



June 13, 2016

VIA E-FILING

Carlotta S. Stauffer, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 110200-WU; In re: Application for increase in water rates in Franklin County by
Water Management Services, Inc.
Our File No. 46023.01

Dear Ms. Stauffer:

Water Management Services, Inc. ("WMSI" or "Utility") submits the attached in response to Staff's Ninth Data Request dated May 27, 2016.

Should you or Staff have any questions concerning this filing, please do not hesitate to give me a call.

Very truly yours,

MARTIN S. FRIEDMAN
For the Firm

MSF/

cc: Gene Brown (via e-mail)
Sandy Chase (via e-mail)
Margo Leathers, Esquire (via e-mail)
J. R. Kelly, Esquire (via e-mail)
Amber Norris (via e-mail)

1. Referring to Change Order Request No. 1, please state the reason and justification for the \$265,656 increase for the work to be performed under the January 16, 2014 contract.

1. Change Order No. 1 was for \$295,656, not \$265,656. Between the January 15, 2014 contract and the March 5, 2015 change order, Water Management Services, Inc., (WMSI) and its engineer made substantial changes to the construction project, including the following:

(1) The amount of 12" raw water main was increased by 1,232 linear feet, at an additional cost of \$73,905.

(2) The cost of the chlorination system was reduced by \$8,200.

(3) The number of high service pumps was increased from 4 to 6, and the cost was reduced by \$50,254.

(4) The size of the generator at the new plant was increased to 350 kw and the cost was increased by \$32,100.

(5) The cost of the pump control system was increased by \$4,499.

(6) The cost of the ground storage tank was increased by \$127,938 due to several factors. After the January 15, 2014 contract was signed, FEMA increased the minimum flood elevation on St. George Island from 9 feet to 11 feet on February 5, 2014. That required a much more substantial and expensive foundation to support the higher tank with 600,000 gallons of water. Also, after the original contract for the tank was signed, DEP and Franklin County required the construction of a retention pond and security fence on the tank site. The size of the aerator on top of the tank was also increased at the request of the SGI operators, and other modifications were made to make the tank more efficient.

(7) When the January 15, 2014 contract was signed, the price of the facilities building was based upon a basic pump house design with a frame building on 8" x 8" pilings, to be built at a 100 year flood elevation of 9". When change order #1 was signed, the building plans were modified to include 5,160 sq. ft., including a 360 s.f. storage area, all with concrete siding. The foundation was changed to include a concrete stem wall with a concrete floor at an elevation of 11' above sea level to provide added flood protection for the pumps, electrical system, generator and SCADA system. This was done because of the FEMA increase in the minimum floor elevation on February 5, 2014. The revised plans also included an enclosed garage with an automatic door for the storage of all of WMSI's heavy equipment. The cost of the building was increased from \$213,800 in the January

15, 2014 contract to \$501,600, an increase of \$287,800. That is \$97.21 p.s.f. for the total finished area of 5,160 square feet.

(8) The cost of the air conditioning system was increased by \$10,000 to include a four zone system with one additional unit. This was necessary because of the increase in the size of the building and the increase in the number of high service pumps and variable speed drives for those pumps.

(9) The cost of the initial site work was reduced by \$11,254, primarily because some of that cost was transferred to the additional foundation work required for the storage tank and the new plant building.

(10) The cost of the SCADA system was increased by \$948, partially because the number of pumps and VFD's was increased from 4 to 6.

(11) The revised plans deleted 800' of 8' water main, and the contract price was reduced by \$27,679.

(12) The revised plans deleted 1100' of 8" water main, and added 200' of 12" water main. The net reduction in the contract price was \$26,778.

(13) The extra wall in the storage tank was deleted, and the cost was reduced by \$22,510.

(14) The price of the generator for the 3rd well was increased by \$1.00 to take care of a rounding error.

(15) An additional 306 l.f. of 6" pipe was required for two tie-ins to the distribution system, and the cost of those tie-ins was increased by \$7,640 to pay for that.

(16) The higher elevation required by FEMA after February 5, 2014 made it necessary to build a higher and much more substantial foundation for the ground storage tank. Substantially all of that extra cost was allocated to the tank portion of the contract, and the separate item in the January 15, 2014 contract for additional foundation and site work in the amount of \$65,000 was deleted.

(17) A separate item for additional piping to the construction site in the amount of \$37,500 was deleted because the cost of that piping was included in the pipe work specified in the AIA document attached as part of change order number 1.

The increases and decreases referenced above are as follows:

(1)	\$ 73,905
(2)	(8,200)
(3)	(50,254)
(4)	32,100
(5)	4,499
(6)	127,938
(7)	287,800
(8)	10,000
(9)	(11,254)
(10)	948
(11)	(27,679)
(12)	(26,778)
(13)	(22,510)
(14)	1
(15)	7,640
(16)	(65,000)
(17)	<u>(37,500)</u>
	\$295,656

2 . Pages 1 and 2, of Change Order Request No. 2, lists a total of 33 items upon which an \$85,272 increase is based upon. Please provide the reason and justification for each of the 33 items listed on the requested change order.

1. WMSI requested its surveyor to place a benchmark at the construction site of the new plant facilities building to show the new 11' elevation required by FEMA. The surveyor put a nail in a tree on the site as a reference for this elevation. WMSI and its contractor assumed the nail was at 11', and the foundation for the building was built to the elevation of the nail. However, after setting the nail, the surveyor sent an email stating that the nail was just a point reference and that approximately 7" had to be added to the nail elevation to reach 11'. That required the contractor to go back and raise the foundation by adding additional block, which also required additional time, labor and cost.
2. The number of high service pumps was increased from 4 to 6, and the pump supplier pointed out that those pumps would leak a significant amount of water. To facilitate the removal of that water from the building, the plans were modified to add two floor drains in the pump room which

now drains the extra water to the outside. This cost extra.

3. After the first change order was signed, WMSI decided to move its administrative and billing offices to the new plant facility, including all customer files, office furniture, equipment, and related property. The plans for the new building did not include enough room for all the files, so a decision was made to build an upstairs file storage room with 300 sq. ft. of space. Because of the weight of the files and the fact that the upstairs room was not in the plans at the time of the first change order, a heavy floor had to be added to support the upstairs file room, at an additional cost.
4. The structural engineer for WMSI's contractor pointed out after the January 15, 2014 contract was signed that the large automatic door to the equipment garage was not designed to withstand the extreme wind loading requirements on St. George Island. Accordingly, that door had to be redesigned with heavier metal and supports, and with a higher price.
5. The extra layer of concrete block required to raise the foundation as noted under number 1 above resulted in an unattractive exterior around the exterior at the increased elevation. To make this more attractive, a band of 10" decorative hardie board trim was added around the entire base of the building at the 11' elevation, at an additional cost.
6. When the January 15, 2014 contract was signed, the chlorine facilities were designed to be in a stand-alone building on the ground storage tank site. When Franklin County and FDEP required a retention pond in that area, the plans were revised to house the chlorine facilities in two rooms in the new building with 3 doors. After the first change order was signed, it was determined that the FDEP rules require that all three doors out of the chlorine areas must be exterior doors, and that emergency release hardware was required on all three doors. That resulted in additional cost.
7. The heavy, redesigned garage door required that angle iron and channel iron to be added to the garage door jam to meet the high wind loading requirements on St. George Island and to support the increased weight of the door. This cost extra.
8. The original plans had normal roof trusses, but the size and cost of those trusses had to be increased to support the added weight of the storage room on the new second floor.
9. The contractor's structural engineer recommended that all the components

of the plant facility building be upgraded to a thicker product to support the second floor addition and the high wind loading requirements on St. George Island. That included wall sheeting, which was more expensive.

