17-555.360, Florida Administrative Code?

3 A. Yes.

4 Q. Is the overall maintenance of the treatment plant and distribution
5 facilities satisfactory?

6 A. Yes.

7 Q. Does the water produced by the utility meet the state and federal maximum
8 contaminant levels for primary and secondary water quality standards?

9 A. Yes.

10 Q. Does the utility monitor the organic contaminants listed in Section
11 17-550.410, Florida Administrative Code?

12 A. Yes, for Ell-Nar. Palm Terrace requires no separate monitoring since the
13 water is supplied by Pasco County.

14 Q. Do recent chemical analyses of raw and finished water, when compared to
15 regulations, suggest the need for additional treatment?

16 A. No.

17 Q. Does the utility maintain the exemptions chlorine residual or its
18 equivalent throughout the distribution system?

19 A. Yes.

20 Q. Are the plant and distribution systems in compliance with all the other
21 provisions of Title 17, Florida Administrative Code, not previously mentioned?

22 A. Yes.

23 Q. Have any of the systems been the subject of any Department of
24 Environmental Regulation enforcement action within the past two years?

25 A. No.

1 Q. Do you have anything further to add?

2 A. Yes. Sampling and water quality analysis is due for the Ell-Nar system
3 covering turbidity, primary organics, primary inorganics, secondary
4 contaminants, unregulated contaminants and one more quarter of volatile
5 organic contaminants. We are expecting the sample results any day. A non-
6 compliance letter has been sent to Southern States Utilities.

7 Q. Do you have anything further to add?

8 A. No, I do not.

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1 DIRECT TESTIMONY OF WILLIAM C. DUNN

2 Q. Please state your name and business address.

3 A. My name is William C. Dunn and my business address is 3804 Coconut Palm
4 Drive, Tampa, FL 33619

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I have a B.S. degree from East Tennessee State University. I have
8 completed graduate work in public health at the University of South Florida.
9 I worked for H.R.S. for 4 1/2 years in a local public health clinic and have
10 now worked for the DER for the past year.

11 Q. By whom are you presently employed?

12 A. I am employed by the State of Florida, Department of Environmental
13 Regulation (DER).

14 Q. How long have you been employed with the Department of Environmental
15 Regulation and in what capacity?

16 A. I have been employed for one year in the Drinking Water section
17 compliance/enforcement.

18 Q. What are your general responsibilities at the Department of
19 Environmental Regulation?

20 A My duties include compliance and enforcement of regulations concerning
21 public water systems in Hernando County, Florida.

22 Q. Are you familiar with the Spring Hill Water System in Hernando County?

23 A. Yes.

24 Q. Does the utility have a current construction permit from the Department
25 of Environmental Regulation?

- 1 | A. Yes.
- 2 | Q. Are the plants in compliance with its permits?
- 3 | A. Yes, the plants are in compliance with their permits.
- 4 | Q. Are the utility's treatment facilities and distribution system
5 | sufficient to serve its present customers?
- 6 | A. Yes.
- 7 | Q. Does the utility maintain the required 20 PSI minimum pressure
8 | throughout the distribution system?
- 9 | A. Yes.
- 10 | Q. Does the utility have adequate auxiliary power sources in the event of
11 | a power outage?
- 12 | A. Yes.
- 13 | Q. Are the utility's water wells located in compliance with Section 17-
14 | 555.312, Florida Administrative Code?
- 15 | A. Yes.
- 16 | Q. Does the utility have certified operators as required by Chapter 17-602,
17 | Florida Administrative Code?
- 18 | A. Yes, the utility's plant staffing is sufficient.
- 19 | Q. Has the utility established a cross-connection control program in
20 | accordance with Section 17-555.360, Florida Administrative Code?
- 21 | A. A cross-connection control program was established in April, 1989 in
22 | accordance with Section 17-555.360 F.A.C.
- 23 | Q. Is the overall maintenance of the treatment plant and distribution
24 | facilities satisfactory?
- 25 | A. Yes.

1 Q. Does the water produced by the utility meet the state and federal
2 maximum contaminant levels for primary and secondary water quality standards?

3 A. Yes.

4 Q. Does the utility monitor the organic contaminants listed in Section 17-
5 550,410, Florida Administrative Code?

6 A. Yes.

7 Q. Do recent chemical analyses of raw and finished water, when compared to
8 regulations, suggest the need for additional treatment?

9 A. No.

10 Q. Does the utility maintain the required chlorine residual or its
11 equivalent throughout the distribution system?

12 A. Yes.

13 Q. Are the plant and distribution systems in compliance with all the other
14 provisions of Title 17, Florida Administrative Code, not previously mentioned?

15 A. Yes.

16 Q. Has Spring Hill been the subject of any Department of Environmental
17 Regulation enforcement action within the past two years?

18 A. No.

19 Q. Do you have anything further to add?

20 A. Yes, I would like to add that Ricky Leach, lead operator, and the staff
21 for Spring Hill Utilities, perform their duties and responsibilities as they
22 relate to the water system, in an outstanding capacity.

23 Q. Does that conclude your testimony?

24 A. Yes, it does.

25

1 DIRECT TESTIMONY OF SANDRA ANDINO SEQUEIRA

2 Q. Please state your name and business address.

3 A. My name is Sandra Andino Sequeira and my business address is 3804 Coconut
4 Palm Drive, Tampa, FL 33619.

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I have a Bachelors degree with a major in Biology (1985) from the
8 University of Tampa.

9 Q. By whom are you presently employed?

10 A. I am employed by the State of Florida, Department of Environmental
11 Regulation (DER).

12 Q. How long have you been employed with the Department of Environmental
13 Regulation and in what capacity?

14 A. I have been employed with the DER since March, 1989.

15 Q. What are your general responsibilities at the Department of Environmental
16 Regulation?

17 A. My general responsibilities include monitoring compliance of public
18 drinking water systems, in my assigned areas by conducting sanitary surveys,
19 inspections and complaint investigations and enforcement actions necessary to
20 bring about compliance with the Department's rules and regulations.

21 Q. Are you familiar with Zephyr Shores Mobile Home Estates in Pasco County?

22 A. Yes.

23 Q. Does the system have current permits from the DER?

24 A. Yes.

25 Q. Is the plant in compliance with its permit?

1 A. Yes.

2 Q. Are the utility's treatment facilities and distribution systems sufficient
3 to serve its present customers?

4 A. Yes.

5 Q. Does the utility maintain the required 20 PSI minimum pressure throughout
6 the distribution systems?

7 A. It appears so. The Department does not receive any information on a
8 regular basis to confirm pressure maintained, other than a visual check of the
9 pressure gauge at the plant during inspections.

