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COMMISSION  
CLERK

October 8, 2010

090445-WS  
090459-WS

10 OCT 11 AM 7:47

Ms. Ann Cole  
Commission Clerk  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 30283-5909

**Re: Grove Land Utilities, LLC; PSC Docket No 0W904S45 and  
Bluefield Utilities, LLC; PSC Docket No 0W904S59  
Prefiled Testimonies of Mark Satterlee and Laurie Waldie**

Dear Ms. Cole:

Attached for filing please find the original and fifteen copies of Mark Saterlee's  
Prefiled Testimony and three exhibits as follows: 08438-10

- MPS-1 Resume
- MPS-2 Comprehensive Plan Excerpts
- MPS-3 Land Use/Zoning Maps

In addition attached are the original and fifteen copies of Laurie Waldie's Prefiled  
Testimony and three exhibits as follows 08439-10

- LAW-1 District Service Area
- LAW-2 SFWMD CUP
- LAW-3 SFWMD Letter

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 HOUSTON  
 LAS VEGAS  
 LONDON  
 LOS ANGELES  
 MIAMI  
 MILAN\*\*  
 NEW JERSEY  
 NEW YORK  
 ORANGE COUNTY  
 ORLANDO  
 PALM BEACH COUNTY  
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 PHOENIX  
 ROME\*\*  
 SACRAMENTO  
 SAN FRANCISCO  
 SHANGHAI  
 SILICON VALLEY  
 TALLAHASSEE  
 TAMPA  
 TOKYO\*\*  
 TYSONS CORNER  
 WASHINGTON, D.C.  
 WHITE PLAINS  
 ZURICH\*\*  
 \*OPERATES AS GREENBERG  
 TRAUIG MAHER LLP  
 \*\*STRATEGIC ALLIANCE

DOCUMENT NUMBER DATE  
08438 OCT 11 0

Ms. Ann Cole  
October 8, 2010  
Page 2

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If you have any questions, please feel free to contact me.

Sincerely,

GREENBERG, TRAURIG, P.A.



Phillip C. Gildan

Enclosures

cc: F. Marshall Deterding, Esq.  
Tom W. Conely III, Esq.  
Michael Minton, Esq.  
Stephen Fry, Esq.  
Caroline M. Klancke, Esq.  
Mike McDaniel, Esq.

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**  
**APPLICATION FOR ORIGINAL CERTIFICATES FOR PROPOSED**  
**WATER AND WASTEWATER SYSTEMS IN INDIAN RIVER**  
**OKEECHOBEE AND ST LUCIE COUNTIES AND REQUEST FOR INITIAL**  
**RATES AND CHARGES**  
**BY GROVE LAND UTILITIES LLC**  
**DOCKET NO 0W904S45**  
**APPLICATION OF BLUEFIELD UTILITIES LLC TO OPERATE A WATER**  
**AND WASTEWATER UTILITY IN MARTIN AND ST LUCIE COUNTIES**  
**FLORIDA**  
**DOCKET NO 0W904S59**  
**PREFILED DIRECT TESTIMONY OF LAURIE WALDIE**  
**ON BEHALF OF ST. LUCIE COUNTY WATER AND SEWER DISTRICT**

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FPSC-COMMISSION CLEARING

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 **Q. PLEASE STATE YOUR NAME.**

2 A. Laurie Waldie.

3 **Q. WHERE ARE YOU CURRENTLY EMPLOYED?**

4 A. St. Lucie County Water and Sewer District

5 **Q. WHAT IS YOUR EMPLOYMENT ADDRESS?**

6 A. St. Lucie County Water and Sewer District, 2300 Virginia Avenue, Fort  
7 Pierce, FL 34982

8 **Q. WHAT IS YOUR POSITION?**

9 A. Utility Director.

10 **Q. BRIEFLY SUMMARIZE YOUR PRESENT DUTIES.**

11 A. Manage and oversee administration of St. Lucie County Water and Sewer  
12 District ("District"), which includes potable water supply, water treatment,  
13 transmission and distribution, and wastewater collection, treatment, and  
14 disposal, including reclaimed water.

15 **Q. BRIEFLY, WHAT IS YOUR EDUCATION AND PROFESSIONAL  
16 BACKGROUND?**

17 **Q.** I have been working in the public water and sewer utility industry for more  
18 than 17 years. I have a Bachelor of Science in Accounting/Finance from  
19 Northern Michigan University, and am a Certified Government Finance  
20 Officer. I have been employed by St. Lucie County as Utility Director since  
21 May 2006. I am a member of the American Water Works Association,  
22 Florida Rural Water Association, Government Finance Officers Association,  
23 Florida GFOA, and am Chair of the Treasure Coast Regional Utilities  
24 Organization.

25 **Q. WHAT ARE THE BOUNDARIES OF THE DISTRICT'S WATER AND**

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 **SEWER UTILITY SERVICE AREA?**

2 A. Pursuant to Ordinance No. 02-043, St. Lucie County Board of County  
3 Commissioners ("District Ordinance"), which created the District pursuant to  
4 Chapter 153, Part II, of the Florida Statutes as a Utility District, the District's  
5 boundaries encompass all of the unincorporated areas of St. Lucie County  
6 from the Atlantic Ocean to the east to the border with Indian River County to  
7 the north, to the border with Okeechobee County to the west, to the border of  
8 Martin County to the south, excluding areas within the utility service areas of  
9 the Ft. Pierce Utility Authority and the City of Port St. Lucie, which I will  
10 refer to as the District Service Area. I have included a map of the District  
11 service area as Exhibit 1.

