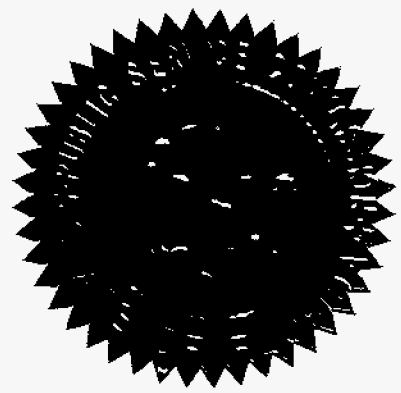


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

In the Matter of: DOCKET NO. 090478-WS

APPLICATION FOR ORIGINAL
CERTIFICATES FOR PROPOSED
WATER AND WASTEWATER SYSTEMS,
IN HERNANDO AND PASCO COUNTIES,
AND REQUEST FOR INITIAL RATES
AND CHARGES, BY SKYLAND
UTILITIES, LLC.



PROCEEDINGS: SERVICE HEARINGS
BROOKSVILLE, FLORIDA

COMMISSIONERS
PARTICIPATING: CHAIRMAN NANCY ARGENZIANO
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER NATHAN A. SKOP

DATE: Wednesday, July 7, 2010

TIME: 10:11 a.m. to 10:57 a.m.
-and-
6:11 p.m. to 6:25 p.m.

PLACE: Southwest Florida Water Management
District's Board Room
2379 Broad Street
Brooksville, Florida 34604-6899

REPORTED BY: LINDA BOLES, RPR, CRR
JANE FAUROT, RPR
Official FPSC Reporters
(850) 413-6734/(850) 413-6732

20090707 14:28:18 DATE

6067 JUL 20 09

FPSC-CC/COMMISSION CLERK

1 APPEARANCES:

2 DERRILL L. MCATEER, ESQUIRE, The Hogan Law
3 Firm, 20 South Broad Street, Brooksville, Florida 34601,
4 appearing on behalf of the City of Brooksville.

5 GEOFFREY T. KIRK, ESQUIRE, 20 North Main
6 Street, Suite 462, Brooksville, Florida 34601, appearing
7 on behalf of Hernando County, Hernando County Utility
8 Regulatory Authority and the Hernando County Water and
9 Sewer District.

10 WILLIAM H. HOLLIMON, ESQUIRE, Pennington,
11 Moore, Wilkinson, Bell & Dunbar, P.A., 215 South Monroe
12 Street, 2nd Floor, Tallahassee, Florida 32301, appearing
13 on behalf of Pasco County.

14 F. MARSHALL DETERDING, ESQUIRE, and JOHN L.
15 WHARTON, ESQUIRE, Rose, Sundstrom & Bentley, LLP, 2548
16 Blairstone Pines Drive, Tallahassee, Florida 32301,
17 appearing on behalf of Skyland Utilities, LLC.

18 CAROLINE KLANCKE, ESQUIRE, and LISA BENNETT,
19 ESQUIRE, Florida Public Service Commission, 2540 Shumard
20 Oak Boulevard, Tallahassee, Florida 32399-0850, appearing
21 on behalf of the Florida Public Service Commission staff.

22

23

24

25

1 APPEARANCES (Continued):

2 SAMANTHA CIBULA, ESQUIRE, FPSC General
3 Counsel's Office, 2540 Shumard Oak Boulevard,
4 Tallahassee, Florida 32399-0850, appearing as advisor to
5 the Commission.

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

WITNESSES

NAME:	PAGE NO.
RICHARD RILEY	
Direct Statement	12
Direct Statement (Evening Session)	44
VIRGINIA BLAKE	
Direct Statement	13
JILL YELVERTON	
Direct Statement	16
JUDITH GEIGER	
Direct Statement	18
RICHARD RADACKY	
Direct Statement	20
Cross Examination by Mr. Wharton	30
Direct Statement (Evening Session)	46
NANCY HAZELWOOD	
Direct Statement	38

CERTIFICATE OF REPORTERS

EXHIBITS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

NUMBER:

ID.

ADMTD.

41 Groundwater Inventory Map

38

P R O C E E D I N G S

1
2 **CHAIRMAN ARGENZIANO:** Good morning. We call
3 our meeting to order. It's good to be here in Hernando
4 County today. I'm Nancy Argenziano and I live in your
5 sister county, Citrus County, when I'm here.

6 I'd ask my fellow Commissioners to introduce
7 themselves.

8 **COMMISSIONER EDGAR:** Thank you, Madam Chair.
9 Hello. Lisa Edgar. I'm also glad to be here, and I'm
10 thankful to the Water Management District for letting us
11 use this facility, and I'm looking forward to hearing
12 from everyone. Thank you.

13 **CHAIRMAN ARGENZIANO:** Commissioner Skop.

14 **COMMISSIONER SKOP:** Thank you. Commissioner
15 Nathan Skop, Florida Public Service Commission. I'm
16 happy to be here this morning in Hernando County, and I
17 look forward to hearing from the public and from the
18 presenters of the case. Thank you.

19 **CHAIRMAN ARGENZIANO:** We have all mikes on
20 always if they're green? Yeah. I guess so.

21 Okay. Well, with that, good morning again.
22 And, staff, would move us forward and read the notice.

23 **MS. KLANCKE:** Certainly. By notice, this time
24 and place has been set for a customer service hearing
25 and hearing in Docket Number 090478-WS, application for

1 original certificates for proposed water and wastewater
2 systems, in Hernando and Pasco Counties, and request for
3 initial rates and charges, by Skyland Utilities, LLC.

4 **CHAIRMAN ARGENZIANO:** I wanted to press the
5 button. It's either green or -- it is on. Okay. Ours
6 are just not lit, okay, but they're on.

7 **COMMISSIONER EDGAR:** They are.

8 **CHAIRMAN ARGENZIANO:** Thank you. Okay. We
9 will hear from appearances of counsel, please.

10 **MR. WHARTON:** Commissioners, John Wharton and
11 Marty Deterding for Skyland Utilities, LLC.

12 **CHAIRMAN ARGENZIANO:** Hernando?

13 **MR. KIRK:** Jeff Kirk on behalf of Hernando
14 County, Hernando County Water and Sewer District and
15 Hernando County Utilities Regulatory Authority.

16 **MR. McATEER:** Derrill McAteer on behalf of the
17 City of Brooksville.

18 **MR. HOLLIMON:** Bill Hollimon on behalf of
19 Pasco County.

20 **MR. REHWINKEL:** Charles Rehwinkel, Office of
21 Public Counsel.

22 **MS. KLANCKE:** Caroline Klancke, and I have
23 Lisa Bennett here with me on Commission staff.

24 **MS. CIBULA:** Samantha Cibula, advisor to the
25 Commission.

1 **CHAIRMAN ARGENZIANO:** Thank you. We are very
2 glad you're all here today to talk about this case. And
3 for the public who are here, we want to hear from you.
4 There are sign-up sheets. If you plan to speak this
5 morning, please make sure you have signed one of those.
6 If you do not plan to speak this morning, you can fill
7 one out and either mail it in or give it to one of our
8 staff before you leave today. All of your comments will
9 be taken into consideration of course and added into the
10 record.

