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April 20, 2004

Ms. Blanca S. Bayo, Director
Division Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

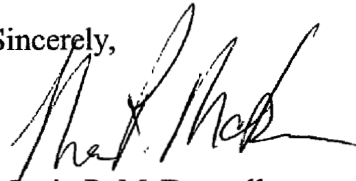
RECEIVED FPSC
APR 21 PM 3:15
COMMISSION CLERK

Re: Notice of Completion of Signal Cove Service Territory and Proof of The Transfer of Territory from Pasco County to Hudson Utilities, Inc.
Docket Nos.: 020254SU and 981079SU

Dear Ms. Bayo:

Enclosed please find the original and fifteen copies of the Notice of Completion of Signal Cove Service Territory and Proof of The Transfer of Territory from Pasco County to Hudson Utilities, Inc. pertaining to the above referenced docket numbers.

Please acknowledge receipt of these documents by date-stamping the enclosed copy of this letter and returning it to the undersigned.

Sincerely,

Martin P. McDonnell

- MPM/tls
- ___ Enclosures
- AUS ___
- CAF ___
- CMP ___
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- OPC ___
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Oh
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
04761 APR 21 03
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Hudson Utilities,)
Inc. for increase in service availability)
charges for wastewater customers in)
Pasco County, Florida.)
_____)

Docket Nos. 020254-SU
981079-SU
Filed: April 21, 2004

**NOTICE OF COMPLETION OF SIGNAL COVE SERVICE TERRITORY
AND PROOF OF THE TRANSFER OF TERRITORY FROM PASCO
COUNTY TO HUDSON UTILITIES INC.**

Pursuant to Order No. PSC-03-0889-PCO-SU issued August 4, 2003 in Docket Nos. 981079-SU, and 020254-SU, Hudson Utilities, Inc. ("Hudson") hereby files its Notice of Completion of Signal Cove Service Territory and Proof of the Transfer of Territory from Pasco County to Hudson Utilities, Inc.

1. In Order No. PSC-03-0889-PCO-SU (the "Order") the Florida Public Service Commission ("Commission") granted Hudson's Motion for Extension of Time to File Proof of the Transfer of the Signal Cove Territory from Pasco County to Hudson. In the Order the commission stated:

Hudson Utilities, Inc. shall file proof of the completion of construction to the Signal Cove area in Docket Nos. 981079-SU and 020254-SU, and of the transfer of territory from Pasco County to Hudson Utilities, Inc. in Docket No. 981079-SU, by April 11, 2004. If construction to Signal Cove is not completed by that date and Hudson Utilities, Inc. seeks a further extension of time, Hudson Utilities, Inc. shall explain with specificity the forced majeure situation and why the delay was truly unavoidable. Order, page 16.

2. Hudson has timely fulfilled its commitment to service the Signal Cove service territory. On March 15, 2004, in Docket No. 020254-SU, Hudson advised the commission that

DOCUMENT NUMBER-DATE

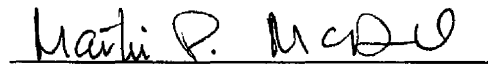
04761 APR 21 8

FPSC-COMMISSION CLERK

“Hudson has been fully capable of providing waste water service to all residents of Signal Cove since approximately February 18, 2004.

3. The transfer of territory from Pasco County to Hudson Utilities has been completed. Verification of that transfer is attached hereto as composite Exhibit “A”, consisting of a letter from Douglas S. Bramlett, Assistant County Administrator in Pasco County, and relevant documents reflecting the approval of the transfer by the Pasco County Board of County Commissioners.


Respectfully submitted,



KENNETH A. HOFFMAN, ESQ.
MARTIN P. MCDONNELL, ESQ.
Rutledge, Ecenia, Purnell & Hoffman, P.A.
P. O. Box 551
Tallahassee, Florida 32302
(850) 681-6788 & FAX (850) 681-6515

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing Progress Report was furnished by United States Mail to Roseanne Gervasi, Esq., Division of Legal Services, Florida Public Service Commission, 2540 Shumard Oak Blvd., Room 370, Tallahassee, Florida 32399-0850 and Stephen M. Presnell, Esq., Associate Public Counsel, Office of Public Counsel, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400, on this 21 day of April, 2004.