10 Q. Does the utility have an adequate auxiliary power source in the event of
11 a power outage?

12 A. Zephyr Shores is exempt from this requirement due to its small size.

13 Q. Are the utility's water wells located in compliance with Section 17-
14 555.312, Florida Administrative Code?

15 A. Yes.

16 Q. Does the utility have certified operators as required by Chapter 17-602,
17 Florida Administrative Code?

18 A. Yes, the utility's plant staffing is sufficient.

19 Q. Has the utility established a cross-connection control program in
20 accordance with Section 17-555.360, Florida Administrative Code?

21 A. This system had none at the time of the Department's last inspection on
22 July 31, 1991.

23 Q. Is the overall maintenance of the treatment plant and distribution
24 facilities satisfactory?

25 A. Yes.

1 Q. Does the water produced by the utility meet the state and federal maximum
2 contaminant levels for primary and secondary water quality standards?

3 A. Yes.

4 Q. Does the utility monitor the organic contaminants listed in Section
5 17-550.410, Florida Administrative Code?

6 A. Yes.

7 Q. Do recent chemical analyses of raw and finished water, when compared to
8 regulations, suggest the need for additional treatment?

9 A. No.

10 Q. Does the utility maintain the exemptions chlorine residual or its
11 equivalent throughout the distribution system?

12 A. Yes.

13 Q. Are the plant and distribution systems in compliance with all the other
14 provisions of Title 17, Florida Administrative Code, not previously mentioned?

15 A. No. There is an open enforcement case at this time. There was a warning
16 notice issued October 12, 1990 referring to a lack of testing (inorganics,
17 secondary organics, and turbidity). Reports for samples taken September 13,
18 1990 were received October 22, 1990.

19 Q. Have any of the systems been the subject of any Department of
20 Environmental Regulation enforcement action within the past two years?

21 A. Yes, as mentioned above.

22 Q. Do you have anything further to add?

23 A. Yes. The utility's operator generally reports any breakdown of plant
24 equipment to the Department and follows up accordingly.

25 Q. Does this conclude your testimony?

A. Yes, it does.

DIRECT TESTIMONY OF ROBERT GLENN

1 |
2 Q. Please state your name and business address.

3 A. My name is Robert D. Glenn, R.S., and my business address is 2295 Victoria
4 Avenue, Fort Myers, FL 33901.

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I received a B.S. in Biology from Jacksonville University in 1985. I have
8 three years experience with HRS Environmental Health Compliance and
9 Enforcement; one year with DER in Domestic Wastewater Compliance and
10 Enforcement, and two years with DER in Drinking Water Compliance and
11 Enforcement.

12 Q. By whom are you presently employed?

13 A. I am employed by the Florida Department of Environmental Regulation
14 (FDER).

15 Q. How long have you been employed with the Department of Environmental
16 Regulation and in what capacity?

17 A. I have been employed a total of three years as mentioned above.

18 Q. What are your general responsibilities at the Department of Environmental
19 Regulation?

20 A. I am the coordinator for Compliance and Enforcement of the Drinking Water
21 Section.

22 Q. Are you familiar with the Marco Shores water system in Collier County and
23 the Leisure Lakes water system in Highlands County?

24 A. Yes.

25

1 Q. Are the utility's treatment facilities and distribution system sufficient
2 to serve its present customers?

3 A. Yes, at Marco Shores. At Leisure Lakes, however, the system must have two
4 approved wells and only one of the three wells is approved for use. Also, the
5 operator has recommended replacing the hydropneumatic tank. I believe that
6 SSU should investigate the hydropneumatic tank to see if it should be
7 replaced.

8 Q. Does the utility maintain the required 20 PSI minimum pressure throughout
9 the distribution system?

10 A. Yes.

11 Q. Does the utility have an adequate auxiliary power source in the event of
12 a power outage?

13 A. Yes, at Marco Shores, At Leisure Lakes, however, the generator does not
14 have automatic start capability and only has a 100 gallon fuel tank.

15 Q. Are the utility's water wells located in compliance with Section 17-
16 555.312, Florida Administrative Code?

17 A. At Marco Shores the system draws water from a surface water source and has
18 no wells. The surface source is in compliance with the rules. At Leisure
19 Lakes, the wells are within 100 feet of the generator's fuel tank which has
20 no spill containment and maybe a sanitary hazard.

21 Q. Does the utility have certified operators as required by Chapter 17-602,
22 Florida Administrative Code?

23 A. Yes, the utility's plant staffing is sufficient.

24 Q. Has the utility established a cross-connection control program in
25 accordance with Section 17-555.360, Florida Administrative Code?

1 A. No. A review of the file indicates that a letter requesting a copy of the
2 cross-connection control program for Marco Shores was sent on November 28,
3 1990 and no response has been received. The utility also needs to file a
4 cross-connection control plan for the Leisure Lakes system.

5 Q. Is the overall maintenance of the treatment plants and distribution
6 facilities satisfactory?

7 A. Yes, at Marco Shores. At Leisure Lakes, however, minor leaks were
8 observed, the log book did not contain all of the required information, and
9 the generator was not periodically run under full load as required.

10 Q. Does the water produced by the utility meet the state and federal maximum
11 contaminant levels for primary and secondary water quality standards?

12 A. Yes.

13 Q. Does the utility monitor the organic contaminants listed in Section
14 17-550.410, Florida Administrative Code?

15 A. Yes.

16 Q. Do recent chemical analyses of raw and finished water, when compared to
17 regulations, suggest the need for additional treatment?

18 A. No.

19 Q. Does the utility maintain the required chlorine residual or its equivalent
20 throughout the distribution systems?

21 A. Yes.

22 Q. Are the plants and distribution systems in compliance with all the other
23 provisions of Title 17, Florida Administrative Code, not previously mentioned?

24 A. Yes.

25

1 Q. Have either of these water systems been the subject of any Department of
2 Environmental Regulation enforcement action within the past two years?

3 A. No.

4 Q. Do you have anything further to add?

5 A. No, I do not.

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DIRECT TESTIMONY OF JIM GROB

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2 | Q. Please state your name and business address.

3 | A. My name is Jim Grob and my business address is 2295 Victoria Avenue, Ft.
4 | Myers, Florida 33904.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a BS in Business Administration and a BS in Environmental
8 | Studies from Ramapo College of New Jersey in 1981. I have five years
9 | experience in the environmental regulatory field, currently as an
10 | Environmental Manager-Domestic Waste in the Department of Environmental
11 | Regulation's Ft. Myers office.

12 | Q. By whom are you presently employed?

13 | A. I am an Environmental Manager at the Florida Department of Environmental
14 | Regulation (FDER).

15 | Q. How long have you been employed with the Department of
16 | Environmental Regulation and in what capacity?

17 | A. I have been employed with the FDER since December, 1989 as an
18 | Environmental Manager.

19 | Q. What are your general responsibilities at the Department of
20 | Environmental Regulation?

21 | A. I am responsible for Compliance/Enforcement activities related to
22 | Domestic Waste Facilities for the South District.

23 | Q. Are you familiar with the Marco Shores wastewater system in Collier
24 | County and the Leisure Lakes wastewater system in Highlands County?

25 | A. Yes.