11 And with that, know also that when you sign up
12 to speak, that it will become part of the official
13 record. As such, you will be sworn in as you present
14 your comments, and we'll make every effort to take all
15 of the written comments back with us today, if you'd
16 like to do that. Please note that your comments will
17 also be subject to cross-examination, which means you
18 may be asked questions by either the parties, the
19 attorneys or the Commissioners. But we thank you for
20 coming and we're glad that you're here today.

21 Let's see what else we have to do to take care
22 of our -- beginning -- let me make sure I've got this
23 together here. And let's just invite our attorneys for
24 the parties to present their brief comments, if they
25 will. And we can start with John Wharton. I'm sorry.

1 Yes, we do. No. Don't we want to take our attorneys
2 first and then we'll take our -- yes. Mr. Wharton.

3 **MR. WHARTON:** Opening?

4 **CHAIRMAN ARGENZIANO:** Yes, please.

5 **MS. KLANCKE:** This isn't for opening
6 statements.

7 **CHAIRMAN ARGENZIANO:** No. This is --

8 **MS. KLANCKE:** These are comments for the
9 purposes of the service hearing. These are comments
10 from the utilities for the purpose of the commencement
11 of the service hearing portion of, of this meeting.

12 **MR. WHARTON:** No, we do not, Madam Chair.

13 **CHAIRMAN ARGENZIANO:** Okay. We'll go across
14 the board.

15 **MR. HOLLIMON:** We do not have any comments.

16 **CHAIRMAN ARGENZIANO:** So we're going to move
17 in -- do we have our, our list?

18 **MS. KLANCKE:** Does Hernando County have any
19 comments?

20 **MR. KIRK:** Hernando County has no comments.

21 **MR. McATEER:** The City of Brooksville has no
22 comment.

23 **MR. REHWINKEL:** Madam Chairman --

24 **CHAIRMAN ARGENZIANO:** Good. We'll go through
25 everybody.

1 **MR. REHWINKEL:** -- the Public Counsel is a
2 party. We intervened relatively late in the proceeding.
3 Our role here is to ask questions of both sides in this
4 matter to determine from the Public Counsel's standpoint
5 whether this proceeding is in the public interest. Our
6 role here today at this point in the proceeding would be
7 to introduce the witnesses of the public, as the Public
8 Counsel's Office traditionally does.

9 I just want to say for the benefit of the
10 public, I was seated at this place here up with the
11 Commissioners only because of space. I have no special
12 status in this hearing. I should be sitting down there
13 with the parties, but I'm only up here because of
14 logistics. And I'm ready to call the witness when
15 you're ready.

16 **CHAIRMAN ARGENZIANO:** I think we're ready. We
17 need to swear everyone in. What I would ask right now
18 is that if you're here for the technical portion also,
19 we might as well swear you in together. And then later
20 we'll ask anyone who has not been sworn in, we'll have
21 to do that again.

22 So all those who plan to speak today, whether
23 it's for the service hearing or the technical portion,
24 please stand up and get ready to be sworn in. And if
25 you'd raise your right hand.

1 (Witnesses collectively sworn.)

2 Everybody say I do? Okay. Thank you. We're
3 glad you're here today. And we're ready, Mr. Rehwinkel.

4 **MR. REHWINKEL:** Yes. Madam Chairman, I have a
5 list of 12 individuals who have signed up to speak. I'm
6 going to call out the names, although I think some of
7 them may be witnesses in the technical hearing, and they
8 can indicate whether they intend to speak as a member of
9 the public at this time.

10 **CHAIRMAN ARGENZIANO:** Okay.

11 **MR. REHWINKEL:** The first person is Joseph
12 Stapf.

13 **MR. STAPF:** I will be speaking as a -- in the
14 technical portion.

15 **MR. REHWINKEL:** Okay. Second is Chuck Lewis.

16 **MR. LEWIS:** I won't be speaking.

17 **MR. REHWINKEL:** Okay. Jeff Kirk.

18 **MR. KIRK:** I thought that was a sign-in --

19 **MR. REHWINKEL:** I understand.

20 Richard Riley.

21 **MR. RILEY:** Public.

22 **MR. REHWINKEL:** Okay. You may come up and --

23 **CHAIRMAN ARGENZIANO:** Welcome, Mr. Riley. And
24 if you would just state your name and telephone number
25 and address as you come to the microphone, we'd

1 appreciate that.

2 Whereupon,

3 **RICHARD RILEY**

4 was called as a witness on behalf of the Citizens of the
5 State of Florida and, having been duly sworn, testified
6 as follows:

7 **DIRECT STATEMENT**

8 **MR. RILEY:** Good morning. My name is Richard
9 Riley, Post Office Box 6, Trilby, Florida, Pasco County.
10 Do you want my phone number?

11 **CHAIRMAN ARGENZIANO:** Yes, please.

12 **MR. RILEY:** (352) 583-4994.

13 **CHAIRMAN ARGENZIANO:** Thank you.

14 **MR. RILEY:** First, I've never been first
15 before in my life here. I live one mile from some of
16 the Evans properties that is being discussed in Trilby,
17 which is the northeast part of Pasco County. I support
18 the Pasco County positions as listed in your summary and
19 in the files on the website, especially Issues 2, 5 and,
20 by proximity, since I'm seven miles from Hernando
21 County, I support the Hernando position on the lack of
22 need and the prohibition of private utilities in the
23 comp plan.

24 I'd like to refer you to your files. Richard
25 Gehring of the Pasco County staff, the Pasco County

1 Growth Management Director and a planner, gave 15 pages
2 of eloquent and accurate and detailed information
3 describing how the County and the citizens have already
4 created plans in our comprehensive plan, and these
5 should not be overturned. I am not going to speak on
6 each individual item there. They are already well
7 presented. You have them. I only want to support that.

8 I -- in conclusion, I do not believe that the
9 Evans/Skyland, Skyland proposal is here to protect us
10 from the arsenic in the wells that they have sent out
11 maps showing all of the specific needs. And I think
12 they are following one of the, America's great
13 traditions, big businesses trying to get bigger. In
14 this particular case I think they are usurping on the
15 public's need to control and administer. Thank you very
16 much.

17 **CHAIRMAN ARGENZIANO:** Thank you. Any
18 questions, Commissioners? Thank you very much.

19 Mr. Rehwinkel.

20 **MR. REHWINKEL:** Madam Chairman, the next
21 public witness is Virginia Blake.

22 **CHAIRMAN ARGENZIANO:** Ms. Blake, welcome.
23 Whereupon,

24 **VIRGINIA BLAKE**

25 was called as a witness on behalf of the Citizens of the

1 State of Florida and, having been duly sworn, testified
2 as follows:

3 **DIRECT STATEMENT**

4 **MS. BLAKE:** My name is Virginia Blake. I live
5 at 37121 Dew Drive, Dade City. My phone number is
6 (352) 567-9067. To introduce myself, my home is a few
7 hundred yards from the house built by my grandfather in
8 1914, the house where I grew up. We are on Lahoop
9 (phonetic) Hill overlooking Lake Pasadena or what used to
10 be Lake Pasadena. It's now barely a puddle. In my
11 nearly 65 years I've seen the lake rise and fall, but
12 never seen it so low as it is now. I point this out
13 because we're told that east Pasco County has great water
14 resources, yet our lakes continue to be at historically
15 record lows.

