

# U.S. Water Services Corporation

Water and Wastewater Utility Operations, Maintenance, Engineering, Management

Division of Commission Clerk and  
Administrative Services  
2540 Shumard Oak Blvd  
Tallahassee, FL 32399-0850  
Attn: Patricia Daniels

Docket #: 070394-WU  
Holiday Utilities

COMMISSION  
CLERK

08 JUL 16 AM 10:40

RECEIVED -FPSC

Dear Ms. Daniels,

In accordance with your request of July 9<sup>th</sup> 2008 requesting clarification or current status on matters of the above referenced docket we offer the following response:

## Westwood System

1. The unaccounted for water in the test year appears to be approximately 30%-has there been improvements since the test year that has reduced this percentage?

Response: Following the test year the well meter measuring water pumped has been replaced improving accuracy; however, of greater significance was the development of a sinkhole within our Westwood System. The Utility's customer lateral fell victim to a sinkhole- According to residents, a slight depression in the street developed over a long period and the most immediate homeowner was filling his yard next to the sidewalk on several occasions which helped hide the problem-how long and to what extent the fractured service lateral has been leaking under the street pavement is unknown (reference Attached Pictures). The unaccounted for water statistics appear to be improving. Data for the year 2007 and the first half of 2008 is attached as Schedules A, B and C. Schedule A denotes information individually for both the Anclote and Westwood systems showing the unaccounted for water to be 11.85% and 26.82% respectively. Schedule B shows the unaccounted for water to be 18.04% for Holiday Utilities for 2007. Schedule C presents information on the first half of 2008 which shows the unaccounted for water to be at 18.34% for the utility.

DOCUMENT NUMBER -DATE

06115 JUL 16 08

FPSC-COMMISSION CLERK



Owned & Operated  
in the U.S.A.

4939 Cross Bayou Boulevard • New Port Richey, FL 34652  
Phone: 727-848-8292 • Fax: 727-848-7701 • Toll Free: 866-753-8292

CUC1223914 • CGC003307 • QB26776

2. "Does the Westwood system service use on include any mobile home parks".

Response: No

3. "Confirm the number of connections and the number of lots served by the Westwood System"

Response: The Westwood System serves 119 lots, has 119 meters set which consists of 118 customers and 1 vacant lot.

4. "Approximately \$40,000 was granted in a previous rate case to fix/develop wells 2 & 3 current files/notes indicate that initiative was abandoned and that other wells may be utilized. Are other wells connected? What is the status of additional water sources"?

Response: \$42,200 was appropriated in the previous rate case for proforma additions to the Utility for the development of wells 2 & 3 in order to provide an additional supply of water. The development of wells 2 & 3 was initiated with pumps and power installed for testing purposes (quality flow and drawdown) as required for DEP authorizations. \$19,250 was spent before the property owner (Dimmitt Properties) and a developer (Rottlund Homes) legally challenged the Utility's rights to utilize wells on the property alleging that the Utility has no easement for its wells and pipelines and was trespassing on the land impending development of the property. [Note: The ensuing legal activities impeded further activities on the property and threatened the existing water sources of the Utility creating the possibility of making a significant capital investment to locate, permit, and develop other sources. There are two existing wells which are immediately adjacent to, but outside of, the Dimmitt Property that are permitted to the Utility by SWWMD, but are inaccessible without crossing the Dimmitt property. Nine (9) other wells are interior to the property]. The legal battle came to a halt when the housing market conditions caused Rottlund Homes to drop its option on the property at the end of 2007. The Utility and the property owner recently negotiated an understanding where-in an easement will be granted for a water line relocation near the perimeter of the property which would allow for the connection of the two (2) wells located on the immediately adjacent property to be connected to the Utility's current treatment and hydro tank. Such line relocation around the perimeter of the property will allow for the development of the property in the future. Plans for this relocation work were submitted to DEP for permit purposes this past week. During the legal battle, significant capital improvements were made consistent with the PSC approved proforma with capital spending exceeding the proforma estimate by \$50,444. A schedule of these expenditures was submitted to the PSC (circa 2/28/06) as justification for the full rates approved in previous case (now the current rates) being placed in effect. Additionally, the Utility and the County reached a revised agreement as to the County Water System being utilized once again as a back up water supply. Reference Copy attached. The existing chloramines disinfection system and appurtenances in use at the Anclote portion of the Utility

will be relocated to the Westwood system to allow the County system to be used without human intervention as now required/stipulated in the revised agreement.