1 Q. Does the utility have a current operating or construction
2 permit from the FDER?

3 A. Yes.

4 Q. Please state the issuance date and the expiration date of the
5 operating permit.

6 A. Marco Shores current permit was issued December 20, 1988 and expires
7 December 20, 1993. Leisure Lakes operating permit was issued on May 19, 1988
8 and expires on May 19, 1993.

9 Q. Please state whether the permit is a temporary operating permit,
10 and if so, please describe the permit terms.

11 A. The permit is not a temporary operating permit.

12 Q. Are the plants in compliance with their permits?

13 A. Yes, the plants are in compliance with the permits.

14 Q. Are the wastewater collection, treatment and disposal facilities
15 adequate to serve present customers based on permitted capacity?

16 A. Yes.

17 Q. Are the treatment and disposal facilities located in accordance
18 with Section 17-600, Florida Administrative Code?

19 A. Yes.

20 Q. Has the FDER required the utility to take any action so as to minimize
21 possible adverse effects resulting from odors, noise, aerosol drift
22 or lighting?

23 A. No.

24 Q. Do the pump stations and lift stations meet DER requirements with
25 respect to location, reliability, and safety?

1 A. Yes.

2 Q. Does the utility have certified operators as required by Chapter
3 17-602, Florida Administrative Code?

4 A. Yes, and the utility's plant staffing is sufficient.

5 Q. Is the overall maintenance of the treatment, collection, and
6 disposal facilities satisfactory?

7 A. Yes.

8 Q. Do the facilities meet all applicable technology based
9 effluent limitations (TBELS) and water quality based effluent limitations
10 (WQBELS)?

11 A. Yes.

12 Q. Do the facilities meet the effluent disposal requirements of
13 Section 17, Florida Administrative Code?

14 A. Yes.

15 Q. Are the collection, treatment, and disposal facilities in compliance
16 with all the other provisions of Title 17, Florida Administrative Code,
17 not previously mentioned?

18 A. Yes.

19 Q. Have either of the plants been the subject of any Department of
20 Environmental Regulation enforcement action within the past two years?

21 A. No.

22 Q. Is Marco Shores in a critical water use area?

23 A. Yes. The Marco Shores system is in a critical water supply area and the
24 utility uses ponds for effluent disposal. The FDER believes that this meets
25 reuse criteria.

Q. Do you have anything further to add?

A. No.

DIRECT TESTIMONY OF HOSSEIN KADIVAR

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2 | Q. Please state your name and business address.

3 | A. My name is Hossein "Nick" Kadivar. My address is 3319 Maguire Blvd.,
4 | Suite 232, Orlando, Florida 32803-3767.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a Bachelor of Science in Civil Engineering from the
8 | University of Central Florida in 1983. I have 6 years of engineering
9 | experience in the structural and environmental engineering field.

10 | Q. By whom are you presently employed?

11 | A. I am employed by the Florida Department of Environmental Regulation
12 | (FDER).

13 | Q. How long have you been employed with the FDER?

14 | A. I have been employed with the FDER for 20 Months as an engineer in the
15 | potable water program.

16 | Q. What are your general responsibilities at the Department of
17 | Environmental Regulation?

18 | A. My responsibilities include conducting sanitary surveys and
19 | compliance inspections of public water systems regulated by the FDER. I also
20 | conduct enforcement meetings.

21 | Q. Are you familiar with the following Southern States Utilities, Inc.
22 | water systems in Lake County: Carlton Village, Fern Terrace, Friendly Center,
23 | Grand Terrace, Hobby Hills, Imperial Mobile Terrace, Picciola Island, Piney
24 | Woods, Quail Ridge, Silver Lake Estates, and Skycrest?

25 | A. Yes. At Quail Ridge, however, my responses will be based on a sanitary

1 | survey conducted by Gary Miller on 1/8/91.

2 | Q. Are the treatment facilities and distribution systems for these water
3 | systems sufficient to serve its present customers?

4 | A. Yes. A second well is required at Fern Terrace, however, since FDER
5 | rules require that utilities provide 2 wells if they serve over 350 people.

6 | Q. Does the utility maintain the 20 psi minimum pressure throughout the
7 | distribution system as required by Section 17-555.350, Florida Administrative
8 | Code?

9 | A. Yes.

10 | Q. Does the utility have an adequate auxiliary power source in the event
11 | of a power outage?

12 | A. Yes. The following systems do not need an auxiliary power source since
13 | the population is less than 350 people: Skycrest, Friendly Center, Grand
14 | Terrace, Hobby Hills, and Quail Ridge.

15 | Q. Are the utility's water wells in a location which complies Section
16 | 17-555.312, Florida Administrative Code?

17 | A. Yes, except for the well at Friendly Center. A retention pond is less
18 | than 100 feet from the well but the FDER has accepted this distance.

19 | Q. Does the utility have certified operators as required by Chapter 17-602,
20 | Florida Administrative Code?

21 | A. Yes.

22 | Q. Has the utility established a cross-connection control program in
23 | accordance with Section 17-555.360, Florida Administrative Code?

24 | A. Yes.

25 | Q. Is the overall maintenance of the treatment plant and distribution

1 facilities satisfactory?

2 A. Yes.

3 Q. Does the water produced by the utility meet the State and Federal
4 maximum contaminant levels for primary and secondary water quality standards?

5 A. Yes.

6 Q. Does the utility monitor the organic contaminants listed in Section
7 17-550.410, Florida Administrative Code?

8 A. Yes.

9 Q. Do recent chemical analyses of raw and finished water, when compared
10 to regulations, suggest the need for additional treatment?

11 A. No.

12 Q. Does the utility maintain the required chlorine residual or its
13 equivalent throughout the distribution system?

14 A. Yes.

15 Q. Are the plant and distribution systems in compliance with all the other
16 provisions of Chapter 17 Florida Administrative Code, not previously
17 mentioned?

18 A. Yes.

19 Q. Have any of these water systems been the subject of any Department of
20 Environmental Regulation enforcement action within the past two years?

21 A. Yes.

22 At Carlton Village, SSU refurbished one of the wells without first
23 obtaining a permit and then placed it into service without a clearance. A
24 consent order is being drafted for utility's review and signature.

25 At Fern Terrace, a consent order is being drafted for SSU's review which

1 requires SSU to provide a second well. As I mentioned previously, a second
2 well is required since they are serving more than 350 people.

3 At Silver Lake Estates, SSU did not get a clearance for the Ocklawaha
4 Drive Extension which was connected to this distribution system (Permit
5 WD35206683, issued 4/5/92). A consent order is being drafted for SSU's
6 review.

7 Q. Do you have anything further to add?

8 A. No.

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1 DIRECT TESTIMONY OF GERALD FOSTER

2 Q. Please state your name and business address.

3 A. My name is Gerald B. Foster. My address is 4522 Oak Fair Blvd., Tampa,
4 Florida 33610.

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I received a Bachelor of Art in Biology from the University of South
8 Florida in 1982. I have worked 4 years in the Florida Department of
9 Environmental Regulation (FDER) drinking water section.