16 Water is a resource without which none of us
17 can live. It should be outside the private enterprise
18 system which has to be based on profit and
19 accountability to private owners or stockholders.
20 Management of water resources as our population
21 continues to grow must be in the hands of people
22 dependent upon that water, namely their local government
23 entities, with the requirement of transparency and
24 accountability to the public. Because of my concerns
25 for the needs of managed growth, with water resources

1 being a constant consideration as that occurs, I
2 participate in co-power (phonetic) and meet with other
3 residents of the area in order to try to have a positive
4 impact on quality of life issues as change occurs.

5 SWFWMD personnel have offered help and
6 guidance to the cities and towns in east Pasco as they
7 move to cooperatively address water needs and issues in
8 this area. This is the proper way to meet the needs of
9 the residents. Private business should not be allowed
10 to compete with the ongoing development of city and
11 county government efforts to build a clean and reliable
12 water supply system for this area. I agree
13 wholeheartedly with Hernando County's response on Issue
14 9, pages 16 and 17 of the docket papers. These seven
15 points, A through G, sum up quite thoroughly why
16 granting Skyland's request is not in the public
17 interest.

18 **CHAIRMAN ARGENZIANO:** Thank you. Any
19 questions for Ms. Blake? Thank you, Ms. Blake.

20 **MR. WHARTON:** We have no -- we've had no
21 questions of either witness, Madam Chair. But I just
22 want to reaffirm our right to cross these members of the
23 public if we deem it necessary. Thank you.

24 **CHAIRMAN ARGENZIANO:** Absolutely. And please
25 jump in if that's what you need to do.

1 Mr. Rehwinkel.

2 **MR. REHWINKEL:** Yes. I have Paul Williams
3 from SWFWMD, but I believe that's a -- he's not --
4 you're testifying in the technical portion.

5 **MR. WILLIAMS:** Yes.

6 **MR. REHWINKEL:** Next is Diane Rowden. Did I
7 pronounce that correctly?

8 **MS. ROWDEN:** I don't have anything to say.

9 **CHAIRMAN ARGENZIANO:** You're not here to
10 speak?

11 **MS. ROWDEN:** No.

12 **CHAIRMAN ARGENZIANO:** Okay.

13 **MR. REHWINKEL:** Jill Yelverton.

14 **CHAIRMAN ARGENZIANO:** Welcome, Ms. Yelverton.
15 Whereupon,

16 **JILL YELVERTON**

17 was called as a witness on behalf of the Citizens of the
18 State of Florida and, having been duly sworn, testified
19 as follows:

20 **DIRECT STATEMENT**

21 **MS. YELVERTON:** My name is Jill Yelverton,
22 34915 O'Berry Road, Dade City, (352) 424-2556. I'm here
23 because I also live within a mile of some of the
24 property proposed for this water and wastewater utility,
25 and I wanted to point out that the Pasco portion of this

1 property is located in what is called the Northeast
2 Pasco Rural Protection Area. And one of the goals and
3 objectives as our -- in our policies for that area is
4 agricultural primacy, and I don't see how setting up a
5 wastewater utility is not looking to increase density.
6 The density that is currently in that property is for
7 one in ten acres or, at the most, one in five. And
8 without increased density, I just don't see a need.

9 When an application for a consumptive water
10 use permit is granted for an agricultural use, it's for
11 a public good. We all eat. When it's -- and that's
12 based on need. When a consumptive use permit is
13 transformed from an agricultural use to a for-profit
14 water utility, the only motivation for that is greed.

15 Evans also has at least one more water and
16 wastewater utility application or docket item before
17 this Commission. One is 090445-WS in St. Lucie at
18 Okeechobee and Indian River County. And it -- so it
19 seems to me that their primary goal at this point is to
20 take all of their water and sell it back. It's a public
21 resource, it's not a private thing. Farmers who no
22 longer desire to farm should not be allowed to usurp a
23 public resource for a private gain. Thank you.

24 **CHAIRMAN ARGENZIANO:** Thank you very much.
25 Any questions? Any cross?

1 Mr. Rehwinkel.

2 **MR. REHWINKEL:** Yes. Next I have Judith
3 Geiger.

4 **CHAIRMAN ARGENZIANO:** Welcome, Ms. Geiger.
5 Whereupon,

6 **JUDITH GEIGER**

7 was called as a witness on behalf of the Citizens of the
8 State of Florida and, having been duly sworn, testified
9 as follows:

10 **DIRECT STATEMENT**

11 **MS. GEIGER:** Yes. My name is Judith Geiger,
12 and I reside at 39001 State Road 575 in Lacoochee. My
13 phone number is (727) 470-4840.

14 First of all, I'd like to thank you for
15 bringing the show to our local facilities so we can --
16 don't have to drive a major distance.

17 I realize this application is for both Pasco
18 and Hernando Counties, but my limited knowledge of the,
19 of the situation is mainly in Pasco County and that is
20 what I'm most familiar with. Also I'll use Skyland and
21 Evans together because, according to public records, the
22 titles in these lands are held by Evans.

23 First it appears to me that the need has not
24 been precisely noted. The applicant states they need
25 water for biofuel, residential. What is their real

1 reason? Currently the lands are zoned agricultural, and
2 Evans and Skyland is in the process of updating many of
3 their water use permits. Again, if they would state
4 what the real reason for this application is, it may be
5 easier for me to comprehend. Skyland notes that there
6 is an immediate need for water and wastewater treatment.
7 Personally I drive through the areas of their lands
8 three to four times a week, and all I see out there,
9 other than a beautiful landscape, is very scattered
10 residents on maybe five acres and up and lots of cattle
11 and lots of citrus.

12 Firstly, the residents all have potable water
13 and wastewater septic systems in place. Surely that
14 must mean that the cattle are in need of additional
15 water and surely they must need wastewater treatment
16 plants.

17 The Pasco comprehensive plan including the
18 Northeast Pasco Rural Protection Area advocates very low
19 residential in the proposed service area. The northeast
20 Pasco plan was developed with much input from citizens
21 and expresses their desire to keep the density low.
22 Does Skyland perceive through this request to somehow
23 increase the density? I surely hope not. Future needs,
24 as they have stated, are very, very vague. What are
25 they? I'd like that question answered.

1 One additional reason I do not want this
2 request approved is that water is a necessity of life,
3 and how a provider handles a utility should be very
4 transparent. A government entity provides this, but a
5 private entity such as the LLC or a corporation does not
6 provide this transparency. Already Evans and Skyland
7 have requested corporate information to be sealed.

8 For the reasons above, I encourage you and ask
9 you to deny the Skyland Utilities' request for a water
10 and wastewater treatment system in Pasco and also
11 Hernando. Thank you for this opportunity.

12 **CHAIRMAN ARGENZIANO:** Thank you very much.
13 Any questions? Any cross? Thank you, Ms. Geiger.