12 **Q. ARE YOU FAMILIAR WITH THE APPLICATIONS FILED BY**  
13 **GROVE LAND UTILITIES, LLC AND BLUEFIELD UTILITIES,**  
14 **LLC?**

15 A. Yes.

16 **Q. HOW ARE YOU FAMILIAR WITH IT?**

17 A. I was asked to review the documents/applications following their filing.

18 **Q. BASED UPON YOUR REVIEW OF THE GROVE LAND AND**  
19 **BLUEFIELD APPLICATIONS, CAN YOU DESCRIBE WHERE THE**  
20 **PARCELS OF PROPERTY PROPOSED TO BE SERVED BY GROVE**  
21 **LAND AND BLUEFIELD ARE LOCATED WITHIN ST. LUCIE**  
22 **COUNTY?**

23 A. The Grove Land parcels of property within St. Lucie County are generally  
24 located in northwestern St. Lucie County, and are predominantly  
25 rural/agricultural in nature. The Bluefield parcels of property within St. Lucie

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 County are generally located in southwestern St. Lucie County, and are  
2 predominantly rural/agricultural in nature.

3 **Q. WHERE ARE THESE GROVE LAND AND BLUEFIELD**  
4 **PROPERTIES LOCATED IN RELATION TO THE DISTRICT'S**  
5 **SERVICE AREA?**

6 A. The Grove Land and Bluefield properties are all located within the District's  
7 Service Area boundary.

8 **Q. DURING THE TIME THAT YOU HAVE BEEN WITH THE**  
9 **DISTRICT HAS ANYONE ON BEHALF OF EVANS PROPERTIES,**  
10 **INC. OR ANY OTHER PARTIES APPROACHED THE DISTRICT**  
11 **REQUESTING TO HAVE PUBLIC WATER OR SEWER SERVICE**  
12 **PROVIDED TO ANY OF THE PROPERTIES PROPOSED TO BE**  
13 **PROVIDED WATER OR SEWER SERVICE BY GROVE LAND OR**  
14 **BLUEFIELD?**

15 A. No.

16 **Q. IS IT POSSIBLE FOR A REQUEST TO HAVE BEEN MADE AND**  
17 **YOU NOT MADE AWARE OF IT?**

18 A. No. All requests for water or sewer service within the District must be first  
19 approved by me.

20 **Q. WITHIN THE AREA SURROUNDING THE PROPERTIES**  
21 **PROPOSED TO BE PROVIDED WATER OR SEWER SERVICE BY**  
22 **GROVE LAND OR BLUEFIELD, ARE YOU AWARE OF ANY OF**  
23 **THE OTHER SURROUNDING PROPERTY OWNERS MAKING ANY**  
24 **REQUEST FOR WATER OR SEWER SERVICE TO THE DISTRICT?**

25 A. In 2006, a development called Cloud Grove located in the vicinity of the

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 Grove Land properties approached the District to provide water and sewer  
2 service, and the District had negotiated a developer's agreement to provide  
3 that service, but the Cloud Grove development did not proceed. Otherwise,  
4 there have no requests for water or sewer service in the vicinity of the Cloud  
5 Grove or Bluefield properties that I can recall.

6 **Q. HAS EITHER GROVE LAND OR BLUEFIELD MADE A REQUEST**  
7 **TO THE DISTRICT TO CONSTRUCT UTILITY FACILITIES**  
8 **WITHIN THE DISTRICT SERVICE AREA AS REQUIRED**  
9 **PURSUANT TO SECTION 153.86, FLORIDA STATUTES?**

10 A. No.

11 **Q. DO YOU HAVE ANY KNOWLEDGE AS TO WHETHER THERE IS**  
12 **AN EXISTING NEED FOR WATER OR SEWER SERVICE ON ANY**  
13 **OF THE GROVE LAND OR BLUEFIELD PROPERTIES, AND IF SO**  
14 **WHAT IS YOUR UNDERSTANDING?**

15 A. There does not appear to be any present need for water or sewer service to be  
16 provided on any of the Grove Land or Bluefield Properties. There are  
17 existing buildings on some of these properties that already provide for their  
18 own water and sewer needs with potable water wells and septic tanks, and I  
19 have not been made aware of any regulatory agency requesting or requiring  
20 the cessation of use of such wells and septic tanks, or of any failure of such  
21 wells or septic tanks that would require conversion of such uses to a central  
22 water or sewer utility service.

23 **Q. IF A PROPERTY OWNER WITHIN THE GROVE LAND OR**  
24 **BLUEFIELD PROPERTIES WERE TO REQUEST WATER OR**  
25 **SEWER SERVICE FROM THE DISTRICT, WHAT WOULD BE THE**

**DIRECT TESTIMONY OF LAURIE WALDIE**

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**DISTRICT'S RESPONSE?**

A. Pursuant to the District's Extension Policy, the District provides water or sewer service to any properties within the District Service Area which are approved for development with central water or sewer service by the St. Lucie County Board of County Commissioners in accordance with the St. Lucie County Comprehensive Plan. Accordingly, if a property owner within the Grove Land or Bluefield properties were to be approved by the St. Lucie County Board of County Commissioners for development with central water or sewer service, the District would provide for such service in accordance with its Extension Policy.

**Q. IN SUCH CIRCUMSTANCES, WOULD THE DISTRICT EXTEND WATER OR SEWER LINES TO PROVIDE THAT SERVICE OR WOULD THAT SERVICE BE PROVIDED BY ANOTHER MEANS?**

A. Some of the Bluefield properties are located in relative proximity to the District's existing facilities at the St. Lucie County Fairgrounds location. The District would likely extend water or sewer lines to those Bluefield properties. The remaining Bluefield and Grove Land properties are in remote rural areas of St. Lucie County and accordingly the District would not extend water or sewer lines to serve those properties. Instead, as it had prepared to do with the Cloud Grove development in rural St. Lucie County, the District would provide for the installation of an appropriately sized sub-regional water or sewer facility in the vicinity of the properties to provide water or sewer service.

