



November 11, 1999

ORIGINAL

by Federal Express

Ms. Blanca Bayo
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 970657-WS; Application for certificates to operate a water and wastewater utility in Charlotte and DeSoto Counties by Lake Suzy Utilities, Inc.

Docket No. 980261-WS; Application for Amendment of Certificate Nos. 570-W and 496-S in Charlotte County by Florida Water Services Corporation.

Dear Ms. Bayo:

Enclosed for filing in the above-referenced consolidated dockets, please find an original and fifteen copies of Notice of Filing Pre-Filed Direct Testimony of Florida Water Services Corporation and the prefiled direct testimony and exhibits of Brian P. Armstrong, James A. Perry and Charles L. Sweat. - none enclosed

Please acknowledge filing of these items by date stamping the enclosed extra copy of this letter and returning it in the postage paid envelope provided.

If you have any questions, please contact me at (407) 598-4260.

Sincerely yours,

Handwritten signature of Matthew J. Feil

Matthew J. Feil
Staff Attorney

Enclosures

- AFA
APP
CAF
CMU
CTR
EAG
LEG
MAS
OPC
PAI
SEC
WAW
OTH

Armstrong 13891 13888-99
Perry 13889-99
Sweat 13890-99

FLORIDA PUBLIC SERVICE COMMISSION
DIVISION OF ADMINISTRATION
1999 NOV 12 AM 10: 27

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for)
and certificates to operate a)
water and wastewater utility)
in Charlotte and DeSoto Counties)
by Lake Suzy Utilities, Inc.)
_____)

Docket No. 970657-WS

ORIGINAL

and

In Re: Application for)
Amendment of Certificate Nos.)
570-W and 496-S in Charlotte)
County by Florida Water Services)
Corporation.)
_____)

Docket No. 980261-WS

NOTICE OF FILING PRE-FILED DIRECT TESTIMONY
OF FLORIDA WATER SERVICES CORPORATION

Florida Water Services Corporation ("Florida Water"), by and through its undersigned counsel, hereby files this Notice of Filing Pre-Filed Direct Testimony and the Prefiled Direct Testimony and exhibits of Brian P. Armstrong, Charles L. Sweat and James Perry.

Respectfully submitted and
signed this 11th day of
November, 1999, by:

Florida Water Services
Corporation
1000 Color Place
Apopka, Florida 32703
(407) 598-4200
(407) 598-4241 FAX



Matthew J. Feil
Staff Counsel

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 11th, 1999, a copy of the foregoing has been furnished by overnight delivery to the following:

Charlotte County
c/o County Attorney
Attn: Ms. Martha Young Burton
18500 Murdock Circle
Port Charlotte, FL 33948

Florida Public Service Comm.
Mr. Tim Vaccaro, Esq.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Martin Friedman, Esq.
Rose, Sundstrom, et al.
2548 Blairstone Pines Dr.
Tallahassee, FL 32302-1567

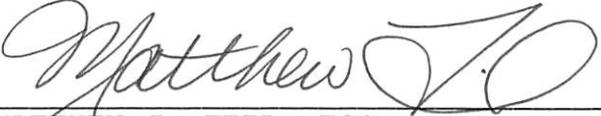
John Marks, Esq.
Knowles, Marks & Randolph
215 South Monroe Street
Tallahassee, FL 32301

Woodward Pires Law Firm
Anthony P. Pires, Jr.
801 Laurel Oak Drive, Suite 710
Naples, FL 34108

Ms. Charlotte L. Sopko
Haus Development, Inc
603 N. Eastwood Avenue
Mount Prospect, IL 60056-2007

Lake Suzy Utilites, Inc.
12408 S.W. Sheri Avenue
Lake Suzy, FL 33821

Rutledge, Ecenia, et al.
Kenneth Hoffman
215 S. Monroe St., Suite 420
Tallahassee, FL 32302



MATTHEW J. FEIL, ESQ.