14 Mr. Rehwinkel.

15 **MR. REHWINKEL:** Next Public Counsel would call
16 Richard Radacky? Did I pronounce that correctly?

17 **MR. RADACKY:** It's Radacky.

18 **MR. REHWINKEL:** Radacky. Okay.

19 **CHAIRMAN ARGENZIANO:** Welcome, Mr. Radacky.
20 How are you?

21 Whereupon,

22 **RICHARD RADACKY**

23 was called as a witness on behalf of the Citizens of the
24 State of Florida and, having been duly sworn, testified
25 as follows:

DIRECT STATEMENT

1
2 **MR. RADACKY:** Madam Chair, it's good to have
3 you back in, back in this part of the country again. We
4 don't get to see you often enough.

5 For the record, my name is Richard Radacky.
6 I'm a citizen of Hernando County since 1985, and my
7 address is 12296 Comstock Street in Spring Hill. And I
8 have 37 years of experience in regulating, funding and
9 providing water, wastewater and solid waste management.

10 Sixteen years ago was with Pasco County, and I
11 happened to be in Pasco County when the wells went salt
12 there. And there's been some discussion that, that
13 Pasco may have been the one that caused the intrusion of
14 salt water into those wells, and that's very far from
15 the truth. At the time that those wells went salt, they
16 were private wells owned by investor-owned utilities and
17 they also were, were under the jurisdiction of the
18 Public Service Commission. At that time when those
19 wells did go salt, I was the person that came to SWFWMD
20 to let them know what was going on over in that area,
21 and that's when SWFWMD gave an order to Pasco County
22 that you've got to get in the water and sewer business
23 if you want to prevent this in the future.

24 Two years I had with funding utilities was
25 with the Department of Environmental Protection. I came

1 to Hernando County 13 -- I have 13 years as the
2 Utilities Director. I was Director when four of the
3 subregional wastewater treatment plants were built. We
4 built two major wellfields and we built the northwest
5 landfill. I have six years as Deputy and County
6 Administrator with Hernando County, and I was one of the
7 supporters for the purchase of Springhill Utilities and
8 we did purchase that during my administration.

9 I do not believe that Skyland's petition is in
10 the public interest for several reasons. I believe that
11 they will sell bulk water to the highest bidder and I
12 believe that ultimately they'll take these individual
13 tracts of land and tie them together with water lines
14 and send that water either east or send that water
15 south. The Orlando area is needing water now in a very,
16 in a, in a very bad way, and I believe that that water
17 may be targeted for Orlando.

18 As I see the map, I see tracts all the way
19 across the state of Central Florida. And if those
20 parcels are tied together, that would make one heck of a
21 wellfield to provide water for other people.

22 One of the things that really concerns me too
23 from an environmental standpoint is that we would be --
24 if that happens, if bulk water is sold to Orlando or
25 Tampa, Hillsborough, Sarasota, wherever, we'd be taking

1 water from the northern west central groundwater basin
2 and move it to another groundwater basin. This would be
3 a mining of water. And with that mining of water, that
4 water, if it was just run out all on the ground, it
5 could never get back to where it came from.

6 One of the things too I want to point out is
7 that in Pasco County I happened to be there when we had
8 the Cypress Creek Wellfield Authority, and that was the
9 precursor and that's when all the water wells started
10 being constructed in Pasco County. I was there; I saw
11 it.

12 One of the wells, the Crossbar Wellfield, I
13 have visited on numerous occasions. And surrounding
14 Crossbar the water level had dropped so much that the
15 cypress trees in the areas of Bartle (phonetic) Ranch
16 were just toppling over. And you could go and you could
17 pick up that cypress tree and it was like old newsprint;
18 it just crumbled in your hands. And not only that is I
19 saw -- and anyone can see now if you drive down 41 South
20 and you look into these, these cypress domes, you can
21 now see pine trees growing in some of those domes, and
22 pine trees generally does not grow in wet weather.

23 The declining water levels in Cross -- from
24 Crossbar caused the groundwater levels to decline so
25 significantly that many hundreds of wells, hundreds now,

1 not just a few, of wells in the Masaryktown area went
2 dry. And under the good neighbor policy, Tampa Bay went
3 back in and some of those wells they redrilled, others
4 they dropped, they extended the drop pipe further down
5 into the aquifer to give them water. And, and the
6 concern with that is, is that we are, the City of
7 Brooksville who I work for on a temporary basis is
8 downstream of three of these sites that are in our
9 five-mile service area. And I believe that being
10 upstream and the water channeling to the northwest, the
11 Floridan Aquifer, that I believe that it could interfere
12 with the City's water wells. And I respectfully request
13 that you listen to the testimony and that you determine
14 that this application is not in the public interest and
15 that you deny it. Thank you.

16 **CHAIRMAN ARGENZIANO:** Mr. Radacky, I have a
17 couple of questions. You had referred to the mining of
18 water. Are you, and I'm going to ask this, are you
19 familiar with the Gerald Parker 1972 study which refers
20 to the mining of the aquifer?

21 **MR. RADACKY:** Yes, ma'am.

22 **CHAIRMAN ARGENZIANO:** Okay. Is that what some
23 of your comments are alluding to as far as recharge, if
24 you take water from one basin to another? And the
25 reason I'm asking this is because I'm going to ask staff

1 in a minute or two -- well, I'm going to ask that
2 question. You had -- your concern about the separate
3 water basins was pertaining to recharge; is that
4 correct?

5 **MR. RADACKY:** Correct. Yes.

6 **CHAIRMAN ARGENZIANO:** Okay. And on -- I
7 remember Crossbar very well. But if I could just ask
8 staff, and maybe, Marshall -- because some of these
9 things that you're talking about are definitely
10 environmental issues that need to be addressed, and I
11 want to make sure that people understand what our job
12 and what our position is. Although I want staff to also
13 for my benefit, when the witnesses or testimony refers
14 to public -- I'm sorry, I forgot the phrase, I'm
15 thinking of something else -- it's in the best interest
16 of the public, what is our position? What does the
17 statute tell us and as far as environmental issues?
18 What are we doing here as far as the Public Service
19 Commission, what is our statutory authority? Because I
20 want the public not to leave this room not understanding
21 what we really do concerning the environmental issues,
22 which we all have a stake and everyone does, but I'd
23 like the public to know what the Public Service
24 Commission's job is statutorily before we go any further
25 and before Mr. Radacky leaves also.

1 **MR. WILLIS:** I think we can get Caroline to
2 read the statute. Maybe that would help specifically.

3 **CHAIRMAN ARGENZIANO:** And then we might have
4 to just --

5 **MR. RADACKY:** I happen to have a drawing of
6 the northwest central groundwater basin if you'd like to
7 look at it.

8 **CHAIRMAN ARGENZIANO:** If you would like to --

9 **MR. RADACKY:** I don't know if you have an
10 overhead or not.

11 **CHAIRMAN ARGENZIANO:** Is that for us? Did you
12 want us to have a copy of that? Because we can identify
13 it for the, for the record. We can --

14 **THE WITNESS:** Sure. I'd like to leave it with
15 you. Yes.

