

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Application for increase in water/wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

DOCKET NO. 100330-WS

DATED: October 6, 2011

COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Direct Testimony of Catherine A. Walker has been served by U.S. Mail this 6th day of October, 2011, to the following:

D. Bruce May / Gigi Rollini  
Holland & Knight LLP  
Post Office Drawer 810  
Tallahassee, FL 32302-0810

Kimberly A. Joyce,  
Aqua America Inc.  
762 W. Lancaster Avenue  
Bryn Mawr, PA 19010

Aqua Utilities Florida Inc.  
Post Office Box 2480  
Lady Lake, FL 32158-2480

Kenneth M. Curtin  
Adams and Reese LLP  
150 Second Avenue N. Suite 1700  
St. Petersburg, FL 33701

Kelly Sullivan  
570 Osprey Lakes Circle  
Chuluota, FL 32667-6652

Office of Public Counsel  
J. R. Kelly/ Patricia Christensen  
c/o The Florida Legislature  
111 W. Madison Street, Room 812  
Tallahassee, Florida 32399-1400

COM 5 + 1 Ct Rpr  
APA 1  
ECR 7  
GCL 1  
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CERTIFICATE OF SERVICE  
DOCKET NO. 100330-WS  
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Cecilia Bradley / Pamela Jo Bondi  
Office of the Attorney General  
The Capitol PL01  
Tallahassee, FL 32399-1050

Pasco County Board of County  
Commissioner  
c/o Joseph D. Richards  
Pasco County Attorney's Office  
87321 Citizens Drive, Suite 340  
New Port Richey, FL 34654

  
\_\_\_\_\_  
RALPH R. JAEGER  
SENIOR ATTORNEY

FLORIDA PUBLIC SERVICE COMMISSION  
Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850  
Telephone: (850) 413-\_\_\_\_\_

**DOCKET NO. 100330-WS** - Application for increase in water/wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

**WITNESS:** Direct Testimony and Exhibits of Catherine Walker  
Appearing on Behalf of the Staff of the Florida Public Service Commission.

**DATE FILED:** October 6, 2011

DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

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DIRECT TESTIMONY OF CATHERINE A. WALKER, P.E.

1  
2 Q. Please state your name and business address.

3 A. My name is Catherine Anne Walker and my business address is the St. Johns River Water  
4 Management District located at 4049 Reid Street, Palatka, FL 32177.

5 Q. Please provide a brief description of your educational background and experience.

6 A. I have Bachelor of Science in Engineering from the University of Central Florida and a  
7 Masters Degree in Business Administration from the University of Phoenix. I am a  
8 Professional Engineer registered in the state of Florida. I have 25 years of experience in water  
9 resource management, having worked in environmental permitting and compliance for both  
10 public and privately owned utilities for approximately 19 years prior to joining the water  
11 management district. I've worked for 7 years at the SJRWMD in Water Use Regulation.

12 Q. What are your general responsibilities at the Water Management District?

13 A. I am the Director of the Division of Water Use Regulation. In that role, my general  
14 responsibilities include supervising, reviewing and approving the work and recommendations  
15 of a staff of Hydrologists, Engineers, Environmental Specialists, and Water Resource  
16 Representatives regarding Consumptive Use Permitting and compliance; coordinating rule  
17 development (including development of statutorily required Statements of Estimated  
18 Regulatory Costs), rule implementation and enforcement; and acting liaison to the Public  
19 Service Commission in accordance with our Memorandum of Understanding.

20 Q. Are you familiar with the Aqua Utilities Florida, Inc. (AUF) water systems in Alachua,  
21 Brevard, Lake, Marion, Orange, Putnam, Seminole and Volusia counties that are within the St.  
22 Johns River Water Management District?

23 A. Yes. See Exhibit CAW-1.

24 Q. For each AUF system covered in this proceeding that is located in the St. Johns River  
25 Water Management District, would you please summarize the consumptive/water use permit

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1 compliance status?

2 A. A review was conducted of the compliance status of each of the AUF water systems  
3 located in the St. Johns River Water Management District. Comments on each of the systems  
4 is included in Exhibit CAW-1. In general, Aqua does not submit compliance submittals in a  
5 timely manner, but once the data is requested, the utility is able to provide it.

6 The District entered into a consent order in April 2010 for the Twin Rivers and  
7 Tomoka View systems for withdrawing water from a well exceeding Consumptive Use Permit  
8 (CUP) thresholds without the requisite CUP. A copy of that order is attached as Exhibit  
9 CAW-2. That consent order resolved that non-compliance issue and the issue is closed,  
10 effective April 7, 2010.