10 Q. By whom are you presently employed?

11 A. I am employed by the FDER.

12 Q. How long have you been employed with the FDER and in what capacity?

13 A. I have been employed with the FDER for 4 years. I have been working in
14 the Drinking water section during the 4 years beginning as an Environmental
15 Specialist, and now as an Environmental Supervisor.

16 Q. What are your general responsibilities at the Department of
17 Environmental Regulation?

18 A. My responsibilities include inspection of drinking water systems,
19 monitoring compliance of drinking water systems with all of DER's compliance
20 rules, and basic supervisory duties.

21 Q. Are you familiar with Southern States Utilities, Inc's Marion Oaks and
22 Samira Villas water systems in Marion County?

23 A. Yes.

24 Q. Are the utility's treatment facilities and distribution system
25 sufficient to serve its present customers?

- 1 A. Yes.
- 2 Q. Does the utility maintain the 20 psi minimum pressure throughout the
3 distribution system as required by Section 17-555.350, Florida Administrative
4 Code?
- 5 A. Yes.
- 6 Q. Does the utility have an adequate auxiliary power source in the event
7 of a power outage?
- 8 A. The Marion Oaks facility has adequate auxiliary power. Samira Villas
9 is not required to have an auxiliary power source.
- 10 Q. Are the utility's water wells in a location which complies with Section
11 17-555.312, Florida Administrative Code?
- 12 A. Yes.
- 13 Q. Has the utility established a cross-connection control program in
14 accordance with Section 17-555.360, Florida Administrative Code?
- 15 A. Yes.
- 16 Q. Is the overall maintenance of the treatment plant and distribution
17 facilities satisfactory?
- 18 A. Yes.
- 19 Q. Does the water produced by the utility meet the State and Federal
20 maximum contaminant levels for primary and secondary water quality standards?
- 21 A. Yes.
- 22 Q. Does the utility monitor the organic contaminants listed in Section 17-
23 550.410, Florida Administrative Code?
- 24 A. Yes.
- 25 Q. Do recent chemical analyst of raw and finished water, when compared to

1 | regulations, suggest the need for additional treatment?

2 | A. No.

3 | Q. Does the utility maintain the required chlorine residual or its
4 | equivalent throughout the distribution system?

5 | A. Yes.

6 | Q. Are the plants and distribution systems in compliance with all the other
7 | provisions of Chapter 17 Florida Administrative Code, not previously
8 | mentioned?

9 | A. Yes.

10 | Q. Have either of these water systems been the subject of any Department
11 | of Environmental Regulation enforcement action within the past two years?

12 | A. No.

13 | Q. Do you have anything further to add?

14 | A. No.

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1 DIRECT TESTOMONY OF CHARLES HUBSCH

2 Q. Please state your name and business address.

3 A. Charles J. Hubsch, 421 West Church St. Suite 412,
4 Jacksonville, FL 32202-4111

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I received a Bachelor of Science Degree in Civil Engineering from the
8 University of South Florida in 1986.

9 Q. By whom are you presently employed?

10 A. The City of Jacksonville Regulatory and Environmental Services
11 Department (RESD), Water Quality Division (WQD).

12 Q. How long have you been employed with the Regulatory and Environmental
13 Services Department and in what capacity?

14 A. I have been employed with Regulatory and Environmental Services
15 Department as an engineer since April 18, 1988.

16 Q. What are your general responsibilities at the Regulatory and
17 Environmental Services Department?

18 A. I review permit applications for wastewater treatment plants in Duval
19 county.

20 Q. Are you familiar with Southern States Utilities wastewater systems in
21 Duval County, particularly the Beacon Hills and Woodmere systems?

22 A. Yes.

23 Q. Do the utilities have current operating permits from the Department of
24 Environmental Regulation?

25 A. Yes.

1 Q. Please state the issuance date and the expiration date of the operating
2 permits.

3 A. Woodmere Operation Permit No. D016-194530 was issued August 6, 1991, and
4 expires April 30, 1996. Beacon Hills operation permit No. D016-132425 was
5 issued June 10, 1987, and expired June 1, 1992. Operation permit application
6 No. 213087 is currently being processed by the WQD. At this time, no final
7 permitting action has been taken.

8 Q. Please state whether the permit is a temporary operating permit, and if
9 so, please describe the permit terms.

10 A. No.

11 Q. Are the plants in compliance with its permits?

12 A. Yes, the plants are in compliance with their permits.

13 Q. Are the wastewater collection, treatment and disposal facilities
14 adequate to serve present customers based on permitted capacity?

15 A. To the best of my knowledge, yes.

16 Q. Are the treatment and disposal facilities located in accordance with
17 Rule 17-600, Florida Administrative Code?

18 A. To the best of my knowledge, yes.

19 Q. Has DER or the WQD required either of the utilities to take any action
20 so as to minimize possible adverse effects resulting from odors, noise,
21 aerosol drift or lighting?

22 A. To the best of my knowledge, no.

23 Q. Do the pump stations and lift stations meet DER requirements with
24 respect to location, reliability and safety?

25 A. For Woodmere, yes. Wastewater plant operators are required to notify DER

1 and the WQD when wastewater overflows occur in the collection system. From
2 these reports, regarding the Beacon Hills system, I have noticed that there
3 is one lift station that malfunctions from time to time. Otherwise the system
4 is in compliance.

5 Q. Do the utilities have certified operators as required by Chapter 17-602,
6 Florida Administrative Code?

7 A. To the best of my knowledge, yes.

8 Q. Is the overall maintenance of the treatment, collection, and disposal
9 facilities satisfactory?

10 A. To the best of my knowledge, yes.

11 Q. Do the facilities meet all applicable technology based effluent
12 limitations (TBELS) and water quality based effluent limitations (WQBELS)?

13 A. Current WQD data indicates both facilities are meeting TBELS. WQD is
14 currently reviewing St. Johns River water quality data, as part of the review
15 of application permit No. 213087, to determine if the Beacon Hills wastewater
16 treatment plant should be required to meet a water quality based effluent
17 limitation (WQBELS).

18 Q. Do the facilities meet the effluent disposal requirements of Sections
19 17-610 and 17-600.540, Florida Administrative Code?

20 A. To the best of my knowledge, yes.

21 Q. Are the collection, treatment and disposal facilities in compliance with
22 all the other provisions of Chapter 17, Florida Administrative Code, not
23 previously mentioned?

24 A. Yes. SSU is currently preparing to repair the subaqueous portion of the
25 Beacon Hills effluent outfall in the St. Johns River.

1 Q. Have any of the Duval county systems been the subject of any Department
2 of Environmental Regulation or WQD enforcement action within the past two
3 years?

4 A. Beacon Hills has not. The Woodmere wastewater treatment plant was under
5 enforcement for effluent violations. However the violations were corrected and
6 the enforcement case was dismissed on January 14, 1991.