16 **CHAIRMAN ARGENZIANO:** Okay. We can -- hang on
17 a second. And while -- they're going to go through that
18 and possibly read it for all of our benefit. When you
19 were talking about the cypress trees, you were talking
20 about the environmental impact on them. Okay. I think
21 it's called hypoxylon canker, but I'm not sure if that's
22 what we are addressing today. So I just want to make
23 sure. Not that -- I'm not saying that it's not
24 important. I just want you to know what the Public
25 Service Commission is charged with today.

1 **MR. RADACKY:** Well, for most of those wells
2 that went in in Pasco, I know Commissioner Vorhees who
3 was on the board at that time, I was just new, new, just
4 cutting my teeth in the business, and I asked him, I
5 says, "How much, how much water does Pinellas County
6 want from Pasco County?" And his reply was, "They
7 promised me no more than 13 million." And my question
8 back to him was, "Well, how come they're building a
9 water line that will hold 300 million?" And we all knew
10 what was going to happen and it did. It was so bad that
11 Pasco County could not even get permits for some of its
12 wellfields that they wanted to put in.

13 **CHAIRMAN ARGENZIANO:** And I appreciate that.
14 Believe me, I was in the middle of a lot of those
15 discussions right here in this room for years.

16 **MR. RADACKY:** You were.

17 **CHAIRMAN ARGENZIANO:** But when it comes to the
18 case before the Public Service Commission, there's the
19 DEP and they have a lot, and there's -- to do with the
20 environmental impacts, they have everything to do with
21 the environmental impacts, as the Water Management
22 District does too. So I don't want anybody thinking
23 that, to leave the room thinking that we can really
24 address -- and maybe the question is can we address or
25 do we have position to address environmental concerns?

1 Please, Ms. Klancke.

2 **MS. KLANCKE:** I understand your concerns with
3 respect to it. I'd like to -- before I get into the
4 statutory charges that this Commission has with regard
5 to this application's analysis, I'd like to mention that
6 we do have a witness that's going to present testimony.
7 Staff has proffered this witness. His name is Paul
8 Williams, and he is from the Southwest Florida Water
9 Management District. And so to the extent that he can
10 answer questions with respect to impact on water
11 resources in this particular region and in Southwest
12 Florida in particular, he would be knowledgeable to
13 answer those questions.

14 In addition, with respect to this analysis
15 with regard to granting original certificates to provide
16 water and wastewater services, the Commission is charged
17 with exclusive jurisdiction under 367.011 over each
18 utility with respect to its authority, service and
19 rates. In this analysis that we are undertaking here in
20 Pasco County, we're going to analyze both their
21 authority to be granted an original certificate under
22 the statute as well as we, they have also asked us to
23 set rates and charges. So that is also going to become
24 a part of our analysis and in this record.

25 In particular, 367.045(5)(a) governs what

1 we're going to analyze. It has set up the framework for
2 the original certificate analysis, and that is reflected
3 in the issues that you mentioned and another witness who
4 has provided public testimony has asserted with regard
5 to public interest, conformity with or lack thereof with
6 the comprehensive plans, things of that nature that are
7 reflected in the prehearing order, which, you know, all
8 of this testimony is going to comport with.

9 In particular, with regard to our analysis, it
10 grants us the authority in this proceeding to analyze
11 all matters with regard to the certificate of
12 authorization for the proposed system, including will
13 there be competition with or duplication of any other
14 system or a portion of a system, as well as the public
15 interest. And I think that a lot of the things that
16 you're, that you've just talked about fall within that
17 public interest analysis that we have also been charged
18 with undertaking.

19 **CHAIRMAN ARGENZIANO:** So then, then is it --
20 for my benefit would the public's concern about
21 environmental issues also be part of that determination?

22 **MS. KLANCKE:** Although -- that is, that is a
23 challenging question because although the Commission in
24 statute is, is authorized to regulate with respect to
25 the setting of rates and charges and authorization, DEP

1 has been given exclusive authority with regard to
2 protecting the public health in the form of consumptive
3 permits and things of that nature, regulating the
4 quality of some of the consumptive, you know. Also, the
5 Southwest Florida Water Management District is afforded
6 under their statutes and rules with authority in this
7 area, which would be theoretically affected by the
8 granting or not granting of this certificate. They're
9 also given authority. So the regulation of all of these
10 things, there, there isn't a bright line. Our, our
11 authority though is exclusively with regard to
12 authorization, service and charges.

13 **CHAIRMAN ARGENZIANO:** Thank you very much.
14 And Mr. Radacky, I think, wanted to enter his exhibit
15 for identification. Is that -- you were going to leave
16 that with us? Or we can make a copy maybe and somehow
17 get it back. Can we do that? We'll do that.

18 **MR. RADACKY:** Okay. Thank you.

19 **CHAIRMAN ARGENZIANO:** Any questions? Any
20 cross?

21 **MR. WHARTON:** Yes. Yes, ma'am.

22 **CHAIRMAN ARGENZIANO:** Yes, please.

23 **CROSS EXAMINATION**

24 **BY MR. WHARTON:**

25 **Q.** Sir, you say you work for the City of

1 Brooksville?

2 A. That's correct.

3 Q. Did -- who asked you to come today and give
4 this testimony?

5 A. Really no one asked me.

6 Q. Did you discuss it with the City of
7 Brooksville's attorney?

8 A. Yes. Yes, I did.

9 Q. Did you discuss the remarks you were going to
10 make?

11 A. No, I did not.

12 MR. WHARTON: Commissioners, I am not through
13 with my cross-examination, but I move to strike this
14 testimony. You have an extraordinary participant in
15 this case, the City of Brooksville, who has put on no
16 witnesses, who has filed no prefiled testimony. OPC is
17 allowed into these proceedings by statute, but the City
18 of Brooksville is in an extraordinary posture and you
19 should not reward them for not filing any prefiled
20 testimony.

21 We took the deposition of every witness in
22 this case that was put up by either Brooksville, Pasco
23 or Hernando. Now on behalf of the City of Brooksville,
24 who didn't file any witnesses in this case, didn't file
25 any prefiled testimony, didn't offer a single exhibit

1 except that there are three exhibits appended to their
2 petition that are on staff's exhibit list, here comes a
3 witness who says, I worked for Pasco, I worked for
4 Hernando, I worked for Brooksville, I've talked to City
5 Commissioners, I have historical knowledge, I am an
6 expert in utilities, all this thing about -- this, this
7 is not public testimony any more than if suddenly I
8 pulled a CPA up here and said that, you know, he was
9 testifying on behalf of Skyland. This is a party who
10 didn't file any testimony. This is in effect their sole
11 witness.

12 **CHAIRMAN ARGENZIANO:** May I ask staff --
13 Mr. Radacky, were you here on behalf of the City or as
14 a, as -- I, I don't know how you -- I didn't remember
15 him saying that, so I'm not sure if he was here on
16 behalf or as a citizen speaking that he works for the
17 City. Staff, if you can help out here.

18 **MR. RADACKY:** Well, since, since there is no
19 testimony from me, I'd like to enter that as part of the
20 public testimony. That's what I'd like to term it.

