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April 3, 2006

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MARTIN S. FRIEDMAN, P.A. VALERIE L. LORD BRIAN J. STREET

VIA HAND DELIVERY

Ms. Patti Daniel Chief Bureau of Certification Division of Economic Regulation Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Forest Utilities, Inc. - Application for Transfer of Laurel Oaks; PSC Docket No. 060169-SU

Our File No. 25052.03

Dear Ms. Daniel:

I am sending you this letter to correct the deficiencies and to provide the additional information requested in your letter dated March 14, 2006. I have provided the response of the Utility to each of the points raised in your letter, after quoting the question or deficiency noted.

Deficiencies

PSC Question 1 - As required by Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code (F.A.C.), the utility must provide notice of the application and provide affidavits that notice was given to the governing bodies of the municipality, county, or counties, property owners and privately owned water and wastewater utilities that hold certificates granted by the Public Service Commission. Please submit the affidavits and copies of the noticing that was provided to local government officials, privately owned utilities, the property owners and the published notice in a local newspaper of general circulation as required by Rule 25-30.030, F.A.C. Enclosed is a list of water and wastewater utilities and governmental Regulatory agencies for Lee County which should receive notice. Noticing must be done in the proper format, consistent with the above mentioned rule.

<u>Utility Response</u> - As of the date of this letter, the appropriate notice has been sent to all of the persons on your list, as well as to each proposed customer within the Laurel Oaks subdivision. I am attaching hereto Affidavits of Mailing in that regard.

<u>PSC Question 2</u> - Please provide one copy of a territory map and a detailed system map showing the existing lines and the territory proposed to be served. The map should be of sufficient scale and

DOCUMENT NUMBER - DATE

Patti Daniel April 3, 2006 Page 2

detail to enable correlation with the description of the territory.

<u>Utility Response</u> - Attached hereto is one copy each of (1) a territory map and (2) a detailed system map showing the existing lines and the territory proposed to be served. These maps are of sufficient scale and detail to enable correlation with the description of the property.

Additional Information

<u>PSC Question 1</u> - Who provides water service to the customers of Laurel Oaks and Forest Utilities?

<u>Utility Answer</u> - All water services are provided on an individual metered basis to the residents of Laurel Oaks by Lee County Utilities.

<u>PSC Question 2</u> - According to the application the developer, McNew Development Company, Inc. will construct the interconnection of Laurel Oaks and Forest Utilities. The sales agreement limits the costs of construction for the interconnect to \$100,000 for the developer. The contract does not address what happens if the cost should exceed \$100,000 or is less than \$100,000. Which party is responsible for the cost of the interconnect if the cost exceeds \$100,000 or if the costs should be less than the prescribed amount? If the cost of constructing the interconnection should exceed \$100,000 and Forest Utilities is responsible for that costs, will Forest Utilities' costs be contributed? Also, please describe the interconnect in terms of the diameter of the pipe and the linear feet of line.

<u>Utility Answer</u> - If the cost of the interconnect between Laurel Oaks and the existing Forest Utilities' system exceeds \$100,000, that cost will be paid for by Forest Utilities, Inc. If it is less than \$100,000, the developer, McNew Development, will pay only up to the actual costs. It is unclear what is meant by "will Forest Utilities' costs be contributed?" If Forest Utilities must invest additional monies in the interconnect, those will be an investment by Forest Utilities in utility facilities and will not be a contribution by any definition of that term of which we are aware.

The interconnection will consist of 3,560 feet of 8" diameter force main along the south property line of the Laurel Oaks subdivision to an existing force main owned and operated by the Utility on the east side of US 41.

<u>PSC Question 3</u> - How many Laurel Oaks residential customers will receive wastewater service from Forest Utilities and will the customers of Laurel Oaks be required to comply with Forest Utilities' service availability policy in paying plant capacity fees for each ERC?

<u>Utility Answer</u> - Under the terms of the Agreement, all existing connections within the Laurel Oaks system will not be required to pay a plant capacity fee to Forest Utilities, Inc. However, the developer who owns just a few additional lots within the Laurel Oaks community, will be required to pay all applicable service availability fees, if and when

Patti Daniel April 3, 2006 Page 3

additional connections are requested to the system. There are 113 residential connections currently existing within the Laurel Oaks community.

<u>PSC Question 4</u> - Does the Laurel Oaks subdivision have a club house, pool, or other general service customers, and if so, is service provided and billed on a metered basis?

<u>Utility Answer</u> - There is a clubhouse and one pool on individual meters, which are the only general service customers within the Laurel Oaks subdivision. All service will be provided to the individual customers in the same manner supplied to other residential (flat rate) and general (metered rate) service customers of Forest Utilities.

If you have any further questions, please let me know.