7 Q. Do you have anything further to add?

8 A. No, I do not.

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DIRECT TESTIMONY OF CHARLES HOURIET

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2 | Q. Please state your name and business address.

3 | A. My name is Charles Houriet and my business address is Florida DER, 7825
4 | Baymeadows Way, Jacksonville, FL. The zip code is 32256-7577

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a Bachelor of Science in Chemical Engineering from the
8 | University of Florida in 1950. I have gained varied types of experience in
9 | engineering since that time.

10 | Q. By whom are you presently employed?

11 | A. I am presently employed by the Florida Department of Environmental
12 | Regulation.

13 | Q. How long have you been employed with the Department of Environmental
14 | Regulation and in what capacity?

15 | A. I have been employed by the Florida Department of Environmental
16 | Regulation since December 1985.

17 | Q. What are your general responsibilities at the Department of
18 | Environmental Regulation?

19 | A. I am a supervisor in the Domestic Waste Compliance and Enforcement
20 | Section. This section of DER determines utility compliance with DER
21 | regulations and recommends enforcement action.

22 | Q. Are you familiar with Southern States Utilities wastewater systems in
23 | Nassau and Putnam Counties, particularly the Amelia Island, Beechers Point,
24 | Palm Port, Park Manor, and Silver Lake Oaks systems?

25 | A. Yes. However, I have not visited the Amelia Island system recently and

1 have not seen the latest changes. Also with regard to the systems, which are
2 in Putnam county, my knowledge is mostly based on file review. No current DER
3 Northeast District employee has visited all of those systems.

4 Q. Do the utilities have current operating permits from the Department of
5 Environmental Regulation?

6 A. Yes.

7 Q. Please state the issuance date and the expiration date of the operating
8 permits.

9 A. For Amelia Island, the operation permit number is D045-180686. This
10 permit was issued on June 21, 1990 and expires on 6/21/95. The Beechers Point
11 wastewater operating permit was issued on June 22, 1988 and expires on June
12 22, 1993. The Palm Port wastewater operating permit was issued on June 2, 1988
13 and expires on June 2, 1993. The Park Manor wastewater operating permit was
14 issued on June 9, 1988 and expires on June 9, 1993. The Silver Lake Oaks
15 wastewater operating permit was issued on August 9, 1991 and expires on August
16 9, 1996.

17 Q. Are the plants in compliance with their permits?

18 A. Yes, the plants are in compliance with their permits to the best of the
19 department's knowledge. However at the Beechers Point system, the average
20 nitrate-nitrogen during the period 6/91 to 5/92 was 15ppm. This exceeds the
21 permitted level of 12ppm.

22 Q. Are the wastewater collection, treatment and disposal facilities
23 adequate to serve present customers based on permitted capacity?

24 A. Yes, for all of the wastewater systems the wastewater collection,
25 treatment and disposal facilities are adequate to serve present customers

1 | based on permitted capacity.

2 | Q. Are the treatment and disposal facilities located in accordance with
3 | Rule 17-600, Florida Administrative Code?

4 | A. Yes. According to DER records, the treatment and disposal facilities are
5 | located in accordance with rule 17-600, Florida Administrative code. Regarding
6 | the Silver Lake Oaks system, there was a problem with the drainfield under the
7 | previous owner. SSU relocated and built a new drainfield in 1990.

8 | Q. Has DER required any of the systems to take any action so as to minimize
9 | possible adverse effects resulting from odors, noise, aerosol drift or
10 | lighting?

11 | A. No.

12 | Q. Do the pump stations and lift stations meet DER requirements with
13 | respect to location, reliability and safety?

14 | A. Yes, based on permit applications and plans the pump stations and
15 | liftstations meet DER requirements with respect to location, reliability and
16 | safety.

17 | Q. Does the utility have certified operators as required by Chapter 17-602,
18 | Florida Administrative Code?

19 | A. Yes, according to the operation logs and monthly reports submitted by
20 | SSU.

21 | Q. Is the overall maintenance of the treatment, collection, and disposal
22 | facilities satisfactory?

23 | A. Yes. DER has not received any recent complaints.

24 | Q. Does the facility meet all applicable technology based effluent
25 | limitations (TBELS)?

1 A. The Amelia Island facility meets the requirements of 17-600.420, Florida
2 Administrative Code, (TBELS). The effluent is discharged to a land reuse
3 system. For the Putnam County systems, yes, except for the Beechers Point
4 system. As stated before, the annual average nitrate-nitrogen level is 15ppm
5 which exceeds the permitted level of 12ppm.

6 Q. Do the facilities meet the effluent disposal requirements of Sections
7 17-610, Florida Administrative Code?

8 A. Yes, the facilities meet the requirements of 17-610 Florida
9 Administrative Code. However, prior to cleaning the percolation ponds at the
10 Palm Port system earlier this year, the freeboard level was frequently less
11 than the required 3 feet. SSU representatives now indicate proper freeboard
12 is now provided.

13 Q. Are the collection, treatment and disposal facilities in compliance with
14 all the other provisions of Chapter 17, Florida Administrative Code, not
15 previously mentioned?

16 A. Yes, although DER does not have the personnel to inspect all phases of
17 construction and operation, the collection, treatment and disposal facilities
18 appear to be in compliance with all of the provisions of Chapter 17, Florida
19 Administrative Code.

20 Q. Have any of the SSU Nassau and Putnam County systems been the subject
21 of any Department of Environmental Regulation enforcement action within the
22 past two years?

23 A. No.

24 Q. Do you have anything further to add?

25 A. No, I do not.

1 DIRECT TESTIMONY OF JOE SQUITIERI

2 Q. Please state your name and business address.

3 A. My name is Joe Squitieri and my business address is 3804 Coconut Palm
4 Drive, Tampa, Florida 33619.

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I have a B.S. degree (1979) in Environmental Biology from the University
8 of Tennessee at Chattanooga.

9 Q. By whom are you presently employed?

10 A. I am employed by the State of Florida, Department of Environmental
11 Regulation (DER).

12 Q. How long have you been employed with the Department of Environmental
13 Regulation and in what capacity?

14 A. From January, 1985 until July 1991, I was an Environmental Specialist,
15 working in Enforcement of domestic and industrial wastewater plants. In July,
16 1991, I was promoted to Environmental Supervisor and perform the same duties
17 as stated, except with supervisory responsibilities now added.

18 Q. What are your general responsibilities at the Department of
19 Environmental Regulation?

20 A. My duties are to assure that all wastewater treatment plants in the
21 Southwest district are in compliance with pertinent state regulations.

22 Q. Are you familiar with the Apache Shores, Citrus Springs, Point O' Woods,
23 Sugarmill Woods and Spring Hill wastewater systems in Citrus and Hernando
24 Counties?