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ORIGINAL

DIRECT TESTIMONY OF CHARLES L. SWEAT
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
ON BEHALF OF
FLORIDA WATER SERVICES CORPORATION
CONSOLIDATED DOCKETS NOS. 980261-WS & 970657-WS

DOCUMENT NUMBER-DATE
13890 NOV 12 88
FPSC-RECORDS/REPORTING

1 Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

2 A. My name is Charles L. Sweat and my business address
3 is 1000 Color Place, Apopka, Florida 32703.

4 Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

5 A. I am employed by Florida Water Services Corporation
6 (hereinafter referred to as "Florida Water" or the
7 "Company") as Vice President of Developer Relations
8 and Planning.

9 Q. WHAT ARE YOUR JOB DUTIES AS VICE PRESIDENT OF
10 DEVELOPER RELATIONS AND PLANNING?

11 A. I am responsible for business development, such as
12 internal and external growth. I am responsible for
13 developing new connections to Florida Water's
14 existing systems and the expansion of existing
15 franchises to accommodate growth in a larger
16 geographic area. I supervise a staff which
17 determines available water and wastewater capacity,
18 performs wastewater flow and water demand
19 projections and determines build-out meters and
20 ERC's as necessary to evaluate growth.

21 Q. HOW LONG HAVE YOU BEEN AN EMPLOYEE OF FLORIDA
22 WATER?

23 A. Approximately 35 years.

24 Q. HOW LONG HAVE YOU BEEN EMPLOYED AS AN OFFICER OF

1 **FLORIDA WATER?**

2 A. Approximately 24 years.

3 **Q. WOULD YOU PROVIDE A BRIEF HISTORY OF YOUR TRAINING**
4 **AND EXPERIENCE IN THE WATER AND WASTEWATER**
5 **INDUSTRY?**

6 A. My training includes Seminole Community College,
7 Rollins College, Management Institute of Virginia,
8 courses offered by Michigan State University and
9 participation in numerous seminars sponsored by the
10 American Water Works Association. I have also
11 attended various technical seminars and classes on
12 the subject of water and wastewater facility
13 operation and management.

14 **Q. ARE YOU A MEMBER OF ANY TRADE AND/OR PROFESSIONAL**
15 **ORGANIZATIONS?**

16 A. Yes. I am a member of the American Water Works
17 Association, National Association of Water
18 Companies and the Pollution Control Operators
19 Association. I also serve on the board of
20 directors for SunTrust, NA, Seminole County Office,
21 Orlando, Florida.

22 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE A REGULATORY**
23 **AGENCY?**

24 A. Yes. I have testified before the Florida Public

1 Service Commission, the Polk County Utilities
2 Board, and the Sarasota County Hearing Examiners on
3 various occasions. I also have testified in
4 proceedings involving the Florida Department of
5 Environmental Regulation (DER).

6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
7 **PROCEEDING?**

8 B. To explain why Florida Water filed a competing
9 territory amendment application at issue in this
10 proceeding, to describe the franchise area DeSoto
11 County granted Florida Water, to address the bulk
12 water agreement Florida Water is negotiating with
13 DeSoto County, and to address one matter relative
14 to Charlotte County's claim to the disputed
15 territory.

16 **Q. WHY DID FLORIDA WATER FILE THE TERRITORY AMENDMENT**
17 **APPLICATION AT ISSUE IN THIS PROCEEDING?**

18 A. The territory Florida Water requested in this case
19 is, known as the Links Subdivision, and it abuts
20 Florida Water's existing Deep Creek service area.
21 Florida Water has water and wastewater lines
22 abutting the subdivision's border. Florida Water's
23 philosophy is to achieve customer growth whenever
24 practical; we believe this benefits existing and

1 future customers. None of the parties to this case
2 dispute that there is a need for service in the
3 Links Subdivision, which consists of approximately
4 50 lots. So, very simply, it makes practical
5 business sense for Florida Water to amend its Deep
6 Creek service areas to include the Links
7 Subdivision.