**Q. DOES THE DISTRICT HAVE AN EXISTING SOUTH FLORIDA WATER MANAGEMENT DISTRICT PERMIT TO PROVIDE FOR**



**DIRECT TESTIMONY OF LAURIE WALDIE**

1           **THE ANTICIPATED POTABLE WATER NEEDS WITHIN THE**  
2           **DISTRICT'S SERVICE AREA, INCLUDING THE BLUE FIELD**  
3           **PROPERTIES AND THE GROVE LAND PROPERTIES?**

4           A.     Yes. The District has a 20-Year Water Use Permit from the South Florida  
5           Water Management District (SFWMD) to provide for all of the anticipated  
6           potable water needs within the District Service Area. I have included a copy  
7           of the SFWMD Permit as Exhibit 2.

8           **Q.     HAS THE SFWMD RECOGNIZED THE RIGHT OF THE DISTRICT**  
9           **TO PROVIDE POTABLE WATER SERVICE WITHIN THE**  
10          **DISTRICT SERVICE AREA TO THE EXCLUSION OF OTHER**  
11          **UTILITY SERVICE PROVIDERS?**

12          A.     Yes. The SFWMD recognized such right in two ways. First, it recognized  
13          such right by issuing the 20-Year Water Use Permit. Second, when the City  
14          of Port St. Lucie recently applied for a Water Use Permit to provide service to  
15          an area within the District Service Area, the District denied such permit based  
16          on the District's determination that area was within the District Service Area.  
17          I have attached the communication from the SFWMD to that effect as Exhibit  
18          3.

19          **Q.     AS OF THIS DAY, IF SOMEONE IN THE AREA WHERE GROVE**  
20          **LAND AND BLUEFIELD IS PROPOSING TO OPERATE DESIRES**  
21          **PUBLIC WATER SERVICE, WHO IS THE CURRENT SERVICE**  
22          **PROVIDER?**

23          A.     The District.

24          **Q.     FROM YOUR REVIEW OF BLUEFIELD AND GROVE LAND'S**  
25          **APPLICANT HAS EITHER HAD ANY WRITTEN REQUESTS TO**

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 **PROVIDE WATER OR WASTEWATER SERVICE?**

2 A. No, neither has had any service requests, except from their owners for  
3 properties they own which already have well and/or septic tank service. The  
4 owners of the property do not need a Public Service Commission certificate  
5 to provide for their own water or sewer needs.

6 **Q. DO YOU HAVE A PROFESSIONAL OPINION AS TO WHETHER**  
7 **GRANTING BLUEFIELD OR GROVE LAND'S REQUESTS TO**  
8 **OPERATE A WATER/WASTEWATER UTILITY WHERE THEY**  
9 **ARE PROPOSING IN ST. LUCIE COUNTY IS IN THE PUBLIC**  
10 **INTEREST?**

11 A. Yes.

12 **Q. WHAT IS YOUR PROFESSIONAL OPINION?**

13 A. In my professional opinion as a water and sewer utility director, there is no  
14 need for water or sewer service that would justify granting the requests, and  
15 without a need for such service, it is not in the public interest to grant Grove  
16 Land's and Bluefield's applications. Had there been a need for service in  
17 those areas, the District would have proceeded to work with the property  
18 owners and developers seeking service to provide that service. The District  
19 has not identified any need for utility services in the Grove Land and  
20 Bluefield areas in the ten year planning horizon. As a prudent utility  
21 provider, the District's goal is to coordinate the timing of construction of  
22 infrastructure with the need for that infrastructure. As there is no current or  
23 other identified need within the prudent planning horizon for these two areas,  
24 there has been no construction by the District, although, as noted above, the  
25 District has already secured a Water Use Permit for these two areas from the

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 SFWMD for the 20 year planning horizon. Finally, since neither Grove Land  
2 nor Bluefield can construct any utility facilities within the District Service  
3 Area without the District's consent, neither Grove Land nor Bluefield can  
4 technically demonstrate the ability to provide water or sewer service as they  
5 have not received the consent of the District, and would not receive such  
6 consent for the reasons set forth in this testimony. Accordingly, for these  
7 reasons, it is my professional opinion that Bluefield and Grove Land have not  
8 met the technical requirements to obtain certificates and that their  
9 applications are not in the public interest.

10 **Q. HAVE YOU READ THE JANUARY 7, 2010, CORRESPONDENCE**  
11 **FROM MIKE MCDANIEL FROM THE DEPARTMENT OF**  
12 **COMMUNITY AFFAIRS ADDRESSED TO MS. PATTI DANIEL AT**  
13 **THE PUBLIC SERVICE COMMISSION REGARDING THE**  
14 **BLUEFIELD APPLICATION?**

15 A. Yes.

16 **Q. DO YOU AGREE WITH THE OPINIONS EXPRESSED BY MR.**  
17 **MCDANIEL IN THAT CORRESPONDENCE THAT THERE IS NO**  
18 **NEED FOR CENTRAL WATER AND SEWER UTILITY SERVICE IN**  
19 **THE PROPOSED BLUEFIELD UTILITY SERVICE AREA?**

20 A. Yes. For the same reasons cited by Mr. McDaniels, in my professional  
21 opinion there is no need for utility service in the proposed Bluefield Utility  
22 service area. As such, it is my further opinion that granting the Bluefield  
23 application would not be in the public interest.

24 **Q. HAVE YOU READ THE JANUARY 7, 2010, CORRESPONDENCE**  
25 **FROM MIKE MCDANIEL FROM THE DEPARTMENT OF**

**DIRECT TESTIMONY OF LAURIE WALDIE**

1           **COMMUNITY AFFAIRS ADDRESSED TO MS. PATTI DANIEL AT**  
2           **THE PUBLIC SERVICE COMMISSION REGARDING THE GROVE**  
3           **LAND APPLICATION?**

4           A.    Yes.

5           **Q.    DO YOU AGREE WITH THE OPINIONS EXPRESSED BY MR.**  
6           **MCDANIEL IN THAT CORRESPONDENCE THAT THERE IS NO**  
7           **NEED FOR CENTRAL WATER AND SEWER UTILITY SERVICE IN**  
8           **THE PROPOSED GROVE LAND UTILITY SERVICE AREA?**

9           A.    Yes. For the same reasons cited by Mr. McDaniels, in my professional  
10           opinion there is no need for utility service in the proposed Grove Land Utility  
11           service. As such, it is my further opinion that granting the Grove Land  
12           application would not be in the public interest.

