

ORIGINAL

APPLICATION FOR TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL
(Pursuant to Section 367.071, Florida Statutes)

TO: Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

981080-54

The undersigned hereby makes application for the transfer of the majority organizational control of Hudson Utilities, Inc. utility operating under Water Certificate No. N/A and/or Wastewater Certificate No. 104-S located in Pasco County, Florida, and submits the following information:

PART I APPLICANT INFORMATION

A) The full name (as it appears on the certificate), address and telephone number of the seller:

Hudson Utilities, Inc.

Name of utility

(813)863-0205

Phone No.

(813)869-5913

Fax No.

14334 Old Dixie Highway

Office street address

Hudson

City

Florida

State

34667

Zip Code

Mailing address if different from street address

Internet address if applicable

PSC/WAW 15 (Rev. 8/95)

DOCUMENT NUMBER-DATE

09320 AUG 26 88

IFSC-RECORDS/REPORTING

B) The name, address and telephone number of the person to contact concerning this application:

Kenneth A. Hoffman (850)681-6788
Name Phone No.

215 South Monroe Street, Suite 420
Street address

Tallahassee Florida 32301
City State Zip Code

C) The full name (as it appears on the certificate), address and telephone number of the buyer:

Hudson Utilities, Inc.
Name of utility

(813)863-0205 (813)869-5913
Phone No. Fax No.

14334 Old Dixie Highway
Office street address

Hudson Florida 34667
City State Zip Code

Mailing address if different from street address

Internet address if applicable

D) The name(s) and address(es) of all of the buyer's corporate officers, directors, partners and any other person(s) who will own an interest in the utility.

Robert Bammann, President, 6035 Sea Ranch Dr., No. 505
Hudson, Florida 34667

Charles E. Griffin, Exc. Vice President, 6068 Ave. of the Palms
Spring Hill, Florida 34607

Mathew S. Griffin, V.P., Sec. & Treas., 1317 Pennsylvania Ave.
Palm Harbor, Florida 34683

PART II FINANCIAL AND TECHNICAL INFORMATION

- A) Exhibit A - A statement by the buyer indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.
- B) List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.

See Exhibit B

- C) Exhibit C - A copy of the purchase agreement.
- D) Exhibit D - A statement of how the buyer is financing the purchase.
- E) Exhibit E - A list of all entities, including affiliate which have provided or will provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.
- F) Exhibit F - A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the DEP.

If the system is in need of repair or improvement, has any outstanding Notice of Violation(s) of any standard(s) set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violations, a copy of the Notice of Violation(s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost.

PART III NOTICE OF ACTUAL APPLICATION

- A) Exhibit G - An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:
- (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;
 - (2) the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located;
 - (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission;
 - (4) the regional planning council;
 - (5) the Office of Public Counsel;
 - (6) the Public Service Commission's Director of Records and Reporting;
 - (7) the appropriate regional office of the Department of Environmental Protection; and
 - (8) the appropriate water management district. Copies of the Notice and a list of entities noticed shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.
- B) Exhibit H - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred. A copy of the Notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.
- C) Exhibit I - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

PART IV FILING FEE

Indicate the filing fee enclosed with the application:

~~\$~~ See Exhibit J ~~(for water)~~ \$2,250.00 (for wastewater).

Note: Pursuant to Rule 25-30.020, Florida Administrative Code, the amount of the filing fee as follows:

- (1) For applications in which the utility to be transferred has the capacity to serve up to 500 ERC's, the filing fee shall be **\$750**.
- (2) For applications in which the utility to be transferred has the capacity to serve from 501 to 2,000 ERC's the filing fee shall be **\$1,500**.
- (3) For applications in which the utility to be transferred has the capacity to serve from 2,001 ERC's to 4,000 ERC's the filing fee shall be **\$2,250**.
- (4) For applications in which the utility to be transferred has the capacity to serve more than 4,000 ERC's the filing fee shall be **\$3,000**.

PART V OTHER

- A) Exhibit K - Evidence that the utility owns the land where the utility treatment facilities are located. If the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.
- B) Exhibit L - The original and two copies of revised tariff sheet(s) reflecting the change in ownership. **Sample tariff sheets are attached.**
- C) Exhibit M - The utility's current certificate(s). If not available, an explanation of the steps taken to obtain the certificate(s).