11 Q. Do you have anything further to add?

12 A. No, I do not.

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Current Permit	Project Name	Issue date	Expiration Date	Compliance issues
20-069-2488-6	Grand Terrace	7/2/2004	2/8/2022	none
20-069-2598-5	Haines Creek RV	12/1/2006	10/9/2026	none
20-069-2604-4	Piney Woods	8/23/2004	5/17/2021	none
20-069-2605-5	Carlton Village	8/9/2004	12/8/2020	none
20-069-2606-4	Stone Mountain	8/23/2004	7/24/2022	none
20-069-2607-4	East Lake Harris	8/9/2004	3/7/2020	none
20-069-2608-4	Venetian Village	8/10/2004	2/18/2020	notified of untimely submittal; currently in compliance
20-069-2609-5	Picciola Island	9/19/2004	12/7/2019	none
20-069-2610-4	Morningview	8/24/2004	11/17/2019	none
20-069-2611-4	Fern Terrace	8/10/2004	2/18/2020	none
20-069-2612-4	Palms MHP	8/19/2004	11/17/2019	none
20-069-2613-4	Hobby Hills	8/12/2004	12/7/2019	notified of untimely submittal; currently in compliance
20-069-2614-4	Skycrest	8/23/2004	2/23/2020	notified of untimely submittal; currently in compliance
20-069-2632-5	Valencia Terrace	11/30/2006	8/11/2020	notified of untimely submittal; currently in compliance
2-069-2644-10	Silver Lake/Western Shores	5/9/2006	5/9/2011	renewal pending; notified of untimely submittal; currently in compliance
20-069-2701-3	Kings Cove	4/21/2006	4/21/2026	notified of untimely submittal; currently in compliance
20-083-3043-5	Ocala Oaks	9/3/1999	9/3/2019	none
20-083-3060-4	49th Street	2/17/2006	2/28/2026	none
20-083-3095-4	Hawks Point	4/16/2002	4/16/2022	none
20-069-4493-5	Imperial Terrace	10/17/2007	10/17/2027	notified of untimely submittal; currently in compliance
20-069-4545-4	Quail Ridge	10/17/2007	10/17/2027	none
20-069-4555-3	Summit Chase	5/1/2009	5/1/2029	notified of untimely submittal; currently in compliance
20-083-4582-4	Belleview Hills	6/5/2007	6/5/2027	none
20-107-7982-3	River Grove	1/6/2010	1/6/1930	none
20-107-7986-5	Interlachen Lakes	8/16/2004	9/30/2019	notified of excess use; submitted corrective action plan; currently in compliance
20-107-8127-4	Palm Port	7/2/2004	5/2/2021	missing submittal of meter calibration
20-117-8357-4	Harmony Homes	7/2/2004	1/18/2020	notified of untimely submittal; currently in compliance
2-117-8362-9	Chuluota	9/17/2009	8/11/2012	notified of untimely submittal; currently in compliance

Ex. CAW-1

20-001-11364-7	Arredondo Estates	3/2/2001	3/2/2021	missing submittal of meter calibration and notified of data error in another submittal.
20-095-51073-4	Tangerine	11/24/2010	12/31/2013	none
20-069-62724-4	Fairways @ Mt. Plymouth	3/18/2011	3/18/2016	none
20-069-120333-1	Ravenswood	2/11/2010	2/11/1930	none
20-127-120858-1	Twin Rivers	11/4/2009	11/6/2029	none - C.O. Rendered
20-127-120859-1	Tomoka View	11/4/2009	11/6/2029	none - 4/7/10



# St. Johns River Water Management District

Kirby B. Green III, Director • David W. Fisk, Assistant Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500  
On the Internet at [floridaswater.com](http://floridaswater.com).

April 8, 2010

Aqua Utilities Florida, Inc.  
ATTN: Jack Lihvarcik  
1100 Thomas Ave.  
Leesburg, FL 34748

RE: Aqua Utilities Florida, Inc.; FOR#2008-06; CUP General Consent Order #935441

Dear Mr. Lihvarcik:

I have enclosed a copy of the fully executed and rendered CUP General Consent Order Number 935441 for the above-referenced matter and the original receipt in the amount of \$3,046.81 for the penalties and costs associated with this General Consent Order

If you are in need of any further information, please feel free to contact our office at (386) 312-2317.

Sincerely,

A handwritten signature in black ink that reads 'Kealey A. West'.

Kealey A. West  
Assistant General Counsel  
Office of General Counsel

KAW/kic

/enclosure

cc: FOR #2008-06 (original); Catherine Walker, Shannon Joyce,  
RJM Palatka/Altamonte Springs (LDC-GCO)

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GOVERNING BOARD

W. Leonard Wood, CHAIRMAN FERNANDINA BEACH	Hersey "Harley" Huffman, SECRETARY ENTERPRISE	Hans G. Tanzler III, TREASURER JACKSONVILLE	Douglas C. Bourmlous VERO BEACH	
Michael Ertel OWEDO	Maryam H. Ghyabi ORLANDO BEACH	Richard G. Hamann GAINESVILLE	Arlen N. Jumper FORT MCCOY	John A. Miltos ORLANDO