21 **MS. KLANCKE:** It is my understanding that
22 Mr. Radacky, and you can correct me if I'm wrong,
23 you're, you're testifying here on the basis of your
24 considerable personal knowledge as a private citizen who
25 resides in the area that potentially could be affected.

1 Is that correct?

2 **MR. RADACKY:** That's correct.

3 **MS. KLANCKE:** And in that capacity, I believe
4 that the motion to strike should not be granted because
5 he is not affiliated currently with any of the parties
6 who are, you know, full parties to this proceeding, and
7 he is testifying from his own personal knowledge and
8 thus it should be afforded the weight that it is due.

9 **CHAIRMAN ARGENZIANO:** Commissioners? Any
10 comments?

11 **MR. WHARTON:** I would make one correction for
12 the record, and that is I did understand this is a
13 present employee of the City of Brooksville. Maybe I
14 misunderstood that.

15 **MR. RADACKY:** I'm with the City of Brooksville
16 on a temporary basis.

17 **MR. WHARTON:** I apologize for interrupting.

18 **CHAIRMAN ARGENZIANO:** Commissioner Skop.

19 **COMMISSIONER SKOP:** Thank you, Madam Chair.

20 I tend to concur with the staff recommendation
21 to the extent that, again, this person has come on his
22 own, is not representing the City of Brooksville. He
23 may be employed, but he's certainly entitled under the
24 First Amendment to, you know, give his, state his
25 concerns for the record as a private citizen. I

1 appreciate Mr. Wharton's concerns, they are well-taken.
2 Again, it's up to the City and the respective responsive
3 parties to put on their case that did not offer this
4 witness. But I don't see in evaluating your concern,
5 Mr. Wharton, how this is any materially different from a
6 big utility company recruiting people to come give
7 public comment in a rate case. So -- and that, that
8 respectively -- their testimony was not respectively
9 stricken. So I think that we'll give it the weight that
10 the Commission deems appropriate.

11 Thank you, Madam Chairman.

12 **CHAIRMAN ARGENZIANO:** Any other? Commissioner
13 Edgar? I think your -- I think it's on.

14 **COMMISSIONER EDGAR:** Okay. I'm not sure about
15 the buttons here.

16 **CHAIRMAN ARGENZIANO:** I know. It's not lit.

17 **COMMISSIONER EDGAR:** Madam Chair, I defer to
18 your ruling.

19 **CHAIRMAN ARGENZIANO:** I, I agree with staff,
20 so the objection is overruled.

21 **MR. WHARTON:** A few more questions, if I may,
22 Madam Chair.

23 **CHAIRMAN ARGENZIANO:** Absolutely.

24 **BY MR. WHARTON:**

25 **Q.** Sir, isn't it true that to the extent that

1 you've talked about water being sent to Orlando or being
2 shipped to the east or water mining, that as we sit here
3 today, that is complete and total speculation on your
4 part?

5 A. No, sir, I don't believe it is.

6 Q. Okay. So that you have personal --

7 A. I believe it is my opinion.

8 Q. You have personal knowledge that that is the
9 intention of Evans Properties?

10 A. No, I do not have that.

11 Q. All right. Do you consider yourself the type
12 of expert who is entitled to give an opinion that that
13 is the intention of Evans Properties or Skyland?

14 A. My opinion? Yes, I believe it is my opinion.

15 Q. Okay. But your opinion isn't based on any
16 actual facts, is it?

17 A. No, it's not.

18 Q. All right. You seem to know a lot about these
19 areas. Isn't it true that in order for that kind of
20 transport of water or water mining to occur, that there
21 would be a myriad of regulatory approvals such as from
22 the Southwest Florida Water Management District and DEP
23 that would be required?

24 A. Yes. But I believe that if a certificate is
25 issued, that it would be very easy to tie these

1 properties together and to get that certificated area
2 amended. I believe it would be very easy to do that.

3 Q. Well, when you say to get the certificated
4 area amended, sir, you're talking about shipping water
5 to Orlando. You're going to need the permission of the
6 Southwest Florida Water Management District to do that,
7 aren't you?

8 A. Perhaps, yes.

9 Q. There's going to be DEP approvals in that,
10 aren't there?

11 A. Yes.

12 Q. All right. In fact, you don't need a PSC
13 certificate to engage in those kind of activities or
14 apply for those kind of permits, do you?

15 A. If you are public, you do not. But if you're
16 private, if you're an investor-owned utility, I believe
17 you do.

18 Q. Really? You don't believe that someone
19 without a certificate, for instance, could apply to ship
20 bulk raw water to another county, at least file that
21 application with the district?

22 A. No, I do not.

23 Q. All right. You were talking about someone who
24 was building a pipeline that had a capacity of 300 MGD.
25 Do you, do you recall that?

1 **A.** That's correct.

2 **Q.** That was actually Tampa Bay Water, wasn't it?

3 **A.** Actually at that time it was, it was Pinellas
4 County.

5 **Q.** Built that through what counties?

6 **A.** Pasco County.

7 **Q.** Are you sure that you're not referring to West
8 Coast, which was the forerunner to Tampa Bay Water?

9 **A.** Yes. Right. West Coast Regional Water Supply
10 Authority.

11 **Q.** That's a governmental entity, right, not a
12 private utility?

13 **A.** Yes, it is.

14 **Q.** It is a governmental entity; correct?

15 **A.** Yes.

16 **MR. WHARTON:** Okay. That's all we have.

17 **CHAIRMAN ARGENZIANO:** Any other questions?

18 **MS. KLANCKE:** For clarity of the record, I
19 know that a member of our staff is currently making
20 copies of this individual's exhibit. I'd like to have
21 it marked as Number 41.

22 **CHAIRMAN ARGENZIANO:** Number 41. Thank you.
23 And the copies will be made and your original will get
24 back to you. Thank you, Mr. Radacky.

25 **MR. RADACKY:** Thank you, ma'am.

1 **MS. KLANCKE:** Mr. Radacky, before you leave,
2 could you give us a brief description of what that
3 exhibit is so that we can give it a title?

4 **CHAIRMAN ARGENZIANO:** That would be good. It
5 was -- was it a map?

6 **MR. RADACKY:** Yes. I'd like -- it's from a
7 book from the Southwest Florida Water Management area.
8 It's called *Groundwater Resource Availability Inventory*.
9 And on --

10 **CHAIRMAN ARGENZIANO:** Was the map, was the map
11 specifically of a, of an area or something we can title?

12 **MR. RADACKY:** It's page 32, yes.

13 **MS. KLANCKE:** Why don't we title it
14 Groundwater Inventory Map.

15 **MR. RADACKY:** Okay.

16 (Exhibit 14 marked for identification.)

17 **CHAIRMAN ARGENZIANO:** Thank you.

18 **MR. RADACKY:** Thank you.

19 **CHAIRMAN ARGENZIANO:** Mr. Rehwinkel.

20 **MR. REHWINKEL:** Yes, Madam Chairman. The next
21 public witness that we would call is Nancy Hazelwood.