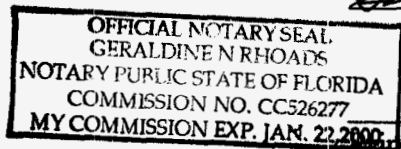
PART VI AFFIDAVIT

I Robert Bammann (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

BY: *Robert Bammann*
Applicant's Signature
Robert Bammann
Applicant's Name (Typed)
President of Hudson Utilities, Inc.
Applicant's Title *

Subscribed and sworn to before me this 3rd day
of August 1998 by Robert Bammann
who is personally known to me or produced identification

Type of Identification Produced



Geraldine A. Rhoads
Notary Public's Signature

Print, Type or Stamp Commissioned
Name of Notary Public

* If applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

APPLICATION FOR TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL

(Section 367.071, Florida Statutes)

LEGAL NOTICE

Notice is hereby given on _____, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of majority organizational control of Hudson Utilities, Inc. from Robert Bammann to Robert Bammann, Charles E. Griffin & Mathew S. Griffin, providing service to the following described territory in Pasco County, Florida.

Description: Township 24 South , Range 16 East

Section 14 – All of said section 14, less that portion of Viva Villas and Sea Pines Subdivisions served by Pasco County.

Section 15 – All of said section.

Section 16-All of said section.

Section 21-All of said section, less that portion of Sea Pines Subdivision served by Pasco County.

Section 22-All of said section, less that portion of Sea Pines Subdivision served by Pasco County.

Section 23-All of said section, less that portion of Viva Villas and Sea Pines Subdivisions served by Pasco County.

Section 26-The North ½ of said section.

Section 27-All of said section, less the south ½ of the SE ¼.

Section 28-All of said section.

Section 32-All of said section.

Section 33-All of said section.

Section 34-The west ½ of the NW ¼ and the NW ¼ of the SW ¼ of said section.

Township 25 South, Range 16 East

Section 4-The north 150 feet of said section.

Any objection to the said application must be made in writing and filed with the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

This transfer does not affect your current rates.

(Hudson Utilities, Inc.
14334 Old Dixie Highway
Hudson, Florida 34667

EXHIBIT A

A statement by the buyer indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.

Response:

The owner and president of Hudson Utilities, Inc., Robert Bammann, determined that it was in the best interest of the utility and its customers to expand ownership and management control of the utility.

Hudson Utilities is now owned by a Utility Contractor, a Florida Professional Registered Engineer and a General Manager of the utility.

The utility contractor, Robert Bammann, has 25 years experience in construction, operation and maintenance of water and wastewater facilities.

The professional engineer, Charles E. Griffin, has 35 years experience in engineering studies, reports, design, supervision of construction and operation and maintenance of water and wastewater facilities.

The general manager, Mathew S. Griffin, has 4 years experience in utility management with an additional 8 years experience in land surveying, computer programming and operation, public relations and administration.

In addition to above the current utility staff of four persons are experienced in, operation and maintenance of collection systems, force mains and pumping stations, computer control, administration and public relations.

Together with above technical ability and the current approved rate structure, Hudson Utilities, Inc., has the technical and financial ability to render reasonably sufficient, adequate and efficient service to its customers.

The re-structured ownership/management group will fulfill the commitments, obligations and representations of Hudson Utilities, Inc., with regard to utility matters.

EXHIBIT B

List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.

Response:

None-Not Applicable

EXHIBIT C

A copy of the purchase agreement.

Response:

The owner and president of Hudson Utilities, Inc., Robert Bammann, determined that it was in the best interest of the Utility and its customers to expand ownership and management control of the utility.

The stockholder authorized 100 additional shares be issued from treasury stock and a re-distribution as follows:

Robert Bammann	88 shares
Charles E. Griffin	88 shares
Mathew S. Griffin	5 shares
Treasury Stock	
(Under 5 yr. Option to W.R. Hough)	19 shares

(Copy of Corporate Minutes Enclosed)

Also, see Exhibit D.

**WAIVER OF NOTICE OF A SPECIAL REORGANIZATIONAL
MEETING OF SHAREHOLDERS
OF
HUDSON UTILITIES, INC.**

The special reorganizational meeting of the shareholders of the corporation was held at 14334 Old Dixie Highway, Hudson, Florida 34667 on Mar. 29, 1995 at 9:00 AM.

The meeting was called to order by Robert Bammann, the President of the Corporation.

The secretary then reported that the meeting had been called pursuant to a notice of a special reorganizational meeting and/or waiver of notice thereof in accordance with the by-laws. It was ordered that a copy of the notice and waiver of notice be appended to the minutes of the meeting.