MARTIN P. MCDONNELL, ESQ.



PASCO COUNTY, FLORIDA

DADE CITY
LAND O' LAKES
NEW PORT RICHEY
FAX

(352) 521-4274
(813) 996-7341
(727) 847-8145
(727) 847-8083

UTILITIES SERVICES BRANCH
PUB. WKS./UTILITIES BLDG., S-213
7530 LITTLE ROAD
NEW PORT RICHEY, FL 34654-5598

April 15, 2004

Mr. Mathew Griffin
Utility Manager
Hudson Utilities, Inc.
14334 Old Dixie Highway
Hudson, FL 34667

RE: Addendum Agreement for Bulk Wastewater Services for the Signal Cove Subdivision

Dear Mr. Griffin:

In response to your request for verification to the Florida Public Service Commission's request for proof that Pasco County Utilities transferred 124 existing Pasco County sewer customers to Hudson Utilities, attached please find above-referenced agreement.

The Pasco County Board of County Commissioners approved this agreement on April 28, 1998 (Item 3.D.2.)

If I can be of further assistance, please do not hesitate to contact me at the above-listed telephone number.

Sincerely,

Douglas S. Bramlett
Assistant County Administrator
(Utilities Services)

DSB/mvw/mydocs/dsbltrs/griffin

Enclosure



Mariana
BCC
4/28/98 D-2
Original

PASCO COUNTY, FLORIDA
 INTEROFFICE MEMORANDUM

TO: Honorable Chairman and
 Members of the Board of
 County Commissioners

DATE: 3/26/98

FILE: UT98-848

SUBJECT: Hudson Utilities - Addendum
 Agreement for Bulk Wastewater
 Services for the Signal Cove
 Subdivision

FROM: Douglas S. Bramlett
 Assistant County Administrator
 (Utilities Services)

REFERENCES: Memorandum No. CAO98-025;
 All Comm. Dist.

It is recommended that the data herein presented be given formal consideration by the Board of County Commissioners.

DESCRIPTION AND CONDITIONS:

The Board previously held a public hearing on December 2, 1997, to receive public comments on the proposal to allow Hudson Utilities to provide complete sanitary sewer service to the entire Signal Cove Subdivision, including the transfer of 124 existing Pasco County sewer customers to Hudson Utilities. All existing and future residents of the Signal Cove Subdivision will remain water customers of Pasco County.

The attached addendum agreement provides for the transfer of the Signal Cove Subdivision sewer collection systems and the service area to Hudson Utilities. Pasco County will collect a sewer capital recovery surcharge from Hudson Utilities for all residents in Signal Cove even though those currently existing Pasco County retail sewer customers will not be charged the sewer capital recovery surcharge by Hudson Utilities. Upon the actual diversion of flow from the County's sewer collection system to the Hudson Utilities' collection system, Hudson Utilities will begin billing the Signal Cove residents for retail sewer service based upon water meter readings provided by Pasco County Utilities Customer Services Division. The current existing original bulk wastewater agreement will be extended by ten years to ensure that Pasco County receives an adequate collection of sewer capital recovery surcharges. Staff recommends approval of the attached addendum agreement.

ALTERNATIVES AND ANALYSIS:

Approval of the attached addendum agreement will allow Hudson Utilities to complete the central sewer collection system for the Signal Cove Subdivision which is needed due to pollution of Signal Cove canals by septic tanks.

Disapproval of the attached addendum agreement will cause the Signal Cove Subdivision to be primarily served with septic tanks which will continue to cause pollution of canals in the area.

RECOMMENDATION AND FUNDING:

The Utility Services Branch recommends that the Board approve the attached addendum agreement, authorize the Chairman to execute the four original copies provided, and direct Secretarial Services to distribute as follows: one original to be retained by Secretarial Services; one original to OMB, New Port Richey; one original to the Utility Services Branch, New Port Richey; and one original to be mailed to:

Mr. Robert Bammann, President
 Hudson Utilities, Inc.
 14334 Old Dixie Highway
 Hudson, FL 34667
 Telephone (813) 863-0205
 Federal ID No. 59-1619890

No funding is required at this time.