8 **Q. WAS FLORIDA WATER GRANTED A WATER AND WASTEWATER**
9 **UTILITY FRANCHISE BY DESOTO COUNTY?**

10 A. Yes, by an ordinance described in the testimony of
11 DeSoto County's witness. A copy of this ordinance
12 is attached to my testimony and marked Exhibit
13 (____)CLS-1.

14 **Q. COULD YOU DESCRIBE THE TERRITORY WHICH DESOTO**
15 **COUNTY FRANCHISED TO FLORIDA WATER?**

16 A. Yes. The territory franchised is described in the
17 attachment to the ordinance and consists of several
18 different areas. The attached map, prepared under
19 my direction and marked Exhibit (____)CLS-2, shows
20 Florida Water's franchise territory, Lake Suzy's
21 existing territory and requested territory, and the
22 Links Subdivision. As the map shows, Florida
23 Water's franchised territory includes the area
24 north of Lake Suzy's existing territory up to and

1 including the area just north of 761 and 769, and
2 includes the area 16 square miles east of the Peace
3 River and the area on the east side of the City of
4 Arcadia. The territory Lake Suzy has requested
5 from this Commission and Florida Water's franchised
6 territory clearly overlap.

7 **Q. IS FLORIDA WATER NEGOTIATING A BULK WATER AGREEMENT**
8 **WITH DESOTO COUNTY?**

9 A. Yes. DeSoto County has available to it, through an
10 agreement with Sarasota County, an increased
11 allocation of potable water. Florida Water is
12 engaged in negotiations with DeSoto County to
13 purchase this water, and Florida Water will pursue
14 all other possible options available to it to
15 ensure cost-effective water supply to qualified
16 applicants in its franchised territory. Florida
17 Water stands ready willing and able to provide
18 service in its franchised territory in accordance
19 with DeSoto County requirements and regulations.

20 **Q. WHAT IS FLORIDA WATER'S POSITION REGARDING**
21 **CHARLOTTE COUNTY'S CLAIM TO THE LINKS SUBDIVISION?**

22 A. The Director of Charlotte County Utilities ("CCU")
23 assured me on more than one occasion that,
24 independent of any connection fee dispute between

1 Florida Water and CCU, CCU would not oppose Florida
2 Water's providing water and wastewater service to
3 the Links Subdivision. When Florida Water's
4 application was originally filed, Florida Water
5 requested an area greater than the Links
6 Subdivision. To accommodate an objection by CCU to
7 this larger area, Florida Water amended its
8 requested territory to include only the Links
9 Subdivision. At that time and thereafter, CCU's
10 Director stated that Charlotte County would
11 withdraw its objection and did not oppose Florida
12 Water's providing water and wastewater service to
13 the Links Subdivision.

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

15 **A. Yes.**

ORDINANCE NUMBER 99 - 10

AN ORDINANCE OF DESOTO COUNTY, FLORIDA, RELATING TO THE GRANTING OF A FRANCHISE FOR THE PROVISION OF WATER AND SEWER SERVICES AS SET FORTH IN ORDINANCE NUMBER 1999-01 TO THE FLORIDA WATER SERVICES CORPORATION. ESTABLISH SPECIFIC SERVICE AREAS AND DISTRICTS IN WHICH FLORIDA WATER WILL BE GIVEN THE AUTHORITY TO OPERATE WATER AND SEWER UTILITY SERVICES TO ALL CUSTOMERS IN THE SPECIFIED AREAS. TO PROVIDE LEGAL DESCRIPTIONS OF THE AREAS TO BE FRANCHISED TO FLORIDA WATER SERVICES CORPORATION AND PROVIDE FOR THE CONDITIONS UNDER WHICH SUCH SERVICES SHALL BE FURNISHED. ESTABLISH TERM OF THE FRANCHISE AND THE RESPONSIBILITY OF THE FRANCHISEE TO SERVE ALL CUSTOMERS IN THEIR DESIGNATED FRANCHISE AREA; SETTING FORTH A PROCEDURE FOR THE ESTABLISHMENT OF WATER & SEWER RATES; PROVIDING FOR ENFORCEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WITNESSETH

