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May 20, 2004

**Via Hand-Delivery**

Division of Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 030458-WU - Application for transfer of majority organizational control of Holiday Utility Company, Inc. in Pasco County to Holiday Waterworks Corporation, and amendment of Certificate No. 224-W

Dear Sir or Madam:

This letter will address the issue concerning the appearance on a property easement of the name "Holiday Utilities, Inc." rather than the actual legal name of the corporation, which is "Holiday Utility Company" or the name which appears on the Commission issued certificate of authorization which is "Holiday Utility Company, Inc."

Please be advised that the mutual mistake of the grantor of the easement, Dimmitt Car Leasing, Inc., and the grantee, my client's predecessor, by using the name "Holiday Utilities, Inc." on the easement does not render the easement a nullity. As you are aware, the former owner of the subject property (and grantor of the easement), no longer owns the property. However, the easement remains valid as it is provided to the original grantee and successors and assigns as well as "all other persons claiming by, through or under Grantee."

The recitation of an incorrect legal name for the grantee in the easement document was simply a scrivener's error and it was a mutual mistake by both the parties to the original easement. In this situation, should an agreement such as the easement ever be challenged (and there is no expectation that the subject easement ever would be challenged), an ambiguity will be recognized and the courts will determine the original intent of the parties. Such intent can be established by the course of conduct of the parties subsequent to signing the easement.

As you are no doubt aware, since the easement was granted, my client and its predecessor have installed and replaced water production, treatment and distribution equipment on the easement site and transversed the easement parcel on a regular basis to operate, inspect and maintain the equipment -- all of which actions are and

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have been conducted in plain view of the grantor property owner (which operates a business establishment contiguous to the site). This course of conduct by grantor, grantee and their respective successors is sufficient to establish the intent of the parties and validate the easement, should validity ever be questioned.

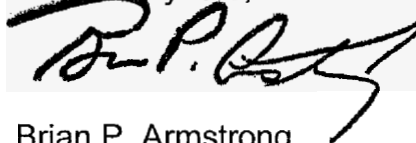
Commission Staff requests that a new easement be signed reflecting the name of "Holiday Utility Company, Inc." as it appears on the Commission issued certificate of authorization. However, such an action can be expected to bring the easement into the focus of the grantor's successor and raise the potential for attempts of such successor to renegotiate its terms or take other action as "compensation" for correcting a scrivener's error. My client believes that, at minimum, such action likely would cost my client the expense of attorney's fees and the consumption of management time (better spent serving customers), etc. In light of the foregoing facts and my client's clear legal standing to enforce its easement rights should they ever be challenged, my client requests that Staff forego such a requirement as a condition precedent to a favorable recommendation of transfer approval.

Finally, my client informs me that its parent company conducted a title search of the property conveyed to Holiday Waterworks Corp. from the prior owner, but no title insurance was obtained. The applicable Commission rule does not require that title insurance be obtained where a 99 year lease is involved and we are unfamiliar with similar requests in other transfer documents. Given that any title issue which may exist would have existed while the utility was under its prior ownership and the fact that my client possesses long-standing familiarity with the subject property, we request that Staff reconsider its request that my client incur the cost of a title insurance policy for the property.

Please acknowledge receipt of this letter by date stamping the enclosed copy and returning it in the postage pre-paid, self-addressed envelope provided herewith.

Thank you for your consideration of the requests made in this letter. Please do not hesitate to call me if you have any questions in these regards.

Very truly yours,



Brian P. Armstrong

BPA/adg

cc: Patti Daniel, Supervisor of Certification