The relocation of the Chloramines unit to Westwood System is estimated to cost approximately \$25,000 and includes plan preparation as required for FDEP construction permit approval, unit relocation, weather resistant structure and pad, electrical modifications, and power feeds. Such relocation would begin within 15 days of permit receipt as the removal of the unit from service at Anclote whichever occurs last, and would take approximately two (2) months to complete. The Utility requests the cost associated with such relocation to be included in this case.

## **Anclote System**

5. "Provide evidence of FDEP revised consent order schedule for purchasing water from Tarpon Springs."

Response: The Utility has not yet received a revised schedule for the purchase of water; however, an email from Gwen Shoffner of the FDEP acknowledging that a schedule will be developed per with the Utility's request. Such schedule should be consistent with the timing of the rate case.

6. "Confirm the number of connections and the number of lots served by the Anclote Systems."

Response: The Anclote system has facilities in place to serve 288 lots. They system has 219 meters set consisting of 218 customers served and 1 meter servicing a vacant lot. Additionally there are 5 lots that have no meter connection. There are 4 occupied houses that have had the meters removed and are on wells.

7. "Does the Anclote system service area include any mobile home parks?"

Response: Yes the Utility serves 3 mobile home parks which contain 182 metered customers and metered spaces.

8. "A review of billed customers during the test year indicates that a \$4.00 per month fire protection fee was charged to 3 customers (Blair, Shaw and Gulfside Elementary School)-does the Utility now charge such a fee".

Response: The Utility discontinued charging such fee in October 2007. The fee charged was a pass through of a fee charged by Tarpon Springs for a fire hydrant tapped directly onto the Tarpon Springs water system which allowed the developer of Rumar Lane to obtain subdivision approval by the County. Tarpon Springs would not provide this service directly to the developers due to territorial limitations, therefore, the Utility acted as the "strawman" in this arrangement which was in place prior to the purchase of the Utility by the current owners.

9. "When the purchase of water form Tarpon Springs begins, the three (3) wells of the Anclote system will no longer be used. Will any equipment no longer utilized be salvaged?"

Response: The Utility will relocate the chloramines disinfection system from Anclote to the Westwood portion of Holiday Utility. The Hydro tank will be abandoned in place or scrapped- the labor cost for scrapping the tank will offset any scrap value. The tank has no value for sale or use elsewhere as the tank is "grandfathered "for its existing use but it not a "coded/label tank" and therefore cannot be installed on another potable water system. Other small items such as used valves, used chorine pump etc. have nominal value and the labor to remove and use elsewhere or the cost to market or sell would offset any residual value they may have.

10. "What was the date the interconnect with Tarpon Spring was physically in place?"

Response: The Utility received a clearance letter from the FDEP on 11/3/05 which marked the completion and approval of the installation and readiness for use.

## **General**

11. "Confirm the rate schedule provided by Tarpon Springs as submitted to the PSC-is it current charges as to the cost of purchased water-the PSC is unable to confirm such schedule with Tarpon Springs."

Response: the Utility through its agent, US Water Services Corp, retraced the PSC footsteps in this regard by contacting the billing staff (Tina) at Tarpon Springs. We were informed that the previously submitted schedule (Exhibit H of Tarpon Springs Rates) was not the appropriate rate schedule. The appropriate current rate schedule for "outside city commercial water rates" was supplied and shows the current rate to be \$4.07 per 1000 gallons plus a connection fee of \$445.90 A copy attached as Schedule D. An increase in such rate(s) by Tarpon Springs is planned (reference attached copy of public notice) but not yet published. The Utility and its Agent US Water appreciate the diligence of the PSC. We are unable to offer an explanation for the previously submitted schedule and we request that the attached Schedule D be utilized (until changed by Tarpon) as the applicable rates for water purchased by the utility.

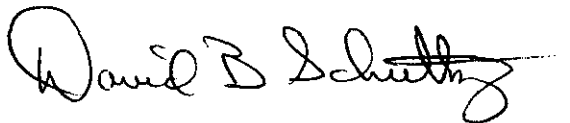
## **Additional Information:**

The Utility's legal activities as previously discussed herein, involving the defense of its right to retain ownership of its wells and pipelines located on the Dimmitt property was furnished by the Utility and audited by PSC auditors during the field audit. Such audit also included legal fees for the transfer of ownership and franchise disputes with the County over serving Gulf Winds property (which included previous activities of the PSC relative to such dispute). During the audit process, the Utility informed the field auditors of the Utility's intent to recover such costs within the rates. To date the Utility has not been informed as to the status of this matter. Recognizing that the drafting of staff's recommendations is not complete at this time, the Utility does want to bring this item to your attention and restate the need for such recovery within the recommended rates. We recognize that time is of the essence as staff prepares its recommendations to the Commission. Should such recovery not already be a part of staff's recommendations, and recognizing that staff time may be limited, the Utility, if necessary, would be willing to request a waiver of the schedule for this case to the August 19<sup>th</sup> agenda conference. Please indicate the PSC position on this matter.

