

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and)
wastewater rates in Brevard, Citrus, Duval,) DOCKET NO. 20250052-WS
Highlands, Marion, and Volusia Counties by)
CSWR-Florida Utility Operating Company, LLC.)

REBUTTAL TESTIMONY OF

JACOB FREEMAN

on behalf of

CSWR-Florida Utility Operating Company, LLC

April 17, 2026

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Jacob Freeman, and my business address is 1630 Des Peres Rd., Suite 140,
4 St. Louis, Missouri 63131.

5 **Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY IN THIS CASE?**

6 A. Yes. I have previously presented direct testimony on behalf of CSWR-Florida Utility
7 Operating Company, LLC. (“CSWR-Florida” or “Company”).

8 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

9 A. My rebuttal testimony addresses the Complaint and Compliance Data provided
10 by the Florida Department of Environmental Protection (“DEP Report”) which
11 was submitted into the docket by the Staff of the Florida Public Service
12 Commission (“Staff”) on March 10, 2026. Attachment A to the DEP Report
13 consists of a drinking water and wastewater complaint summary, and
14 Attachment B consists of a drinking water and wastewater compliance summary.
15 Mr. Thomas addresses those two attachments in his rebuttal testimony. My
16 testimony addresses approximately 370 pages of various records from DEP
17 regarding wastewater compliance matters attached to the DEP Report.

18

1 **II. DEP REPORT**

2 **Q. HAVE YOU REVIEWED THE DEP REPORT?**

3 A. Yes.

4 **Q. WHAT IS YOUR UNDERSTANDING AS TO THE BASIS FOR THE DEP**
5 **REPORT?**

6 A. It is my understanding that the DEP Report was submitted pursuant to Section
7 367.0812(1)(b) and (c), Florida Statutes (F.S.) which requires that the
8 Commission consider the extent to which the Company “meets secondary water
9 quality standards as established by the Department of Environmental
10 Protection.” This determination not only includes testimony and evidence
11 provided by customers and the utility, but also “the results of past tests” and
12 “complaints. . . filed by customers. . . during the past 5 years.” While not all the
13 information contained in the DEP Report is technically related to “secondary
14 water quality standards”, it is my opinion that the DEP provided this information
15 to be fully responsive.

16 **Q. DO YOU HAVE ANY GENERAL COMMENTS REGARDING THE DEP**
17 **REPORT?**

18 A. Consistent with Staff’s request, DEP provided information related to “the past 5 years.”
19 It is important to point out that the information for these years, does not consider
20 whether the DEP complaints and compliance issues occurred or originated while the
21 system was owned by the Company or whether it occurred under prior system
22 ownership.¹ The complaints and compliance issues illustrate the distressed nature of

¹ While the violations may not have occurred or originated during the period in which CSWR-Florida owned these systems, some of the violations may be ongoing while the Company coordinates with DEP on the proper solution to the underlying system problems.

1 the systems later acquired by the Company, and show that in many cases how the
2 Company has since rectified or made progress towards resolving these long-term
3 compliance issues through capital investment, operational improvements, and the
4 Company’s technical expertise. As such, the DEP Report supports the testimony
5 previously provided by Mr. Cox:

6 His [Mr. Freeman] testimony amply demonstrates the deteriorated state
7 of the plant facilities we acquired, the generally poor history these
8 systems had complying with applicable health, safety, and
9 environmental regulations, and the challenges these systems present in
10 terms of the capital improvements required to address those issues for
11 the present and future.²
12

13 **Q. WOULD YOU PROVIDE THE DATES THAT CSWR-FLORIDA ACQUIRED**
14 **THESE VARIOUS SYSTEMS?**

15 A. Yes. The table below shows the date of each acquisition.

System	Types	Acquisition Date
Aquarina	Water and Wastewater	May 16, 2022
Sunshine Utilities	Water	May 24, 2022
North Peninsula	Wastewater	May 26, 2022
Neighborhood	Water	November 17, 2022
Rolling Oaks	Water and Wastewater	November 30, 2022
Sebring Ridge	Wastewater	August 31, 2023
CFAT	Water and Wastewater	November 30, 2023
BFF	Wastewater	November 30, 2023
Tradewinds	Water and Wastewater	November 30, 2023
TKCB	Wastewater	December 27, 2023
Tymer Creek	Water and Wastewater	May 31, 2024