The secretary then read the roll of stockholders from the stock transfer ledger. The following stockholders were present in person or by proxy:

<u>Stockholder</u>	<u>Shares</u>	<u>In Person</u>	<u>By Proxy</u>
Robert Bammann	100	X	

The chairman stated that a majority of the total number of shares issued and outstanding was represented and that the meeting was complete and ready to transact any business before it. It was ordered that proxies be appended to the minutes of the meeting.

The president then gave a general report of the business and finances of the corporation and the secretary reported the following changes since the last such report:

Charles E. Griffin purchased 98 shares of Hudson Utilities, Inc. stock from unissued treasury stock.

Mathew Scott Griffin purchased 2 shares of Hudson Utilities, Inc stock from unissued treasury stock and 2 shares from Robert Bammann.

The chairman then stated that the election of directors of the corporation was now in order. The following were nominated and elected as directors:

Robert Bammann
Charles E. Griffin
Mathew Scott Griffin

**WAIVER OF NOTICE OF A SPECIAL REORGANIZATIONAL
MEETING OF SHAREHOLDERS
OF
HUDSON UTILITIES, INC.**

The following action was taken at the meeting:

No other new business

There being no further business, the meeting was, on motion, adjourned.

Dated this 29th day of March, 1995.


(Secretary)

**WAIVER OF NOTICE OF A SPECIAL REORGANIZATIONAL
MEETING OF DIRECTORS
OF
HUDSON UTILITIES, INC.**

We , the undersigned , being all the directors of the corporation hereby agree and consent that this special meeting of directors of the corporation be held on the date and the time and at the place stated below for the purpose of transacting any and all business that should properly come before the meeting and hereby waive all notice of the meeting and any adjournment thereof.

Date of meeting: March 29 , 1995

Time of meeting: 9:30 AM

Place of meeting: 14334 Old Dixie Highway, Hudson, Florida 34667

Dated this 29th day of March , 1995.



Director



Director



Director

**WAIVER OF NOTICE OF A SPECIAL REORGANIZATIONAL
MEETING OF DIRECTORS
OF
HUDSON UTILITIES, INC.**

The special reorganizational meeting of directors of the corporation was held at 14334 Old Dixie Highway, Hudson, Florida 34667.

The following were present:

Robert Bammann
Charles E. Griffin
Mathew Scott Griffin

being a quorum and all of the directors of the corporation.

The secretary then presented and read to the meeting a waiver of notice of meeting, subscribed by all the directors of the corporation, and it was ordered that it be appended to the minutes of the meeting.

The president then rendered a general report of the business of the corporation, the secretary presented his report and the treasurer rendered a report of the finances of the corporation. The officers reports were received and ordered on file.

The following were duly nominated and a vote having been taken were unanimously elected officers of the corporation to serve for a one year term and until their successors are elected and shall qualify:

President	Robert Bammann
Vice President	Charles E. Griffin
Secretary	Mathew Scott Griffin
Treasurer	Mathew Scott Griffin

All of the Directors being present, this meeting was held to accomplish the following:

1. Banking records and check signatories for Hudson Utilities, Inc. are to be changed to the President, Robert Bammann, Vice President, Charles E. Griffin and Secretary/Treasurer, Mathew Scott Griffin. These banking records are currently with Barnett Bank of Pasco County.

**WAIVER OF NOTICE OF A SPECIAL REORGANIZATIONAL
MEETING OF DIRECTORS
OF
HUDSON UTILITIES, INC.**


2. The Florida Secretary of States office in Tallahassee shall be notified of the newly elected officers of Hudson Utilities, Inc.


These proposals were presented to those present and upon motion duly made, seconded and unanimously carried, it was

RESOLVED, the material presented at this meeting is hereby approved and adopted, and that the proper officers of the corporation are hereby authorized to take whatever action is necessary in order to implement the plans,

RESOLVED, that the signing of these minutes by the directors shall constitute full ratification thereof and waiver of notice of the meeting by the signatories.

THERE being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned.


(Director)


(Director)


(Director)

**WAIVER OF NOTICE OF A SPECIAL REORGANIZATIONAL
MEETING OF SHAREHOLDERS
OF
HUDSON UTILITIES, INC.**

I, the undersigned shareholder, hereby agree and consent that this special reorganization meeting of shareholders of the corporation be held on the date and at the time and place stated below for the purpose of electing directors of the corporation and the transaction thereat of all such other business as may lawfully come before said meeting and hereby waive all notice of the special meeting and any adjournment thereof.