ATTACHMENTS:

- Four Original Addendum Agreements

DSB/al/g032501

APPROVED AGENDA ITEM FOR

DATE _____

BY _____

4/1/98

8. From the effective date of this Addendum any new

and the provision of wastewater services for the Signal Cove area;
and,

WHEREAS, this Addendum has been drafted as a result of this public hearing in order to provide the terms and conditions of the actual transfer.

NOW, THEREFORE, the parties hereto, in consideration of the mutual conditions and covenants set forth below, hereby agree as follows:

UTILITY from the COUNTY.

3. Those wastewater lines, collections systems, and lift stations, all more specifically identified on the attached Exhibit "B", are hereby transferred to Hudson Utilities and Hudson Utilities shall have complete ownership of the same along with the right to utilize all necessary public easements for the operation, repair, maintenance, and replacement of the utility lines so transferred.

4. In consideration of the value of the transferred assets from the COUNTY to the UTILITY, the UTILITY shall pay to the COUNTY for a period not exceeding twenty-five years, a sum equal to one dollar per thousand gallons of flow from the wastewater treatment flows generated by the customers transferred from the County during

current customer list of the UTILITY is attached hereto as Exhibit "D".

8. From the effective date of this Addendum any new

ORIGINAL**ADDENDUM TO BULK WASTEWATER TREATMENT AGREEMENT
WITH HUDSON UTILITIES**

THIS ADDENDUM made and entered into this 28 day of April, 1998, by and between PASCO COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing body thereof, hereinafter referred to as "COUNTY" and HUDSON UTILITIES, INC., a Florida corporation, hereinafter referred to as "UTILITY".

W I T N E S S E T H:

WHEREAS, the COUNTY and UTILITY, have heretofore entered into a Bulk Wastewater Service Agreement dated the 5th day of June, 1990; and,

WHEREAS, the COUNTY and UTILITY, are desirous of amending the Bulk Wastewater Treatment Agreement to provide for the transfer of a number of existing COUNTY wastewater customers in the Signal Cove Subdivision to the UTILITY in order that the UTILITY may provide wastewater service to the remaining area of the Signal Cove Subdivision in a cost efficient and effective manner; and,

WHEREAS, the Board of County Commissioners has conducted a public hearing to consider the transfer of such County customers

development within the Hudson Utilities service area shall pay an upfront impact fee to the COUNTY at the time a building permit is issued in an amount determined by multiplying the then current impact fee of the COUNTY by a fraction, the denominator of which would be 25 years and the numerator of which is the number of years which have elapsed since the execution of this amendment to the original agreement (June 5, 1990) rounded to the nearest 0.5 years, not exceeding 25 years. For example, if a permit for a new home is pulled within the eighth year after approval of this amendment, the owner would owe the COUNTY an upfront impact fee determined as follows: 8/25ths times the then current wastewater impact fee for the COUNTY. Thereafter, the wastewater flow from the new connection would be subject to the \$1.00 per thousand gallon surcharge until the 25th anniversary of this Addendum. The UTILITY shall provide the COUNTY a quarterly report of all such new connections to its system.

9. The remaining terms and conditions of the original Bulk Wastewater Treatment Agreement as approved on June 5, 1990, are hereby ratified and confirmed except to the extent modified herein.

10. Any required approval of the Florida Public Service Commission shall be a specific condition precedent to the effectiveness of this Addendum and the parties shall cooperate with each other in attempting to secure any such approval.

IN WITNESS WHEREOF, the parties hereto have set their respective hands and seals the day and year first above written.

WITNESSES:

Carol L. Davidson
 Signature
Carol L. Davidson
 Printed Name
[Signature]
 Signature
MATTHEW GUFFIN
 Printed Name

HUDSON UTILITIES, INC.

By: [Signature]
 Robert Bammann, Its President

HASCO COUNTY BOARD OF COUNTY COMMISSIONERS

By: [Signature]
 Sylvia Young, Chairman
APPROVED
 APR 28 1998

ATTEST SEAL

[Signature]
 Jed Pittman, Clerk of the Circuit Court

APPROVED AS TO LEGAL FORM AND CONTENT OFFICE OF COUNTY ATTORNEY

By: [Signature]