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17 **Q. WOULD YOU PROVIDE SOME SPECIFIC EXAMPLES OF THE**
18 **“GENERALLY POOR HISTORY THAT THESE [ACQUIRED] SYSTEMS**
19 **HAD COMPLYING WITH APPLICABLE HEALTH, SAFETY, AND**
20 **ENVIRONMENTAL REGULATIONS?”**

² Cox Direct, Docket No. 20250052-WS, filed May 30, 2025, at page 5 (emphasis added).

1 A. Yes. The CFAT and North Peninsula systems are specific examples of the poor history
2 of compliance with applicable health, safety, and environmental regulations.

3 **Q. PLEASE DISCUSS THE CFAT SYSTEM.**

4 A. Pages 26-73 of the DEP Report³ detail the numerous problems identified at the Landfair
5 wastewater treatment system owned and operated by CFAT H2O (“CFAT”) until
6 November 30, 2023. For instance, pages 26 and 27 consist of a Warning Letter which
7 documents issues identified during an inspection on February 16, 2021. Specifically,
8 the letter noted the following issues:

- 9 • Excessive effluent quality violations for TSS.
- 10 • TN effluent violations.
- 11 • Failure to submit for 2 years Semi-Annual groundwater monitoring
12 reports.
- 13 • A build up of solids in the holding pond.

14 The attached wastewater compliance inspection report provided greater detail
15 supporting the Warning Letter. Specifically, the inspection report noted that the
16 “monthly geometric mean for Fecal Coliform (FC) was calculated and reported
17 incorrectly on the Discharge Monitoring Reports (DMRs).”⁴ Additionally the
18 compliance inspection report identified: (1) a continued problem with Total Suspended
19 Solids (“TSS”) exceedances,⁵ (2) excessive Total Nitrogen (“TN”) readings,⁶ (3) a

³ The DEP did not include date stamps, so identification of specific pages is difficult. The document consists of 377 pages, and when I reference specific pages, I am referring to the page number identified by Adobe Acrobat when accessing the DEP Report.

⁴ *DEP Report*, page 32.

⁵ *Id.*, page 34.

⁶ *Id.*, page 35.

1 buildup of solids at the south side of the holding pond,⁷ and (4) a failure to submit
2 ground water monitoring reports for 2019 and 2020.⁸

3 Pages 38-39 of the DEP Report contain a Warning Letter associated with a prior
4 inspection of the CFAT wastewater system. The letter noted the following
5 observations:

- 6 • The permit renewal application had not been received.
- 7 • The chlorine contact chamber wall was leaking effluent.
- 8 • The Operation and Maintenance manual was not on site.
- 9 • The flow meter calibration was past due.

10 The problems identified in DEP Report were never adequately addressed by the
11 prior owner. Shortly after acquiring the CFAT systems, CSWR executed a Consent
12 Order with DEP which noted “chronic effluent violations that generated a significant
13 out-of-compliance finding with Total Suspended Solids (TSS) limits” and a “buildup
14 of solids” in the lined holding pond.

15 **Q. HAVE YOU PREVIOUSLY DISCUSSED THE ISSUES AT THE CFAT**
16 **SYSTEM THAT WERE IDENTIFIED IN THE DEP REPORT?**

17 A. Yes. In my Direct Testimony, I discussed the long history of operational and design
18 problems at the CFAT system under prior ownership.⁹ Specifically, I noted that “there
19 were many issues concerning the condition of the Landfair wastewater system when it
20 was acquired by CSWR Florida.”¹⁰ Included in these issues, I acknowledged “[t]he
21 need to comply with Consent Order requirements for holding pond maintenance.”¹¹
22 Additionally, I pointed out that “[i]n March 2021, FDEP issued a warning letter to the

⁷ *Id.*

⁸ *Id.*, page 36.

⁹ Freeman Direct, Docket No. 20250052-WS, filed May 30, 2025 (“Freeman Direct”), pages 66-69.