Date of meeting: March 29, 1995

Place of meeting: 14334 Old Dixie Highway, Hudson, Florida 34667

Time of meeting: 9:00 AM

Dated this 29th day of March, 1995



Robert Bammann

**WAIVER OF NOTICE OF SPECIAL MEETING
OF SHAREHOLDERS OF
HUDSON UTILITIES, INC.**

I, the undersigned Shareholder, hereby agree and consent that this Special Meeting of Shareholders of the corporation be held on the date and at the time and place stated below for the purpose of approving certain loan documents with Republic Bank and WRH Mortgage, Inc., and authorizing the purchase of certain outstanding shares by the corporation and the granting of an option agreement for the sale of nineteen (19) shares to WRH Mortgage, Inc., as well as the transaction of any and all such other business as may lawfully come before said meeting and hereby waive all notice of this special meeting and any adjournment thereof.

Date of Meeting: May 6, 1997
Place of Meeting: 14334 Old Dixie Highway
Hudson, Florida 34667
Time of Meeting: 9:00 a.m.

Dated this 6th day of May, 1997.


Robert Bammann

WAIVER OF NOTICE OF SPECIAL MEETING
OF SHAREHOLDERS OF
HUDSON UTILITIES, INC.

I, the undersigned Shareholder, hereby agree and consent that this Special Meeting of Shareholders of the corporation be held on the date and at the time and place stated below for the purpose of approving certain loan documents with Republic Bank and WRH Mortgage, Inc., and authorizing the purchase of certain outstanding shares by the corporation and the granting of an option agreement for the sale of nineteen (19) shares to WRH Mortgage, Inc., as well as the transaction of any and all such other business as may lawfully come before said meeting and hereby waive all notice of this special meeting and any adjournment thereof.

Date of Meeting: May 6, 1997
Place of Meeting: 14334 Old Dixie Highway
Hudson, Florida 34667
Time of Meeting: 9:00 a.m.

Dated this 6th day of May, 1997.



Charles E. Griffin

WAIVER OF NOTICE OF SPECIAL MEETING
OF SHAREHOLDERS OF
HUDSON UTILITIES, INC.

I, the undersigned Shareholder, hereby agree and consent that this Special Meeting of Shareholders of the corporation be held on the date and at the time and place stated below for the purpose of approving certain loan documents with Republic Bank and WRH Mortgage, Inc., and authorizing the purchase of certain outstanding shares by the corporation and the granting of an option agreement for the sale of nineteen (19) shares to WRH Mortgage, Inc., as well as the transaction of any and all such other business as may lawfully come before said meeting and hereby waive all notice of this special meeting and any adjournment thereof.

Date of Meeting: May 6, 1997
Place of Meeting: 14334 Old Dixie Highway
Hudson, Florida 34667
Time of Meeting: 9:00 a.m.

Dated this 6th day of May, 1997.



Mathew Scott Griffin

MINUTES OF
SPECIAL MEETING OF SHAREHOLDERS OF
HUDSON UTILITIES, INC.

The Special Meeting of the Shareholders of the corporation was held at 14334 Old Dixie Highway, Hudson, Florida 34667, on May 6, 1997, at 9:00 a.m.

The meeting was called to order by Robert Bammann, President of the corporation.

The Secretary then reported that the meeting had been called pursuant to a notice of special meeting and/or waiver of notice thereof in accordance with the By-Laws. It was ordered that a copy of the Waiver of Notice of Special Meeting be appended to the minutes of the meeting.

The Secretary then read the role of stockholders from the stock transfer ledger. The following stockholders were present in person or by proxy:

<u>Stockholder</u>	<u>Shares</u>	<u>In person</u>	<u>By Proxy</u>
Robert Bammann	98	X	
Charles E. Griffin	98	X	
Mathew S. Griffin	4	X	

The Chairman stated that all of the total number of shares issued, authorized, and outstanding were represented and that the meeting was complete and ready to transact any business before it.

The President then gave a general report of the proposed permanent loan in the amount of \$4,500,000 with Republic Bank and the subordinate loan in the amount of \$650,000 with WRH Mortgage, Inc..

Additionally, the President reported on the proposed stock option agreement with WRH Mortgage, Inc., whereby Robert Bammann and Charles E. Griffin each would sell ten (10) shares back to the corporation for the amount of \$120.00 per share. Thereafter, the corporation would grant a stock option for six years from the date of closing for nineteen (19) shares to WRH Mortgage, Inc., at a price per share of \$250.00 and issue one additional (1) share to Mathew S. Griffin paid \$120 for this share. It was also recognized that Mathew Griffin paid the corporation the sum of \$480.00 for the four (4) shares which he already owns.

