

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

RECEIVED-FPSC
08 OCT 27 PM 3:09
COMMISSION
CLERK

In re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc. | DOCKET NO. 080121-WS
FILED: October 27, 2008

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Direct Testimony of Kathleen H. Gerard on behalf of the Florida Public Service Commission, has been furnished by ~~U.S. Mail~~, on this 27th day of October, 2008, to the following.

Hand Delivery

Aqua Utilities Florida, Inc.
Ms. Kimberly A. Joyce
762 West Lancaster Avenue
Bryn Mawr, PA 19010-3402

Holland & Knight Law Firm
Bruce May/Gigi Rollini
P.O. Drawer 810
Tallahassee, FL 32302-0810

Office of Public Counsel
J.R. Kelly/Charlie Beck/S. C. Reilly
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400

Office of the Attorney General
Bill McCollum/Cecilia Bradley
The Capitol - PL01
Tallahassee, FL 32399-1050

COM 5/1
ECR
GCL
OPC
RCP
SSC
SGA
ADM
CLK

Ralph R. Jaeger
RALPH R. JAEGER, SENIOR ATTORNEY
FLORIDA PUBLIC SERVICE COMMISSION
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Telephone: (850) 413-6234

DOCUMENT NUMBER-DATE

10135 OCT 27 8

FPSC-COMMISSION CLERK

DOCKET NO.: 080121-WS - Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia and Washington Counties by Aqua Utilities Florida, Inc.

WITNESS: Direct Testimony of Kathleen H. Gerard, Florida Department of Environmental Protection, Northeast District Appearing on Behalf of the Staff of the Florida Public Service Commission.

DATE FILED: October 27, 2008

DOCUMENT NUMBER-DATE

10135 OCT 27 8

FPSC-COMMISSION CLERK

DIRECT TESTIMONY OF KATHLEEN H. GERARD

- 1
- 2 Q. Please state your name and business address.
- 3 A. Kathleen H. Gerard, Florida Department of Environmental Protection,
4 7825 Baymeadows Way Suite B200, Jacksonville, FL 32256
- 5 Q. Please provide a brief description of your educational background and experience.
- 6 A. I received a Master of Science Degree in Environmental Engineering Sciences with
7 specialty in Water and Wastewater Treatment and Design from the University of
8 Florida. I have four years of experience as an Engineer and Associate Scientist with
9 consulting engineering firms, CH2M Hill, Inc. and Environmental Science and
10 Engineering, Inc., both of which are located in Gainesville, Florida, and 27 years as an
11 Engineer in the Domestic Waste Section, with the Florida Department of
12 Environmental Protection (FDEP) in Jacksonville, Florida.
- 13 Q. What are your general responsibilities at the FDEP?
- 14 A. I am the Compliance Coordinator for the Domestic Waste Compliance Section. I
15 inspect wastewater treatment facilities throughout a 20-county area in Northeast
16 Florida. I also assist potential applicants with information regarding funding for
17 various types of loans and grants, investigate complaints, and handle information
18 requests.
- 19 Q. Are you familiar with the Aqua Utilities Florida, Inc. (Aqua) wastewater systems in
20 Alachua (Arredondo Farms) and Putman (Palm Port, Park Manor, and Silver Lake
21 Oaks) Counties?
- 22 A. Yes.
- 23 Q. Do all the systems have a valid operating permit?
- 24 A. Yes. However, the permit for Palm Port wastewater treatment plant will expire on
25 November 9, 2008. As of this date, an application for renewal of the permit has not

DOCUMENT NUMBER DATE

10135 OCT 27 8

FPSC-COMMISSION CLERK

1 | been received. A complete application must be filed by November 9, 2008.

2 | Q. Has the utility been the subject of any FDEP enforcement action within the past three

3 | years?

4 | A. Yes. A Warning Letter was sent to Aqua on June 12, 2008, regarding Arredondo

5 | Farms for effluent violations for five-day carbonaceous biological oxygen demand

6 | (CBOD5) for January, February, and March 2008, not reporting these effluent

7 | violations as abnormal events, and not calculating some annual averages correctly.

8 | Aqua responded on June 27, 2008. Arredondo Farms was found to be out of

9 | compliance during the inspection that was performed in August 2008. A

10 | noncompliance letter was sent to Aqua in October 6, 2008, indicating that there were

11 | sampling, facility cite, flow measurement, and residual/sludge issues and requiring a

12 | response 30 days from the date of the letter. (EX KG-1)

13 | Q. Is Aqua otherwise in compliance with its permits?