¹⁰ *Id.*, at page

¹¹ *Id.*, at page 65.

1 utility that highlighted excessive total suspended solids violations, ongoing failure to
2 comply with total nitrogen limits, failure to submit semiannual groundwater monitoring
3 reports for two years, and a buildup of solids in the holding pond.”¹²

4 **Q. WHAT IS CSWR-FLORIDA DOING TO CORRECT THE PROBLEMS AT**
5 **THE CFAT WASTEWATER FACILITY?**

6 A. As I noted in my Direct Testimony:

7 The facility, as it exists today, cannot meet these limits without
8 significant changes. CSWR Florida’s third-party engineering partners
9 evaluated the facility to determine if the existing plant could be
10 upgraded to meet these limits, or if a new treatment plant would be
11 required. In this evaluation the current condition of the treatment plant
12 structures was considered and the work that would be required to ensure
13 the tanks are in good condition for the future. The third-party engineers
14 determined the existing leaking concrete tanks cannot be effectively
15 repaired, and therefore the most cost-effective and responsible approach
16 to achieving compliance will be constructing a new wastewater
17 treatment facility that is designed with total nitrogen limit compliance
18 in mind. The process of designing, permitting, bidding, and
19 constructing a new treatment plant is a long one. Therefore, the existing
20 facility must remain operational throughout the whole process. This
21 means CSWR Florida will make only the minimal necessary repairs to
22 ensure the existing facility can continue to operate until a new facility
23 can be brought online. Improvements to be made will, to the greatest
24 extent possible, ensure any new equipment will be usable at, or will not
25 conflict with, the new facility. Any improvements made to the existing
26 facility will involve the bare minimum investment necessary to ensure
27 the existing facility is operating as required to comply with applicable
28 environmental laws and ensure customers receive safe and reliable
29 service.¹³

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31 **Q. DO YOU HAVE ANY PICTURES OF THE LEAKING CONCRETE TANKS?**

32 A. Yes. The following pictures show the active leaks on the CFAT concrete tanks.
33 Moreover, given the significant algal and bacterial growth on the tanks’ exteriors, it is
34 apparent that the leaks have been present for a significant period.

¹² *Id.*, at page 67.

¹³ *Id.*, at pages 69-70.



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Examples of leaks on the steel (top left) and concrete (all other photos) tanks with ongoing leaks evident by ineffective patching and significant growth of algae and rust accumulation below leaks.

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Q. WHAT IS THE STATUS OF THE WASTEWATER TREATMENT FACILITY REPLACEMENT?

A. In my Direct Testimony, I noted that the design phase was currently underway and would require the replacement of all treatment processes “including influent screening, aeration treatment, clarification, and disinfection, and the new facility will utilize the existing effluent disposal system and rapid infiltration basins.”¹⁴ I also noted that “[t]he holding pond [was] being evaluated to determine if it should be rehabilitated, decommissioned, or repurposed for solids holding and processing.”¹⁵

¹⁴ *Id.*, at page 75.

¹⁵ *Id.*

1 Since that time, the facility design has progressed with third-party engineers
2 who have proposed an MABR (Membrane Aerated Biofilm Reactor) facility which will
3 effectively meet all permitted limits. Plans are expected to be submitted to FDEP for
4 permitting by June 2026.

5 **Q. HAS CSWR-FLORIDA CONTINUED TO COMMUNICATE WITH DEP**
6 **REGARDING THE STATUS OF THE CFAT WASTEWATER SYSTEM?**

7 A. Yes. CSWR-Florida has submitted quarterly reports updating DEP on the status of
8 improvement projects since Q1 2024. Additionally, the current DEP consent order is
9 in the process of being modified to properly account for the design stage of the project,
10 providing appropriate time for an effective plant design to be completed. A draft of the
11 modified consent order was received from DEP on April 2, 2026.

12 **Q. DID THE INFORMATION CONTAINED IN THE DEP REPORT**
13 **REGARDING THE CFAT WASTEWATER FACILITY SURPRISE YOU?**

14 A. No. As I mentioned, the problems with this facility are well known and have lingered
15 for over a decade. Through due diligence the Company realized the extent of the
16 problems and the significant period that would be necessary to resolve these lingering
17 compliance issues.