WHEREAS, pursuant to the provisions of DeSoto County Ordinance Number 1999-01, Florida Water Services Corporation hereinafter known as (FWSC) has applied for a public water and sewer system franchise agreement with DeSoto County hereinafter known as (County); and

WHEREAS, Ordinance Number 1999-01 enacted on February 23, 1999 established the authority, process and procedures for the granting of water and sewer franchises within DeSoto County; and

WHEREAS, the application of FWSC being considered in this Ordinance are governed by the applicable provisions of Ordinance Number 1999-01; and

WHEREAS; a public hearing was duly held by the Board of County Commissioners on June 8, 1999 in which Ordinance Number 11 was enacted which describes the proposed franchise area sought to be served by Florida Water Services Company; and

WHEREAS; public notice as to the official consideration of this Ordinance has been provided in accordance with applicable legal requirements.

THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF DESOTO COUNTY, FLORIDA, that:

SECTION I. DEFINITIONS

The definitions as set forth in Ordinance 1999-01 shall be applicable for purposes of Ordinance interpretation for this Ordinance.

SECTION II. TERMS AND CONDITIONS

- A. **Public Health Safety & Welfare:** Said water & sewer system will be operated in such a manner as to insure the protection of the health, safety and general welfare. In addition to the general meaning of this requirement, FWSC shall insure that it meets all Federal and State requirements for the operation of their systems, at all times.

- B. **Specific Service to be Geographically Defined:** The franchise granted herein is for the operation of a public water and sewerage system to be operated within the specified franchise areas within the County.

- See Exhibit A for the legal description of the franchise area(s) which are applicable under the provisions of this Ordinance.
- C. **Provision of Service in Franchise Areas:** As provided for in Ordinance 199-01; FWSC will insure that water and sewerage disposal systems and facilities will be made available (in the area specified in Exhibit A) to include: installations, pipes, lines, extensions, mains and laterals for both systems so that one system will not be extended without the other system being extended at the same time, unless justification for such extension is accepted and approved by the Board;
- D. **Exclusive Franchise for Service of Franchised Areas:** The County herein grants the FWSC the exclusive right to provide water and sewerage services to the area specified in Exhibit A. This exclusive franchise means that the County will not authorize any other provider to provide service in these areas unless or until this Franchise Agreement with FWSC has been determined to be null and void and/or the FWSC has been found to be in violation of this Ordinance to extent that the County requires another provider to make service available in these areas.
- E. **Construction Standards:** The water and sewer system shall be constructed in accordance with all applicable Federal and State standards.

F. - Acquisition of the System by the County or Other Governmental Agency:

The granting of this franchise to FWSC is not a prohibition to the acquisition of the System by the County or any other Governmental Agency, by lawful means.

G. Consent of Entry: FWSC consents to entry by the County agents and employees upon any property occupied by any public utility at any reasonable time and to set up and use thereon all necessary equipment to make investigations, inspections, examinations and tests, or to exercise any power under this Ordinance and Ordinance Number 1999-01, provided that the FWSC has the right to reasonable notice of and to be represented at the making of any investigations, inspections, examinations and tests.

H. Franchise Agreement Amendments: Amendments to this Ordinance may be made by mutual consent of both parties.

I. Compliance with County Ordinances: As set forth in Ordinance 1999-01; FWSC herein agrees that it will not provide hookups for water and sewer utilities unless the Customer provides evidence to FWSC that they have obtained all applicable building permits as required by DeSoto County.

SECTION III: FINDINGS

Compliance with Requirements of Ordinance 1999-01 The County herein finds that FWSC has been all of the requirements set forth in Ordinance 1999-01 which include but are not limited to the findings set forth in Section 4. (C) Board Determinations (1) through (10).

PASSED THIS 8TH DAY OF JUNE, 1999

Board of County Commissioners
DeSoto County, Florida

William R. Avant
William R. Avant
Chairman

ATTEST

Robert W. Koncar
Robert W. Koncar
County Administrator

Florida Water Services Corporation

Charles Street vice president

APPROVED AS TO LEGAL FORM:

Preston T. Everett
Preston T. Everett

I certify this document to be a true and correct copy of the original on file in office of County Commissioners DeSoto County, Florida

Dated: 7/8/99
By: Robert W. Koncar

DeSoto County Proposal PAGE 6 OF 8
 Legal Description

Township 37 South, Range 25 East, DeSoto County, Georgia.

