ORIGINAL

MEMORANDUM

July 31, 2006

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TO:

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVESION

SERVICES

FROM:

OFFICE OF THE GENERAL COUNSEL (GERVASI)

RE:

DOCKET NO. 060122-WU - Joint petition for approval of stipulation on

procedure by Aloha Utilities, Inc. and Office of Public Counsel.

Please file the letter dated July 28, 2006 to Mr. John J. Gallagher from John L. Wharton, in the above-referenced docket.

DATE DOCUMENT SENT TO CCA

RG/pz Attachments

COM	
SEC	

CMP

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

July 28, 2006

VIA FAX AND U.S. MAIL

Mr. John J. Gallagher County Administrator Pasco County, Florida 7530 Little Road New Port Richey, Florida 34654

Re: Aloha Utilities, Inc. and Pasco County Bulk Water Agreement

Dear Mr. Gallagher:

Thank you for meeting on July 26, 2006 with representatives of Aloha Utilities related to the service contemplated in the Bulk Water Agreement between Aloha and the County. This letter is being written to confirm the understanding consistent with those discussions between Aloha and the County.

It is our understanding that by this Friday, August 4, the County will send to Aloha, by email, information regarding the flow rates and pressure at the two connection points through which the Phase One and Phase Two service contemplated by the Bulk Water Agreement will be delivered along with any requirements necessary to effectuate the connections. We appreciate the anticipated conveyance of that data, and look forward to receiving it. It is in the interest of Aloha, the County and Aloha's customers to move these matters forward as expeditiously as possible, so that the water service contemplated by the Agreement can commence.

Additionally, please accept this letter as our confirmation that the County and Aloha understand and agree that the impact fee for Phase One and Phase Two, as set forth in Section VII of the Bulk Water Agreement, will be \$794,285.69 for Phase One and \$1,588,571.30 for Phase Two, and that such impact fee for Phase One and Phase Two will not be increased, nor will any

Mr. John J. Gallagher July 28, 2006 Page 2

additional impact fee be assessed or required for such service, if Aloha has filed an application for service within 90 days after the date on which any ordinance (which is presently planned for final public hearing on September 6, 2006), or other County rule or regulation, which would increase impact fees, above, over, or beyond those set forth within this paragraph, becomes final and effective. Aloha will file such an application for service, in which it will submit Phase One and Phase Two drawings, and a check for the above-referenced amounts, well in advance of the end of that 90 day period.

Also, as was discussed, it is Aloha's intention to file an application for Phase III service, within the same period, under the County's present impact fee schedule, consistent with the paragraph hereinabove referencing Phase One and Phase Two service.

Thank you in advance for your attention to this matter, and for the clarification this meeting brought to these issues. Aloha will continue to work with the County so that the implementation of service contemplated in the Bulk Water Agreement goes smoothly and is implemented efficiently.

Sincerely,

JOHN L. WHARTON

For The Firm

JLW/bsr

cc:

Mr. Stephen Watford Margaret Craig, Esquire Mr. Marshall Willis

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