Sincerely,

ROSE SUNDSTROM & BENTLEY, LLP

F. Marshall Deterding For The Firm

FMD/tms

cc: Troy Rendell

Transfer Notice

AFFIDAVIT

I, David Swor, President of Forest Utilities, Inc., do hereby certify and swear that I have provided the attached Notice to all the customers of the Utility within the proposed territory by U.S. mail on this ______ day of ________, 2006, in accordance with the requirements of PSC Rule 25-30.030, Florida Administrative Code.

David Swor, President

STATE	OF	FLORIDA)
COUNTY	(Of	Le li)

The foregoing instrument was acknowledged before me this 3 day of APRIC. 2006, by David Swor, (who is personally known to me or who has produced as identification.

Print Name Judy MAIIETT

Notary Public

State of Florida at Large

My Commission Expires: 5/28/08

Judy Mallett
Commission # DD286803
Expires May 28, 2008
Bround Toy Fain, Investor, Inc. 800,388-7019

AFFIDAVIT OF MAILING

STATE OF FLORIDA

COUNTY OF LEON

FURTHER AFFIANT SAYETH NAUGHT.

Tonya/M. Simpson

Sworn to and subscribed before me this 6 day by Tonya M. Simpson who is personally known to me.

day of April, 2006,

PrintzName

Commission Expires

STATE OF FLORIDA

COMMISSIONERS: LISA POLAK EDGAR, CHAIRMAN J. TERRY DEASON ISILIO ARRIAGA MATTHEW M. CARTER II KATRINA J. TEW



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

March 14, 2006

Mr. F. Marshall Deterding, Esquire Rose, Sundstrom & Bentley, LLP 2548 Blairstone Pines Drive Tallahassee, Florida 32301

Re: Noticing List for Lee County for the Application of Transfer of Laurel Oaks to Forest Utilities, Inc. in Lee County, Florida.

Dear Mr. Deterding:

Enclosed is the list of water and wastewater utilities and governmental/regulatory agencies in the above-mentioned county. Please refer to Commission Rule 25-30.030, Florida Administrative Code, for the noticing requirements. Noticing must be done in the proper format, consistent with the rule. If your notice is not in the proper format, you will be required to renotice and your application will be delayed. Instructions for preparation of a territory description are available upon request.

Please note that if your county list includes two Department of Environmental Regulation offices or two Water Management District offices, you must identify which is the proper district office for your notice.

You will note that the county list is dated and is valid for sixty days from that date. If you have not performed the noticing by this date, you must request an updated list.

If you have any questions, please contact the undersigned at (850) 413-6900.

Sincerely, Pulsard Redeman

Richard Redemann, P.E.

RR:kb Enclosures 1

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LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY (VALID FOR 60 DAYS) 03/14/2006 - 05/12/2006

UTILITY NAME

MANAGER

LEE COUNTY

AQUASOURCE UTILITY, INC. D/B/A AQUA UTILITIES FLORIDA, INC (SU821) % AQUASOURCE, INC. 6960 PROFESSIONAL PARKWAY EAST SARASOTA, FL 34240-8428

NANCE GUTH (941) 907-7411

BAYSHORE UTILITIES, INC. (WU013) 2259 CLUBHOUSE ROAD NORTH FT. MYERS, FL 33917-2523 WAYNE CARSON WAMPLER (239) 482-4024

BE UTILITY SYSTEMS, L.L.C. D/B/A BUCCANEER WATER SERVICE (WU730) % MANUFACTURED HOME COMMUNITIES, INC. 2 NORTH RIVERSIDE PLAZA, SUITE 800 CHICAGO, IL 60606-2682

HELMA REYNOLDS (239) 995-3337

DEL TURA PHASE I, LLC D/B/A DEL TURA UTILITIES (SU315) 18621 NORTH TAMIAMI TRAIL NORTH FORT MYERS, FL 33903-1308 D. J. PAYNE (239) 731-3433

ENVIRONMENTAL PROTECTION SYSTEMS OF PINE ISLAND, INC. (SU287) 3039 YORK ROAD ST. JAMES CITY, FL 33956-2303

KEVIN J. CHERRY (239) 283-1144

FOREST UTILITIES, INC. (SU293) 6000 FOREST BLVD. FT. MYERS, FL 33908-4318

DAVID SWOR (239) 481-0111

FOUNTAIN LAKES SEWER CORP. (SU572) 523 SOUTH EIGHTH STREET MINNEAPOLIS, MN 55404-1078 MARY JO KELLY (612) 332-7281

HUNTER'S RIDGE UTILITY CO. OF LEE COUNTY (SU674) 12500 HUNTERS RIDGE DRIVE BONITA SPRINGS, FL 34135-3401

DON HUPRICH (239) 992-4900

MOBILE MANOR WATER COMPANY, INC. (WU167) 150 LANTERN LANE NORTH FORT MYERS, FL 33917-6515

CAROL JULIUS (239) 543-2160

NORTH FORT MYERS UTILITY, INC. (SU317) P. O. BOX 2547 FT. MYERS, FL 33902-2547

JACK SCHENKMAN (239) 543-1005 OR -1808

NORTH FORT MYERS UTILITY, INC. (WU834) P. O. BOX 2547 FT. MYERS, FL 33902-2547

JACK SCHENKMAN (239) 543-1005 OR -1808

LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY (VALID FOR 60 DAYS) 03/14/2006 - 05/12/2006