13          **Q.    HAVE YOU READ THE JANUARY 28, 2010, CORRESPONDENCE**  
14          **FROM CHARLES H. BRONSON, COMMISSIONER OF**  
15          **AGRICULTURE, ADDRESSED TO THE CHAIRMAN OF THE**  
16          **PUBLIC SERVICE COMMISSION REGARDING THE GROVE**  
17          **LAND AND BLUEFIELD APPLICATIONS?**

18          A.    Yes.

19          **Q.    DO YOU AGREE WITH THE OPINIONS EXPRESSED BY MR.**  
20          **BRONSON IN THAT CORRESPONDENCE REGARDING THE**  
21          **UTILITY CERTIFICATION IS A MEANS TO PROTECT THE**  
22          **AGRICULTURE INDUSTRY AND HELP IT REMAIN**  
23          **SUSTAINABLE??**

24          A.    No. Utility Certification has no relationship or relevance to the sustainability  
25          of the Agriculture Industry nor is it necessary or needed to accomplish any of

**DIRECT TESTIMONY OF LAURIE WALDIE**

1 the agricultural business opportunities identified in Mr. Bronson's  
2 correspondence. It also appears that each of the proposed environmental  
3 services would fit under multiple exemptions under Section 367.022, Florida  
4 Statutes, without the necessity of becoming a certificated private utility.

5 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

6 Yes.

7 **[End of Testimony]**

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

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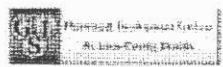
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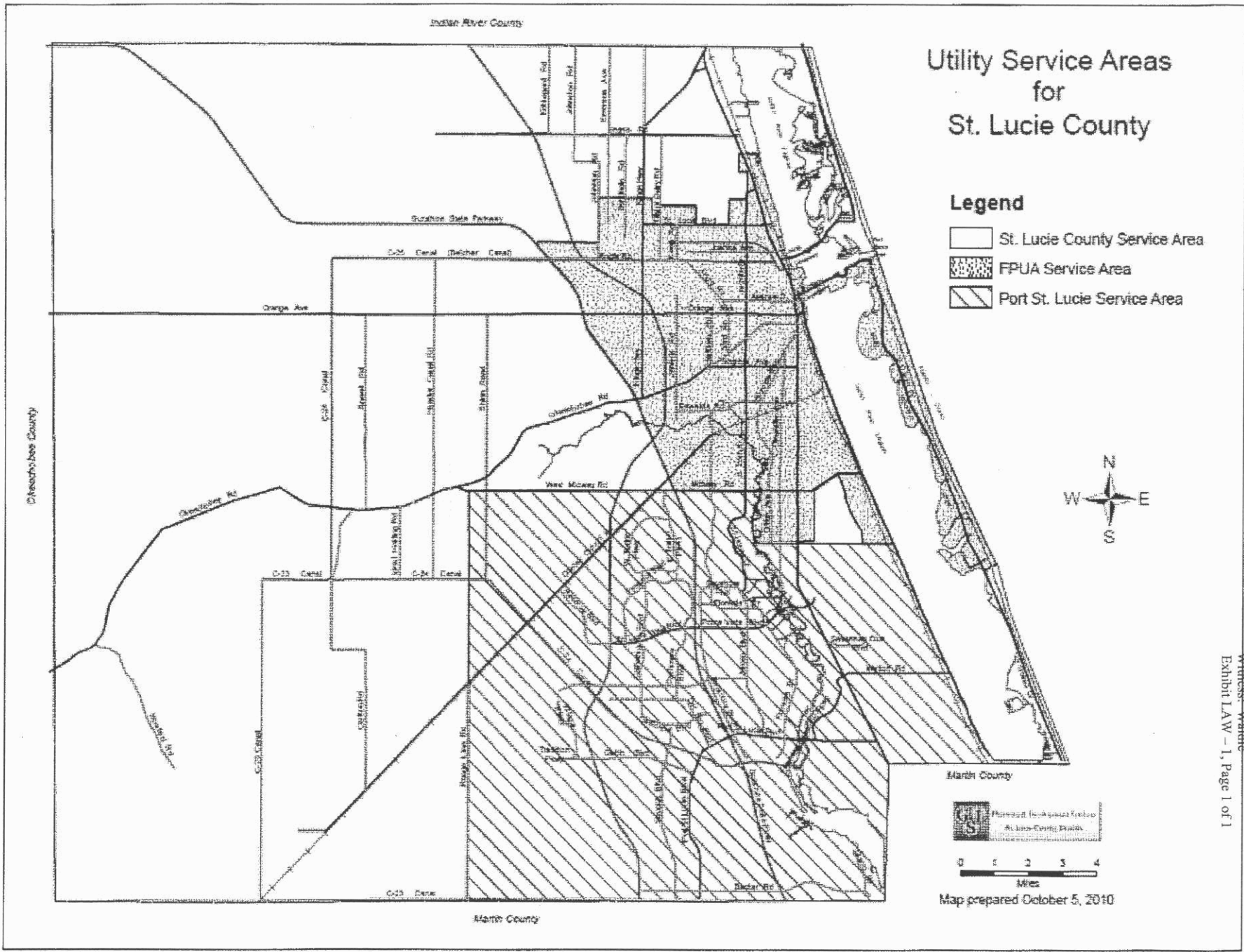
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# Utility Service Areas for St. Lucie County

- Legend**
-  St. Lucie County Service Area
  -  FPUA Service Area
  -  Port St. Lucie Service Area



Map prepared October 5, 2010





FORM #0299  
Rev. 5/93

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT**  
**WATER USE PERMIT NO. RE-ISSUE 56-00406-W**  
**( NON - ASSIGNABLE )**

RECEIVED  
MAR 28 2008  
Utilities

Date Issued: 13-MAR-2008

Expiration Date: March 13, 2028

Authorizing: THE CONTINUATION OF AN EXISTING USE OF GROUND WATER FROM THE SURFICIAL AQUIFER SYSTEM AND UPPER FLORIDAN AQUIFER FOR PUBLIC WATER SUPPLY USE WITH AN ANNUAL ALLOCATION OF 2488 MILLION GALLONS.