Thank you for your inquiry-we trust the above information and the attachments here to, provide satisfactory information for your consideration and use. Please contact this office should additional information be required.

Sincerely,

US Water Services Corporation

A handwritten signature in black ink that reads "David B Schultz Sr". The signature is written in a cursive style with a large initial "D" and a long horizontal stroke at the end.

David B Schultz Sr

Sr. V President

On behalf of Holiday Utility Company Inc.

# SCHEDULE A

Arcoles Road Period	12/4/06-1/8/07	1/8-2/7	2/7-3/5	3/5-4/2	4/2-5/4	5/4-6/4	6/4-7/2	7/2-8/6	8/6-9/3	9/3-10/1	10/1-11/5	11/5-12/10		
Billed	1/12/07	2/9/07	3/9/07	4/6/07	5/11/07	6/8/07	7/6/07	8/10/07	9/7/07	10/4/07	11/9/07	12/10/07	ANNUAL TOTALS	ANNUAL AVERAGE
Total Well Withdrawal Per Calendar Month	1,456,000	1,256,000	1,638,000	1,544,000	1,861,000	1,429,000	1,715,000	1,675,000	1,479,000	1,601,000	1,489,000	1,555,000	18,698,000	1,558,167
Purchased Water	1,380	17,300	30	10	60	10	0	20,450	1,230	70	3,430	20	43,990	3,666
Total Gross Source	1,457,380	1,273,300	1,638,030	1,544,010	1,861,060	1,429,010	1,715,000	1,695,450	1,480,230	1,601,070	1,492,430	1,555,020	18,741,990	1,561,833
GALLONS USED/Billed	1,313,000	1,089,000	1,090,000	1,336,000	1,564,000	1,361,000	1,305,000	1,588,000	1,305,000	1,176,000	1,744,000	1,483,000	16,334,000	1,361,187
System Use / Flushing	14,560	12,560	16,380	15,440	16,610	14,290	17,150	16,750	14,790	16,010	14,890	15,550	186,980	15,582
Estimated Use - Water Breaks													0	0
Total Use	1,327,560	1,101,560	1,106,380	1,351,440	1,582,610	1,375,290	1,322,150	1,584,750	1,319,790	1,192,010	1,758,890	1,498,550	16,520,980	1,376,748
Percentage Unaccounted For	8.91%	13.49%	32.46%	12.47%	14.96%	3.76%	22.91%	6.53%	10.84%	25.55%	-17.85%	3.63%	11.85%	11.85%
GALLONS UNACCOUNTED	129,820	171,740	531,850	192,570	278,450	53,720	392,850	110,700	160,440	409,060	(268,480)	56,470	2,221,010	185,084
Westwood Road Period	12/4/06-1/8/07	1/8-2/7	2/7-3/5	3/5-4/2	4/2-5/4	5/4-6/4	6/4-7/2	7/2-8/6	8/6-9/3	9/3-10/1	10/1-11/5	11/5-12/10		
Billed	1/12/07	2/9/07	3/9/07	4/6/07	5/11/07	6/8/07	7/6/07	8/10/07	9/7/07	10/4/07	11/9/07	12/10/07	ANNUAL TOTALS	ANNUAL AVERAGES
Total Well Withdrawal Per Calendar Month	1,179,000	876,000	1,266,000	1,143,000	1,262,000	1,053,000	1,127,000	1,142,000	1,016,000	1,057,000	1,090,000	997,000	13,208,000	1,100,667
Purchased Water	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Source	1,179,000	876,000	1,266,000	1,143,000	1,262,000	1,053,000	1,127,000	1,142,000	1,016,000	1,057,000	1,090,000	997,000	13,208,000	1,100,667
Gallons Used/Billed	810,000	876,000	806,000	893,000	906,000	913,000	684,000	901,000	735,000	649,000	712,000	646,000	9,533,000	794,417
Gallons Flushing/Maint	11,790	8,760	12,660	11,430	12,620	10,530	11,270	11,420	10,160	10,570	10,900	9,970	132,080	11,007
Estimated Use - Water Breaks													0	0
Total Use	821,790	884,760	818,660	904,430	920,620	923,530	695,270	912,420	745,160	659,570	722,900	655,970	9,665,080	805,423
Percentage Unaccounted For	30.30%	-1.00%	35.33%	20.87%	27.05%	12.30%	38.31%	20.10%	26.66%	37.60%	33.68%	34.21%	26.82%	26.82%
Gallons Unaccounted	357,210	(8,760)	447,340	238,570	341,380	129,470	431,730	229,580	270,840	397,430	367,100	341,030	3,542,920	295,243