22 **CHAIRMAN ARGENZIANO:** Good morning,
23 Ms. Hazelwood.
24 Whereupon,

25 **NANCY HAZELWOOD**

1 was called as a witness on behalf of the Citizens of the
2 State of Florida and, having been duly sworn, testified
3 as follows:

4 **DIRECT STATEMENT**

5 **MS. HAZELWOOD:** Good morning. Nancy
6 Hazelwood, 34110 A Nice Place, Dade City, Florida,
7 (352) 518-5238. Boy, is that a tough act to follow.

8 I'm here to support Hernando and Pasco
9 Counties' positions. A couple of people have already
10 mentioned that in Pasco County we have something called
11 the Northeast Rural Area Plan, and there's nothing in
12 that plan that calls for a new utility. So by Skyland's
13 application, my conclusion is that by creating another
14 utility, they expect a large amount of homes to be built
15 in our area. The infrastructure already being in place
16 would make it that much easier for them to get land
17 changes. I don't see a need for this.

18 The other concern I have is that having
19 another utility will probably increase our sinkholes,
20 and that is a big concern for us. I would actually like
21 Pasco County to be the one to serve our utility needs.
22 Thank y'all.

23 **CHAIRMAN ARGENZIANO:** Thank you. Any
24 questions? Any cross? Thank you.

25 Mr. Rehwinkel.

1 **MR. REHWINKEL:** Madam Chairman, at this time
2 those are, that is the extent of the list of witnesses
3 I've been given. I don't know if Mr. Durbin has had any
4 else, anyone else sign up.

5 **CHAIRMAN ARGENZIANO:** Anyone else wishing to
6 speak that --

7 **MR. REHWINKEL:** That appears to be the last
8 public witness.

9 **CHAIRMAN ARGENZIANO:** Okay. We have --

10 **MS. YELVERTON:** Could I add something to what
11 I had already said?

12 **CHAIRMAN ARGENZIANO:** I think you can. Come
13 on up. Again state your name, please.

14 **MS. YELVERTON:** Jill Yelverton, 34915 O'Berry
15 Road, Dade City, (352) 521-6330.

16 Nancy mentioned sinkholes because for the last
17 year we have been through a sinkhole remediation, and
18 that's really something that's not that typical in east
19 Pasco, although in Hernando and the west part of Pasco
20 County they're pretty frequent. But I'm really
21 concerned that if we start lowering the water level
22 underneath our ground in east Pasco, we're going to
23 start experiencing the same problems that they're having
24 over there. And having lived through that for a year,
25 nobody wants to go through that. Trust me.

1 **CHAIRMAN ARGENZIANO:** Any questions or cross?

2 **MR. WHARTON:** No. No thank you.

3 **CHAIRMAN ARGENZIANO:** Thank you very much.

4 And if there's no one else to speak, before we
5 adjourn, first let me thank everybody for coming who did
6 speak. Your input is very important to the whole
7 process, so thank you for that, and that will be in the
8 record. But perhaps maybe we should just give the
9 public some idea of what happens post today in
10 posthearing actions in Tallahassee, just kind of a brief
11 rundown of the process, and then we'll move, we'll
12 adjourn, take a short break and go into the technical.
13 Thank you.

14 **MS. KLANCKE:** Absolutely. I'd like to
15 reiterate and remind everyone, it has, although it has
16 been noticed, that we are going to have another customer
17 portion of this hearing beginning at 6:00 p.m. Even if
18 the technical portion is not finished, we will break at
19 that point and then allow for any other individuals,
20 either -- in addition, you can provide comments, as the
21 Chairman has just specified, via mail or via e-mail,
22 provided that you reference this docket number, which is
23 090478.

24 Following the culmination of this hearing we
25 are going to file a recommendation. The briefs are,

1 first the briefs are going to be filed with respect to
2 all of the issues that are, that the witnesses are going
3 to give testimony on today. Whereupon, staff will write
4 a recommendation and this will go before the full
5 Commission where it will be deliberated and decisions
6 will be made with regard to each of the respective
7 issues.

8 At that time, based on the Commissioners'
9 determinations on the full record and in contemplation
10 of this hearing and in regard to the briefs in staff's
11 recommendation, an order will be issued which codifies
12 our decision at that time.

13 **CHAIRMAN ARGENZIANO:** Thank you. And you feel
14 free to call the PSC or e-mail the PSC any time with any
15 questions that you might have about the process.

16 So with that said, let's take, let's come back
17 at 10 after the hour so we give everybody a chance to
18 get together for the technical portion. Thank you
19 again. And you are welcome to stay through the
20 technical portion and, and listen to what we have to
21 say. With that, the meeting is adjourned. Thank you.

22 (Service Hearing concluded at 10:57 a.m.)
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EVENING SESSION

CHAIRMAN ARGENZIANO: I think what we will do is go ahead and call our service meeting to order, and I'm sure Commissioner Skop will be here any minute. I think we have two speakers who've signed up to speak, and I think they both have been sworn in earlier today. Are they in the room? They asked to speak again, and this morning's oath will still -- you are still under your sworn oath from this morning, so can we go ahead without Commissioner Skop? He will be coming in.

MR. REHWINKEL: I call Richard Riley.

CHAIRMAN ARGENZIANO: Welcome back.

RICHARD RILEY

appeared as a witness and, swearing to tell the truth, testified as follows:

DIRECT STATEMENT

MR. RILEY: Thank you very much.

Richard Riley at Post Office Box 6, Trilby, Florida, Pasco County. (352)583-4994. I haven't changed my opinion or any of my comments from earlier this morning, however, I would like to comment on the fact that this has been a great education for me. I've been to county commission meetings where it's always somebody here against somebody up there. Here it's a triad.

1 I wanted to compliment everybody, including
2 the other two parts of the triangle on their
3 professionalism, on their relative civility, to
4 everybody on their dedication to long drawn out
5 discussions, but primarily to the Commission for
6 bringing the local concerns back down to the local area.
7 So many times we hear about things happening in
8 Tallahassee, and we have had people go on county
9 commission meetings. They would come back and they
10 said, well, while I was in Tallahassee we did this and
11 all of these things happened. Now it's nice to have
12 Tallahassee come to us now and then when it's
13 appropriate, and I think this is a perfect example.

14 Thank you very much.

15 **CHAIRMAN ARGENZIANO:** How nice of you to say
16 that, and we appreciate it. The fact that you stayed
17 around all day, and even out deputy -- I want to say
18 thank you to our deputy who has been back there.

19 **THE WITNESS:** No, he changed out.

20 **CHAIRMAN ARGENZIANO:** Yeah, but he was here
21 quite awhile, and I have watched him, and he has been
22 with us. He's there to help us out. But thank you very
23 much.

24 **COMMISSIONER EDGAR:** Thank you for your
25 comments, and thank you for your interest.

1 **CHAIRMAN ARGENZIANO:** Absolutely. Mr.
2 Rehwinkel.

3 **MR. REHWINKEL:** I next call Richard Radacky.

4 RICHARD RADACKY

5 appeared as a witness and, swearing to tell the truth,
6 testified as follows:

7 DIRECT STATEMENT

8 **CHAIRMAN ARGENZIANO:** Welcome back.

