

ORIGINAL

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November 19, 1999

Via Federal Express

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399

990975-SU

Re: Application for Transfer of Certificate No. 281-S in Lee County from Bonita Country Club Utilities, Inc. to Realnor Hallandale, Inc.

Dear Ms. Bayo:

Pursuant to John D. Williams' letter to me dated October 22, 1999 requesting clarification of Exhibit J of our application, enclosed please find an original and five copies of our response.

Please call if you have any questions or need additional information.

Very truly yours,

G. Helen Athan  
For the Firm

GHA/mko

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APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CMU \_\_\_\_\_  
CTR \_\_\_\_\_  
EAG \_\_\_\_\_  
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2540 Shumard Oak Boulevard  
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**Re: Application for Transfer of Certificate No. 281-S in Lee County from Bonita Country Club Utilities, Inc. to Realnor Hallandale, Inc.**

Dear Ms. Bayo:

This letter is sent in response to John D. Williams' letter to me dated October 22, 1999 requesting clarification of Exhibit J of our application for the above transfer in light of Michael Angel's Affidavit supporting our Motion to Expedite the Application for Transfer or in the Alternative to Take Other Specified Motion for the Benefit of Customers.

Mr. Williams' letter to me states that Mr. Angel's Affidavit indicates that an inspection of the wastewater treatment and lift station facilities was conducted on July 14, 1999. Please note that the Affidavit does not make this statement. Attached please find a copy of the Affidavit for your review and information. Please note that Paragraph 5 of the Affidavit states that Severn Trent began operating and maintaining the wastewater treatment and lift station facilities on July 14, 1999. This is the date on which the Certificate of Title was issued to RealNor Hallandale, Inc. by the Circuit Court of Lee County, Florida with respect to this system. Paragraph 5 of the Affidavit does state that Severn Trent has inspected the wastewater treatment and lift station facilities, but no time period is given. The reason for this is that the inspection took place over a period of time and in the due course of the maintenance and operation of the facilities.

Prior to the time that RealNor took title to the system, a walk-through inspection of the treatment plant was made by representatives of RealNor. Severn Trent was not yet engaged and was not represented in the inspection. The collection system was not specifically inspected at that time. The Bonita Country Club Utilities' manager and the plant operator were both questioned, and based on their representations, RealNor was led to believe that the plant and system were operating properly, were in good condition and were in compliance with all applicable standards of DEP.

Ms. Blanca S. Bayo, Director  
November 19, 1999  
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Since this system was not being purchased, but was being taken over as a result of a foreclosure, the condition of the plant was not a factor and the above-described walk through and interview with BCCU personnel was considered "a reasonable investigation" for purposes of the Application.

Once RealNor took over the operation of the system on or about July 14, 1999, RealNor authorized Severn Trent to perform a full inspection and Mr. Angel provided his opinion around mid-August, after the Application had been filed (July 28). It was then that RealNor found out that all was not as it had been portrayed by Bonita Beach County Club Utilities' personnel. Therefore there is no conflict between the Application and the Affidavit. Each provides information known at the time, to the best of RealNor's knowledge.

As to Mr. Angel's concerns regarding potential health hazards and noncompliance with DEP standards, to the best of our knowledge, there are still potential violations and not violations.

I hope this response addresses your concerns adequately. If you have any questions, please call.

Very truly yours,



G. Helen Athan  
For the Firm

GHA/mko

cc: Mr. Lloyd Liggett  
Mr. Frank Seidman  
Michael Angel  
David B. Erwin, Esq.  
Jeffrey D. Fridkin, Esq.  
D. Keith Wickenden, Esq.

IN THE CIRCUIT COURT OF THE TWENTIETH JUDICIAL CIRCUIT  
IN AND FOR LEE COUNTY, FLORIDA  
CIVIL ACTION

NORTHERN TRUST BANK OF FLORIDA, N.A.  
a National Banking Association

Plaintiff,

v.

CASE NO.98-6169-CA-WCM

BONITA COUNTRY CLUB UTILITIES, INC.  
a Florida Corporation, THOMAS HEIDKAMP,  
CHAPTER 7, TRUSTEE, and all persons having  
or claiming by, through, under, or against any of  
the above parties and all parties having any right,  
title or interest in the subject property.

Defendants.

AFFIDAVIT OF MICHAEL ANGEL

STATE OF FLORIDA        )  
                                  ) §§:  
COUNTY OF COLLIER     )

BEFORE ME, the undersigned authority, personally appeared MICHAEL ANGEL, who,  
being first duly sworn, deposes and says as follows:

1. My name is MICHAEL ANGEL. I am over 18 years old, a citizen of the United  
States, and a resident of Lee County, Florida.

2. I am the Area Manager for Severn Trent Environmental Services (“Severn  
Trent”). Severn Trent is an operation and maintenance company for large municipal and  
privately owned utilities. Severn Trent operates in twenty states. I have been with Severn Trent  
for four years. Prior to my time at Severn Trent, I owned a company called Wastewater Doctor.  
This company operated and maintained wastewater treatment plants. I owned this company for

four years. Prior to owning Wastewater Doctor, I worked for Lee County Utilities in its wastewater operations.

3. I have a wastewater license issued by the Florida Department of Environmental Protection. This is a Class "A" license and the license number is 7629. I have a water license issued by the Florida Department of Environmental Protection. This is a Class "C" license and the license number is 8142. I also have an underground utility construction license issued by the Florida Department of Professional Regulations. The license number is CO57128.