14 | A. The Park Manor and Palm Port wastewater treatment plants are in compliance with the

15 | permits. However, Silver Lake Oaks was found to be out of compliance during the

16 | inspection that was performed on October 2, 2008, due to effluent violations. A

17 | noncompliance letter was sent to Aqua on October 8, 2008, indicating total dissolved

18 | solids, nitrate, and fecal coliform violations and requiring a response within 20 days.

19 | (EX KG-2)

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

21 | A. No, I do not.

22 |

23 |

24 |

25 |



Florida Department of Environmental Protection

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

October 6, 2008

John M. Lihvarcik, President
Aqua Utilities Florida, Inc.
1100 Thomas Avenue
Leesburg, FL 34748

Alachua County - Domestic Waste
Compliance Evaluation Inspection
Arredondo Farms Mobile Home Park WWTF - FLA011315

Dear Mr. Lihvarcik:

On August 26, 2008 the Florida Department of Environmental Protection (Department), conducted a Compliance Evaluation Inspection at the above-referenced facility to determine compliance with wastewater requirements. The facility was found to be **Out of Compliance** with its operating permit.

The following deficiencies were found during the inspection:

1. pH meter calibrations records were not available.
2. The pH buffers lot numbers and expiration dates were not available.
3. Records of the generator tests were not available.
4. The weir in clarifier two is not in place.
5. The skimmer in clarifier two is not in place.
6. The digester was completely full.
7. Solid waste (from the headworks) hauling records from Waste Pro were not available.
8. A tree has fallen across the berm and into the pond.
9. The sludge hauling records do not contain all of the information required by the permit.

Please submit a written response to this letter describing the plans you have to correct the noted deficiencies and the time frame needed to achieve compliance. This response is due to the Department within **thirty days** of receipt of this letter.

Please remember that an updated capacity analysis report is due to the Department annually by May 1 of each year. Also, Warning Letter 08-014-DW-01-NED has been addressed and is now closed. If you have any questions regarding this inspection, please contact Heather Webber at 904-807-3316 or at Heather.Webber@dep.state.fl.us.

Sincerely,

A handwritten signature in black ink that reads "Heather Webber".

Heather Webber
Environmental Specialist

cc: Jennifer Paris - FDEP Tallahassee

"More Protection, Less Process"
www.dep.state.fl.us



Florida Department of
Environmental Protection

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590
Phone: 904/807-3300 • Fax: 904/448-4366

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

October 21, 2008

Patrick Farris
Aqua Utilities Florida, Inc
1100 Thomas Avenue
Leesburg, FL 34748
pafarris@aquaamerica.com

RE: COMPLIANCE EVALUATION INSPECTION
Silver Lake Oaks MHP WWTF
Facility ID - FLA011715
Putnam County - DOMESTIC WASTE

Dear Mr. Farris:

On October 2, 2008, the Florida Department of Environmental Protection (Department), conducted a Compliance Evaluation Inspection at the referenced facility to determine compliance with wastewater requirements. Please review the attached inspection report.

The facility was rated out of compliance due to the following effluent violations:

Parameter	TSS	Nitrate	Fecal	Fecal
	(mg/L)	(mg/L)	#/100 mL	#/100 mL
	Single Sample Max	Monthly Max.	Monthly Geometric Mean	Annual Average
Permit Limit	10	12	200	200
July 2008	-	-	-	1676.4
June 2008	-	-	-	1676.4
May 2008	-	-	-	1676.6
April 2008	-	-	-	1676.8
Mar. 2008	-	-	-	1676.8
Feb. 2008	-	-	-	1680.0
Jan. 2008	-	-	-	1680.1

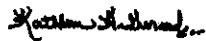
"More Protection, Less Process"
www.dep.state.fl.us

Mr. Patrick Farris
Silver Lakes Oaks WWTF
October 21, 2008

Parameter	TSS	Nitrate	Fecal	Fecal
Dec. 2007	13.0	-	-	1672.0
Nov. 2007	-	-	-	1671.9
Oct. 2007	-	-	-	1671.9
Sept. 2007	-	-	-	1671.3
Aug. 2007	11.6	-	TNTC	1671.3
July 2007	19.0	15.0	-	
June 2007	-	-	-	
May 2007	16.0	-	-	
Mar. 2007	17			
Jan. 2007	11.0			

Please provide a written response to the following violations within twenty (20) days of receipt of this letter stating what actions have or will be done to eliminate these effluent violations. If you have any questions regarding this inspection please contact me at (904) 807-3338. Please extend my gratitude to Mr. Paul Thompson and David Haring for their assistance during the inspection.

Sincerely,



Kathleen H. Gerard
DW Compliance Coordinator

KHG:tk:kg

cc: Mr. Paul Thompson, Aqua Utilities Florida, Inc.
Mr. Stanley Rieger, Public Service Commission, Tallahassee