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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20190168-WS

Application for water and
wastewater service in Duval,
Baker, and Nassau Counties, by
First Coast Regional Utilities, Inc.

_____ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 5

COMMISSIONERS
PARTICIPATING: COMMISSIONER ART GRAHAM
COMMISSIONER GARY CLARK
COMMISSIONER MIKE LA ROSA

DATE: Tuesday, May 3, 2022

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DANA W. REEVES
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
112 W. 5TH AVENUE
TALLAHASSEE, FLORIDA
(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN GRAHAM: Okay. Item No. 5. Who's
3 walking us through it?

4 MS. WATTS: Commissioners, Item 5 is staff's
5 recommendation on First Coast Regional Utility,
6 Inc's application for original certificates
7 providing water and wastewater service in Baker,
8 Duval and Nassau County. AEA filed a protest of
9 First Coast's application claiming that, one, AEA
10 should be the provider of water and wastewater
11 service in the City of Jacksonville and in Nassau
12 County. And, two, that the Commission does not
13 have jurisdiction to grant certificates to First
14 Coast.

15 An evidentiary hearing was held on February
16 1st and 2nd, 2022 in Tallahassee. There is no
17 development and no existing customers in the
18 proposed service territory. Therefore, no service
19 hearings were held. Based on the evidence
20 developed in the record in Section 367.011 in
21 Florida Statutes, which gives the Commission
22 exclusive jurisdiction over this matter, staff
23 recommends First Coast's application for water and
24 wastewater certificates be approved and the rates
25 and charges shown on schedules four and five be

1 approved. Staff is available to answer questions.

2 CHAIRMAN GRAHAM: Thank you, staff.

3 Commissioners, any questions of staff?

4 All right. I don't have any questions, but I
5 have -- I actually was the one who pulled this. I
6 had a couple of things I wanted to say. There was
7 a lot of -- a lot of questions, a lot of issues
8 that came up on this, in this hearing. I thought a
9 lot of the issues were -- a lot of the questions
10 were kind of ridiculous. I thought they were just
11 obvious, but I guess it's what we have to go
12 through from time to time.

13 But the two questions I thought were relevant
14 were issues -- I'm sorry -- issues three and issues
15 nine. Issues three talks about if it's consistent
16 with a comprehensive plan. And if you read the
17 staff's conclusion, bottom of page 11, it says,
18 application is consistent with Nassau County's
19 comprehensive plan, but may not be consistent with
20 Baker and Duval's comprehensive plan. I argue that
21 it is not consistent with Duval's comprehensive
22 plan. It is basically where JEA is based and
23 owned.

24 Now, granted, staff goes on and says that --
25 we go over the comprehensive plan for knowledge,

1 but we're not bounded by the comprehensive plan.
2 And I realize that, and that's been brought up
3 several times before. I can tell you, just from my
4 own personal knowledge, because I was part of --
5 one of the elected officials in Duval County. Part
6 of Jacksonville's strategy decades ago was to unite
7 the water companies. And we had many issues with
8 polluting of the St. John's. We had many issues
9 with a lot of mom-and-pop shops that were doing
10 poor jobs when it came to water, wastewater. And
11 so the county took it upon itself to reach out and
12 start acquiring those water and wastewater systems.
13 For the most part, they've bought up all the
14 systems, except for maybe one or two that may be
15 still out there, but those are very small. And as
16 you guys know, probably never seen come before us.
17 I'll tell you, in 12 years, I think I've seen one
18 or two that come before us.

19 My point being is this is the strategy that
20 the county came up with. This is something they
21 decided they want to do. I can tell you from being
22 six years on a land use and zoning committee out
23 there, we've dealt with these issues many times. I
24 don't know if you know this bit of trivia, but
25 Jacksonville is actually the largest city in United

1 States when it comes to square miles. So there's a
2 lot of challenges we have there. There's a lot of
3 green-belting that developers want to develop. In
4 the past, one of the things we did -- because there
5 was no sewer lines going all the way out there.
6 And sometimes these developments were
7 cost-prohibitive, that we would allow them to put
8 in septic tanks. And I know over the years they've
9 gotten away from doing the septic tanks and
10 requiring more and more people to use sewer
11 systems. And so I can understand how some of this
12 stuff may be pushed to the point where it's
13 cost-prohibitive.