These proposals were presented to those present and upon a motion duly made, seconded, and unanimously carried, it was

RESOLVED, that the Republic and WRH Loans presented at this meeting be approved and adopted, and that the proper officers of the corporation are hereby authorized to take whatever action is necessary in order to implement said loans,

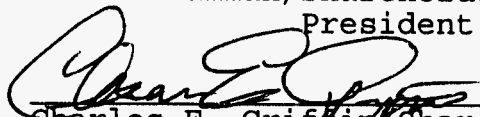
RESOLVED, that the stock option and transfers as proposed are hereby approved and that the proper officers of the corporation are hereby authorized to take whatever action is necessary in order to implement said transfer.

RESOLVED, that the signing of these Minutes by the Shareholders shall constitute a full ratification and waiver of the notice of meeting by the signatories.

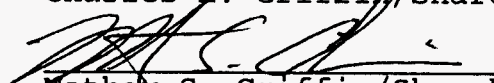
There being no further business to come before the meeting upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.



Robert Bamman/Shareholder
President



Charles E. Griffin/Shareholder



Mathew S. Griffin/Shareholder

WAIVER OF NOTICE OF SPECIAL MEETING
OF DIRECTORS OF
HUDSON UTILITIES, INC.

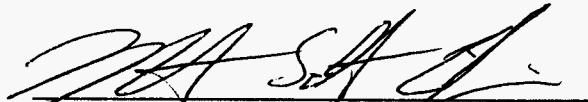
We, the undersigned Directors, hereby agree and consent that this special meeting of Directors of the corporation be held on the date and at the time and place stated below for the purpose of approving certain loan documents with Republic Bank and WRH Mortgage, Inc., and authorizing the purchase of certain outstanding shares by the corporation and the granting of an option agreement for the sale of nineteen (19) shares to WRH Mortgage, Inc., as well as the transaction of any and all such other business as may lawfully come before said meeting and hereby waive all notice of this special meeting and any adjournment thereof.

Date of Meeting: May 6, 1997
Place of Meeting: 14334 Old Dixie Highway
Hudson, Florida 34667
Time of Meeting: 9:30 a.m.

Dated this 6th day of May, 1997.


Robert Bammann


Charles E. Griffin


Mathew Scott Griffin

MINUTES OF
SPECIAL MEETING OF DIRECTORS OF
HUDSON UTILITIES, INC.

The Special Meeting of the Directors of the corporation was held at 14334 Old Dixie Highway, Hudson, Florida 34667, on May 6, 1997, at 9:30 a.m.

The following were present: Robert Bammann, Charles E. Griffin, and Mathew Scott Griffin, being a quorum and all the Directors of a the corporation.

The Secretary then presented and read to the meeting a Waiver of Notice of Special Meeting subscribed by all the Directors of the corporation, and it was ordered to be appended to the minutes of the meeting.

All the Directors being present, this meeting was held to accomplish the following:

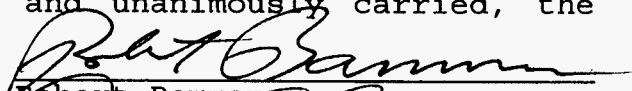
1. The approval of the Loan Documents with Republic Bank for the permanent loan in the amount of \$4,500,000 and the subordinate loan with WRH Mortgage, Inc., in the amount of \$650,000 including all related loan documents.

2. The proposed stock option agreement whereby Robert Bammann and Charles E. Griffin would each sell ten (10) shares of stock to the treasury for \$120.00 per share and thereafter the corporation would grant a stock option agreement for a period of six years from the date of closing for nineteen (19) shares at a price of \$250.00 per share to WRH Mortgage, Inc., and issue an additional one (1) share to Mathew S. Griffin for the price of \$120.00. Mathew S. Griffin also paid the sum of \$120.00 for each of the four (4) outstanding shares he presently owns.

These proposals were presented to those present and upon a Motion duly made, seconded, and unanimously carried, it was resolved, the material presented at this meeting, is hereby approved and adopted, and the proper officers of the corporation are hereby authorized to take whatever action is necessary in order to implement the loan and stock transfer.

RESOLVED, that the signing of these minutes by the Directors shall constitute full ratification thereof and waiver of notice of the meeting by the signatories.

There being no further business to come before the meeting, upon Motion duly made, seconded, and unanimously carried, the meeting was adjourned.


Robert Bammann


Charles E. Griffin


Mathew Scott Griffin

EXHIBIT D

A statement of how the buyer is financing the purchase.

Response:

Hudson Utilities, Inc. retained Charles E. Griffin, consulting engineer, in March, 1989, in order to develop the necessary engineering studies, reports and financial projections required for procuring construction and permanent long term financing. Hudson Utilities was not in a profit mode during this eight year period of time, therefore was unable to pay for the services rendered.