25 A. Yes.

1 Q. Does the utility have current operating or construction permits from the
2 Department of Environmental Regulation?

3 A. Yes.

4 Q. Please state the issuance date and the expiration date of the operating
5 or construction permit.

6 A. The following permits exist:

7 Apache Shores: Operating permit number D009-16805, issued August 28,
8 1989, with an expiration date of August 24, 1994; Construction permit number
9 DC09-213217, issued June 1, 1992, with an expiration date of June 1, 1997;

10 Citrus Springs: Operating permit number D009-147228A, issued August 8,
11 1988, with an expiration date of May 24, 1993;

12 Point O' Woods: Operating permit number D009-159336, issued on May 11,
13 1989, with an expiration date of May 15, 1994;

14 Spring Hill: Operating permit number D027-137917, which expires
15 September 30, 1992, and Construction permit number DC27-133904, which expires
16 September 30, 1992;

17 Sugarmill Woods: Operating permit number D009-158879, expires September
18 1, 1992; Construction permit number DC09-188699, expires December 31, 1992.

19 Q. Please state whether the permits are temporary operating permits, and
20 if so, please describe the permit terms.

21 A. The permits are not temporary operating permits.

22 Q. Are the plants in compliance with their permits?

23 A. Not all the plants are in compliance with their permits. Point O'
24 Woods, according to the Citrus County Health Department, has ponds which are
25 overgrown with vegetation and need to be cleared from outside toe to outside

1 | toe. Spring Hill was sent a letter on July 6, 1992, explaining deficiencies
2 | noted during a compliance evaluation inspection. Sugarmill Woods was observed
3 | during the last inspection on 07/12/92, to have violations of wastewater
4 | residuals, poor maintenance of effluent disposal, inadequate digester
5 | capacity, failure to report abnormal events, raw influent spills at bar
6 | screens and discharges of plant solids in the spray fields and groundwater
7 | monitoring area.

8 | Q. Are the wastewater collection, treatment and disposal facilities
9 | adequate to serve present customers based on permitted capacity?

10 | A. Yes.

11 | Q. Are the treatment and disposal facilities located in accordance with
12 | Section 17-6.070(2), Florida Administrative Code?

13 | A. Yes, except for Sugarmill Woods. The site is not enclosed with a fence
14 | which is required per Rule 17-6.070(2)(b), F.A.C.

15 | Q. Has DER required the utility to take any action so as to minimize
16 | possible adverse effects resulting from odors, noise, aerosol drift or
17 | lighting?

18 | A. No.

19 | Q. Do the pump stations and lift stations meet DER requirements with
20 | respect to location, reliability and safety?

21 | A. Yes, for the most part. At Point O' Woods, an inspection by the Citrus
22 | County Health Department on June 24, 1992, showed audible and visible alarms
23 | were not functioning.

24 | Q. Does the utility have certified operators as required by Chapter 17-602,
25 | Florida Administrative Code?

1 A. Yes, the utility's plant staffing is sufficient.

2 Q. Is the overall maintenance of the treatment, collection, and disposal
3 facilities satisfactory?

4 A. Yes, for the most part. It is noted at Spring Hill that there have been
5 a number of overflows from the collection system and a number of odor
6 complaints from certain lift stations in the recent past. At Sugarmill Woods,
7 the Department has periodically received complaints from residents of odor and
8 lift station failures.

9 Q. Do the facilities meet all applicable technology based effluent
10 limitations (TBELS) and water quality based effluent limitations (WOBELS)?

11 A. Yes.

12 Q. Do the facilities meet effluent disposal requirements of Sections 17-
13 6.055 and 17-6.080, Florida Administrative Code?

14 A. All the plants discharge to land application and are in compliance with
15 our regulations except at Sugarmill Woods where groundwater monitoring is
16 sketchy and incomplete.

17 Q. Are the collection, treatment and disposal facilities in compliance with
18 all the other provisions of Title 17, Florida Administrative Code, not
19 previously mentioned?

20 A. Yes, for the most part. At Sugarmill Woods, some slopes of collection
21 lines are inadequate to meet 2.0 ft/sec and requires periodic flushing.

22 Q. Have any of these system been the subject of any Department of
23 Environmental Regulation enforcement action within the past two years?

24 A. A non-compliance letter was sent to Spring Hill on July 6, 1992, as
25 already mentioned. At Sugarmill Woods, a letter of non-compliance was sent

1 on April 9, 1992, which was not responded to and if violations continue will
2 result in the beginning of enforcement.

3 Q. Do you have anything further to add?

4 A. Yes. Sugarmill Woods has applied to increase its wastewater plant size
5 from 0.5 to 2.5 mgd. Insufficient attention has been devoted to proper
6 maintenance and care of the existing plant. Unless a major surge in
7 population occurs, the current facility appears adequate to serve this
8 community, but repairs and improvements are needed in the influent structure,
9 digester capacity, and maintenance of the spray site.

10 Q. Does this conclude your testimony?

11 A. Yes.

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1 DIRECT TESTIMONY OF BRENDA BALL

2 Q. Please state your name and business address.

3 A. My name is Brenda Ball and my business address is 3804 Coconut Palm
4 Drive, Tampa, FL 33619.

5 Q. Please state a brief description of your educational background and
6 experience.

7 A. I have a Bachelors degree in Biology (1986) from Florida Southern
8 College in Lakeland, and one year with DER performing inspections of public
9 drinking water facilities to insure their compliance with the Florida
10 Administrative Code.

11 Q. By whom are you presently employed?

12 A. I am employed by the State of Florida, Department of Environmental
13 Regulation (DER).

14 Q. How long have you been employed with the Department of Environmental
15 Regulation and in what capacity?

16 A. I have been employed for one year as mentioned above.

17 Q. What are your general responsibilities at the Department of
18 Environmental Regulation?

19 A. My responsibilities include performing sanitary surveys of water plants,
20 compliance inspections of water plants, reviewing water chemical and
21 bacteriological reports, preparing enforcement cases against utilities and
22 monitoring and investigating complaints against utilities. I also conduct
23 lead and copper workshops.

24 Q. Are you familiar with Apache Shores, Citrus Springs, Golden Terrace,
25 Gospel Island, Oak Forest, Pine Ridge, Point O' Woods, Rolling Green, and

1 Rosemont water systems in Citrus County?

2 A. I have familiarized myself with the files related to these systems.

3 Q. Do the systems have current permits from the DER?

4 A. Yes, except Rolling Green. It is now merged with the Rosemont system.

5 Q. Are the plants in compliance with their permits?

6 A. Yes, the plants are in compliance with their permits, except as stated
7 later in this testimony.

8 Q. Are the utility's treatment facilities and distribution systems
9 sufficient to serve its present customers?

10 A. Yes.

11 Q. Does the utility maintain the required 20 PSI minimum pressure
12 throughout the distribution system?

13 A. The files in the department do not show any pressure deficiencies.

14 Q. Does the utility have an adequate power source in the event of a power
15 outage?

16 A. The files do not clearly show which systems do not have auxiliary power
17 sources. It should be pointed out that auxiliary power is not required until
18 the system serves 350 or more persons.