10. For the reasons referenced above, the roof sheeting was upgraded from 1/2" to 5/8", at additional cost.
11. For the reasons referenced above, the wall sheeting was upgraded from 1/2" to 5/8", at additional cost.
12. Based on recommendations from the contractor's structural engineer, extra blocking for the garage was required, which resulted in additional labor and cost.
13. To meet the high wind loading requirements on St. George Island, blocking was required for all the plywood joints on the roof. This resulted in additional labor and cost.
14. The roof blocking referenced in No. 13 above required extra material at an additional cost.
15. The structural engineer recommended that all the sheet rock be 5/8" instead of 1/2". This was done at an additional cost.
16. The structural engineer recommended 40 additional 2" x 8" x 12" studs in the walls to meet the high wind loading requirements on St. George Island. This was done at an additional cost.
17. For the reasons set forth in number 16 above, the wall studs were doubled up, which required additional labor and cost.
18. The upstairs storage room required a set of stairs consisting of 19 steps, which resulted in additional cost.
19. The upstairs storage room required 2" x 6" studs for the wall framing for support, including tie downs for hurricane protection, at an additional cost.
20. The relocation of WMSI's administrative and billing offices to the new plant required the addition of a private conference room separate from the billing/customer area. This required a new wall and interior door, at an additional cost.
21. The upstairs file storage room required additional sheet rock at an

additional cost.

22. Framing up the file storage room required additional materials and labor, at an additional cost.
23. The WMSI paper files are very heavy and they were to be stored at an elevation in excess of 20 feet in the upstairs file room. To meet the wind loading requirements on St. George Island, extra heavy plywood and flooring was needed at an additional cost.
24. After the 6 pump skid and overhead pulley was designed, it was determined that the downstairs ceiling height had to be increased by 10". That required additional labor and materials, as well as additional cost.
25. When the original 4 pump plan was replaced with a 6 pump skid plan, it was determined that the door out of the area was too small for removal of the skid. That door was then replaced with a special order window at an additional cost.
26. The substitution of a window for a door as referenced in No. 25 above required re-framing at an additional cost.
27. WMSI decided to change from shingles to a metal roof, which is more fire and hurricane resistant. That resulted in an additional cost.
28. After the number of high service pumps was increased from 4 to 6, the engineers and electricians determined that additional support was required for a 3 phase electrical panel. That resulted in additional cost.
29. WMSI's operator determined that 5/8" plywood was needed in the pump room, the mechanical room, the generator room, the garage and the 2 chlorine rooms in place of standard sheet rock. This was done to prevent mildew and other problems. That substitution of material resulted in additional cost.
30. Moving the administrative and billing offices of WMSI required a counter for the customers and additional shelving at an additional cost.
31. The size of the AC units was increased to 5 tons, and a "mini-split" unit was added in the control room to handle the heat from 6 VFD's and the electrical control unit. The increase in the size of the AC units was necessary after WMSI decided to move all of its administrative and billing functions, and to add a second floor and a conference room, along with an

increase in the number of high service pumps and VFD's. This all resulted in additional cost.

32. After the decision was made to move all of WMSI's island personnel to the new building, additional cabinets and appliances were needed. This resulted in additional cost.
33. When the first change order was signed, the plan was to have large open areas with plywood floors. When the decision was made to move all the island employees and functions to the new building, the plans were changed to provide for vinyl flooring at an additional cost.

NOTE: As of April 1, 2016, WMSI retired all of its old plant that had been used for administrative and billing functions. That property has been retroactively moved from plant in service to non-utility property, based upon the following entries which were recently made in the following accounts.

Acct. #	Description	DR	CR
121.10	Non-Utility Property	\$103,295.16	
304.5	Structures-General		\$153,457.29
108.015	A/D-Structures-General	\$ 50,162.13	

To reclass old building from rate base

108.015	A/D-Structures-General	\$ 42,455.41	
304.5	Structures-General		\$42,455.41

To scrap full-depreciated structure

WMSI is keeping all other components of the old plant in service as a back-up to the new system, and so both systems can be operated at the same time in case of a major emergency, such as a hurricane or major fire. With all 3 storage tanks available, WMSI now has over 1,000,000 gallons of water storage on the island to meet any type of emergency, such as a break in the supply main between the island and the wells on the mainland, some of which are over 7 miles from the plant on the island.

3. Page 2, of Change Order Request No. 2, lists 1 item upon which a \$9,590 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

The length of the pipe installed was increased, and the price per linear foot was increased because it had to be installed in a wet area. The total price increase was \$9,590.

4. Page 2, of Change Order Request No. 2, lists 1 item upon which a \$19,228 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

The length of the pipe installed was increased, and 500 linear feet of elevated ductile iron had to be installed over a swamp in lieu of regular PVC pipe. This resulted in a cost increase of \$19,228.

5. Change Order Request No. 3, lists 1 item upon which a \$5,511 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

When the plans were changed from a 4 pump system to a 6 pump system on a skid, WMSI agreed to purchase a Supervisory Control and Data Acquisition (SCADA) system based on a Ladder Logic Control program. This allows WMSI's operators to remotely monitor and control the pumps, the wells and other components of the system. This remote monitoring and control required the purchase of three "Surface Pro" laptops, one for the operator, one for the assistant operator, and one for the director of technology/operator trainee. The extra cost was \$1,762.97 each, for a total of \$5,289, plus \$222 for miscellaneous parts and supplies, for the total of \$5,511 on the change order.

6. Change Order Request No. 3, lists 1 item upon which a \$198,750 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

In 2005, a storm damaged the water main inside the state park on St. George Island. WMSI immediately repaired the line to restore service to the park. However, WMSI's management and the state park manager recognized at the time that it would be difficult to continue to repair almost 1.5 miles of the line because it was located on the beach adjacent to a road that the state had abandoned and rebuilt at inland location to prevent future damage. On September 8, 2005, the state requested WMSI to build a new line at the new inland location. See Ex."A" attached. During the past several years, WMSI discovered several leaks in the old line on the beach, but the state would not allow WMSI to move its equipment in to repair the leaks because the line was seaward of the DEP coastal construction control line in a pristine high dune area. Some of the line was laying on top of the beach, and some of the line was buried under 15' sand dunes. This made it difficult for WMSI to meet its requirements to minimize water loss under its NFWMD consumptive use permit, and for WMSI to otherwise avoid the unnecessary loss of water.