18 **Q. PLEASE DISCUSS THE PROBLEMS AT THE NORTH PENINSULA SYSTEM**
19 **RELATED TO ITS “GENERALLY POOR HISTORY. . . OF COMPLYING**
20 **WITH APPLICABLE HEALTH, SAFETY, AND ENVIRONMENTAL**
21 **REGULATIONS?”**

22 A. The DEP Report also details the non-compliance issues at the North Peninsula
23 wastewater system.¹⁶ Specifically, pages 95-96 of the DEP Report are a Notice of

¹⁶ *DEP Report*, pages 95-131.

1 Violation (“NOV”) at the North Peninsula wastewater facility dated May 6, 2022. The
2 NOV was based upon an inspection that was made on April 14, 2021. Detailed in the
3 NOV are allegations of: (1) insufficient staffing by an appropriately certified operator;
4 (2) excessive odors beyond the boundaries of the wastewater treatment plant; (3)
5 excessive vegetation in the rapid infiltration basins; (4) significant corrosion in both
6 internal and external walls of Plants #1 and #3 and bowing of the northeast section of
7 Plant #1; and (5) groundwater monitoring wells in need of maintenance.¹⁷ While the
8 former owner allegedly addressed issues 1 and 3, the other more significant issues went
9 unresolved. Ultimately, the DEP imposed administrative penalties and ordered that the
10 previous owner replace the steel internal panels in Plant #1 and Plant #3 where
11 significant corrosion was noted, patch and properly coat all holes, correct the "bowing"
12 at the northeast end of Plant #1 tank, add concrete pads around monitoring wells, repair
13 or replace risers, remove vegetation in the well area, provide locked well caps, and
14 label the wells.

15 **Q. WERE THESE DEFICIENCIES ADDRESSED?**

16 A. No. Ultimately, CSWR-Florida executed a Consent Order with DEP providing it an
17 opportunity to address the following deficiencies:

- 18 • Significant corrosion noted throughout the facility structural
19 components in violation of Chapter 62-620.610(7) F.A.C.
- 20
- 21 • Broken travelling bridges in plant number 1 and number 3 in violation
22 of Chapter 62-620.610(7) F.A.C.
- 23
- 24 • The Rapid Infiltration Basin (RIB) 1 that needed to be cleaned of
25 excessive vegetation and scarified in violation of Chapter 62-610.523,
26 F.A.C.

27 **Q. HAVE YOU PREVIOUSLY DISCUSSED THE PROBLEMS AT THE NORTH**
28 **PENINSULA SYSTEM?**

¹⁷ *Id.*, at page 97.

1 A. Yes. At pages 6-11 of my Direct Testimony, I discuss the history of noncompliance
2 and of enforcement actions from DEP associated with the North Peninsula system.
3 There I referenced: (1) a May 2017 letter from DEP “designed to address several
4 incidences of noncompliance observed during a March 7, 2017, inspection,” (2) an
5 October 13, 2017 follow-up notice due to the previous owner’s failure to response to
6 the May 2017 communication, (3) a March 2018 letter citing the North Peninsula
7 system for failing to include adequate plans to complete improvements in its permit
8 renewal application, (4) a July 2018 Consent Order mandating certain corrective
9 actions, (5) the April 2021 Warning Letter, (6) the August 2021 Consent Order, and (7)
10 the May 2022 Notice of Violation.

11 Independent of the actions taken by DEP regarding the North Peninsula
12 wastewater system, I also documented actions taken by the Volusia County Growth
13 and Resource Management Department in response to numerous “unsatisfactory
14 conditions” at the facility.

15 **Q. WHAT WAS THE CONDITION OF THE NORTH PENINSULA**
16 **WASTEWATER SYSTEM AT THE TIME IT WAS ACQUIRED?**

17 A. As described in my Direct Testimony, the wastewater treatment plant was “in
18 extremely poor condition at the time of acquisition.”¹⁸ I noted: (1) “all three package
19 plants [were] in failing condition,” (2) significant leaks and bowing walls in both steel
20 plants, and (3) a wall failure in the concrete plant which resulted in the release of
21 wastewater.¹⁹ As a result, I concluded that “each of the package plants [had] reached
22 the end of its useful life and further repairs [would] not significantly extend the life or
23 meaningfully remedy each plant’s problems.”²⁰ Moreover, I posited that “the overall

¹⁸ *Freeman Direct*, page 11.