19 Q. Are the utility's water wells located in compliance with Section 17-
20 555.312, Florida Administrative Code?

21 A. Yes.

22 Q. Does the utility have certified operators as required by Chapter 17-602,
23 Florida Administrative Code?

24 A. Yes, the utility's plant staffing is sufficient.

25 Q. Has the utility established a cross-connection control program in

1 | accordance with Section 17-555.360, Florida Administrative Code?

2 | A. The files do not indicate any information on cross-connection control
3 | programs for these systems.

4 | Q. Is the overall maintenance of the treatment plant and distribution
5 | facilities satisfactory?

6 | A. Yes.

7 | Q. Does the water produced by the utility meet the state and federal
8 | maximum contaminant levels for primary and secondary water quality standards?

9 | A. Not at Point O' Woods, because the iron levels have commonly exceed the
10 | maximum contaminant level (MCL) since at least February, 1991. The utility
11 | is currently under a consent order with the Department to add iron filters to
12 | the system.

13 | Q. Does the utility monitor the organic contaminants listed in Section
14 | 17-550.410, Florida Administrative Code?

15 | A. Yes.

16 | Q. Do recent chemical analyses of raw and finished water, when compared to
17 | regulations, suggest the need for additional treatment?

18 | A. Yes, for Point O' Woods. Iron filters need to be added as a result of
19 | the consent order mentioned above.

20 | Q. Does the utility maintain the exemptions chlorine residual or its
21 | equivalent throughout the distribution system?

22 | A. Yes.

23 | Q. Are the plant and distribution systems in compliance with all the other
24 | provisions of Title 17, Florida Administrative Code, not previously mentioned?

25 | A. The Citrus Springs plant was required to submit a lead and copper

1 | sampling plan no later than June 30, 1992. The DER received the plan, but it
2 | was deficient in four areas. The Department notified Citrus Springs in a
3 | letter dated June 16, 1992. As of September 25, 1992, no information has been
4 | received by this office to complete this EPA required plan. As DER has only
5 | a draft lead and copper rule, this is a violation of the EPA's lead and copper
6 | rule.

7 | Golden Terrace is presently exceeding the MCL for iron. The Department
8 | is working with the utility to sign a consent order agreement to expedite
9 | correction of this violation. If the consent order is not signed, a notice
10 | of violation will be issued.

11 | A loss of chlorination capability alarm is needed at the Apache Shores'
12 | plant, per Rule 17-555.320(5)(a), F.A.C. At Point O' Woods, during the
13 | process of drilling a new 10" well on September 18, 1992, a sinkhole developed
14 | around the casing and caused both this new well and the main system well to
15 | collapse. Back-up wells could not be used because the utility's hydrologist
16 | feared causing other sinkholes and collapsing all the wells. Initially,
17 | bottled potable water was provided to the customers and tanker trucks were
18 | used to provide water to flush toilets. Now, back-up wells are providing
19 | water for sanitary purposes, but bottled water must still be provided for
20 | drinking. The utility reports that it is finishing construction on the new
21 | well to provide potable water to its customers.

22 | Q. Have any of the systems been the subject of any Department of
23 | Environmental Regulation enforcement action within the past two years?

24 | A. Yes. Golden Terrace was issued a warning notice on November 14, 1991
25 | because it was exceeding the MCL for iron. Gospel Island was issued a warning

1 | notice on November 19, 1991 because the system was exceeding the MCL for
2 | manganese. Point O' Woods has been issued a warning notice for exceeding the
3 | MCL for iron.

4 | Q. Do you have anything further to add?

5 | A. No, I do not.

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DIRECT TESTIMONY OF NEAL SCHOBERT

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2 | Q. Please state your name and business address.

3 | A. My name is Neal Schobert. My address is 3804 Coconut Drive, Tampa,
4 | Florida 33619-8318.

5 | Q. Please state a brief description of your educational background and
6 | experience.

7 | A. I received a Bachelor of Science in Biology from FSU in 1976. I have
8 | worked in the environmental field for over 9 years.

9 | Q. By whom are you presently employed?

10 | A. Currently, I am employed by the Florida Department of Environmental
11 | Regulation (FDER).

12 | Q. How long have you been employed with the FDER and in what capacity?

13 | A. I have been employed with the FDER for 5 years as an Environmental
14 | Specialist.

15 | Q. What are your general responsibilities at the Department of
16 | Environmental Regulation?

17 | A. Currently, I conduct inspections of wastewater treatment plants and
18 | collections systems to ensure compliance with Chapter 17 of the Florida
19 | Administrative Code.

20 | Q. Are you familiar with Southern States Utilities, Inc.'s Marion Oaks
21 | wastewater system in Marion County?

22 | A. Yes.

23 | Q. Does the utility have current operating or construction permits from the
24 | FDER?

25 | A. Yes.

1 Q. Please state the issuance date and the expiration date of the
2 operating or construction permits.

3 A. The operating permit, D042-178431, was issued on May 25, 1990 and
4 expires on May 23, 1995.

5 Q. Is this permit a temporary operating permit, and if so, please describe
6 the permit terms?

7 A. No.

8 Q. Is the plant in compliance with its permits?

9 A. Yes.

10 Q. What is the permitted capacity of the wastewater treatment plant?

11 A. The permitted capacity is 200,000 gpd.

12 Q. Are the wastewater collection, treatment, and disposal facilities
13 adequate to serve the present customers based on permitted capacity?

14 A. Yes.

15 Q. Are the treatment and disposal facilities located in accordance with
16 Chapter 17-600, Florida Administrative Code?

17 A. Yes.

18 Q. Has the Department of Environmental Regulation (DER) required the
19 utility to take any action so as to minimize possible adverse effects
20 resulting from odors, noise, aerosol drift or lighting?

21 A. No.

22 Q. Do the pump stations and lift stations meet DER requirements with
23 respect to location, reliability and safety?

24 A. Yes.

25 Q. Does the utility have certified operators as required by Chapter 17-602,

- 1 Florida Administrative Code?
- 2 A. Yes.
- 3 Q. Is the overall maintenance of the treatment, collection, and disposal
- 4 facilities satisfactory?
- 5 A. Yes.
- 6 Q. Does the facility meet all applicable technology based effluent
- 7 limitations (TBELS) and water quality based effluent limitations (WQBELS)?
- 8 A. Yes.
- 9 Q. Does the facility meet the effluent disposal requirements of Chapter 17,
- 10 Florida Administrative Code?
- 11 A. Yes.
- 12 Q. Are the collection, treatment and disposal facilities in compliance with
- 13 all the other provisions of Chapter 17, Florida Administrative Code, not
- 14 previously mentioned?
- 15 A. Yes.
- 16 Q. Has this system been the subject of any Department of Environmental
- 17 Regulation enforcement action within the past two years?
- 18 A. No.
- 19 Q. Do you have anything further to add?
- 20 A. Yes. On July 9, 1992 and July 16, 1992, I inspected the Marion Oaks
- 21 wastewater treatment plant. Exhibit NS-1 summarizes the deficiencies which
- 22 were noted at this plant and provides the utility's response to these
- 23 deficiencies.
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DIRECT TESTIMONY OF ROBERT REINING