After WMSI saved \$260,000 on the price of the building site, and after

WMSI closed on a \$6,000,000 loan that could only be funded after certification of necessary improvements to the system, and which would be lost if not spent, WMSI decided it would be prudent to build the new water line in the state park as requested by the state 10 years earlier, while the funds were available. Attached is a copy of a letter from the current Park Planning Manager, together with easements and maps to show where the new line was built. See Composite Exhibit "B" attached.

7. Change Order Request No. 4, lists 1 item upon which a \$70,350 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

The contract of January 15, 2014 had insufficient funds allocated for road bores or crossings. As the plans were modified and as the work progressed, it was determined that a total of 15 road bores were required to complete the project. This required special equipment to bore under paved roads, commercial parking lots, driveways and totally wet areas. This also required special dewatering equipment. This required the installation of heavy metal conduit large enough to house the water supply and water distribution mains being installed. The cost of all that extra labor, equipment and material was \$70,350.

8. Change Order Request No. 5, lists 1 item upon which a \$4,177 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

WMSI decided to add a new, state of the art security system to protect the new plant and all the controls. The cost of this system, which is tied in with the SCADA system, was \$4,177.

9. Change Order Request No. 5, lists 1 item upon which a \$16,884 increase is based upon. Please provide the reason and justification for the 1 item listed on the requested change order.

As explained above, the new SCADA system allows the WMSI generators to remotely monitor and control the entire system, including the high service pumps on the island and the pumps at all 4 wells on the mainland. That includes the ability to remotely read all 4 wells, which saves the expense of having a technician go to each well each day, some of which are over 7 miles from the plant. The old meters at the 4 wells did not allow this technology, so 4 new well meters were installed at a total cost of \$16,884.

10. In the application filed with the Commission on September 21, 2012, Document NO. 06374 stated "WMSI located 24 bank-owned lots which were obtained through foreclosure and which can be purchased and which can be purchased for \$190,000." The following items relate to these lots.

- a. **Please provide the original survey performed for the purchase of these lots.**

Attached as Exhibit "C" is a copy of a survey/sketch dated July 23, 2012, which was done for TBTB, LLC, another prospective buyer of the lots. This survey/sketch shows the wetlands line and the wetlands setback line. Construction is not allowed on the wetland side of that setback line. That left only lots 7, 22 and 23 that were buildable in addition to the 8 lots. WMSI did not have a survey done when it purchased the lots. The wet area was obvious, and WMSI had to have the 8 lots with or without a survey. WMSI knew that only 3 of the other 16 lots were buildable. They were bought as an accommodation to make sure WMSI got the 8 lots it had to have.

- b. **Please provide the elevational survey associated with these lots.**

Attached as Exhibit "D" is a boundary and topographical survey for the 8 lots used for the new plant and ground storage tank. WMSI does not have a topographical survey for all 24 lots, other than the survey/sketch attached as Exhibit "C" showing the wetlands area and wetlands setback line. The lots were bought "as is", with no survey or guarantees from the bank.

- c. **Please provide all documentation from DEP and any other governmental authority that assigns a "wetlands" designation to lots 1-4 and 26-30 as referenced in the appraisal provided in response to staff's eighth data request.**

WMSI has no documentation from DEP or anyone else regarding a "wetlands" designation, except for the reference on Exhibit "C" which shows that Garlick Environmental in Apalachicola made the designation. The principal in Garlick Environmental is Dan Garlick, who is the leading expert in Franklin County regarding wetland classification.

- d. **Please explain why the utility sold 16 of the 24 lots to Brown Management Group, Inc. rather than keep the land and designate it as Plant Held for Future Use?**

WMSI's management did not see any advantage for WMSI to own the 16 lots directly rather than indirectly as the 100% owner of Brown Management Group, Inc. In either event, they would not be part of plant in service for rate purposes. There would just be extra expense for taxes, etc., and extra bookkeeping for non-utility property. There was no reason

to believe the 16 lots should be "Property Held for Future Uses", because it would be difficult to argue that WMSI had a "definite plan" for their "future use" as required by NARUC to put them in Account 103. The lots were mostly underwater and WMSI knew of no "definitive" potential use in the future. Only 3 of the 16 lots were buildable as being outside the wetlands setback line. Those 3 lots were not all contiguous and were only 25' wide. Since the project was finished, WMSI has decided to build a pipe rack on one of the lots, and that lot (7) has been sold back to WMSI for \$10,000, together with 3 other lots which are not buildable because of the wetlands setback. (Exhibit "E"). WMSI has also sold the other two buildable lots (22 and 23) back to WMSI for \$20,000, together with 10 other lots that are not buildable cause of the wetlands setback line. (Exhibit "F"). This was done to mitigate the issue this transaction has caused. That valuation of \$10,000 for each of the 3 buildable lots is the same valuation that WMSI placed on the 24 lots when the 160/30 allocation was made at the time the 8 lots were booked by WMSI for \$160,000, at \$20,000 per lot.

WMSI continues to believe that \$160,000 was a fair allocation of actual value for the 8 lots. In the Order that authorized this project, the Commission approved the purchase of seven 25' x 135' lots for \$420,000, which is \$17.78 p.s.f. for a total of 23,625 s.f. of property. However, those seven lots did not extend all the way through an entire block fronting on 3 streets with a 30' alley in the middle to be used 100% by WMSI. Not counting the 3,000 s.f. of usable space in that alley, the price paid for the site on which the project has now been built came to \$5.93 p.s.f. for 27,000 s.f. When the 3,000 s.f. in the alley is added for a total of 30,000 s.f. of usable space, the actual price paid by WMSI for the site was \$5.33 p.s.f., as compared with the approved site at \$17.78 p.s.f. Except for the 7 approved lots, there were no other suitable lots for sale at the time the 8 lots were acquired as part of the 24 lot acquisition.

When WMSI bought the lots, there were several pending offers to buy the 8 lots, some for all 8 lots and some for just a corner block of 4 lots. Either way, if someone else bought any of the 8 lots, WMSI would have lost the site, which was much better than the 7 lot site. Because of the competing offers, WMSI did not believe it could buy the 8 lots alone for any less than \$20,000 per lot, which was the Franklin County assessed value. However, WMSI knew the bank really wanted to sell all 24 lots at once in a quick cash deal, so the \$190,000 offer was made and accepted by the bank. The purchase of the 24 lots as a bulk, cash sale was done as an accommodation to WMSI to assure that someone else would not acquire 4 or all 8 of the "good" lots that WMSI had to have. If that had happened,

WMSI would have been left with the 7 lots for \$420,000.

Nobody wanted the 16 lots in or near the marsh, and there was no particular advantage to Brown Management in acquiring them. They still had to be pledged to Ameris Bank as part of a \$6,000,000, 25 year mortgage with no release clause. That meant that Brown Management would just have to pay the taxes, etc. for 25 years with no return on its investment. Taxes on the 16 lots deeded to Brown Management, Inc. were \$5,257.68 for 2015. Assuming that the taxes never increase during the term of the mortgage, which is unlikely, that means BMG will have to pay out \$131,440 ($25 \times \$5,257.68$) during the 25 year term of the WMSI mortgage, with no possible return. That means BMG would have at least \$161,442 invested in only 3 usable but isolated lots with limited usefulness. Under these circumstances, the allocation of \$20,000 per lot on the 8 lots and the allocation of \$10,000 per lot on the other 3 isolated lots was a fair and reasonable allocation. It is difficult to build anything on a 25' lot by itself, especially on an island with no sewer system where an aerobic system must be built on the same lot as the structure. That is another reason the 3 isolated lots were worth less per lot than the 8 lots with a 30' alley containing 30,000 s.f. in one place with frontage on 3 streets. In any event, all 24 lots are now owned by WMSI, which submits that the allocation of \$160,000 for the building site and \$10,000 for the pipe storage site is a fair and reasonable price to be included as part of plant in service.