¹⁹ *Id.*

²⁰ *Id.*

1 deteriorating condition puts the North Peninsula facility at risk of catastrophic
2 failure.”²¹

3 **Q. DO YOU HAVE PICTURES THAT SHOW THE CONDITION OF THE**
4 **NORTH PENINSULA FACILITIES?**

5 A. Yes. The following pictures exemplify the problems at North Peninsula.



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Examples of steel tanks and equipment deterioration at closing and examples of the numerous poorly installed welded patches on the tanks.



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Examples of cracking and exposed rebar in concrete tanks.

13 **Q. HOW DOES CSWR-FLORIDA INTEND TO ADDRESS THE PROBLEM**
14 **WITH THE FAILURE OF THE NORTH PENINSULA WASTEWATER**
15 **FACILITY?**

²¹ *Id.*

1 A. As discussed in the response to Data Request #2 filed on March 24, 2026, in Docket
2 20250038-WS, the approach for the North Peninsula site was originally to shut the
3 facility down and connect to the City of Ormond Beach treatment facility. However
4 various obstacles have caused the project approach to be reevaluated. The following is
5 an excerpt from the data request response:

6 [A]s discussed in the alternatives analysis presented in the acquisition
7 adjustment filing for the North Peninsula site, CSWR-Florida
8 previously assessed options for the long-term issues at the treatment
9 facility and determined that connection to the City of Ormond Beach
10 wastewater treatment system was the most cost effective and viable
11 option for long term compliance and reliable service. CSWR-Florida
12 has pursued that alternative but has been met with numerous roadblocks
13 including resistance to granting required DOT permits, the eventual
14 revocation of the granted DOT permit, resistance from the City itself to
15 accept the flow from the community, and political pressures opposing
16 the connection of the community to the system. As a result, CSWR-
17 Florida has reevaluated the obstacles that made plant replacement a less
18 viable option and has determined that while certain factors make the
19 project complex, they can be overcome. Therefore, CSWR-Florida now
20 believes plant replacement is the most viable alternative. Furthermore,
21 in the reexamination of the plant replacement option, our third-party
22 engineers now believe the estimated cost of the plant replacement
23 project could be significantly lower than their initial evaluation. As a
24 result, the plant replacement option is now estimated at a total of
25 \$4.25M compared to \$5.93M for the consolidation with City of Ormond
26 Beach. While these are still preliminary estimates and not bids or
27 proposals, it further justifies the decision to switch to plant replacement
28 as the selected alternative.

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30 **Q. HAVE YOU PREVIOUSLY ADDRESSED THE OTHER ISSUES**
31 **DOCUMENTED IN THE DEP REPORT?**

32 A. Yes. In addition to the issues raised regarding CFAT and North Peninsula, the DEP
33 Report also addresses concerns related to: (1) Rolling Oaks,²² (2) Sebring Ridge,²³ (3)
34 Tradewinds,²⁴ and (4) Tymber Creek.²⁵

²² *DEP Report*, pages 132-189.

²³ *Id.*, pages 190-305.

²⁴ *Id.*, pages 307-325.

²⁵ *Id.*, pages 326-327.

1 **Q. PLEASE DESCRIBE THE ISSUES RAISED IN THE DEP REPORT**
2 **REGARDING ROLLING OAKS.**

3 A. Page 132 of the DEP Report relates to an inspection at the Rolling Oaks wastewater
4 system on October 22, 2021, where the system was determined to be “in compliance.”
5 Pages 133-142 documents an unauthorized discharge of wastewater in 2021 in which
6 the DEP determined that there was not “substantial impact to the environment.”