When the utility owner determined that it was in the best interest of the utility and its customers to expand ownership and management control of the utility he selected Charles E. Griffin, to be a major shareholder and Mathew S. Griffin, an arbitration minority shareholder.

IN appreciation and compensation for prior services, Charles E. Griffin was allowed to purchase the 88 shares for book value of \$ 120.00 per share and on a cash basis.

EXHIBIT E

A list of all entities, including affiliate which have provided or will provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.

Response:

Hudson Utilities, Inc closed on a \$ 5,100,000.00 construction loan on May 7, 1997, with WRH Mortgage, Inc., and Republic Bank. This was the necessary amount of funding required to complete construction of sanitary sewer service for the existing franchise territory. The expanded ownership and management was an inducement in procuring said loan. The loan is gauranteed by Hudson Utilities, Inc., and personally gauranteed by Robert Bammann, Charles E. Griffin and wife and Mathew S. Griffin.

Charles E. Griffin, consulting engineer is under contract with Hudson Utilities, Inc. to provide engineering services for new construction, (to include field surveying, design, drafting, DEP and Pasco County permitting, supervision of construction, contractors pay request, as-builts & certification and DEP and Pasco County letters of approval for use), at a total fee of 6.8% of construction cost.

EXHIBIT F

A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the DEP.

If the system is in need of repair or improvement, has any outstanding Notice of Violation(s) of any standard(s) set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violations, a copy of the Notice of Violation(s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost.

Response:

Hudson Utilities sanitary sewer collection and transmission systems are in satisfactory condition and in compliance with all applicable standards set by the DEP.


Charles E. Griffin

The foregoing instrument was subscribed and sworn to before me this 3rd day of August, 1998, by Charles E. Griffin.

Notary Public:




 Stacey L. Bammann
My Commission CC742422
Expires May 13, 2002

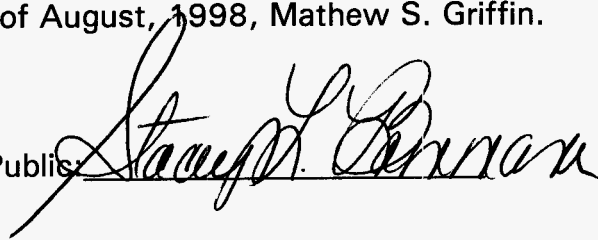
EXHIBIT F (CONT.)



Mathew S. Griffin

The foregoing instrument was subscribed and sworn to before me this
3rd day of August, 1998, Mathew S. Griffin.

Notary Public



Stacey L. Bammann
My Commission CC742422
Expires May 13, 2002

Exhibit G

An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following: the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located; the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located, if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities in the bordering counties and holding a certificate granted by the Commission; the regional planning council; the Office of Public Counsel; the Public Service Commission's Director of Records and Reporting; the appropriate regional office of the Department of Environmental Protection; and the appropriate water management district. Copies of the Notice and a list of entities noticed shall immediately accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

Response:

The Notice of Actual Application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail on _____, 1998, to the following:

(This will be provided as a late filed exhibit)

GOVERNMENTAL AGENCIES

CLERK, BOARD OF COUNTY COMMISSIONERS, PASCO COUNTY
38053 LIVE OAK AVENUE
DADE CITY, FL 33625

DEP SOUTHWEST DISTRICT
3804 COCONUT PALM DRIVE
TAMPA, FL 33618-8318

MAYOR, CITY OF DADE CITY
P. O. BOX 1365
DADE CITY, FL 33626-1365

MAYOR, CITY OF NEW FORT RICHEY
5919 MAIN STREET
NEW FORT RICHEY, FL 34652

MAYOR, CITY OF FORT RICHEY
ATTN: CITY CLERK
8624 FORT RICHEY VILLAGE LOOP
FORT RICHEY, FL 33668

Exhibit G (continued)

GOVERNMENTAL AGENCIES

MIKE WELLS, PASCO COUNTY PROPERTY APPRAISER
38053 LIVE OAK AVENUE, SUITE 211
P. O. BOX 401
DADE CITY, FL 33526-0401

PASCO COUNTY ADMINISTRATOR
4025 MOONLAKE ROAD
NEW PORT RICHEY, FL 33552

S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6889

TAMPA BAY REGIONAL PLANNING COUNCIL
9465 KOGER BLVD., SUITE 219
ST. PETERSBURG, FL 33702-2491

STATE OFFICIALS

STATE OF FLORIDA PUBLIC COUNSEL
C/O THE HOUSE OF REPRESENTATIVES
THE CAPITOL
TALLAHASSEE, FL 32399-1300

DIVISION OF RECORDS AND REPORTING
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0860