Jeb Bush
Governor

Department of Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Colleen M. Castille
Secretary

September 8, 2005

Mr. Gene D. Brown
Water Management Services, Inc.
3848 Killlearn Court
Tallahassee, FL 32308

Re: Dr. Julian G. Bruce St. George Island State Park
Restoration of Water Service

Dear Mr. Brown:

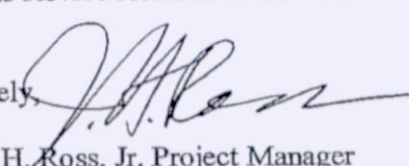
We appreciated the opportunity to meet with Mr. Jack Steel of your staff at the park to review the storm damaged water line at the state park. He advised us that he would be meeting with you to discuss the method and schedule on replacing the water main service throughout the park. At that meeting we promised him a "map" that depicts the general layout of the water main prior to the storm. Enclosed please find that map.

Pursuant to our agreement with your company, we look forward to the water service being restored so that we may resume operation and use of the park facilities. Since the Camping Area did not receive much storm damage, we would like to get that facility back in use as soon as possible. Since this is located near the end of the park road, the water service will need to be fully installed before we can re-open this facility.

If any of the existing 8" water line is to be re-used, then it must be thoroughly tested to ensure that no leaks have resulted from the storm. As you probably know, almost 1.5 miles of the waterline remains on the "abandoned" road right-of-way located between the existing road and the beach. This is the area where several hundred feet of the waterline was washed away. Due to the storm surge, the remaining waterline located in this area has very little cover remaining over it. This entire section needs to be relocated to the present road shoulder to prevent future uncovering and breakage.

We look forward to working with you on getting this service restored at the earliest opportunity.

Sincerely,


James H. Ross, Jr. Project Manager

Enclosure

cc: Danny Jones, Chick Saverling, Kevin Jones

EXHIBIT "A"



Florida Department of Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Jonathan P. Steverson
Secretary

January 5 , 2015

Mr. Gene D. Brown, President
Water Management Services, Inc.
250 John Knox Road, 32303

Mr. Brown,

The Division of Recreation and Parks (DRP), leaseholder of Dr. Julian G. Bruce St. George Island State Park (Park) under lease No. 2992 has reviewed Water Management Service's (WMS) request for easement, and has determined that this use is not inconsistent with the goals of the Park's approved management plan. Additionally, DRP has no objection to the use of the Park for the sole purpose of installing a water service main in the area as indicated in Exhibit A attached here. The Division recognizes that the installation of the new water service main will be solely beneficial to the Park and its resources.

In an effort to reduce impacts to sand dune structures, the applicant has agreed that the current existing pipeline, once disconnected from the water source will remain intact and undisturbed. Further, all required permitting for the relocation and installation of the new water main will be the sole responsibility of WMS. For questions regarding permitting, the Bureau of Natural and Cultural Resource's Coastal Project Manager can be reached at (850) 245-3170.

Should the Acquisition and Restoration Council (ARC) recommend approval of the proposed easement, followed by final approval by the Board of Trustees of the Internal Improvement Trust Fund, DRP requests that the following Special Conditions be included in the easement instrument.


Special Conditions for St. George Island State Park

- A. GRANTEE shall coordinate all construction or maintenance activities (5) five days in advance with the manager of the Dr. Julian G. Bruce St. George Island State Park ("Park") or manager's designee (acting in their capacity as "Park Manager") 850-927-2111.
- B. GRANTEE after consultation with the Park Manager shall establish a safe zone by providing signage and fencing as needed to prevent access to the staging area, the

EXHIBIT "B"

- worksite and areas worked by heavy equipment. GRANTEE shall take all necessary safety measures as determined by Park Manager to ensure the safety of Park visitors and staff during all construction processes.
- C. GRANTEE shall keep fuel and other hazardous or flammable liquids and powders in a double walled container with a catch basin, and conduct refueling operations within the approved staging area only.
 - D. GRANTEE shall ensure that all stationary and mechanized equipment to be used on the Park has been thoroughly cleaned to help prevent exotic or invasive species from entering the Park. The Park Manager reserves the right to inspect and deny Park access to equipment that has not been sufficiently cleaned.
 - E. GRANTEE shall follow the Park Manager's instructions concerning special Park rules with special regards to protection of the Park's plants and animals, vehicular traffic and Park visitors.
 - F. GRANTEE shall meet with the Park Manager or his designee regarding obtaining after hour permits for entering the Park during after Park operating hours if necessary.
 - G. GRANTEE shall ensure that no activity will take place within 300 feet of nesting shorebirds, including, but not limited to, least terns, plovers and snowy plovers.
 - H. The Park Manager shall have the ability to stop the project to ensure public safety, protection of natural and cultural resources, or for failure of GRANTEE to meet any of the terms and conditions agreed to.
 - I. GRANTEE shall endeavor to ensure that no access to the beach or any portion of the Park is disrupted while construction is underway or at any time during the term of this easement. In the event, due to the nature of activities related to this project, it becomes necessary to disrupt access to the beach or a portion of the Park for a limited period of time, GRANTEE, at its sole cost and expense, shall provide reasonable alternative access to the disrupted areas.
 - J. GRANTEE shall be responsible for any damage caused by the actions of its employee or subcontractors to Park facilities, Park property or personal property of Park visitors.
 - K. GRANTEE shall be responsible for obtaining all applicable permits that may be required for construction activities. Further, GRANTEE shall follow all of the special conditions made part of this easement.
 - L. The former water line south of Gulf Beach Drive and located in the sand dunes shall remain intact and left undisturbed in order prevent damage to the dune system. In the event, however a portion or portions of the old water line become exposed, then those portions shall be removed by GRANTEE.

Should you have any questions please feel free to contact me at 850-245-4080 or by email at Inman.Hartsfield@dep.state.fl.us .

Sincerely,

Inman Hartsfield,
Planning Manager
Office of Park Planning
Division of Recreation and Parks

Brown, Gene D.