JAN-JUN - 14.34%

JUL-DEC - 8.60%

JAN-JUN - 20.81%

JUL-DEC - 31.76%



# SCHEDULE C

2008 HOLIDAY UTILITY TOTAL SYSTEM USAGE AND BILLING REPORT														
	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08		
<b>Read Period</b>														
<b>Billed</b>	1/11/08	2/8/08	3/7/08	4/14/08	5/12/08	6/6/08							<b>Annual Totals</b>	<b>Annual Averages</b>
<b>Total Well Withdrawl Per Calender Month</b>	2,496,000	2,379,000	2,787,000	2,929,000	3,131,000	2,911,000	-	-	-	-	-	-	16,633,000	2,772,167
<b>Purchased Water</b>	10	20	20	10	10	2,600							2,670	445
<b>Total Gross Source</b>	2,496,010	2,379,020	2,787,020	2,929,010	3,131,010	2,913,600							16,635,670	2,772,612
<b>Monthly Revenue</b>	\$ 9,538.77	\$ 8,845.85	\$ 8,132.86	\$ 17,281.58	\$ 11,237.07	\$ 11,302.22							\$66,338.35	11,058
<b>Gallons Used/Billed</b>	1,736,000	1,584,000	1,359,000	4,215,000	2,248,000	2,276,000							13,418,000	2,236,333
<b>System Use / Flushing</b>	24,960	23,790	27,870	29,290	31,310	29,110							166,330	27,722
<b>Estnated Use - Water Breaks</b>	0	0	0	0	0	0							0	0
<b>Total Use</b>	1,760,960	1,607,790	1,386,870	4,244,290	2,279,310	2,305,110	-	-	-	-	-	-	13,584,330	2,264,055
<b>Percentage Unaccounted For</b>	29.45%	32.42%	50.24%	-44.91%	27.20%	20.88%							18.34%	18.34%
<b>Gallons Unaccounted</b>	735,050	771,230	1,400,150	(1,315,280)	851,700	608,490	-	-	-	-	-	-	3,051,340	508,557
<b>Street Light Monthly Income</b>													\$0.00	\$0.00



## City of Tarpon Springs - New Water Rates

Effective October 1, 2007

**Water**

**Commercial - Outside City**

SCHEDULE D

**Base Facility Charge:**

Meter Size	Customer Charge	+	Readiness-to-Serve Charge	=	Total Base Facility Charge
5/8" - 3/4"	\$1.90		\$ 8.88		\$ 10.78
1"	\$1.90		\$ 22.20		\$ 24.10
1 1/2"	\$1.90		\$ 44.40		\$ 46.30
2"	\$1.90		\$ 71.04		\$ 72.94
3"	\$1.90		\$ 142.08		\$143.98
4"	\$1.90		\$ 222.00		\$ 223.90
6"	\$1.90		\$ 444.00		\$ 445.90 ← *
8"	\$1.90		\$ 710.40		\$ 712.30

**Gallonge Charge:**

<u>Block</u>	<u>Usage Range in Gallons per Month</u>	<u>Rate per 1000 Gallons</u>
1	0 to 5,000	\$ 2.04
2	Greater than 5,000	\$ 4.07 ← *

**Sewer**

**Commercial - Outside City**

**Base Facility Charge:**

Meter Size	Customer Charge	+	Readiness-to-Serve Charge	=	Total Base Facility Charge
5/8" - 3/4"	\$1.90		\$ 13.82		\$ 15.72
1"	\$1.90		\$ 34.55		\$ 36.45
1 1/2"	\$1.90		\$ 69.10		\$ 71.00
2"	\$1.90		\$ 110.56		\$ 112.46
3"	\$1.90		\$ 221.12		\$ 223.02
4"	\$1.90		\$ 345.50		\$ 347.40
6"	\$1.90		\$ 691.00		\$ 692.90
8"	\$1.90		\$1,105.60		\$1,107.50

**Gallonge Charge:**

<u>Block</u>	<u>Usage Range in Gallons per Month</u>	<u>Rate per 1000 Gallons</u>
1	0 to 5,000	\$ 4.13
2	Greater than 5,000	\$ 8.26



## HEARING NOTICE

The City of Tarpon Springs is considering a possible increase in water and sewer rates due to current economic conditions and reduced growth. A Revenue Sufficiency Analysis has been conducted by the City's rate consultant and will be discussed at a water and sewer rate hearing.