Located In: St Lucie County, S1-36/T34S/R37E S9/T34S/R38E  
S1-37/T34S/R39E S1-36/T34S/39  
S7,18/T34S/R40E S1-36/T35S/R37E  
S1-36/T35S/R38E S4-6,7-10,15-23,25-36/T35S/R39E  
S1-36/T36S/R37E S1-36/T36S/R38E  
S1-36/T37S/R38E S1-36/T37S/R38E

Issued To: ST LUCIE COUNTY UTILITIES  
(ST. LUCIE COUNTY PWS)  
2300 VIRGINIA AVENUE  
FT PIERCE, FL 34982

This Permit is issued pursuant to Application No.061129-11 , dated November 29, 2006, for the Use of Water as specified above and subject to the Special Conditions set forth below. Permittee agrees to hold and save the South Florida Water Management District and its successors harmless from any and all damages, claims or liabilities which may arise by reason of the construction, maintenance or use of activities authorized by this permit. Said application, including all plan and specifications attached thereto, is by reference made a part hereof.

Upon written notice to the permittee, this permit may be temporarily modified, or restricted under a Declaration of Water Shortage or a Declaration of Emergency due to Water Shortage in accordance with provisions of Chapter 373, Fla. Statutes, and applicable rules and regulations of the South Florida Water Management District.

This Permit may be permanently or temporarily revoked, in whole or in part, for the violation of the conditions of the permit or for the violation of any provision of the Water Resources Act and regulations thereunder.

This Permit does not convey to the permittee any property rights nor any privileges other than those specified herein, nor relieve the permittee from complying with any law, regulation, or requirement affecting the rights of other bodies or agencies.

**Limiting Conditions are as follows:**

SEE PAGES 2 - 5 OF 5 ( 29 LIMITING CONDITIONS).

South Florida Water Management  
District, by its Governing Board

On March 13, 2008  
By [Signature]  
Deputy Clerk

### LIMITING CONDITIONS

1. This permit shall expire on March 13, 2028.
2. Application for a permit modification may be made at any time.
3. Water use classification:

Public water supply

4. Source classification is:

Ground Water from:  
Surficial Aquifer System  
Upper Floridan Aquifer

5. Annual allocation shall not exceed 2488 MG.

Maximum monthly allocation shall not exceed 248.7 MG.

The following limitations to annual withdrawals from specific sources are stipulated:

Surficial Aquifer System-: 61 MG.

The following limitations to maximum monthly withdrawals from specific sources are stipulated:

Surficial Aquifer System-: 5.40 MG.

6. Pursuant to Rule 40E-1.6105, F.A.C., Notification of Transfer of Interest in Real Property, within 30 days of any transfer of interest or control of the real property at which any permitted facility, system, consumptive use, or activity is located, the permittee must notify the District, in writing, of the transfer giving the name and address of the new owner or person in control and providing a copy of the instrument effectuating the transfer, as set forth in Rule 40E-1.6107, F.A.C.

Pursuant to Rule 40E-1.6107 (4), until transfer is approved by the District, the permittee shall be liable for compliance with the permit. The permittee transferring the permit shall remain liable for all actions that are required as well as all violations of the permit which occurred prior to the transfer of the permit.

Failure to comply with this or any other condition of this permit constitutes a violation and pursuant to Rule 40E-1.609, Suspension, Revocation and Modification of Permits, the District may suspend or revoke the permit.

This Permit is issued to:

St Lucie County Utilities  
2300 Virginia Avenue  
Fort Pierce, FL 34982  
(772) 462-1150

7. Withdrawal facilities:

Ground Water - Existing:

- 1 - 8" X 95' X 200 GPM Well Cased To 65 Feet
- 1 - 8" X 108' X 200 GPM Well Cased To 76 Feet

Ground Water - Proposed:



1 - 16" X 800' X 800 GPM Well Cased To 400 Feet  
19 - 16" X 800' X 1200 GPM Wells Cased To 400 Feet

8. Permittee shall mitigate interference with existing legal uses that was caused in whole or in part by the permittee's withdrawals, consistent with the approved mitigation plan. As necessary to offset the interference, mitigation will include pumpage reduction, replacement of the impacted individual's equipment, relocation of wells, change in withdrawal source, or other means.

Interference to an existing legal use is defined as an impact that occurs under hydrologic conditions equal to or less severe than a 1 in 10 year drought event that results in the:

(1) Inability to withdraw water consistent with provisions of the permit, such as when remedial structural or operational actions not materially authorized by existing permits must be taken to address the interference; or

(2) Change in the quality of water pursuant to primary State Drinking Water Standards to the extent that the water can no longer be used for its authorized purpose, or such change is imminent.