Page 3 of 5

January 5, 2016

Cc: Sine Murray, Chief, Office of Park Planning
Tony Tindall, Acting Chief, Bureau of Parks, District 1
Joshua W. Hodson, Manager, St. George Island State Park
Marshall Flake, Coastal Project Manager, BNCR
Cheryl McCall, Chief, BPLA
Diane Martin, OMC Manager, BPLA

Easement No. 32918
Within BOT Lease No. 2992
County: Franklin
Sec. 8,17,18, Twp 09S, Rge 05W

EASEMENT

This Instrument Prepared By

Name: Diane L. McKenzie
Co. Name: State of Florida
Address: 3800 Commonwealth Blvd.
Tallahassee, FL 32399

Revised 04/15
[2.15 acres]

The undersigned, in consideration of the payment of \$1.00 and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, grants and gives to **WATER MANAGEMENT SERVICES, INC.**, a Florida corporation, its licensees, agents, successors, and assigns, a non-exclusive easement for a period of fifty (50) years commencing on the date of execution, for the construction, installation, use, maintenance, inspection, repair, replacement and removal of water utility line, within an easement 12 feet in width described as follows:

[See Exhibit "A" attached][the "Easement Area"]

Together with the right of ingress and egress to said premises at all times; the right to clear the Easement Area and keep it cleared of all trees, undergrowth and other obstructions within the Easement Area; to trim and cut and keep trimmed and cut all dead, weak, leaning or dangerous trees or limbs outside of the Easement Area which might interfere with the installed facilities; Provided, however, any allowed work within or around the Easement Area requires the coordination with and prior approval of the Park Manager, as hereinafter defined in Exhibit "B". The following special conditions shall apply to the easement:

[See Exhibit "B" attached]

IN WITNESS WHEREOF, the undersigned has signed and sealed this instrument on JANUARY 14th, 2016.

Signed, sealed and delivered
in the presence of:

David Lee Fewell
Witness Signature

DAVE FEWELL
Type/Print Witness Name

Kathy Creath
Witness Signature

Kathy Creath
Type/Print Witness Name

BOARD OF TRUSTEES OF THE INTERNAL
IMPROVEMENT TRUST FUND OF THE STATE OF
FLORIDA

By: Cheryl C. McCall
Cheryl C. McCall, Chief, Bureau of Public Land
Administration, Division of State Lands, Department
of Environmental Protection

Approved as to Form and Legality

By: [Signature] 1.14.16
DEP Attorney

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 14th day of JANUARY 2016, by Cheryl C. McCall, Chief, Bureau of Public Land Administration, Division of State Lands, State of Florida Department of Environmental Protection, acting as an agent for and on behalf of the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. She is personally known to me.

(SEAL)

Notary Public
Signature: David Lee Fewell

Printed Name: _____

My Commission Expires: _____

Commission No: _____



Vertical column of checkboxes on the right side of the page, with a label 'Reserved for Clerk of Court' at the bottom.

EXHIBIT "A"
"EASEMENT AREA"

Thurman Roddenberry and Associates, Inc.
Professional Surveyors and Mappers

PO Box 100
125 Sheldon Street
Sopchoppy, Florida 32358
USA

Phone: 850-962-2538
Fax: 850-962-1103

December 23, 2015

Legal Description of a 12 ft wide Water Line Utility Easement
Certified To: Water Management Services, Inc.

I hereby certify that this is a true and correct representation of the following described property and that this description meets the minimum technical standards for land surveying (Chapter 5J-17.051, Florida Administrative Code).

A 12.00 foot wide water line utility easement lying 6.00 foot each side of the following described centerline:

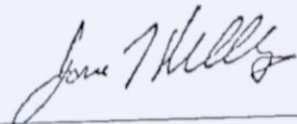
Commence at a DEP concrete monument (marked 49-80-B20) recorded in CCCL Book 1, Pages 20-38 of the Public Records of Franklin County, Florida and run North 60 degrees 19 minutes 39 seconds East 1229.86 feet to a DEP reference concrete monument (marked R110), thence run North 74 degrees 42 minutes 54 seconds East 297.81 feet to a point of a curve to the left said point being the POINT OF BEGINNING. From said POINT OF BEGINNING run Northeasterly along said curve having a radius of 981.00 feet; through a central angle of 20 degrees 02 minutes 18 seconds, for an arc distance of 343.09 feet; chord being North 49 degrees 21 minutes 35 seconds East 341.34 feet, thence run North 39 degrees 20 minutes 26 seconds East 302.20 feet to a point of curve to the right, having a radius of 1,019.00 feet, through a central angle of 22 degrees 09 minutes 45 seconds; for an arc distance of 394.16 feet, chord being North 50 degrees 25 minutes 18 seconds East 391.71 feet; thence run North 77 degrees 03 minutes 00 seconds East 112.14 feet; thence run North 60 degrees 46 minutes 40 seconds East 87.28 feet; thence run North 47 degrees 36 minutes 18 seconds East 79.02 feet; thence run North 63 degrees 46 minutes 14 seconds East 552.99 feet to a point of curve to the left, having a radius of 3,506.00 feet, through a central angle of 02 degrees 54 minutes 48 seconds; for an arc distance of 178.27 feet, chord being North 62 degrees 18 minutes 50 seconds East 178.25 feet; thence run North 60 degrees 51 minutes 26 seconds East 1,082.21 feet to a point of curve to the left, having a radius of 3,006.00 feet, through a central angle of 07 degrees 14 minutes 59 seconds; for an arc distance of 380.36 feet, chord being North 57 degrees 13 minutes 56 seconds East 380.11 feet; thence run North 53 degrees 36 minutes 27 seconds East 209.42 feet; thence run North 70 degrees 56 minutes 30 seconds East 73.12 feet; thence run North 53 degrees 16 minutes 35 seconds East 108.45 feet; thence run North 36 degrees 12 minutes 26 seconds East 70.81 feet; thence run North 53 degrees 30 minutes 15 seconds East 706.25 feet to a point of curve to the left, having a radius of 5,356.00 feet, through a central angle of 01 degrees 36 minutes 45 seconds; for an arc distance of 150.74 feet, chord being North 52 degrees 41 minutes 52 seconds East 150.74

BSM APPROVED
BY SK
DATE 12.30.2015

EXHIBIT "A"
"EASEMENT AREA"
(continued)

feet; thence run North 51 degrees 53 minutes 30 seconds East 184.65 feet; thence run North 73 degrees 09 minutes 11 seconds East 77.41 feet; thence run North 46 degrees 54 minutes 02 seconds East 96.01 feet; thence run North 34 degrees 09 minutes 03 seconds East 67.18 feet; thence run North 51 degrees 49 minutes 53 seconds East 434.57 feet to a point of curve to the left, having a radius of 4,356.00 feet, through a central angle of 03 degrees 20 minutes 13 seconds; for an arc distance of 253.69 feet, chord being North 50 degrees 09 minutes 47 seconds East 253.66 feet; thence run North 48 degrees 29 minutes 40 seconds East 968.35 feet to a point of curve to the left, having a radius of 531.00 feet, through a central angle of 20 degrees 44 minutes 28 seconds; for an arc distance of 192.22 feet, chord being North 38 degrees 07 minutes 26 seconds East 191.17 feet; thence run North 27 degrees 45 minutes 13 seconds East 302.43 feet to a point of curve to the left, having a radius of 596.00 feet, through a central angle of 09 degrees 29 minutes 36 seconds; for an arc distance of 98.75 feet, chord being North 23 degrees 00 minutes 25 seconds East 98.64 feet; thence run South 45 degrees 04 minutes 35 seconds East 289.99 feet to the POINT OF TERMINUS.