UTILITY NAME

MANAGER

LEE COUNTY

PINE ISLAND COVE HOMEOWNERS ASSOCIATION, INC. (SU724)

7290 LADYFISH DRIVE

ST. JAMES CITY, FL 33956-2723

PAUL WILLIAMS (239) 283-3100

SCHAEFFER UTILITY MANAGEMENT (239) 489-4779

SANIBEL BAYOUS UTILITY CORPORATION (SU331)

13591 MCGREGOR BLVD., SUITE 21

FT. MYERS, FL 33919-6050

DENNIS M. WALTCHACK

(239) 992-3800 936-8888

SPRING CREEK VILLAGE, LTD. (WS234)

P.O. BOX 6966

FT. MYERS, FL 33911-6966

JOHN J. USTICA

(239) 482-0717

TAMIAMI VILLAGE WATER COMPANY, INC. (WU740)

9280-5 COLLEGE PARKWAY

FT. MYERS, FL 33919-4848

RICHARD S. CUDA

(941) 639-3958

TOWN AND COUNTRY UTILITIES COMPANY (WU811) 2220 PALMER STREET

PITTSBURGH, PA 15218-2603

VINCENT FORMOSA

(239) 283-1061

USEPPA ISLAND UTILITY, INC. (WS249)

P. O. BOX 640

BOKEELIA, FL 33922-0640

PATRICK C. FLYNN (407) 869-1919

UTILITIES, INC. OF EAGLE RIDGE (SU749)

200 WEATHERSFIELD AVENUE

ALTAMONTE SPRINGS, FL 32714-4027

LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY (VALID FOR 60 DAYS) 03/14/2006 - 05/12/2006

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CHAIRMAN, BOARD OF COUNTY COMMISSIONERS, LEE COUNTY P. O. BOX 398 FT. MYERS, FL 33902-0398

CLERK OF CIRCUIT COURT, LEE COUNTY P. O. BOX 2469 FORT MYERS, FL 33902-2469

DEP SOUTH DISTRICT 2295 VICTORIA AVE., SUITE 364 FORT MYERS, FL 33901

MAYOR, CITY OF CAPE CORAL P. O. BOX 150027 CAPE CORAL, FL 33915-0027

MAYOR, CITY OF FT. MYERS P. O. BOX 2217 FORT MYERS, FL 33902-2217

MAYOR, CITY OF SANIBEL 800 DUNLOP ROAD SANIBEL, FL 33957-4096

S.W. FLORIDA REGIONAL PLANNING COUNCIL 1926 VICTORIA AVENUE FT. MYERS, FL 33901

SO. FLORIDA WATER MANAGEMENT DISTRICT P.O. BOX 24680 WEST PALM BEACH, FL 33416-4680

LIST OF WATER AND WASTEWATER UTILITIES IN LEE COUNTY (VALID FOR 60 DAYS) 03/14/2006 - 05/12/2006

UTILITY NAME

MANAGER

STATE OFFICIALS

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

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES FLORIDA PUBLIC SERVICE COMMISSION 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FL 32399-0850

NOTICE OF APPLICATION FOR TRANSFER OF ASSETS

Notice is hereby given on Arci 3, 2006, pursuant to Section 367.071 and Rule 25-30.037(3), F.A.C., Florida Statutes, of the application for a transfer of assets of the Laurel Oaks Wastewater System to Forest Utilities, Inc., 6000 Forest Boulevard, Fort Myers, Florida 33908 providing service to the following described territory in Lee County, Florida.

Laurel Oaks Subdivision
Legal Description
Phases I and II

Laurel Oaks, Unit 1, according to the Plat thereof, recorded in Plat Bok 52, Pages 24 through 29, inclusive, of the Public Records of Lee County, Florida

Laurel Oaks, Unit II, a subdivision, as recorded in Plat Book 56, Pages 13 through 17, inclusive, of the Pubic Records of Lee County, Florida

Also described as:

The South One-Half (S1/2) of the North One-Half (N1/2) of the Southeast Quarter (SE1/4) of Section 36, Township 45 south, Range 24 East, Lee County Florida.

Any objection to the said application must be made in writing <u>and filed</u> with the Director, Division of the Commission Clerk and Administrative Services, 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 attorney for the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

F. Marshall Deterding, Esquire Rose, Sundstrom & Bentley 2548 Blairstone Pines Drive Tallahassee, FL 32301