7 Pages 143-171, however, address a November 17, 2021, inspection as part of
8 the permit renewal process.²⁶ There, the system was found to be “out of compliance.”²⁷
9 Among the issues observed during that inspection were: (1) solids in the weir, (2)
10 excessive algae and trash in the weir, (3) problems with the skimmer arm, (4) foam and
11 trash in the aeration basins, (5) dead zones in the aeration basins, (6) an inoperable
12 blower, (7) solids and debris in the chlorine contact chamber, (8) foaming and trash in
13 the still well, and (9) missing signage.²⁸ Photos of these problems were provided at
14 pages 165-171 of the DEP Report.

15 Finally, pages 172-189 concern an inspection that occurred in 2023 six months
16 after the acquisition by the Company. While the inspection report notes several aspects
17 of the system that were in compliance, it notes the following issues after the Company
18 acquired the system: (1) a sewage spill that did not reach the surface waters and the
19 incomplete nature of the follow-up report; (2) the failure to provide the transfer of
20 ownership forms; (3) notification that the interim limit for total nitrogen was expiring;
21 (4) the need to sample and file results of primary and secondary drinking water
22 parameters for monitoring wells; (5) the need to report various sampling reports, (6)

²⁶ Many of the issues associated with this inspection report were discussed in my Direct Testimony. See *Freeman Direct*, pages 88-89.

²⁷ *DEP Report*, page 145.

²⁸ *Id.*, page 155.

1 debris in the aeration basin; and (7) the need to file a corrective action plan for returning
2 the system to normal operations including a timeline for addressing the problems with
3 the clarifier.

4 **Q. WERE THE ISSUES AT ROLLING OAKS SURPRISING?**

5 A. No. As I mentioned in my Direct Testimony, the Company had identified an extensive
6 list of issues with the Rolling Oaks wastewater treatment facility including:

- 7 • The digester air header was damaged and leaking air,
- 8 • Existing aeration drop legs and diffusers were in poor condition,
- 9 • A failed blower attributable to a failed motor,
- 10 • Clarifier skimmer/rake arm were not functioning properly,
- 11 • The disinfection dosing system lacked a variable feed rate and disinfection
12 chemical was stored with no shade structure, which allowed for early chemical
13 breakdown with UV exposure,
- 14 • The roll up door of the shop building was broken,
- 15 • The shop building roof was in poor condition,
- 16 • The blower building was in poor condition,
- 17 • Catwalks and handrails were in poor condition and missing at some locations
18 around the treatment facility,
- 19 • Exterior coatings of tanks, piping, and buildings were deteriorating and in poor
20 condition,
- 21 • Lift Station 14 had only one functional pump,
- 22 • Discharge piping at lift station 12 was in poor condition
- 23 • The control panel for lift stations 1 and 9 control failed shortly after acquisition,
- 24 • There was no remote monitoring equipment present at the treatment plant and
25 the lift stations,
- 26 • No fencing was present at lift stations 3, 4, 5, 7, 9, and 10,
- 27 • Vegetation, trash, and debris had accumulated around the site and along the
28 fence line, damaging perimeter fencing,
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- Fencing around the site was damaged and/or missing in some locations, including the main gate,
- Significant corrosion was notable on all steel tanks, indicating limited useful life for the plant superstructure,
- The permit cycle improvement plan required the facility to be upgraded to 1 MGD capacity, and to meet total nitrogen (“TN”) limits,
- The facility’s hydrosieve system was regularly overwhelmed, leading to sanitary sewage overflows and nuisance solids entering the facility,
- The lime stabilization basin was out of service and needed to be restored, removed, or repurposed,
- Effluent pipeline to rapid infiltration basins (“RIBs”) was in poor condition and needed to be repaired or replaced,
- Lift stations 5, 7, and 9 lacked guide rail systems necessary for pump maintenance,
- Control panels at lift stations 3, 4, 5, 6, and 12 were in poor condition and mounted near the ground,
- Lift station 2 had an outdated design and was in poor condition, and
- Various collection system deficiencies (inadequate, unlocated, and unexercised isolation valves, leaks in collection lines, missing or buried cleanout/manholes, broken manhole rings and missing manhole covers) also were noted. Much of the collection system was determined to be old and made of poor materials necessitating a replacement plan to ensure all old piping is eventually replaced.²⁹

Q. HAVE THE ISSUES IDENTIFIED REGARDING THE ROLLING OAKS SYSTEMS BEEN RESOLVED?

A. The Company has made extensive improvements to the Rolling Oaks system including aeration equipment, clarifier, disinfection system, facility structures, lift stations, monitoring equipment, and general site conditions to address the listed issues. An

²⁹ *Freeman Direct*, pages 85-87.