9. Permittee shall mitigate harm to existing off-site land uses caused by the permittee's withdrawals, as determined through reference to the conditions for permit issuance. When harm occurs, or is imminent, the District will require the permittee to modify withdrawal rates or mitigate the harm. Harm caused by withdrawals, as determined through reference to the conditions for permit issuance, includes:

(1) Significant reduction in water levels on the property to the extent that the designed function of the water body and related surface water management improvements are damaged, not including aesthetic values. The designed function of a water body is identified in the original permit or other governmental authorization issued for the construction of the water body. In cases where a permit was not required, the designed function shall be determined based on the purpose for the original construction of the water body (e.g. fill for construction, mining, drainage canal, etc.)

(2) Damage to agriculture, including damage resulting from reduction in soil moisture resulting from consumptive use; or

(3) Land collapse or subsidence caused by reduction in water levels associated with consumptive use.

10. Permittee shall mitigate harm to the natural resources caused by the permittee's withdrawals, as determined through reference to the conditions for permit issuance. When harm occurs, or is imminent, the District will require the permittee to modify withdrawal rates or mitigate the harm. Harm, as determined through reference to the conditions for permit issuance includes:

(1) Reduction in ground or surface water levels that results in harmful lateral movement of the fresh water/salt water interface,

(2) Reduction in water levels that harm the hydroperiod of wetlands,

(3) Significant reduction in water levels or hydroperiod in a naturally occurring water body such as a lake or pond,

(4) Harmful movement of contaminants in violation of state water quality standards, or

(5) Harm to the natural system including damage to habitat for rare or endangered species.

11. If any condition of the permit is violated, the permit shall be subject to review and possible modification, enforcement action, or revocation.

12. Authorized representatives of the District shall be permitted to enter, inspect, and observe the permitted system to determine compliance with special conditions.
13. The Permittee is advised that this permit does not relieve any person from the requirement to obtain all necessary federal, state, local and special district authorizations.
14. The permit does not convey any property right to the Permittee, nor any rights and privileges other than those specified in the Permit and Chapter 40E-2, Florida Administrative Code.
15. Permittee shall submit all data as required by the implementation schedule for each of the limiting conditions to: S.F.W.M.D., Supervising Hydrogeologist - Post-Permit Compliance, Water Use Regulation Dept. (4320), P.O. Box 24680, West Palm Beach, FL 33416-4680.
16. In the event of a declared water shortage, water withdrawal reductions will be ordered by the District in accordance with the Water Shortage Plan, Chapter 40E-21, F.A.C. The Permittee is advised that during a water shortage, pumpage reports shall be submitted as required by Chapter 40E-21, F.A.C.
17. Prior to the use of any proposed water withdrawal facility authorized under this permit, unless otherwise specified, the Permittee shall equip each facility with a District-approved operating water use accounting system and submit a report of calibration to the District, pursuant to Section 4.1, Basis of Review for Water Use Permit Applications.

In addition, the Permittee shall submit a report of recalibration for the water use accounting system for each water withdrawal facility (existing and proposed) authorized under this permit every five years from each previous calibration, continuing at five-year increments.

18. Monthly withdrawals for each withdrawal facility shall be submitted to the District quarterly. The water accounting method and means of calibration shall be stated on each report.
19. The Permittee shall notify the District within 30 days of any change in service area boundary. If the Permittee will not serve a new demand within the service area for which the annual allocation was calculated, the annual allocation may then be subject to modification and reduction.
20. Permittee shall determine unaccounted-for distribution system losses. Losses shall be determined for the entire distribution system on a monthly basis. Permittee shall define the manner in which unaccounted-for losses are calculated. Data collection shall begin within six months of Permit issuance. Loss reporting shall be submitted to the District on a yearly basis from the date of Permit issuance.
21. Permittee shall maintain an accurate flow meter at the intake of the water treatment plant for the purpose of measuring daily inflow of water.
22. Prior to any application to renew or modify this permit, the Permittee shall evaluate long term water supply alternatives and submit a long term water supply plan to the District. Within one year of permit issuance, the Permittee shall submit to the District an outline of the proposed plan. The assessment should include consideration of saline intrusion, wellfield protection, plans for compliance with applicable wellfield protection ordinances, expected frequencies and plans to cope with water shortages or well field failures, and conservation measures to reduce overall stresses on the aquifer.
23. Every five years from the date of permit issuance, the permittee shall submit a water use compliance report for review and approval by District Staff, which addresses the following:
  1. The results of a water conservation audit that documents the efficiency of water use on the project site using data produced from an onsite evaluation conducted. In the event that the audit indicates additional water conservation is appropriate or the per capita use rate authorized in the permit is exceeded, the permittee shall propose and implement specific actions to reduce the water use to acceptable levels within timeframes proposed by the permittee and approved by the District.
  2. A comparison of the permitted allocation and the allocation that would apply to the project based on current District allocation rules and updated population and per capita use rates. In the event the permit

allocation is greater than the allocation provided for under District rule, the permittee shall apply for a letter modification to reduce the allocation consistent with District rules and the updated population and per capita use rates to the extent they are considered by the District to be indicative of long term trends in the population and per capita use rates over the permit duration. In the event that the permit allocation is less than allowable under District rule, the permittee shall apply for a modification of the permit to increase the allocation if the permittee intends to utilize an additional allocation, or modify its operation to comply with the existing conditions of the permit.

24. The Water Conservation Plan required by Section 2.6.1 of the Basis of Review for Water Use Permit Applications within the South Florida Water Management District, must be implemented in accordance with the approved implementation schedule.
25. If a proposed well location is different from a location specified in the application, the Permittee shall submit to the District an evaluation of the impact of pumpage from the proposed well location on adjacent existing legal uses, pollution sources, environmental features, the saline water interface, and water bodies one month prior to all new well construction. The Permittee is advised that the proposal must be in compliance with all permitting criteria and performance standards in effect at the time of submittal, and that a formal modification of the permit shall be required if the withdrawals from the well location will result in an environmental or resource impact significantly greater than that anticipated in the permit review process.
26. If at any time there is an indication that the well casing, valves, or controls leak or have become inoperative, repairs or replacement shall be made to restore the system to an operating condition. Failure to make such repairs shall be cause for filling and abandoning the well, in accordance with procedures outlined in Chapters 40E-3 and 40E-30, Florida Administrative Code.
27. The Permittee shall submit to the District an updated Well Description Table (Table A) within one month of completion of the proposed wells identifying the actual total and cased depths, pump manufacturer and model numbers, pump types, intake depths and type of meters.
28. The Permittee shall continue to submit monitoring data in accordance with the approved saline water intrusion monitoring program for this project.

