



STATE OF FLORIDA

DEPARTMENT OF COMMUNITY AFFAIRS

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December 7, 2009

Ms. Ann Cole, Commission Clerk
Office of Administrative Services
Florida Public Service Commission
2540 Shamed Oak Boulevard
Tallahassee, Florida 32399

RECEIVED-FPSC
09 DEC - 7 PM 3: 17
COMMISSION
CLERK

RE: Skyland Utilities Application for Original Certificates for Proposed Water and Wastewater Utility Systems; Case No.: 090748-WS

090418

Dear Ms. Cole

The Department of Community Affairs has reviewed the proposal of Skyland Utilities to create a potable water and sanitary sewer service area in eastern Pasco and Hernando Counties. The application is to provide water and sewer services for an area of approximately 4,089 acres, of which 791 acres are located in Hernando County (approximate 19 percent), and the remainder in Pasco County.

The proposed service area is located within areas primarily designated in the Hernando County Comprehensive Plan as Rural land use (1 unit/10 acres); and in the Pasco County Comprehensive Plan as Agricultural (1 unit/10 acres) and Agricultural/Rural (1 unit/5 acres). The service area is divided into 12 sections with the provision of utility services planned in 5 phases. Phase I is scheduled to start between 2010 and 2015. The application is not clear on the dates of the remaining phases. The service area is not wholly contiguous, but is grouped in several clusters within a broad area. For Phase I, the Utility will rely on the use of package treatment plants to provide wastewater services. Additional details concerning provision of services for future phases of service are deferred to resolution in the future.

The Department is concerned about the provision of utility services to these rural and agricultural areas because it will lead to premature conversion of rural agricultural land to urban uses and promote urban sprawl. Chapter 163.3177(6)(a), Florida Statutes specifically requires that the future land use plan be based on, among other things, the discouragement of urban sprawl and the promotion of energy efficient land use patterns and the reduction of greenhouse gas emissions. The proposed utility serve area will promote a land use pattern that is inconsistent with the above cited provisions of Florida Growth Management Laws.

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In addition, the proposal for utility services in this area is inconsistent with various provisions of the Hernando and Pasco County Comprehensive Plans. For example Hernando County Comprehensive Plan Future Land Use Policy 1.01B(6) states that "The County will not provide water, sewer, transportation, or other infrastructure to support urban development in the Rural Land Use Category so that urban development can be directed into those areas which are planned to receive such services.". Also the application is inconsistent with Pasco County Infrastructure Element Policies WAT 2.14 and SEW Policy 2.26 which states that within the Northeast Pasco County rural Area the County will Continue to rely primarily upon individual water well and septic tank systems for potable water and disposal of wastewater within the Rural Area, and that new development will not be designed or constructed with central sewer and water systems.

Pasco County and Hernando Counties have filed objections with the Public Service Commission to the application on various grounds including inconsistency with the comprehensive plans of both counties. The Department agrees that the proposed application is inconsistent with comprehensive plan policies of both counties which discourage the proliferation of urban sprawl and limit the extension of public utilities into agricultural and rural lands.

Furthermore, both Pasco and Hernando Counties have indicated that there is no consumer need for potable water or wastewater services within the areas Skyland Utilities propose for service. In light of these concerns the Department believes the provision of utilities to these areas is not necessary at this time and does not support it.

If you have any questions about this matter, please contact Dan Evans, Principal Planner at (850) 922-1805.

Sincerely,



Mike McDaniel, Chief
Office of Comprehensive Planning

MM/de

cc. Geoffrey Kirk, Assistant County Attorney, Hernando County
Joseph Richards, Senior Assistant County Attorney, Pasco County