4. I base this Affidavit upon personal knowledge.

5. Severn Trent contracted with Realnor Hallandale, Inc. to operate and maintain the wastewater treatment system that was formerly owned by Bonita County Club Utilities. Severn Trent began operating and maintaining the wastewater treatment and lift station facilities on July 14, 1999. Severn Trent has inspected the wastewater treatment and lift station facilities. Our inspection revealed numerous maintenance problems with the wastewater treatment and lift station facilities. Below is a list of repairs that must be done to the wastewater treatment and lift station facilities.

6. It is my opinion most of the listed repair items were deferred by BCCU prior to July 14, 1999. Indeed, the lack of maintenance we found, especially at the lift stations, poses a potentially immediate health hazard and does not comply with Florida Department of Environmental Protection regulatory requirements.

<b>Wastewater Treatment Plant and related facilities:</b>		<b>Estimated Cost</b>	<b>Ranking: #1 Immediate #2 Medium #3 Long</b>
<b>1</b>	<b>Blower belts (6) furnish and install</b>	<b>\$ 300.00</b>	<b>#1</b>
<b>2</b>	<b>Blower filter (2)</b>	<b>200.00</b>	<b>#1</b>

3	Generator	8,000.00	#1
4	Pressure gauges (2)	150.00	#2
5	Voltage monitor	500.00	#1
6	Photo Cell for lighting	150.00	#3
7	2" ball valves	300.00	#3
8	Boom #1 tracking	500.00	#2
9	Boom instrument bulbs	50.00	#3
10	Winch (2) for digesters	300.00	#3
11	Solids in CCC	1,000.00	#1
12	Barscreen	5,000.00	#3
13	Pressure wash, prime & paint	7,000.00	#3
14	Sandblast, prime, paint CCC	2,000.00	#3
15	Diesel containment	2,000.00	#1
16	Drying bed drainage and controls	5,000.00	#2
17	Pond berms restructuring, cleaning and hydraulics	40,000.00	#2
18	Backflow preventer	350.00	#1
19	Solids removed	3,000.00	#2

Collection System:	Estimated Cost	Ranking: #1 Immediate #2 Medium #3 Long
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1	Cleaning, televising, and smoke testing	20,000.00	#3
2	Manhole rehabilitation	5,000.00	#3
3	Lift station coating & rehabilitation	8,000.00	#3
4	Wild Turkey lift station	4,000.00	#1
5	Enoch Lane lift station	1,500.00	#3
6	Wood Ibis lift station	6,500.00	#1
7	Carnie Circle lift station	1,500.00	#3
8	Fenner Circle lift station	8,500.00	#1
9	Cypress Plantation lift station	2,000.00	#2
10	Bonita Pines lift station	10,000.00	#2
11	Eagle Point lift station	4,000.00	#3
12	Sandy Hollow lift station	12,000.00	#1
13	Carnustie Court lift station	1,500.00	#3

7. With respect to the emergency generator, which is noted as Item #3 under the wastewater treatment plant and related facilities section above, we found that the engine radiator was cracked, the oil was thick, the wiring bad, and the battery was dead. In my opinion, the emergency generator has not been serviced for several years, if at all. It is vital to have an operating emergency generator in the event that electricity is lost for an extended period of time.

8. Each lift station is required to have two (2) pumps, as designed. This redundancy is needed to maintain the system in case one of the pumps goes out, so that the other pump can continue to run the system. Severn Trent's inspection of the lift stations found that about half of them were in a state of disrepair and either had some pumps not working or needed some type of electrical work. These items are reflected under the collections system section.

9. With respect to the Sandy Hollow lift station, which is Item #12 under the collections system section above, Severn Trent had to make emergency repairs because one lift station pump did not work. With respect to the Fenner Circle lift station, which is Item #8 under the collections system section above, both lift station pumps were burned up. This necessitated the taking of the backup pump at the Sandy Hollow lift station to use at the Fenner Circle, and the rental of a temporary aboveground pump for the Sandy Hollow lift station, until a new pump could be ordered.

10. The repair items noted under the Wastewater Treatment Plant and related facilities section, reveal that the plant needs a lot of maintenance, even though it is relatively new. This is especially true for the chlorine contact chamber ("CCC"), which is Item #11 in this section. The CCC is rusted, had an accumulation of solids and has the potential to overflow. Also, there are indications of needed repairs with the blowers, the barscreen, and an abundance of solids in the digester.

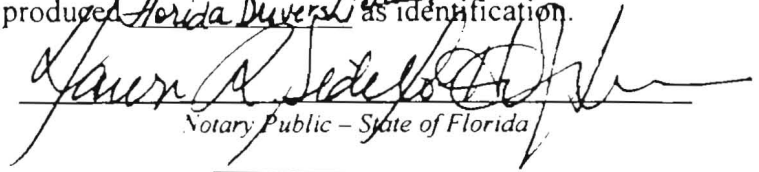
11. The bottom line is that if the repairs noted above are not done, there is a substantial and serious threat that the wastewater treatment and/or lift station facilities could fail, resulting in a loss of service and serious environmental contamination.

FURTHER AFFIANT SAYETH NAUGHT.

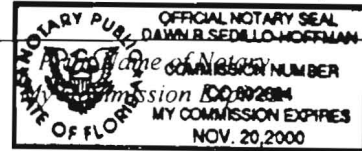


MICHAEL ANGEL  
SEVERN TRENT ENVIRONMENTAL SERVICES  
5180 Tice Street, Fort Myers, Florida 33905  
Ph: 941-693-7112

Subscribed and sworn to before me this 7<sup>th</sup> day of September, 1999 by MICHAEL ANGEL who is personally known to me or produced Florida Diver's License as identification.



Notary Public - State of Florida



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