MAYOR, CITY OF SAN ANTONIO
32819 PENNSYLVANIA AVENUE
P. O. BOX 75
SAN ANTONIO, FL 33576-0075

MAYOR, CITY OF ST. LEO
P. O. BOX 2479
ST. LEO, FL 33574-2479

MAYOR, CITY OF ZEPHYRHILLS
5335 8TH STREET
ZEPHYRHILLS, FL 33540-5133

Exhibit G (continued)

UTILITY NAME

MANAGER

PASCO COUNTY

ALLEN LAFORTUNE AND OTIS FONDER (WJ556) 36645 SUNSHINE ROAD ZEPHYRHILLS, FL 33641-1182	LAFORTUNE & FONDER (813) 782-6929
ALPHA UTILITIES, INC. (WS001) 2514 ALPHA PLACE HOLIDAY, FL 34691-3499	STEPHEN G. WATFORD (813) 937-4275
BARTELT ENTERPRISES, INC. (WS522) P. O. BOX 609 TARPON SPRINGS, FL 34688-0609	RUTH BARTELT (813) 937-6133
BETMAR UTILITIES, INC. (WS017) P. O. BOX 370 PORT RICHEY, FL 34673-0370	JOE L. TURCO (813) 845-3199
C. S. WATER COMPANY, INC. (WJ030) P. O. BOX 3000 CRYSTAL SPRINGS, FL 33524-3000	CLYDE A. BISTON (813) 783-2984 (OFFICE)
CRESTRIDGE UTILITY CORPORATION (WJ049) 4804 MILE STRETCH DRIVE HOLIDAY, FL 34690-4368	EILEEN M. FALLA (813) 937-6275
DIXIE GROVE ESTATES, INC. (WJ056) P. O. BOX 845 NEW PORT RICHEY, FL 34666-0845	JUDSON F. POTTER (813) 845-1530
FLORALIND PROPERTIES, INC. (WJ075) 5147 MARINE PARKWAY, SUITE C NEW PORT RICHEY, FL 34662-3525	TONY TUBCLINO (813) 843-0064
FLORIDA WATER SERVICES CORPORATION (WS554) P. O. BOX 609620 ORLANDO, FL 32860-9620	BRIAN P. ARMSTRONG (407) 880-0058
FOREST HILLS UTILITIES, INC. (WS081) 1518 U.S. HIGHWAY 19 HOLIDAY, FL 34691-5649	ROBERT L. DREHER (813) 937-7457
GEM ESTATES UTILITIES, INC. (WJ691) P. O. BOX 1325 ZEPHYRHILLS, FL 33639-1325	JACQUELINE CAHILL (813) 782-1790

Exhibit G (continued)

UTILITY NAME

MANAGER

PASCAGO COUNTY (continued)

HACIENDA VILLAGE UTILITIES, INC. (SU676) 6939 HAC-EM DRIVE PORT RICHEY, FL 34668-1398	SAM HAC-EM (813) 868-7418
HOLIDAY GARDENS UTILITIES, INC. (WU109) 4804 MILE STRETCH DRIVE HOLIDAY, FL 34680-4388	EILEEN M. FALLA (813) 937-6275
HOLIDAY UTILITY COMPANY, INC. (WU111) P. O. BOX 27 TARPOON SPRINGS, FL 34688-0027	LOREN D. ECOFF (813) 934-5364
HUDSON BAY COMPANY (HUDSON UTILITIES, INC. D/B/A) (SU114) 14334 OLD DIXIE HIGHWAY HUDSON, FL 34667-1134	ROBERT BAYMANN (813) 863-0205
JASMINE LAKES UTILITIES CORPORATION (WS630) 1817 U.S. HIGHWAY 19 HOLIDAY, FL 34691-5554	JAMES DREHER (813) 848-0275
KEMPLE WATER COMPANY (WU132) 37502 MARCLIFF TERRACE ZEPHYRHILLS, FL 33641-8451	RICHARD KEMPLE (813) 782-2972
L W V UTILITIES, INC. (WU135) 7552 CONGRESS STREET, SUITE 4 NEW FORT RICHEY, FL 34663-1106	JAMES A. COO-RAN (813) 849-9389
LINDRICK SERVICE CORPORATION (WS149) P. O. BOX 1176 NEW FORT RICHEY, FL 34666-1176	HELEN L. MONEIL (813) 848-1165
MAD HATTER UTILITY, INC. (WS155) 1900 LAND O' LAKES BLVD., SUITE 113 LUTZ, FL 33649-2913	LARRY G. DELUCENAY (813) 949-2167 OR -5977
ORANGELAND WATER SUPPLY (WU179) 2109 OVERVIEW DRIVE NEW FORT RICHEY, FL 34665-4131	FRED J. SNELL (813) 372-8330
ORANGEWOOD LAKES SERVICES, INC. (WS180) 7802 CONGRESS STREET, SUITE 4 NEW FORT RICHEY, FL 34663-1107	ALFRED G. HETLER (813) 849-9555