1 extensive discussion of these improvements is contained at pages 89-97 of my direct
2 testimony.

3 **Q. DOES THE COMPANY INTEND TO MAKE FURTHER IMPROVEMENTS**
4 **AT ROLLING OAKS?**

5 A. Yes. The most extensive improvement is to upgrade the plant capacity to 1 MGD by
6 installing a new treatment plant, which will also allow the Company to meet total
7 nitrogen effluent limits. The Company explored the option of connecting to the nearest
8 publicly owned treatment facility, but that facility does not have adequate capacity.
9 Therefore, the Company will ultimately construct a new facility and decommission the
10 failing components. This is an extensive process involving design, permit, bidding,
11 and ultimately construction.

12 **Q. PLEASE DESCRIBE THE ISSUES RAISED IN THE DEP REPORT**
13 **REGARDING SEBRING RIDGE.**

14 A. Pages 190-305 of the DEP Report document the significant problems at the Sebring
15 Ridge wastewater facility. Much of this history of noncompliance was discussed at
16 pages 24-26 of my Direct Testimony. First, pages 231-259 contain a report
17 documenting violations from an inspection that occurred on December 8, 2020.
18 Foremost among these violations were: (1) uncalibrated chlorine and pH meters, (2) an
19 incomplete chain of custody form, (3) deficient discharge monitoring reports (“DMR”),
20 (4) clogged diffusers, and (5) excessive vegetation and accumulated sludge in the pond.

21 On December 19, 2023, less than three months after CSWR-Florida acquired
22 the system, DEP conducted another inspection of Sebring Ridge.³⁰ Given the short
23 period of time that the Company had owned the facility, many of the deficiencies were

³⁰ See, pages 190-230 of the DEP Report.

1 still present including the problems with the pH and chlorine meters, chain of custody
2 form, DMRs, diffusers, and vegetation / accumulated sludge.

3 **Q. HAVE THE ISSUES IDENTIFIED REGARDING THE SEBRING RIDGE**
4 **SYSTEM BEEN RESOLVED?**

5 A. As I noted in my Direct Testimony, there were many issues at the Sebring Ridge
6 wastewater facility at the time of acquisition and that “the facility was in poor condition
7 with many assets having reached the end of their useful life and many others having
8 been poorly maintained.” CSWR-Florida is currently working with DEP to address the
9 overall deficiencies of the facility including the five issues indicated above. A consent
10 order has been executed to facilitate bringing the facility into compliance. Many of the
11 referenced issues have been corrected, however in working with DEP to complete the
12 items set forth in the order, the facility has been evaluated and it has been determined
13 that the facility is significantly undersized for the flows it receives, cannot treat to the
14 new Total Nitrogen and Total Phosphorus limits, and is in overall poor condition.
15 CSWR-Florida’s evaluation has concluded that to establish long term compliance, the
16 facility must be replaced and the rapid infiltration basins enlarged to handle the flow
17 the facility receives. CSWR-Florida submits quarterly reports to DEP as well as
18 participating in regular update meetings, demonstrating the Company's commitment to
19 making the necessary investments to achieve lasting compliance. Such a
20 comprehensive solution does not occur quickly as this type of work included detailed
21 design and technical specifications, adherence to the DEP enforcement process,
22 “requires permitting,” and must be “competitively bid to ensure projects are completed
23 at the lowest cost possible.”³¹

³¹ *Id.*

1 While the Company continues to work with DEP to facilitate this long-term
2 correction, the DEP “has continued to issue inspection reports and warning letters
3 regarding issues left unresolved by prior ownership.”³² While some interim fixes have
4 been implemented, others cannot be addressed without the larger facility project and
5 will take time to resolve. In the meantime, “CSWR-Florida regularly meets with FDEP
6 to provide updates and maintain a cooperative relationship while working towards full
7 compliance.”³³