The undersigned surveyor has not been provided a current title opinion or abstract of matters affecting title or boundary to the subject property. It is possible there are deeds of records, unrecorded deeds, easements or other instruments which could affect the boundaries.



James T. Roddenberry
Surveyor and Mapper Florida
Certificate No: 4261

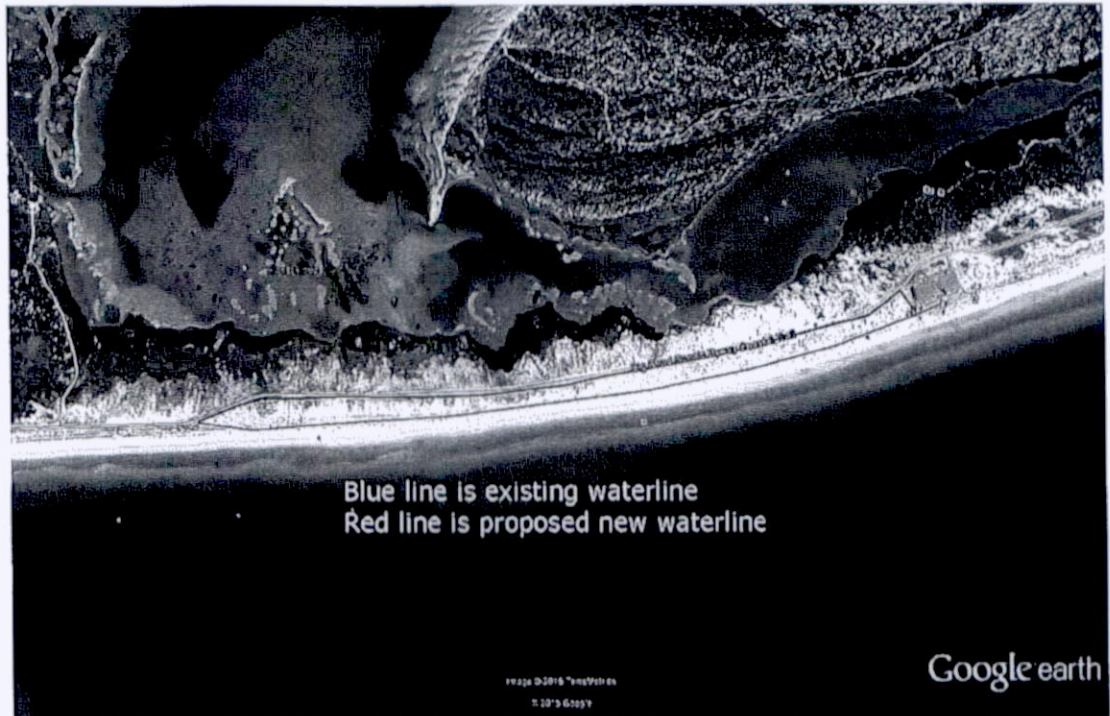
15-394

EXHIBIT "B"
SPECIAL CONDITIONS

The following special conditions shall apply to this easement:

- A. GRANTEE shall coordinate all construction or maintenance activities (5) five days in advance with the manager of the Dr. Julian G. Bruce St. George Island State Park ("Park") or manager's designee (acting in their capacity as "Park Manager") 850-927-2111.
- B. GRANTEE after consultation with the Park Manager shall establish a safe zone by providing signage and fencing as needed to prevent access by the public to the staging area, the worksite and areas worked by heavy equipment. GRANTEE shall take all necessary safety measures as determined by Park Manager to ensure the safety of Park visitors and staff during all construction processes.
- C. GRANTEE shall keep fuel and other hazardous or flammable liquids and powders in a double walled container with a catch basin, and conduct refueling operations within the approved staging area only.
- D. GRANTEE shall ensure that all stationary and mechanized equipment to be used on the Park has been thoroughly cleaned to help prevent exotic or invasive species from entering the Park. The Park Manager reserves the right to inspect and deny Park access to equipment that has not been sufficiently cleaned.
- E. GRANTEE shall follow the Park Manager's instructions concerning special Park rules with special regards to protection of the Park's plants and animals, vehicular traffic and Park visitors.
- F. GRANTEE shall meet with the Park Manager or his designee regarding obtaining after hour permits for entering the Park after Park operating hours if necessary.
- G. GRANTEE shall ensure that no activity will take place within 300 feet of nesting shorebirds, including, but not limited to, least terns, plovers and snowy plovers.
- H. The Park Manager shall have the ability to stop the project to ensure public safety, protection of natural and cultural resources, or for failure of GRANTEE to meet any of the terms and conditions agreed to.
- I. GRANTEE shall endeavor to ensure that no access to the beach or any portion of the Park is disrupted while construction is underway or at any time during the term of this easement. In the event, due to the nature of activities related to this project, it becomes necessary to disrupt access to the beach or a portion of the Park for a limited period of time, GRANTEE, at its sole cost and expense, shall provide reasonable alternative access to the disrupted areas.
- J. GRANTEE shall be responsible for any damage caused by the actions of its employee or subcontractors to Park facilities, Park property or personal property of Park visitors, and shall immediately repair and restore any damaged Park property or resources at GRANTEE's sole expense.
- K. GRANTEE shall be responsible for obtaining all applicable permits that may be required for construction activities. Further, GRANTEE shall follow all of the special conditions made part of this easement.
- L. The former water line south of Gulf Beach Drive and located in the sand dunes shall remain intact and left undisturbed in order prevent damage to the dune system. In the event, however a portion or portions of the old water line become exposed, then those portions shall be removed by GRANTEE.