9 **MR. RADACKY:** Thank you.

10 **CHAIRMAN ARGENZIANO:** Well, actually you
11 didn't leave, did you?

12 **MR. RADACKY:** No, ma'am; I have not left. My
13 name is Richard Radacky. I'm a citizen of Hernando
14 County and have been so since 1985. And I was the
15 former utility director of Hernando County, and also was
16 involved with water and sewer utilities and solid waste
17 management in Pasco County.

18 And I just wanted to kind of reiterate what I
19 said this morning. Back when I was with Pasco County in
20 the '70s and early '80s, that we had just numerous wells
21 that went salt in Pasco County, and it was because they
22 were pulling water -- they had dropped the water level
23 so far that seawater started moving landward. And those
24 wells went salt, and there was some wells as far was two
25 miles inland that were contaminated with saltwater

1 intrusion. All of those were privately owned utilities,
2 and all of those were under the Public Service
3 Commission. Under the county administrator at that
4 time, Richard Kelton (phonetic), he said I want you to
5 go to SWFWMD and I want you to tell them what's
6 happening over here.

7 I came over and sitting right where you are
8 sitting, I ran across a man name Derrill McAteer. And
9 Derrill just really, really jumped on me. And he said
10 we have been trying to tell you all for years that you
11 have got to start getting in the business of water
12 supply and wastewater treatment, and here you are now
13 looking for help. And I think that was the first public
14 flogging I got from SWFWMD at the time. But I'd like to
15 point out, too, that as utilities --

16 **CHAIRMAN ARGENZIANO:** I have had a few of
17 those, too, so I know how it feels.

18 **MR. RADACKY:** As utility director of Hernando
19 County, if this was -- Hernando was a nightmare when it
20 came to utilities, water and sewer utilities, when I
21 came here in 1985. Can I speak of private versus public
22 providing of water and sewer service? Yes, I sure can.

23 We had one system, it was the Breywood
24 (phonetic) system over in the eastern portion of the
25 county that provided water and wastewater disposal

1 through a package plant. The package plant was so grown
2 up with weeds all around it, it was a plant that was
3 deteriorating, it was about to fall in. And what we had
4 to finally do was to take that plant off line and run a
5 force main to it to get the sewage treated somewhere
6 else. And that is not the only one. And with Breywood,
7 I bought that system off the courthouse steps when it
8 got so bad that the developer just walked away from it.

9 The water pressure was so low there that we
10 were taking -- we were taking wooden pegs and sharpening
11 with our knives and driving them into the pipes to stop
12 the leaks in them. And when the developer walked away,
13 I mean, he left those people hanging. Right next to it
14 is another system. It was called -- I believe it was
15 Rolling Acres at the time, and it was a system that we
16 knew that hadn't had the well pulled in years and years
17 and years. And I think it was something like 22, 23
18 years it hadn't been pulled. And when we bought the
19 system, which we got it at a very, very low price, that
20 well shaft snapped on that well. And luckily we had a
21 water system that was across the street from it, and we
22 managed to jack and bore a water line under State Road
23 50 and tie into the Hill-and-Dale plant.

24 There was another plant, water plant just to
25 the east of the Hill-and-Dale subdivision, right next to

1 it, thank the Lord, that the well went out and the owner
2 of it just walked away and left it. The last time that
3 we had heard about him, he was in Yankeetown, and we
4 were never able to find him. But with that system, the
5 water lines were in our right-of-ways, and we just ran a
6 water line over from Hill-and-Dale to provide water to
7 that.

8 And we acquired I don't know how many
9 utilities, but it was somewhere around 18 or 19
10 utilities in western and eastern Hernando County that
11 were just falling apart. And the reason I say this and
12 the reason I provided this information is we were
13 talking about whether it's best to have public or
14 whether it's best to have private. Well, I can sure
15 tell you some nightmares about what I saw with private
16 utilities.

17 And I do know that I'm really proud of the
18 utility that we built up in Hernando County. It was one
19 of the best. In fact, we won EPA awards for Region IV
20 that consisted of eight states, and they're still
21 winning awards right now. And Joe Stapf can tell you
22 about some of those. So I would just like to bring that
23 to your attention, and maybe that's information for you
24 in your decision-making. Thank you.

25 **CHAIRMAN ARGENZIANO:** Thank you very much.

1 **MR. WHARTON:** I do have a couple of questions.

2 **CHAIRMAN ARGENZIANO:** Go right ahead.

3 **MR. RADACKY:** I figured you would.

4 **MR. WHARTON:** It's only a couple.

5 Sir, you indicated that you were a citizen of
6 Hernando County, still working for Brooksville like you
7 were this morning, right?

8 **MR. RADACKY:** Well, I'm not sure whether I'm
9 working for them or not right now.

10 **MR. WHARTON:** But you're employed by the City
11 of Brooksville?

12 **MR. RADACKY:** A temporary employee, yes.

13 **MR. WHARTON:** Now, you talked about what the
14 private utilities that were certificated by the PSC did
15 by Pasco County. Isn't it true there was no Pasco
16 County utility prior to 1979?

17 **MR. RADACKY:** That's true.

18 **MR. WHARTON:** And it really wasn't the
19 utilities that caused those aquifers to salt up, it was
20 the development that the county allowed, correct?

21 **MR. RADACKY:** It's a little bit of both.

22 **MR. WHARTON:** I would just ask, Commissioners,
23 as we ruled this morning, that to the extent any new
24 point has been brought up, we be allowed to specifically
25 address it, given these circumstances.

1 **CHAIRMAN ARGENZIANO:** Yes.

2 Thank you.

3 **MR. RADACKY:** Thank you very much.

4 **CHAIRMAN ARGENZIANO:** Okay. Mr. Rehwinkel,
5 anyone else?

6 **MR. REHWINKEL:** No, Madam Chairman. Those are
7 all the witnesses from the public.

8 **CHAIRMAN ARGENZIANO:** Okay. Of course, if
9 there is anybody that is sitting here, I mean, by
10 different that we haven't had all day, and I don't see
11 anybody, if you're afraid to, leave comments on the
12 little sheets that we have, or by e-mail.

13 And I just want to thank everybody from the
14 public for being here this morning and staying till
15 tonight. And with that, let's adjourn the service
16 hearing and go back right into our technical hearing and
17 pick up where we left off.

18 * * * * *

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF FLORIDA)
 :
COUNTY OF LEON)


CERTIFICATE OF REPORTERS

WE, JANE FAUROT, RPR, and LINDA BOLES, RPR, CRR, Official Commission Reporters, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.


IT IS FURTHER CERTIFIED that we stenographically reported the said proceedings; that the same has been transcribed under our direct supervision; and that this transcript constitutes a true transcription of our notes of said proceedings.

WE FURTHER CERTIFY that we are not a relative, employee, attorney or counsel of any of the parties, nor are we a relative or employee of any of the parties' attorneys or counsel connected with the action, nor are we financially interested in the action.

DATED THIS 23rd day of July, 2010.



JANE FAUROT, RPR
Commission Reporter
(850) 413-6732



LINDA BOLES, RPR, CRR
Commission Reporter
(850) 413-6734