8 **Q. PLEASE BRIEFLY DESCRIBE THE ISSUES RAISED IN THE DEP REPORT**
9 **REGARDING TRADEWINDS.**

10 A. Pages 307-325 document some problems that existed at the Tradewinds wastewater
11 facility prior to the acquisition by CSWR-Florida. Specifically, pages 307-308 discuss
12 violations that were noticed during a July 14, 2020, inspection. Among these violations
13 were: (1) failure to meet reporting requirements, (2) failure to meet secondary treatment
14 requirements for TSS, (3) failure to submit quarterly groundwater monitoring reports,
15 (4) failure to maintain the clay lined holding pond, and (5) failure to maintain the spray
16 field. A subsequent letter dated September 21, 2022, notes continued chronic effluent
17 limit violations for TSS and total nitrogen, problems with the clay lined holding pond,
18 and failure to maintain the spray field.

19 **Q. HAVE THE PROBLEMS WITH THE TRADEWINDS WASTEWATER**
20 **TREATMENT FACILITY BEEN RECTIFIED?**

21 A. Yes. As I mentioned in my Direct Testimony, these violations were rectified by
22 connecting the Tradewinds wastewater system to the Marion County Utilities
23 wastewater system and decommissioning the treatment plant.

³² See, e.g., DEP Report, pages 260-305.

³³ *Freeman Direct*, pages 25-26.

1 **Q. PLEASE BRIEFLY DESCRIBE THE ISSUES RAISED IN THE DEP REPORT**
2 **REGARDING TYMBER CREEK.**

3 A. Pages 326-377 of the DEP Report discusses problems with the Tymber Creek
4 wastewater treatment facility prior to its acquisition by CSWR-Florida. Much of this
5 information was previously documented at pages 126-128 of my Direct Testimony.
6 Specifically, pages 352-362 of the DEP Report contain a Notice of Violation, dated
7 July 14, 2022, that focused on chronic exceedances of TSS and the failure to maintain
8 a Sanitary Sewer Response Plan. The issue of the chronic TSS violations was then
9 memorialized in a Consent Order dated July 29, 2022.³⁴ Pages 327-337 of the DEP
10 Report is a subsequent Consent Order between the DEP and Tymber Creek Utilities,
11 dated March 11, 2024, resulting from an unreported sanitary sewer overflow from lift
12 station 1. The overflow matter apparently went unresolved as a similar Consent Order
13 was executed with CSWR-Florida on January 13, 2025, for the identical issues.³⁵

14 **Q. WERE THE TSS ISSUES ADDRESSED BY THE PRIOR OWNER?**

15 A. No. As I mentioned in my Direct Testimony, there were several problems at the
16 Tymber Creek wastewater facility including “sludge accumulation. . . in several
17 portions of the treatment plant, which contributes to total suspended solids (“TSS”)
18 exceedances.”³⁶

19 **Q. WERE THE SANITARY SEWER OVERFLOW ISSUES AT LIFT STATION 1**
20 **ADDRESSED BY THE PRIOR OWNER?**

21 A. No. There is a recurring sanitary sewer overflow from lift station 1 due to its location
22 below the 100-year flood elevation and general poor condition which mandates
23 significant rehabilitation.

³⁴ *DEP Report*, pages 364-374.

³⁵ *Id.*, pages 338-349.

³⁶ *Freeman Direct*, page 124.

1 **Q. HAVE THE ISSUES ASSOCIATED WITH THE CHRONIC TSS**
2 **EXCEEDANCES AND SANITARY SEWER OVERFLOWS AT LIFT**
3 **STATION 1 BEEN CORRECTED?**

4 A. An engineering project is underway to correct these issues. The existing lift station
5 will be decommissioned, and a new lift station will be constructed out of the area where
6 the flood plain and protected wetlands are located. This will eliminate the issues with
7 overflows. Additionally, CSWR-Florida's operations team is in the process of
8 reworking the facility's sand filter to stop the ongoing TSS exceedances.

9 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

10 A. Yes.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

DOCKET NO. 20250052-WS

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing rebuttal testimony of

Jacob Freeman has been served via e-mail on this 17th day of April, 2026, to the following:

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