**ST. JOHNS RIVER WATER MANAGEMENT DISTRICT**  
**CUP GENERAL CONSENT ORDER NUMBER 935441**

IN RE. Aqua Utilities Florida, Inc.  
Attn. Jack Lihvarcik  
1100 Thomas Avenue  
Leesburg, FL 34748

F O.R. #2008-06

This CUP General Consent Order is entered between Aqua Utilities Florida, Inc. ("Respondent") and the St. Johns River Water Management District ("District") to settle certain matters at issue between them under chapter 373 of the Florida Statutes and chapter 40C-2 of the Florida Administrative Code

1. The District is a special taxing district created by chapter 373 empowered to administer and enforce the provisions of chapter 373 of the Florida Statutes and the rules implementing it.
2. Sections 373.216, 373.291, and 373.244 of the Florida Statutes specifically authorize the District to administer and enforce the consumptive use permitting program. In part, the District has implemented the program through chapter 40C- 2 of the Florida Administrative Code.
3. Respondent controls the water use and owns the property at its Tomoka View water utility is located, in Section 30, Township 14 South, and Range 32 East, and its Twin Rivers water utility is located, in Section 25, Township 14 South, and Range 31 East, both in Volusia County, Florida (the Property).
4. At each facility, Respondent withdrew water from a 6-inch or greater well without first obtaining a consumptive use permit (CUP); a violation of section 373.219 of the Florida Statutes and rule 40C-2.041(1)(d) of the Florida Administrative Code. In 2004, Respondent acquired both facilities and was unaware that the wells did not have the required CUPs. In July 2007, the District notified the Respondent that the wells required CUPs. In May of 2009, Respondent submitted CUP applications and subsequently, in July 2009, the District issued the required permits.
5. The District has jurisdiction over Respondent, the Property, and the withdrawal of water there. See secs. 373.069(2), -.219, Fla. Stat (2009); Fla. Admin. Code R. 40C-2.
6. Section 373.129(5) of the Florida Statutes authorizes the District to commence a cause of action in circuit court and seek a civil penalty in an amount not exceeding Ten Thousand Dollars (\$10,000.00) per offense per day for violations of chapter 373 and chapter 40C-2. Section 373.129(6) authorizes the District to recover investigative costs and reasonable attorney's fees expended in the enforcement of its programs
7. Respondent agrees to pay a settlement penalty of Two Thousand Three Hundred and Ninety Eight and 00/100 Dollars (\$2,398.00). Respondent also agrees to reimburse the District for investigative costs incurred by the District in resolving this matter in the amount of Six Hundred Forty-Eight and 81/100 Dollars (\$648.81). Within fifteen (15) days of rendition of this consent order, Respondent shall deliver to the District a cashier's check or money order made payable to the St. Johns River Water Management District, 4049 Reid Street, Palatka, FL 32177-2529,

in the total amount of Three Thousand Forty-Six and 81/100 Dollars (\$ 3,046.81). Any sums unpaid within the time frame provided herein shall bear interest at the rate of 1.5 percent per month until paid.

8 In consideration of the complete and timely performance of the obligations set forth above, the District agrees that entry of this Consent Order disposes of the violations described in it, and the District waives its rights to seek judicial imposition of damages or civil or criminal penalties for the violations

9 By executing this Consent Order, Respondents waive their rights to judicial review or an administrative hearing on the terms of this Consent Order, including any defenses, under section 120.69 of the Florida Statutes.

Approved as to form by Office of General Counsel

4/6/2010  
Date  
[Signature]  
Attorney

RESPONDENT:

3-24-2010  
Date  
[Signature]  
John M. Lihvarick  
President  
Aqua Utilities Florida, Inc.

DISTRICT STAFF:

4/1/10  
Date  
[Signature]  
Sharon L. Joyce, P.E.  
Compliance Manager

04/05/10  
Date  
[Signature]  
Catherine Walker, P.E.  
Division Director  
Water Use Regulation

Rendered this 7<sup>th</sup> day of April, 2010.

[Signature]  
District Clerk or designee

Send cashiers check or money order (Do Not Send Cash) to: SJRWMD, 4049 Reid Street, Palatka, FL 32177-2529

(NOTE When remitting payment, please reference: CUP General Consent Order Number 935441, F.O.R. #2008-06, and return with the original of this CUP General Consent Order.)

DATE 4 / 1 / 2010		P 034255
RECEIVED BY	Aqua Utilities Florida, Inc	
ADDRESS	# 391899	
		DOLLARS \$3,096.81
ACCT NO	ST. JOHNS RIVER WATER MANAGEMENT DISTRICT	
<input type="checkbox"/> CASH <input checked="" type="checkbox"/> CHECK	PO Box 1429	
<input type="checkbox"/> MONEY ORDER <input type="checkbox"/> DRAFT	Palatka, Florida 32178-1429	
FOR <del>Private</del> \$398.00	by <u>Jessica M. Jangki</u>	
STATE COST - 648.81	Thank You	
FOR #2008-06		
CO #935441		