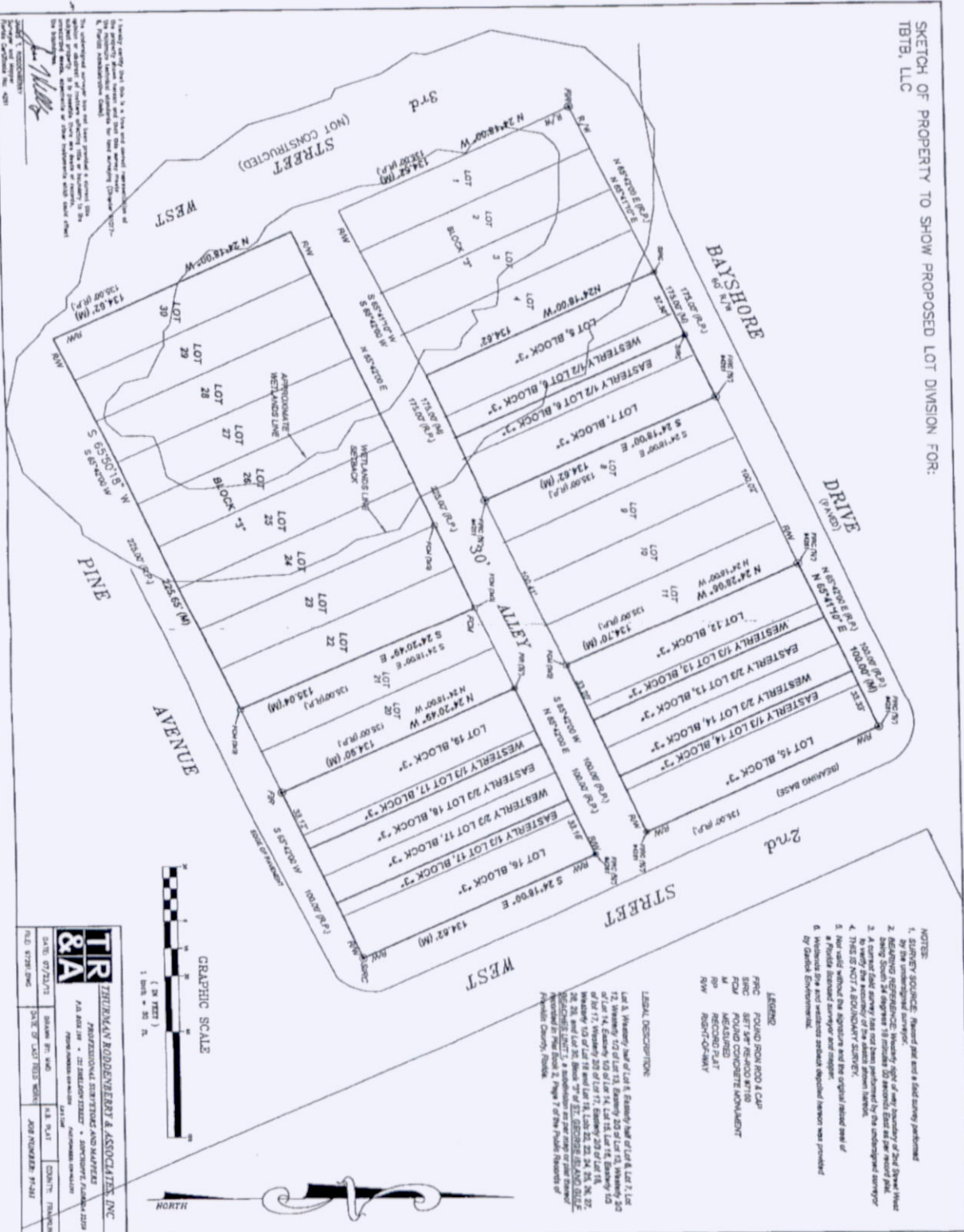
EXHIBIT "A"



Google earth



SKETCH OF PROPERTY TO SHOW PROPOSED LOT DIVISION FOR:
TBTB, LLC

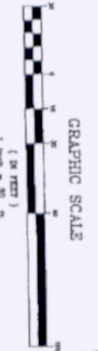


- NOTES:
1. UTILITY SOURCE: Record plat and a field survey performed by the undersigned surveyor.
 2. REMAINING REFERENCE: Whichever right of way boundary of Pine Avenue that being shown on any plat remains shown by the undersigned surveyor.
 3. A corner of the survey of the above shown lands.
 4. THIS IS NOT A BOUNDARY SURVEY.
 5. Not valid without the signature and the original record seal of a Florida Licensed Surveyor and engineer.
 6. Without GPS and satellite based geoidal datum was provided by Florida Environmental.

- LEGEND
- ROUND BOUNDARY CAP
 - EASIMENT
 - FOUNDED CONCRETE MONUMENT
 - M MEASURED
 - RP RECORD PLAT
 - RW RIGHT-OF-WAY

LEGAL DESCRIPTIONS

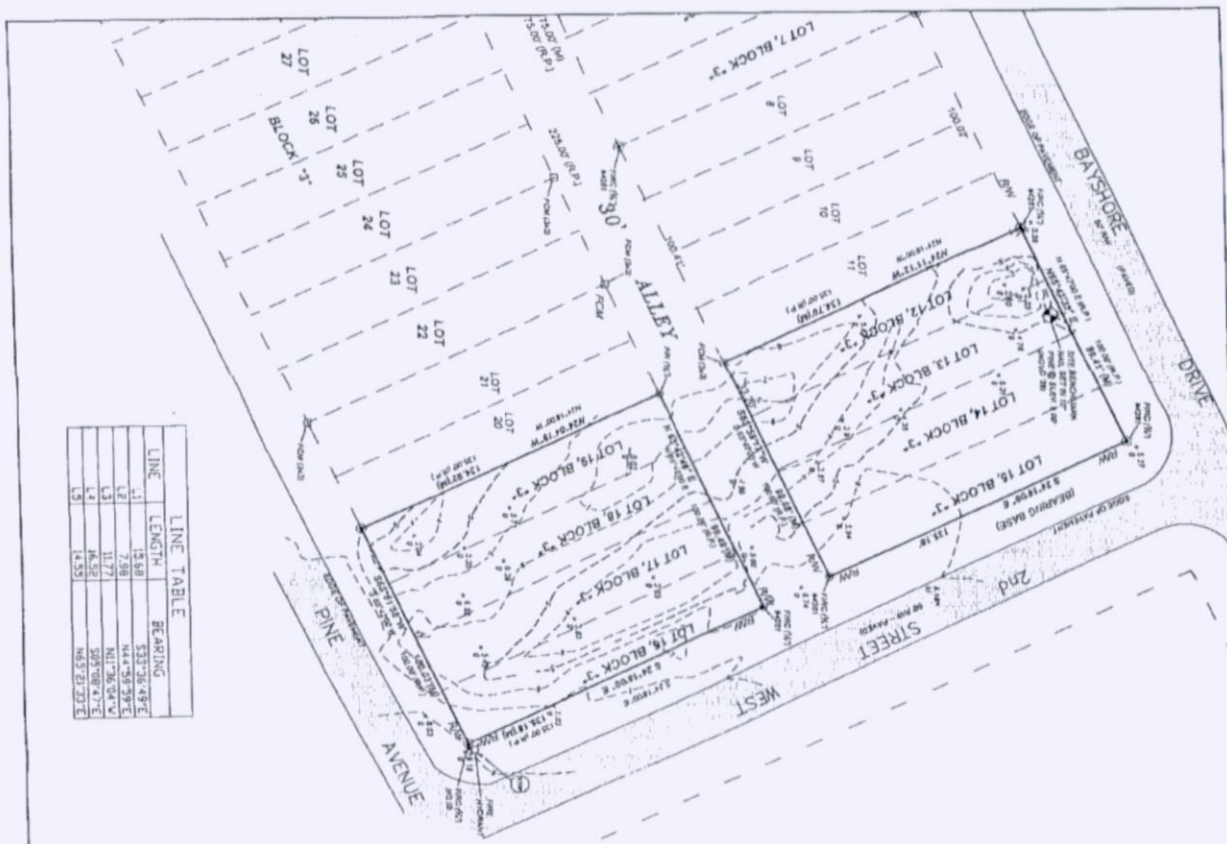
Lot 14, Whichever half of Lot 6, Eastern half of Lot 6, Lot 7, Lot 12, Whichever 1/2 of Lot 13, Eastern 1/2 of Lot 13, Eastern 1/2 of Lot 14, Whichever 1/2 of Lot 15, Eastern 1/2 of Lot 15, Eastern 1/2 of Lot 16, Whichever 1/2 of Lot 17, Eastern 1/2 of Lot 17, Eastern 1/2 of Lot 18, Whichever 1/2 of Lot 19, Eastern 1/2 of Lot 19, Eastern 1/2 of Lot 20, Lot 21, Lot 22, Lot 23, Lot 24, Lot 25, Lot 26, Lot 27, Lot 28, Lot 29, Lot 30, Block 3, West Street, Pine Avenue, West Street, Bayshore Drive, and the original record seal of a Florida Licensed Surveyor and engineer.