Section 27, 28, 29

All of said Sections.

Section 30

The Northeast $\frac{1}{4}$ of said Section 30 and the Northwest $\frac{1}{4}$ of said Section 30 and the East $\frac{1}{4}$ Southeast $\frac{1}{4}$ of said Section 30.

Section 32

The East $\frac{1}{4}$ of said Section 32 and the Northwest $\frac{1}{4}$ of said Section 32 and the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 32 and the South $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 32 and the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 32 and the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 32 and except:

The Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section 32; and the East $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 32; and the East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 32; and the East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ less the West $\frac{1}{4}$ of said Section 32; and the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ less the West $\frac{1}{4}$ of said Section 32; and the East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ less the West $\frac{1}{4}$ of said Section 32; and the East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ less the right-of-way on North side of State Road 70.

Section 33, 34

All of said Sections.

Township 38 South, Range 25 East, DeSoto County, Georgia.

Section 3, 4, 5

All of said Sections.

Section 6

The South $\frac{1}{4}$ of said Section 6 less and except the Pines subdivision as follows:

The East $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ and the Northwest $\frac{1}{4}$ of said Section 6 less 12 acres East of the 5 acre boundary to Brantly Road (PB

Township 39 South, Range 23 East, DeSoto County, Florida.

Section 10

All of the South $\frac{1}{2}$ of Section 10 less and except that part of Section 10 lying South and West of the Seaboard Coast Line railroad and North and West of the Seaboard Coast Line railroad.

Section 11

That part of the South $\frac{1}{2}$ of Section 11 lying North and West of the Peace River.

Section 13 -

All of said Section.

Section 14

All of said Section 14 lying South and East of the Peace River.

Section 15

All of said Section 15 lying North and West of the Peace River less and except that portion lying North and West of the Seaboard Coast Line railroad.

Section 16

All of said Section 16 lying South and East of the Seaboard Coast Line railroad.

Section 17

All of said Section 17 lying South and East of the Seaboard Coast Line railroad.

Section 19

All of Section 19 lying South and East of the Seaboard Coast Line railroad.

Section 20

All of said Section 20 lying South and East of the Seaboard Coast Line railroad.

Section 21

All of said Section.

Section 22

All of said Section 22 lying South and West of the Peace River.

Sections 23, 24, 25

All of said Sections.

Section 26

All of said Section 26 East of the Peace River.

Section 29

All of said Section.

Section 30

All of said Section 30 lying South and East of the Seaboard Coast Line railroad.

Section 35

All of said Section 35 East of the Peace River.