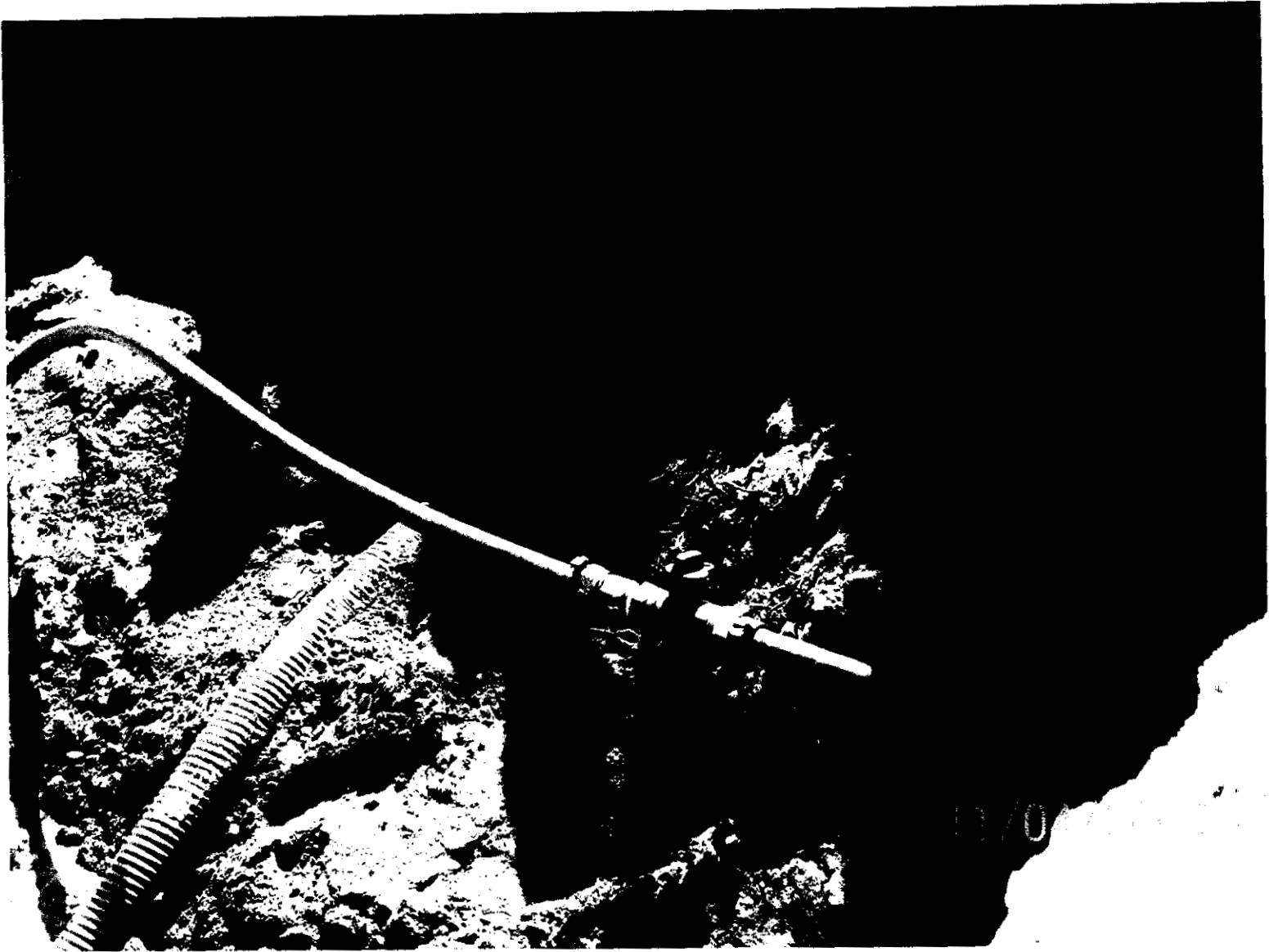
Tuesday July 22, 2008

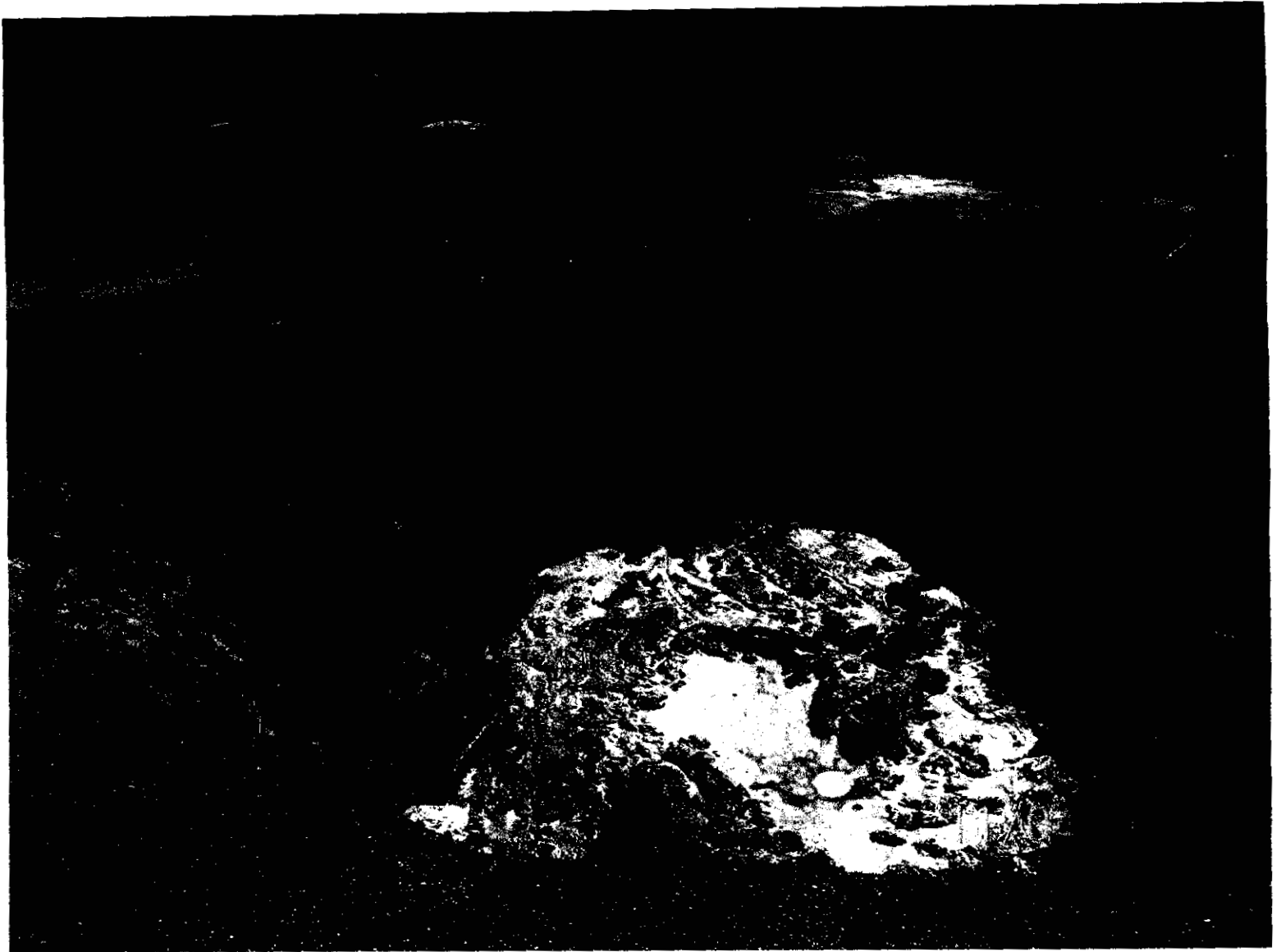
at

6:30 P.M.

at

City Hall Auditorium  
324 East Pine Street  
Tarpon Springs, Florida





**Dave Schultz Sr.**

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**From:** Shofner, Gwen [Gwen.Shofner@dep.state.fl.us]  
**Sent:** Thursday, June 26, 2008 4:46 PM  
**To:** Dave Schultz Sr.  
**Cc:** McArthur, Craig; Fulghum, Frank  
**Subject:** RE: Anclote—purchase water

Hello Mr. Schultz,

The Department is in the process of drafting an amended Consent Order with an extension of the deadline for commencement of purchasing water from Tarpon Springs.

Gwen

*The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on [this link to the DEP Customer Survey](#). Thank you in advance for completing the survey.*

**From:** Dave Schultz Sr. [mailto:DBS@uswatercorp.com]  
**Sent:** Thursday, June 26, 2008 5:22 AM  
**To:** Shofner, Gwen  
**Cc:** Gary Deremer; Kelly, Alison L.  
**Subject:** Anclote--purchase water