This program includes the monthly sampling and testing of the two on-site production wells and one on-site monitor well (MW-1) for chloride concentration and quarterly submittal of the results to District Compliance Staff.

29. Public water utilities that control, either directly or indirectly, a wastewater treatment plant, and which have determined pursuant to Section 403.064, F.S., that use of reclaimed water is feasible, must provide the District with annual updates of the following information: (1) the status of distribution system construction, including location and capacity of lines; (2) a summary of uncommitted supplies for the next year; (3) copies of any new or amended local mandatory reclaimed water reuse zone ordinances; and (4) a list of end-users who have contracted to receive reclaimed water and the agreed upon quantity of water to be delivered.

## SOUTH FLORIDA WATER MANAGEMENT DISTRICT

### Water Use Limiting Condition Compliance Report Quarterly Report of Withdrawals From Wells and Surface Water Pumps

This Report must be completed and submitted to the District at the address shown as required by your Permit

Permit Number 56-00406-W  
 Project Name ST. LUCIE COUNTY PWS  
 Issued to HOLIDAY PINES SERVICE CORP  
 Address 16118 NORTH FLORIDA AVENUE  
 City, State, Zip LUTZ FL 33549  
 Phone / Fax No 813-963-1565  
 E-mail

Return To:  
 South Florida Water Management District  
 Attn: Water Use Regulation Division (4320)  
 PO Box 24680  
 West Palm Beach, FL - 33416 - 4680

#### Water Withdrawals, Million Gallons

Requirement Name	District Identification Number	Month: _____ Year: _____	Month: _____ Year: _____	Month: _____ Year: _____	Accounting Method	Date Last Calibrated
Monthly Withdrawal for Well W-1	1059					
Monthly Withdrawal for Well W-2	1060					
Monthly Withdrawal for Well NR W3	219156					
Monthly Withdrawal for Well CG W-8	219157					
Monthly Withdrawal for Well CC W-13	219158					
Monthly Withdrawal for Well SCS W-18	219159					
Monthly Withdrawal for Well SCS W-19	219239					
Monthly Withdrawal for Well SCS W-20	219240					
Monthly Withdrawal for Well SCS W-21	219241					
Monthly Withdrawal for Well SCS W-22	219243					

Name of Person Completing Form \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Form 0188-QMON (08/03)

Printed: 03/25/2008

# SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Water Use Limiting Condition Compliance Report

## Quarterly Report of Withdrawals From Wells and Surface Water Pumps

This Report must be completed and submitted to the District at the address shown as required by your Permit

Permit Number 56-00406-W  
 Project Name ST. LUCIE COUNTY PWS  
 Issued to HOLIDAY PINES SERVICE CORP  
 Address 16118 NORTH FLORIDA AVENUE  
 City, State, Zip LUTZ FL 33549  
 Phone / Fax No 813-963-1565  
 E-mail

**Return To:**

South Florida Water Management District  
 Attn: Water Use Regulation Division (4320)  
 PO Box 24680  
 West Palm Beach, FL - 33416 - 4680

### Water Withdrawals, Million Gallons

Requirement Name	District Identification Number	Month: _____ Year: _____	Month: _____ Year: _____	Month: _____ Year: _____	Accounting Method	Date Last Calibrated
Monthly Withdrawal for Well CC W-14	219244					
Monthly Withdrawal for Well CC W-15	219245					
Monthly Withdrawal for Well CC W-16	219248					
Monthly Withdrawal for Well CC W-17	219250					
Monthly Withdrawal for Well CG W-9	219251					
Monthly Withdrawal for Well CG W-10	219252					
Monthly Withdrawal for Well CG W-11	219253					
Monthly Withdrawal for Well CG W-12	219254					
Monthly Withdrawal for Well NR W-4	219255					
Monthly Withdrawal for Well NR W-5	219256					

Name of Person Completing Form \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Form 0188-QMON (08/03)

Printed: 03/25/2008

## SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Water Use Limiting Condition Compliance Report  
**Quarterly Report of Withdrawals From  
 Wells and Surface Water Pumps**

This Report must be completed and submitted to the District at the address shown as required by your Permit

Permit Number 56-00406-W  
 Project Name ST. LUCIE COUNTY PWS  
 Issued to HOLIDAY PINES SERVICE CORP  
 Address 16118 NORTH FLORIDA AVENUE  
 City, State, Zip LUTZ FL 33549  
 Phone / Fax No 813-963-1565  
 E-mail

Return To:  
 South Florida Water Management District  
 Attn: Water Use Regulation Division (4320)  
 PO Box 24680  
 West Palm Beach, FL - 33416 - 4680

### Water Withdrawals, Million Gallons

Requirement Name	District Identification Number	Month: _____ Year: _____	Month: _____ Year: _____	Month: _____ Year: _____	Accounting Method	Date Last Calibrated
Monthly Withdrawal for Well NR W-6	219258					
Monthly Withdrawal for Well NR W-7	219259					