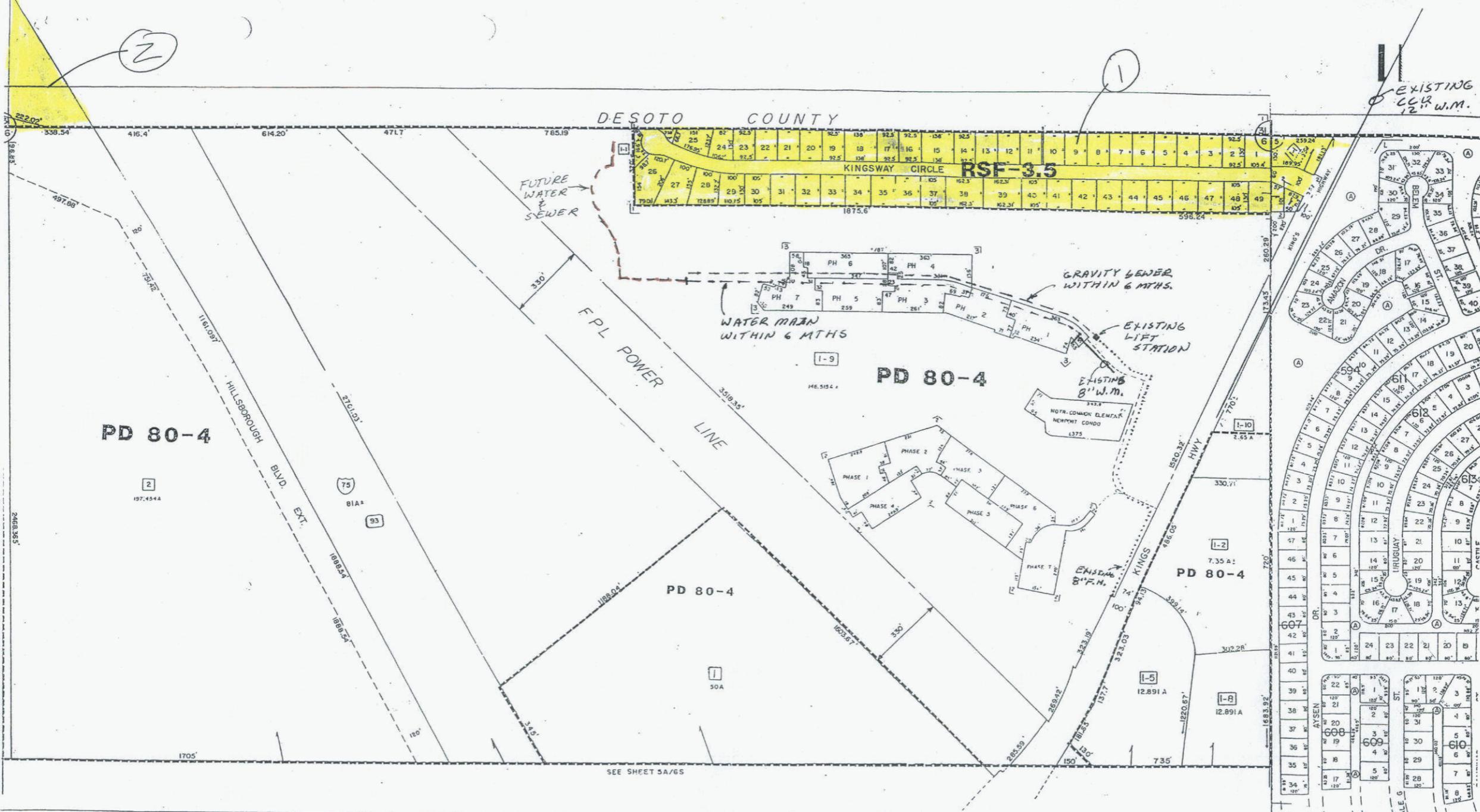
Section 36

All of Said Section.

Township 39 South, Range 24 East, DeSoto County, Florida.

Sections 17, 18, 19, 20, 29, 30, 31, 32

All of said Sections.



PD 80-4

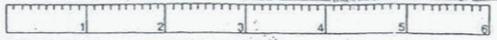
PD 80-4

PD 80-4

PD 80-4

- = EXISTING WATER SERVICE
- - - = COMPLETED WITHIN NEXT 6 MTHS.
- · - · - = FUTURE WATER LINE
- = EXISTING 8" F.M.