14 But I think in this case, the comprehensive
15 plan does tell you what the county is trying to do.
16 The gray area here in my opinion is dealing with
17 Baker and dealing with Nassau County, and this
18 utility or this development being -- straddling the
19 three different counties. I'm not going to belabor
20 on this issue. I see the staff recommendation. I
21 see the facts that I have here. I won't be voting
22 with the staff recommendation, but I thought -- I
23 thought I owed it to my two colleagues on this
24 panel with me and to the staff as a whole, because
25 it's a rarity that I go against that, but there's

1 always time, from time to time, that I feel like I
2 have to, and I thought I wanted to take the time to
3 explain to you why I wasn't voting on staff's
4 recommendation. And I'll leave that for a motion.

5 Commissioner La Rosa.

6 COMMISSIONER LA ROSA: Thank you, Chairman.
7 If you don't mind, I'm just going to add a few
8 quick comments, because staff did do a lot of work
9 on this, and I certainly wanted to recognize their
10 hard work. And they helped me to kind of frame
11 this in a way that really truly kept me in my lane.
12 And we talked a lot about other comprehensive plans
13 in different areas. And, you know, I was able to
14 dive, you know, a little bit deep, and at the end
15 of the day understand the perspective of what maybe
16 Duval County is trying to do. But at the end, the
17 way I saw it was that they had their opportunity to
18 come forward during the certification process.
19 They had -- it doesn't necessarily spell out that
20 we cannot do what it is that's being requested for
21 us.

22 But I did want to acknowledge staff's hard
23 work on this. And I do agree with the
24 recommendation that they've given before us. And I
25 will make a motion to approve all the issues before

1 us in the way the staff has recommended.

2 COMMISSIONER CLARK: I'll second the motion,
3 Mr. Chairman, with just a brief comment. This kind
4 of came down to a jurisdictional issue for me and
5 the request for the certificate. And what this
6 Commission's authority is, I think is pretty clear.
7 The case was -- I was trying -- it was two months
8 ago it seemed like I sat down and was trying to
9 remember a lot of the testimony from the case and
10 the points that were made and went back and read
11 the briefs again. And I think that there were some
12 great arguments and great points made on both
13 sides, but I think at the end of the day, this
14 really comes down, to me, to a request or a need
15 for service and a company's ability. I think the
16 company clearly proved that they have the ability
17 to provide the service. And I respect the
18 comprehensive planning issue, but when you deal
19 with a multi-county jurisdictional issue, I think
20 that threw kind of a little bit of a caveat into
21 the equation for me. So I'm certainly in favor and
22 agree with staff's recommendation, as well.

23 CHAIRMAN GRAHAM: Sorry. We have a motion and
24 a second. Any further discussion?

25 (No comments made.)

1 CHAIRMAN GRAHAM: Seeing none, all in favor
2 say, aye.

3 (Chorus of ayes.)

4 CHAIRMAN GRAHAM: Any opposed? Aye.

5 By your vote, two for, one against, your
6 motion passes. And I think that concludes our
7 agenda. So we are adjourned. Thank you very much.

8 (Agenda item concluded.)

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1 CERTIFICATE OF REPORTER

2 STATE OF FLORIDA)
3 COUNTY OF LEON)4 I, DANA W. REEVES, Professional Court
5 Reporter, do hereby certify that the foregoing
6 proceeding was heard at the time and place herein
7 stated.8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
12 transcription of my notes of said proceedings.13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED THIS 18th day of May, 2022.

19 
20 _____21 DANA W. REEVES
22 NOTARY PUBLIC
23 COMMISSION #GG970595
24 EXPIRES MARCH 22, 2024
25