Exhibit G (continued)

UTILITY NAME

MANAGER

PASCO COUNTY (continued)

PARADISE LAKES UTILITY, LTD. (WS446) P. O. BOX 750 LAND O'LAKES, FL 34639-0750	FRED BISCHOFF (813) 949-9327 EXT 322
PASCO UTILITIES, INC. (WJ190) P. O. BOX 4118 TAMPA, FL 33677-4118	LIONEL LLANES (813) 877-8330
SOUTH PASCO UTILITIES, INC. (WS634) P. O. BOX 16800 TAMPA, FL 33687-6800	GEORGE L. BLACK, JR. (813) 986-2489
TERRACE PARK VENTURES (SKY ACRES ENTERPRISES D/B/A) (SU750) 700 GRAND AVENUE WALSAU, WI 54403	RONALD HOFFER (813) 632-8280
TIMBERWOOD UTILITIES (B.D.C., INC. D/B/A) (WS642) 36323 ARBOR OAKS DRIVE ZEPHYRHILLS, FL 33541-2031	KURT WALLACH (661) 557-8800
UTILITIES, INC. OF FLORIDA (SU640) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4099	DONALD RASMUSSEN (407) 889-1919
UTILITIES, INC. OF FLORIDA (WJ372) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4099	DONALD RASMUSSEN (407) 889-1919
VIRGINIA CITY UTILITIES, INC. (WJ718) P. O. BOX 845 NEW FORT RICHEY, FL 34666-0845	JUDSON F. POTTER (813) 845-1530

Exhibit H

An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system. A copy of the notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

Response:

The Notice of Actual Application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail on _____, 1998, to each customer of the system.

(This will be provided as a late filed exhibit)

Exhibit I

Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

Response:

The Notice of Actual Application was published once in the St. Petersburg Times in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the Proof of Publication is enclosed herewith.

(This will be provided as a late filed exhibit)

Exhibit J

Indicate the filing fee enclosed with the application: (one fee for water and one for wastewater).

Response:

The filing fee enclosed with the application (for wastewater) is \$ 2,250.00 .

Exhibit K

Evidence that the utility owns the land where the utility treatment facilities that will serve the proposed territory are, or will be located. If the utility does not own the land, a copy of the agreement, such as a 99-year lease, which provides for the long term continuous use of the land. The Commission may consider a written easement or other cost-effective alternative.

Response:

Hudson Utilities designs and constructs the gravity sewer collection systems, force mains and pumping stations, for each collection area, in platted road right-of-ways and easements. Where additional easements may be required, the easement is procured and recorded prior to construction.

The Hudson sub-regional wastewater treatment and disposal facility is owned and operated by Pasco County through its Utilities department.

Exhibit L

The original and two copies of sample revisions to the utility's tariff(s) to incorporate the proposed change to the certificated territory.

Response:

The original and two copies of revised tariff sheets is not required in that the issuing officer and all other data remains the same and did not change as a result of Hudson Utilities issuing additional stock.

A copy of the Applicant's current certificate.

Response:



FLORIDA PUBLIC SERVICE COMMISSION

CERTIFICATE NUMBER

104-S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to

HUDSON UTILITIES, INC.

Whose principal address is

1500 Sunset Drive

Hudson, Florida 33568 (PASCO COUNTY)

to provide SEWER service in accordance with the provisions of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 5781 DATED 6-19-73 DOCKET C-72696-S

ORDER 7824 DATED 6-2-77 DOCKET 750558-S

ORDER 13823 DATED 10-31-84 DOCKET 840296-SU

ORDER 14477 DATED 6-18-85 DOCKET 850149-SU

ORDER 22852 DATED 4-24-90 DOCKET 900065-SU

ORDER 23846 DATED 12-10-90 DOCKET 900020-SU

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

William B. Kelly
Administrative Secretary

Paula Hawkins
Chairman