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- 2 Q. Please state your name and business address.
- 3 A. Robert R. Reining, Jr., Department of Environmental Regulation, 160
4 Governmental Center, Pensacola, FL 32501.
- 5 Q. Please state a brief description of your educational background and
6 experience.
- 7 A. I received a bachelor of science degree in civil engineering from George
8 Washington University in 1958 and a master of science degree in civil
9 engineering from the University of Massachusetts in 1967. Since 1975, I am
10 a registered professional engineer in Massachusetts (#27928), and also in
11 Florida since 1984 (#35134).
- 12 Q. By whom are you presently employed?
- 13 A. Currently, I am employed by the Department of Environmental Regulation.
- 14 Q. How long have you been employed with the Department of Environmental
15 Regulation and in what capacity?
- 16 A. I have been employed with the DER since 1985.
- 17 Q. What are your general responsibilities at the Department of
18 Environmental Regulation?
- 19 A. My responsibilities include Domestic Waste Section Supervisor, Northwest
20 District.
- 21 Q. Are you familiar with Southern States Utilities, Inc.'s wastewater
22 systems in Washington County particularly the Sunny Hills system?
- 23 A. Yes.
- 24 Q. Does the utility have current operating or construction permits from the
25 Department of Environmental Regulation?

- 1 A. Yes.
- 2 Q. Please state the issuance date and the expiration date of the operating
3 permits.
- 4 A. The date of issuance was September 28, 1990 and the expiration date is
5 September 24, 1995.
- 6 Q. Please state whether the permit is a temporary operating permit, and if
7 so, please describe the permit terms.
- 8 A. It is not a temporary operating permit. It is a regular 5 year
9 operation permit.
- 10 Q. Are the plants in compliance with its permits?
- 11 A. Yes.
- 12 Q. Are the wastewater collection, treatment and disposal facilities
13 adequate to serve present customers based on permitted capacity?
- 14 A. Yes.
- 15 Q. Are the treatment and disposal facilities located in accordance with
16 Rule 17-600, Florida Administrative Code?
- 17 A. Yes.
- 18 Q. Has the Department of Environmental Regulation (DER) required the
19 utility to take any action so as to minimize possible adverse effects
20 resulting from odors, noise, aerosol drift or lighting?
- 21 A. Construction permit requirement - see F.A.C. 17-600.715(1)(e) - No
22 reported problems.
- 23 Q. Do the pump stations and lift stations meet DER requirements with
24 respect to location, reliability and safety?
- 25 A. Yes.

1 Q. Does the utility have certified operators as required by Chapter 17-602,
2 Florida Administrative Code?

3 A. Yes.

4 Q. Is the overall maintenance of the treatment, collection, and disposal
5 facilities satisfactory?

6 A. Yes - Based on information currently available to this office.

7 Q. Does the facility meet all applicable technology based effluent
8 limitations (TBELS) and water quality based effluent limitations (WQBELS)?

9 A. Not applicable.

10 Q. Does the facility meet the effluent disposal requirements of Sections
11 17-600.500s and 17-610, Florida Administrative Code?

12 A. Yes.

13 Q. Has the Sunny Hills System of Southern States Utilities, Inc. been the
14 subject of any Department of Environmental Regulation enforcement action
15 within the past two years?

16 A. No.

17 Q. Do you have anything further to add?

18 A. No, I do not.

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1 CHAIRMAN BEARD: Okay. Anything else from Staff?

2 MR. FEIL: The only thing I wanted to mention
3 was at the Prehearing Conference the parties agreed to
4 taking other Staff witnesses out of order, including
5 Mr. Shafer and Mr. Todd.

6 Mr. Williams and Mr. Chapdelaine, I believe,
7 will be available at any time, so we can take them in
8 order.

9 CHAIRMAN BEARD: When are we taking Mr. Shafer
10 and Mr. Todd?

11 MR. FEIL: Mr. Shafer said that he could be
12 available today if we had a few minutes for him, or
13 Monday or Tuesday.

14 CHAIRMAN BEARD: Okay.

15 MR. FEIL: Mr. Todd, I believe, was told to
16 come on Thursday?

17 CHAIRMAN BEARD: Okay. Why don't you just
18 keep me posted?

19 MR. FEIL: Yes, sir, I will.

20 CHAIRMAN BEARD: We'll kind of see where we
21 go. So basically, Mr. Shafer and Mr. Cresse are in the
22 same boat; they don't want to work Wednesday.

23 Anything else?

24 MR. FEIL: I believe that's all.

25 CHAIRMAN BEARD: Mr. Pruitt, you got anything

1 else? Just checking everybody. First witness.

2 MR. HOFFMAN: Mr. Chairman, I've got two more
3 things.

4 CHAIRMAN BEARD: Well, now, I asked you once
5 already if you had everything.

6 MR. HOFFMAN: Can we get an exhibit number
7 for the late-filed exhibit on the responses to the
8 customer complaints?

9 CHAIRMAN BEARD: That just became Exhibit No.
10 21, which will be "Late-Filed Responses to Customer
11 Service Complaints/Questions." And assuming we have
12 some people show up today that wish to testify, that
13 list may expand. We'll have to cross that bridge as we
14 come to it. Okay.

15 That's one of the two things you had.

16 (Late-filed Exhibit No. 21 identified.)

17 MR. HOFFMAN: Also by stipulation of the
18 parties, Mr. Chairman, we would like to place into the
19 record as an exhibit the deposition of Victoria
20 Montanaro, witness of the Office of Public Counsel,
21 which noticed in both the Lehigh case, which is Docket
22 No. 911188, and in this case.

23 CHAIRMAN BEARD: The deposition of Victoria
24 Montanaro will become Exhibit No. 22 by stipulation.

25 MS. BEDELL: That includes the exhibits that

1 were --

2 MR. HOFFMAN: Sure.

3 (Exhibit No. 22 marked for identification and
4 received in evidence.)

5 CHAIRMAN BEARD: Is that the last of the two
6 things you had.

7 MR. HOFFMAN: Yes, sir.

8 CHAIRMAN BEARD: Okay. Get your witness on
9 the stand.

10 MR. HOFFMAN: We call Arend J. Sandbulte.

11 CHAIRMAN BEARD: While they're doing that,
12 let's -- you want to take a really quick --

13 COMMISSIONER EASLEY: I wouldn't mind, just
14 to get organized here.

15 CHAIRMAN BEARD: We'll take about ten minutes
16 while they're getting on the stand and we get ourselves
17 organized here.

18 (Brief recess.)

19 (Transcript follows in sequence in Volume II.)

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