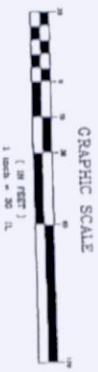
TR & A		THEIRISKAN RODDENEHEART & ASSOCIATES, INC.	
PROFESSIONAL SURVEYOR AND MEASURER		PROFESSIONAL SURVEYOR AND MEASURER	
DATE: 07/21/15	SCALE: 1" = 20'	DATE: 07/21/15	SCALE: 1" = 20'
BY: [Signature]	BY: [Signature]	BY: [Signature]	BY: [Signature]

EXHIBIT "C"

PLAT OF BOUNDARY AND TOPOGRAPHICAL SURVEY CERTIFIED TO:
WATER MANAGEMENT SERVICES



LINE	LENGTH	BEARING
L1	13.88	S33°36'45"E
L2	7.58	S44°59'59"E
L3	11.77	N17°36'04"W
L4	18.52	S07°09'47"E
L5	14.55	N65°21'33"E



- NOTES:
1. SURVEY BOUNDARY: Boundaries are and a field survey performed.
 2. BEARING INTERFERENCE: Unsurveyed right of way boundary of Pine Street West being shown 24 inches 18 inches 60 inches East as per record plat.
 3. A corner field survey has not been performed by the undersigned surveyor.
 4. THIS IS NOT A BOUNDARY SURVEY.
 5. The field method of measuring and the original plat and of
 6. Proposed street names were established by being NVD 28

- LEGEND
- PRIC FOUND FROM ROD 1 C&P
 - SINC SET 5/8" RE-ROD 8" HD
 - PCW FOUND CONCRETE MCKENBENT
 - M FOUND
 - RECORDED PLAT
 - REPT-C&P
 - REPT-C&P

LEGAL DESCRIPTION
 Lots 12, 13, 14, 15, 16, 17, 18 and 19 Block 3 of J.T. BROWN ESTATE, G.L.F. BROWN, TRUST, a subdivision as now may be said to have been returned in Plat Book 2 Page 7 of the Public Records of Franklin County, Florida.

FLOOD ZONE INFORMATION: Subject property is located in Zone 1AET (EL. 9) as per Flood Hazard Map No. 10022, Florida Department of Transportation, dated July 17, 2002, Franklin County, Florida.

TR & A
 THILMANN RODDENBERRY & ASSOCIATES, INC.
 PROFESSIONAL SURVEYORS AND MAPPERS
 4.9 BOX 1201, 115 SHELTON STREET - SPRINGFIELD, FLORIDA 32082
 PHONE: 386-463-2348 FAX: 386-463-1113
 E-MAIL: TR@TRAND.A
 STATE OF FLORIDA LICENSE NO. 11-17815-0001
 JOB NUMBER: 57-261

THIS INSTRUMENT PREPARED BY:
Gene D. Brown
250 John Knox Road
Suite 4
Tallahassee, FL 32303

WARRANTY DEED

THIS INDENTURE, made this 10th day of May, 2016, between BROWN MANAGEMENT GROUP, INC., a Florida corporation, whose address is 250 John Knox Road, Suite 4, Tallahassee, FL 32303, Grantor, and WATER MANAGEMENT SERVICES, INC., a Florida corporation, whose address is 250 John Knox Road, Suite 4, Tallahassee, FL 32303.

WITNESSETH:

That the said Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it in hand paid, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the following described land, situate, lying and being in Franklin County, Florida, to-wit:

Lots 4, 5, 6, 7, Block 3 West, of St. George Island Gulf Beaches Unit 1, according to the Plat thereof as recorded in Plat Book 2, page 7, Public Records of Franklin County, Florida.

SUBJECT TO: The Mortgages to Ameris Bank recorded on March 23, 2015 in Official Records Book 1140, page 411, and Official Records Book 1140, page 430, Public Records of Franklin County, Florida.

AND the Grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the Grantor has caused these presents to be signed and sealed the day and year first above written.

Signed, sealed and delivered in our presence:

Sandra M. Chase
Witness Signature
Sandra M. Chase
Printed Witness Name

Jessica C. Blankenship
Witness Signature
Jessica C. Blankenship
Printed Witness Name

BROWN MANAGEMENT GROUP, INC.,
a Florida corporation

By: Gene D. Brown
Gene D. Brown, as its President

EXHIBIT "E"

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 10th day of May, 2016, by Gene D. Brown, as President of Brown Management Group, Inc., a Florida corporation, who is personally known to me and who did not take an oath.

Sandra M. Chase
NOTARY PUBLIC



THIS INSTRUMENT PREPARED BY:
Gene D. Brown
250 John Knox Road
Suite 4
Tallahassee, FL 32303

Inst:201619002596 Date:6/3/2016 Time:2:34 PM
Doc Stamp-Deed:140.00
SM DC, Marcia Johnson, Franklin County B:1169 P:466

WARRANTY DEED

THIS INDENTURE, made this 31ST day of May, 2016, between BROWN MANAGEMENT GROUP, INC., a Florida corporation, whose address is 250 John Knox Road, Suite 4, Tallahassee, FL 32303, Grantor, and WATER MANAGEMENT SERVICES, INC., a Florida corporation, whose address is 250 John Knox Road, Suite 4, Tallahassee, FL 32303.

WITNESSETH:

That the said Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to it in hand paid, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs and assigns forever, the following described land, situate, lying and being in Franklin County, Florida, to-wit:

Lots 1, 2, 3, 22, 23, 24, 25, 26, 27, 28, 29, 30, Block 3 West, of St. George Island Gulf Beaches Unit 1, according to the Plat thereof as recorded in Plat Book 2, page 7, Public Records of Franklin County, Florida.

SUBJECT TO: The Mortgages to Ameris Bank recorded on March 23, 2015 in Official Records Book 1140, page 411, and Official Records Book 1140, page 430, Public Records of Franklin County, Florida.

AND the Grantor does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, the Grantor has caused these presents to be signed and sealed the day and year first above written.

Signed, sealed and delivered in our presence:

BROWN MANAGEMENT GROUP, INC.,
a Florida corporation

Jessica C. Blankenship
Witness Signature

By: Gene D. Brown
Gene D. Brown, as its President

Jessica C. Blankenship
Printed Witness Name

Sandra Chase
Witness Signature

Sandra Chase
Printed Witness Name

EXHIBIT "F"

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 31st day of May, 2016, by Gene D. Brown, as President of Brown Management Group, Inc., a Florida corporation, who is personally known to me and who did not take an oath.

Sandra Chase

NOTARY PUBLIC