Gwen, Hello—The saga continues for Holiday Utility due to the typical passage of time, insufficient luck, and a few usual circumstances which could be anticipated when multiple parties are involved. As you might imagine, the PSC has not yet approved the rate increase necessary to cover the cost of purchasing water from Tarpon Springs as is scheduled to occur on July 1, 2008 per the consent order. The PSC did hold a customer meeting in late May and has scheduled the rate case on the agenda for the Commission meeting in mid-July (the 15<sup>th</sup> or the 17<sup>th</sup>) If there is no significant public objection through out the public comment period the order is expected to be written by mid-Aug and rates would be in effect by the end of Aug. The purchase of water will cost the Utility an additional \$12,000 per month such that the purchase of water without having rates in place for the two month period will likely bankrupt the Utility. The good news, that has occurred during this period, is that the sodium level has always stayed below the 300 mg/l established by the drought order and has actually decreased recently to a level below the standard sodium level of 160 mg/l ( reference attachment ). In view of these circumstances, Holiday Utility respectfully requests that FDEP allow a slippage in the scheduled date for the purchase of water from Tarpon Springs until rates are in effect to cover such costs. Such consideration was a basic principle of the Consent Order and the granting of such request does not impact public health to any degree greater than that authorized by the drought order for other water systems. We know that it is FDEP's intention, as it is the Utility's, to see that a long term solution is reached to ensure that the customers of Holiday Utility are provided reliable potable water meeting permit limits. In that regard

7/12/2008

please rest assured that that the Utility has every intent and is committed to sourcing its water from Tarpon Springs immediately upon having rates in place to allow for such purchase. We trust in your consideration of this request that recognition be made that the Utility never did at any point in the past oppose or dispute the directive of FDEP to purchase water for resale purposes and that remains the commitment of the Utility. Your timely consideration of this request is appreciated.

Please contact me with any questions or directives you may have regarding this request. Sincerely  
-Dave Schultz on behalf of Holiday Utility Company Inc.

David Schultz, Sr.

Senior Vice President

*US Water Services Corporation*

Office 727.848.8292 ext. 276

Fax 727.848.7701

Toll Free 866.753.8292

7/12/2008



# PASCO COUNTY, FLORIDA

14236 6<sup>th</sup> Street, Suite 201  
Dade City, FL 33523

November 30, 2007

Mr. Gary Deremer, President  
Holiday Utility Company  
4939 Cross Bayou Boulevard  
New Port Richey, FL 34653

RE: Agreement for Emergency Water

Dear Mr. Hatoum:

At the Pasco County Board of County Commissioners meeting of November 27, 2007, the above mentioned agenda item was approved. Attached is an original document for your files.

If you have any questions, please contact the Board Records Department at 14236 6<sup>th</sup> Street, Suite 201, Dade City, Florida 33523 or call (352) 521-4274 extension 4911.

Sincerely,

**JED PITTMAN**  
Clerk to the Board

By: *Sandra Bader/Deputy Clerk*  
Sandra Bader/Deputy Clerk

JP/srb

Enclosure

C 74

**UTILITIES SERVICE AGREEMENT  
FOR EMERGENCY WATER SUPPLY**

**THIS AGREEMENT**, made and entered into, 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 the "COUNTY," and HOLIDAY UTILITY COMPANY, which owns certain utility systems within Pasco County, Florida; hereinafter referred to as the "UTILITY."

**W I T N E S S E T H:**

**WHEREAS**, the UTILITY is in need of obtaining emergency, supplemental, water supply service from the COUNTY during certain periods when power is lost or disrupted to the UTILITY'S water supply wells; and

**WHEREAS**, there is one (1) existing valved-interconnect at Beacon Square Drive between the respective potable water systems owned by the COUNTY and UTILITY; and

**WHEREAS**, the COUNTY water system has the capacity and capability to provide some measure of supplemental water supply during emergency loss of power conditions at the UTILITY'S source of water supply wells; and

**WHEREAS**, the COUNTY and UTILITY use different processes to disinfect its water, therefore, pursuant to the directive of the Florida Department of Environmental Protection (FDEP) and to protect public health, the supplies must be maintained separate and the use of the emergency supplemental water supply must be handled pursuant to certain protocol; and

**WHEREAS**, the COUNTY and UTILITY are desirous of entering into this Agreement to provide for the provision of an emergency supplemental water supply to the UTILITY'S utility systems during loss of power emergency situations.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, it is mutually agreed by and between the parties hereto as follows:

1. The Whereas clauses set forth above are incorporated herein by reference and made a part of this Agreement.
2. The interconnections shall be designed, permitted, constructed, and maintained in accordance with the Rule 62-555.360, Florida Administrative Code. All interconnects will use "air-gap separation" systems when not in service to prevent unauthorized use and mixing of water supply between systems.
3. The UTILITY or authorized utility operator shall notify the COUNTY to activate the interconnect when emergency conditions warrant activation. The COUNTY shall immediately mobilize personnel and activate the interconnect. (The UTILITY agrees that only COUNTY personnel are authorized to replace the air-gap, activate the metered interconnect, activate the interconnect, or otherwise operate any COUNTY property.) The UTILITY shall institute and perform all public/customer notification actions required



by the FDEP and additional actions that are prudent for protecting public health and safety when receiving COUNTY water supply that includes use of chloramines. Upon proper public notice, the UTILITY'S certified operator shall then activate the one (1) interconnected valve, located at Beacon Square Drive, and read the meter. The UTILITY agrees to abide by the Agreement and COUNTY Ordinances regarding water service. The UTILITY shall provide the COUNTY with any and all usage and system reports as required by the FDEP. This includes copies of reports sent directly to the FDEP.

4. The UTILITY agrees to pay the COUNTY for all water used during the emergency period at applicable rates; for the COUNTY'S costs to disable and reinstall the air-gap each time water is received; and the monthly base charge and all other charges, fees, and rates as, from time-to-time, are established by the Board of County Commissioners for maintaining this emergency interconnect and service.

5. Any obligation on the COUNTY to provide emergency water under the terms of this Agreement may be terminated without cost, liability, or penalty to the COUNTY in the event it is determined by a court or regulatory agency of competent jurisdiction that the COUNTY lacks the requisite legal authority to provide service. Such termination shall relate only to the service or services determined not to be within the legal authority of the COUNTY to provide.

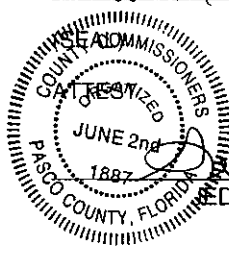
6. In the event the UTILITY violates the provisions of this Agreement or otherwise fails to comply with any provisions of this Agreement or applicable laws or regulations, the COUNTY may terminate this Agreement upon thirty (30) days' written notice to the UTILITY.

7. In the event that the performance of this Agreement is prevented or interrupted by consequence of an Act of God or of the public enemy, or national emergency, allocation or of other governmental restrictions upon the use or availability of labor or materials, rationing, civil insurrection, riot, racial or civil rights disorders or demonstration, strike, embargo, flood, tidal wave, fire, explosion, bomb detonation, nuclear fallout, windstorm, hurricane, sinkholes, earthquake, or other casualty or disaster or catastrophe, unforeseeable failure or breakdown of pumping transmission or other facilities, said party whose performance is impaired shall not be liable for such nonperformance, and the time of performance shall be extended for such time period that such party is diligently attempting to perform.

8. The UTILITY shall indemnify, defend and hold harmless the COUNTY, its Commissioners, officers, agents, and employees, from and against any claim, damages, costs, including attorney's fees or causes of action of whatsoever kind or nature, whether direct, indirect or consequential, including, but not limited to, bodily injury, sickness, disease or death, or injury to or destruction of property, including loss of use, which claims arise out of or are related to or in any way connected with this Agreement provided such claim is caused by the UTILITY, its agents, servants, or employees in the performance of its obligations under this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on this 27<sup>th</sup> day of

November, 2007.



BOARD OF COUNTY COMMISSIONERS  
OF PASCO COUNTY, FLORIDA

APPROVED

*[Signature]*

NOV 27 2007

CHAIRMAN

WITNESSES:

HOLIDAY UTILITY COMPANY

*[Signature]*  
\_\_\_\_\_  
\_\_\_\_\_

BY: *[Signature]*  
\_\_\_\_\_  
GARY DEREMER, OWNER

APPROVED AS TO LEGAL FORM AND SUFFICIENCY  
Office of the Pasco County Attorney

*[Signature]*  
\_\_\_\_\_  
ATTORNEY

# **HOLIDAY UTILITY COMPANY, INC.**

*P.O. Box 398  
New Port Richey, Florida 34652  
Ph: 727-919-0408 Fx: 727-848-7701*

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July 15, 2008

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

RE: **Holiday Utility Company Inc.**  
**FPSC Docket No: 070394-WU**

Dear Commission:

Please accept this letter as a request for wavier regarding the above referenced staff assisted rate case and associated FPSC docket number. In recognition of Florida Statute 367.081 and the timelines for hearings thereby dictated, I am advising that Holiday Utility Company Inc. wishes to waive the current timeline requirement in order to allow PSC staff to review critical information in this case. We request that our docket be reviewed at the August 19<sup>th</sup>, 2008 PSC agenda conference.

As always, I appreciate all consideration provided to Holiday Utility Company Inc. Please do not hesitate to contact me if further discussion is necessary.

Respectfully,



Gary Deremer  
President

Cc; Patty Daniels  
Shannon Hudson

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