TRW-REDI
1-800-345-7334

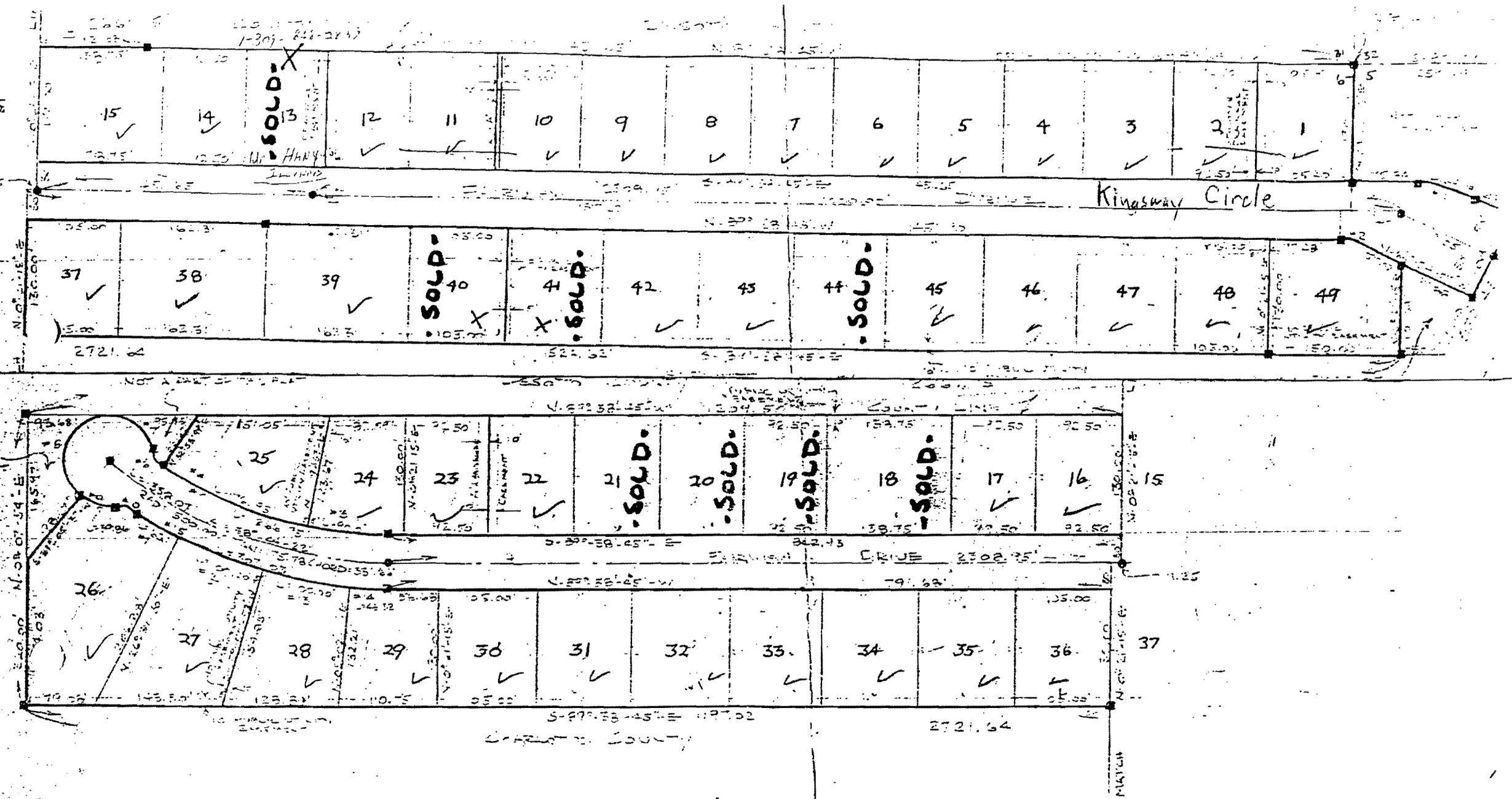


SCALE IN 1/10 OF AN INCH



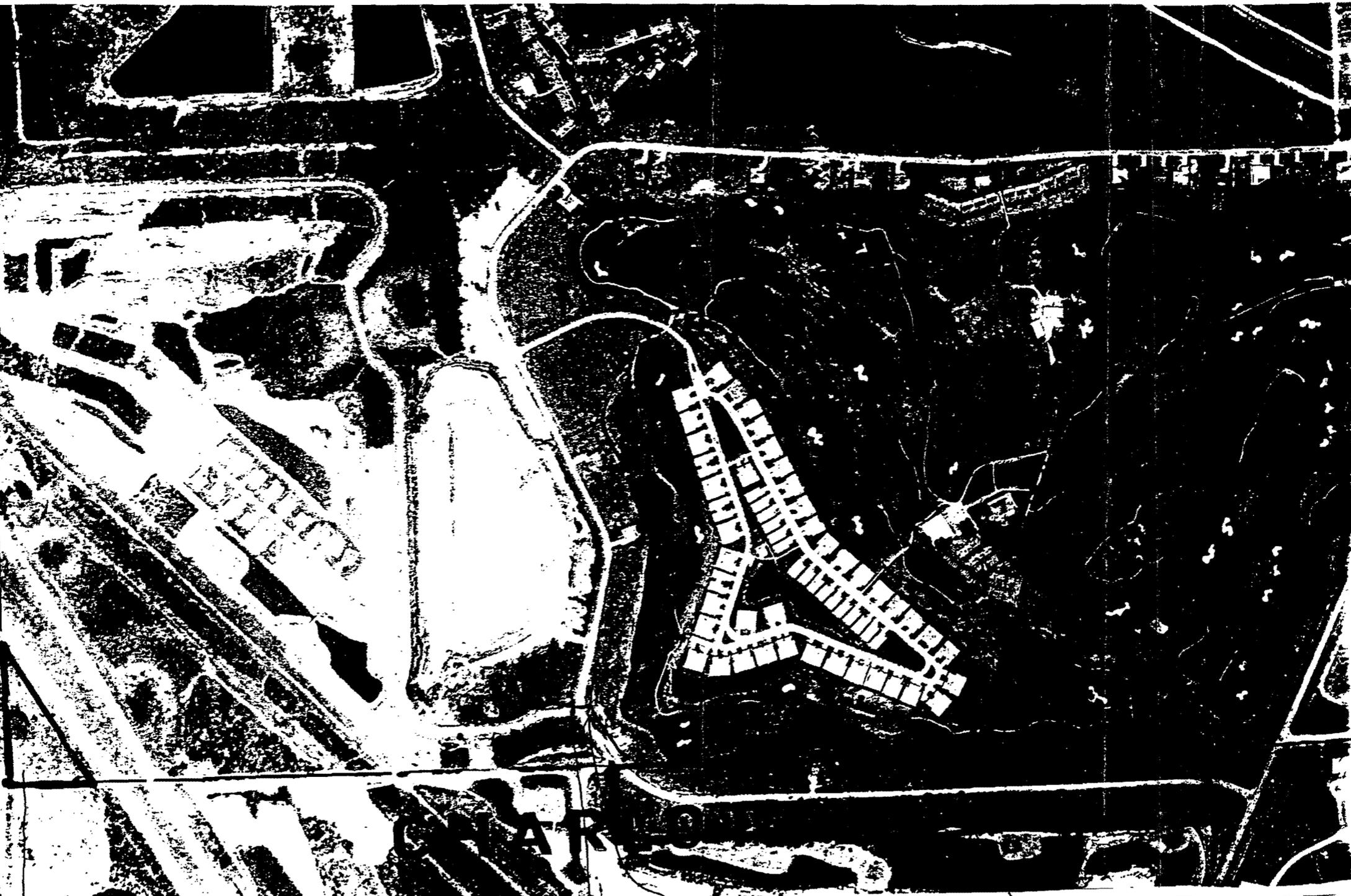
APPRAISAL MAP
CHARLOTTE COUNTY
FLORIDA

SECTION	DRAWN	UPDATED	SHEET NUMBER
6	2-2-77		5A
TOWNSHIP 40S			6N
RANGE 23E			

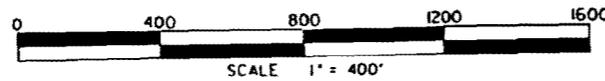


41 lots
~~41 lots~~
 HAVE DELINE
 629-3320

SARASOTA



Commercial
2.5± acres



Sewer Manhole
8" water

PREPARED BY ATLANTIC AERIAL SURVEYS, LTD.
FOR THE FLORIDA DEPARTMENT OF REVENUE
FOR ASSESSMENT PURPOSES ONLY

Lintis Subdivision
49 lots