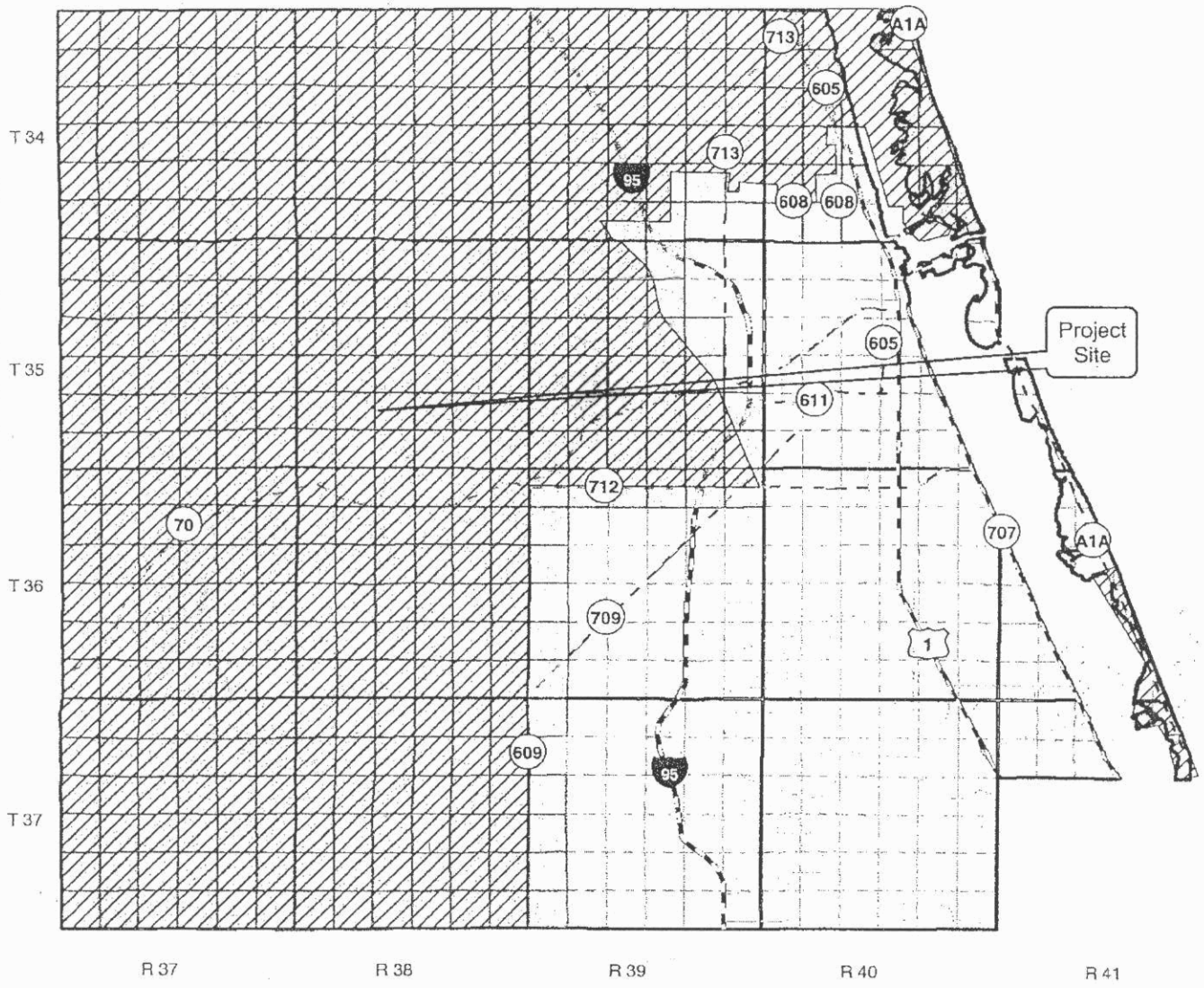
Name of Person Completing Form \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

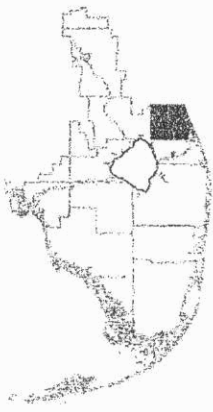
Form 0186-QMON (08/03)

Printed: 03/25/2008





R 37                      R 38                      R 39                      R 40                      R 41



ST LUCIE COUNTY, FLORIDA

Legend

-  Application
-  Application Sections



Map Date: 1/24/2008

Application Number: 061129-11

Permit Number: 56-00406-W

Project Name: ST. LUCIE COUNTY PWS



EXHIBIT 1

**From:** Bartolone, Frank  
**Sent:** Wednesday, October 03, 2007 6:11 PM  
**To:** Demonstranti, Nancy; Lockwood, John  
**Cc:** Ross, Elizabeth; Nall, Sarah; Kowalsky, Carlyn; Smith, Keith R.  
**Subject:** Saint Lucie County Application

Nancy and John,

I have reviewed CDM's August 21 response to the Request for Additional information sent by the District on July 27, 2007. I am specifically addressing their response to Comment No. 1 regarding the service area for their application. I have also reviewed the letters from the City of Port Saint Lucie dated March 1 and September 12, 2007.

Based on this review and a review of the applicable statutory provisions, it is clear that Saint Lucie County's utility district has the legal right to serve the area in question and that the City of Port Saint Lucie does not have the legal right to serve the area. While the City may have recently indicated its desire to serve the area pursuant to Section 180.02(3), Florida Statutes, Saint Lucie County, as authorized in Chapter 153, Florida Statutes, established in June, 2004 a utility district to serve the area. When such a district is established by a county in an unincorporated area, Section 153.86, Florida Statutes, requires that the district consent to construction facilities to supply and distribute water in the area of the district's jurisdiction by another entity. It has been represented to the SFWMD that the utility district has not so consented and the City has not advised that the District has consented. Consequently, at this time, the only entity that may provide facilities to supply and distribute water to this area is the county's utility district.

This should resolve the question of the legal authority to serve the area in question. Please let me know if you have any questions.

*Frank S. Bartolone*

Office of Counsel  
South Florida Water Management District  
561 - 682 - 2884